



Fair Work
Commission

5 December 2023

Craig McGregor
Secretary
Health Services Union-Victoria No. 3 Branch

Sent via email: info@vahpa.asn.au

CC: Bhanger@nexiasydney.com.au

Dear Craig McGregor

**Health Services Union-Victoria No. 3 Branch
Financial Report for the year ended 30 June 2023 – FR2023/35**

I acknowledge receipt of the amended financial report for the year ended 30 June 2023 for the Health Services Union-Victoria No. 3 Branch (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 5 December 2023.

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

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.

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
Assistant Director, Financial Analysis
Registered Organisations Services Branch

HEALTH SERVICES UNION OF AUSTRALIA VIC NO 3 BRANCH
(VICTORIAN ALLIED HEALTH PROFESSIONALS ASSOCIATION)

ABN 38 106 461 384

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023



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Introduction

for the year ended 30 June 2023

This financial report is prepared using the model financial statements provided by the Registered Organisations Commission, as defined under section 242 of the Fair Work (Registered Organisations) Act 2009 (RO Act), with a reporting date of 30 June 2023.

The enclosed financial report has been prepared in accordance with the requirements of applicable Australian Accounting Standards as they apply to a not-for-profit entity and the RO Act, including the 5th edition section 253 Reporting Guidelines. The financial report is intended to illustrate the disclosure requirements for the preparation of a general-purpose financial report under Tier 1— Australian Accounting Standards by a not-for-profit entity.

Certificate by prescribed designated officer¹

s.268 *Fair Work (Registered Organisations) Act 2009*

for the year ended 30 June 2023

I, Craig McGregor, being the Branch Secretary of the Health Services Union of Australia VIC No. 3 Branch certify:

- that the documents lodged herewith are copies of the full report for the Health Services Union of Australia VIC No.3 Branch for the period ended 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 05 December 2023; and
- that the full report was presented to a meeting of the Branch Committee of Management of the Health Services Union of Australia VIC No. 3 Branch on 04 December 2023 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:

Name of prescribed designated officer:

Title of prescribed designated officer:

Dated:

¹ 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.

Report required under subsection 255(2A)

for the year ended June 2023

The committee of management presents the expenditure report² as required under subsection 255(2A) on the reporting unit for the year ended June 2023.

Categories of expenditures	2023 (\$)	2022 (\$)
Remuneration and other employment-related costs and expenses – employees	2,471,714	2,497,242
Advertising	1,590	0
Operating costs	352,743	556,792
Donations to political parties	0	0
Legal costs	12,379	76,095

Signature of designated officer:

Name and title of designated officer:

Dated:

² Subsection 255(2A) provides a discretion to the reporting unit about how to report the required information. It is a matter for the reporting unit to determine whether the required information is presented in diagrammatic form such as, for example, a pie chart or whether it is reported in a descriptive form. Regardless, the reporting unit is only required to report the information in one format.

Operating report

The Branch Committee of Management presents its operating report on the Health Services Union of Australia Vic No. 3 Branch for the year ended 30 June 2023.

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

The Health Services Union of Australia Vic No. 3 Branch (the Branch) is a specialist Union that promotes and defends the industrial, professional and democratic interests of our members.

The principal activities of the Branch during the financial year consist of: organising Victorian Allied Health Professionals; training and education of members; providing individual members with informed and expert representation in workplace related matters.

Significant changes in financial affairs

There were no significant changes in the financial affairs of the Branch during the period.

Right of members to resign

Rule 10 sets out the terms under which a member of the Branch may resign.

10 (b) A member may resign from membership of the Union by notice in writing addressed and delivered to the Secretary of the member's Branch.

10 (c) Where the member ceases to be eligible to become a member of the Union, the notice of resignation will take effect on the later of the following two dates:

- (i) on the day on which the notice is received; or
- (ii) on the day specified in the notice, which is a day not earlier than the day when the member ceased to be eligible to become a member.

10 (d) Where the member has not ceased to be eligible to become a member of the Union, the notice of resignation will take effect on the later of the following two dates:

- (i) at the end of two weeks after the notice is received by the Union; or
- (ii) on the day specified in the notice.

10 (e) A notice delivered to the Secretary of the member's Branch shall be taken to have been received by the Union when it was delivered.

10 (f) A notice of resignation that has been received by the Union shall not be invalid because it was not addressed and delivered in accordance with rule 10(b).

10 (g) A resignation from membership of the Union shall be valid even if it is not effected otherwise in accordance with these rules if the member is informed in writing by or on behalf of the Union that the resignation has been accepted.

10 (h) Any dues payable but not paid by a former member, in relation to a period before the resignation took effect, shall be the amount owed by the member and may be recovered in accordance with rule 11.

Officers & employees who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee where bring a member or officer of a registered organisation is a criterion for them holding such position

To the best of our knowledge and belief, no officers or employees of the Branch are a trustee of a superannuation scheme or an exempt public sector superannuation scheme or a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

Number of members

The number of financial members at 30 June 2023 was 5,609 (2022: 5,457).

Total number of members (including un-financial) at 30 June 2023 was 5,775 (2022: 5,572).

Number of employees

The number of full-time equivalent employees at 30 June 2023 was 17.7 (2022: 19.4)

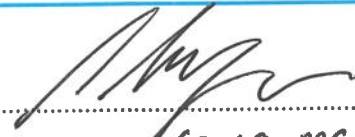
Names of Committee of Management members and period positions held during the financial year

Name	Position	Dates office taken	Date resigned
Cheryl O'Connor	President	06 Mar 2013	
Marni Jackson	Vice President	04 Aug 2022	
	Junior Vice President	11 Oct 2016	04 Aug 2022
Craig McGregor	Branch Secretary	28 Nov 2012	
Lindsay 'John' Ryan	Assistant Secretary	04 Aug 2022	
Andrew Hewat	Assistant Secretary	28 Nov 2012	04 Aug 2022
Nainaben Dhana	Member	01 Mar 2019	
Joanne Ginn	Member	04 Aug 2022	
	Senior Vice President	06 Mar 2013	04 Aug 2022
Karl Little	Member	04 Aug 2022	
Scott Plowman	Member	04 Aug 2022	
	Trustee	12 Jul 2016	04 Aug 2022
Justin Selleck	Member	10 Jul 2018	
Anthony D'Amore	Trustee	06 Mar 2013	04 Aug 2022
Kerri Felemonow	Member	14 Mar 2017	04 Aug 2022
Sarah Hathway	Member	10 Jul 2018	04 Aug 2022

Signature of designated officer:

Name and title of designated officer:

Dated:


Craig McGregor, Branch Secretary

14 Nov 2023

Branch committee of management statement

for the year ended June 2023

On 13 November 2023 the Branch Committee of Management of the Health Services Union Victoria No, 3 Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended June 2023:

The [insert relevant committee name] 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 the General Manager duly made under section 272 of the RO Act, that information has been provided to the member or the General Manager; 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:

Dated:


 Craig McCreary, Branch Secretary
 29.11.2023

Statement of comprehensive income

for the year ended 30 June 2023

	Notes	2023 \$	2022 \$
Revenue from contracts with customers	3		
Membership subscriptions		3,206,210	2,986,820
Capitation fees and other revenue from another reporting unit	3A	-	16,386
Levies	3B	-	-
Revenue from recovery of wages activity	3E	-	-
Total revenue from contracts with customers		3,206,210	3,003,206
Income for furthering objectives			
Grants and/or donations	3C	-	116
Income recognised from volunteer services	3D	-	-
Total income for furthering objectives		-	116
Other income			
Interest Income	3F	2,861	8,151
Other income	3G	-	375
Total other income		2,861	8,526
Total income		3,209,071	3,011,848
Expenses			
Employee expenses	4A	2,471,714	2,497,242
Capitation fees and other expense to another reporting unit	4B	144,214	127,584
Affiliation fees	4C	26,414	33,589
Administration expenses	4D	182,252	181,818
Grants or donations	4E	1,455	3,000
Depreciation and amortisation	4F	168,164	147,177
Legal costs	4G	12,379	76,095
Communication expenses		43,936	195,361
Additional Member Benefits	4H	137,085	124,918
Motor Vehicle expenses		27,777	17,472
Travel expenses		7,569	5,369
Occupancy expenses	4I	69,870	133,972
Other expenses	4J	464	-
Audit fees	14	25,000	22,800
Total expenses		3,318,293	3,566,397
Total comprehensive loss for the year		(109,224)	(554,550)

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

Statement of financial position

as at 30 June 2023

	Notes	2023 \$	2022 \$
ASSETS			
Current assets			
Cash and cash equivalents	5A	1,466,135	602,754
Trade and other receivables	5B	10,574	9,940
Prepayments	6C	59,322	56,629
Financial assets at amortised cost	5C	-	1,033,353
Total current assets		1,536,031	1,702,676
Non-current assets			
Property, plant and equipment	6A	20,067	33,887
Right-of-use assets	6B	231,619	352,743
Total non-current assets		251,686	386,630
Total assets		1,787,717	2,089,306
LIABILITIES			
Current liabilities			
Trade payables	7A	166,766	92,706
Other payables	7B	97,633	95,712
Employee provisions	8A	500,254	308,456
Contract liabilities	5B	349,930	385,133
Lease liabilities	6B	137,343	135,796
Total current liabilities		1,251,926	1,017,803
Non-current liabilities			
Employee provisions	8A	56,167	363,238
Lease liabilities	6B	138,058	257,475
Total non-current liabilities		194,225	620,713
Total liabilities		1,446,151	1,638,517
Net assets		341,566	450,790
EQUITY			
Retained earnings	10A	341,566	450,790
Other funds		-	-
Reserves		-	-
Total equity		341,566	450,790

Statement of changes in equity

for the year ended 30 June 2023

	Notes	Retained earnings \$	Other funds \$	Reserves \$	Total equity \$
Balance as at 1 July 2021		1,005,340	-	-	1,005,340
Deficit		(554,550)	-	-	(554,550)
Other comprehensive income		-	-	-	-
Closing balance as at 30 June 2022		450,790	-	-	450,790
Balance as at 1 July 2022		450,790	-	-	450,790
Deficit		(109,224)	-	-	(109,224)
Other comprehensive income		-	-	-	-
Closing balance as at 30 June 2023		341,566	-	-	341,566

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

Statement of cash flows

for the year ended 30 June 2023

	Notes	2023 \$	2022 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from customers		3,250,766	3,112,908
Donations and Grants		-	-
Receipts from other reporting unit/controlled entity(s)	11B	7,308	-
Interest		2,861	9,316
Other		-	16,877
Cash used			
Employees		(2,470,851)	(2,497,242)
Suppliers		(642,495)	(619,949)
Short term lease payments		(7,385)	(34,662)
Lease payments for leases of low-value assets		(21,606)	(23,403)
Variable lease payments not included in the measurement of the lease liabilities		-	-
Interest payments and other finance costs		(14,161)	(14,475)
Payment to other reporting units/controlled entity(s)	11B	(123,318)	(136,938)
Net cash from (used by) operating activities	11A	(18,880)	(187,569)
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		-	-
Proceeds of financial assets as amortised cost		1,033,353	-
Other		-	-
Cash used			
Purchase of plant, property and equipment		(1,881)	(16,718)
Purchase of land and buildings		-	(8,202)
Other		-	-
Net cash from (used by) investing activities		1,031,472	(24,920)
FINANCING ACTIVITIES			
Cash received			
Contributed funds		-	-
Other		-	-
Cash used			
Repayment of lease liabilities		(149,212)	(86,613)
Other		-	-
Net cash from (used by) financing activities		(149,212)	(86,613)
Net increase (decrease) in cash held		863,381	(301,102)
Cash & cash equivalents at the beginning of the reporting period		602,754	903,856
Cash & cash equivalents at the end of the reporting period	5A	1,466,135	602,754

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

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Note 1 Summary of significant accounting policies

Note 1A: 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. For the purpose of preparing the general purpose financial statements, the Branch is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, 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.

Note 1B: Comparative amounts

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

Note 1C: Significant accounting judgements and estimates

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Critical accounting estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The Branch determines the estimated useful lives and related depreciation and recognized charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and recognized charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The Branch assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Branch and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in note 1G, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognized and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 1D: New Australian Accounting Standards

Adoption of New Australian Accounting Standards and amendments

The accounting policies adopted are consistent with those of the previous financial year except for the following accounting standards and amendments, which have been adopted for the first time this financial year:

AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments

This Standard amends:

the application of AASB 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences;

AASB 3 to update references to the Conceptual Framework for Financial Reporting;

AASB 9 to clarify when the terms of a new or modified financial liability are substantially different from the terms of the original financial liability;

AASB 116 to require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in profit or loss, instead of deducting the amounts received from the cost of the asset;

AASB 137 to specify the costs that an entity includes when assessing whether a contract will be loss-making; and AASB 141 to align the fair value measurement requirements in AASB 141 with those in other Australian Accounting Standards.

The branch does not expect the adoption of these amendments to have an impact on its financial statements.

AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date [Deferral of amendments to AASB 101]

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 branch expects more disclosures in future years but does not expect the adoption of this amendment to have a material impact on its financial statements.

Note 1E: Revenue

The Branch enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, grants and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

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

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.

If there is only one distinct membership service promised in the arrangement, 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 promise to stand ready to provide assistance and support to the member as required.

Interest income

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

Note 1F: Capitation fees and levies

Capitation fees and levies are recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

Note 1G: 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 [reporting unit] 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.

Note 1H: 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.

As a lessee

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 assets.

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 (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Branch uses incremental borrowing rate if the implicit lease rate is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Branch's short-term leases are those that have a lease term of 12 months or less from the commencement. It also applies the lease of low-value assets recognition exemption to leases of mobile phone and other office equipment that are below \$10,000. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Note 1I: Borrowing costs

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

Note 1J: Cash

Cash is recognised at its nominal amount. Cash and cash equivalents include 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 consolidated statement of financial position.

Note 1K: Financial instruments

Financial assets and financial liabilities are recognised when the Branch becomes a party to the contractual provisions of the instrument.

Note 1L: Financial assets

Contract assets and receivables

A contract asset is recognised when the Branch's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Branch's 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 (OCI), 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 Branch's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the 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 OCI, 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 Branch's 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 market place (regular way trades) are recognised on the trade date, i.e., the date that the Branch commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in 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 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 (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 Branch's financial assets at amortised cost includes trade receivables and investments previously classified as held-to-maturity.

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The 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 Branch has transferred substantially all the risks and rewards of the asset, or
 - b) the Branch has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the 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 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 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.

i) Trade receivables

For trade receivables that do not have a significant financing component, the Branch applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Branch does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The 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.

Note 1M: Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost unless 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.

The Branch's financial liabilities include trade and other payables.

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.

Note 1N: 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 Branch transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the [reporting unit] performs under the contract (i.e. 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 Branch's refund liabilities arise from customers' right of return. The liability is measured at the amount the Branch ultimately expects it will have to return to the customer. The Branch updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Note 1O: 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.

Note 1P: Property, Plant and Equipment

Asset Recognition Threshold

Purchases of property, 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:

<i>Class of fixed asset</i>	<i>Depreciation rate</i>
Office equipment	25-50%
Computer equipment	20-33.3%
Furniture and fixtures	20-33.3%
Computer software	20-33.3%

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 and loss.

Note 1Q: Impairment for 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 its 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 Branch were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Note 1R: Taxation

The Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has 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; 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 cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

Note 1S: Fair value measurement

The Branch measures financial instruments, such as, financial asset as at fair value through the profit and loss, financial asset as at fair value through the profit and loss, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date.

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 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 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 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 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.

Note 1T: Going concern

The Branch's ability to continue as a going concern is not reliant on financial support from another reporting unit. No financial support has been provided to another reporting unit to ensure that it continues as a going concern.

Note 2 Events after the reporting period

No matters or circumstances has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Branch's operations, the results of those operations, or the Branch's state of affairs in future financial years.

Note 3 Revenue and income

	2023	2022
	\$	\$

Disaggregation of revenue from contracts with customers

A disaggregation of the branch's revenue by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of revenue by type of customer:

Type of customer

Members	3,206,210	2,986,820
Other reporting units	-	16,386
Government	-	229
Other parties	-	146
Total revenue from contracts with customers	3,206,210	3,003,581

Disaggregation of income for furthering activities

A disaggregation of the branch's income by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of income by funding source:

Income funding sources

Members	-	-
Other reporting units	-	-
Government	-	-
Other parties	-	116
Total income for furthering activities	-	116

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

Capitation fees:

Health Services Union – National	-	16,386
Subtotal capitation fees	-	16,386

Other revenue from another reporting unit:

	-	-
Subtotal other revenue from another reporting unit	-	-
Total capitation fees and other revenue from another reporting unit	-	16,386

	2023	2022
	\$	\$
Note 3B: Levies		
	-	-
Total levies	<u>-</u>	<u>-</u>

Note 3C: Grants and/or donations

Grants	-	-
Donations	-	116
Total grants and donations	<u>-</u>	<u>116</u>

Note 3D: Income recognised from volunteer services

Amounts recognised from volunteer services
Total income recognised from volunteer services

Note 3E: Revenue from recovery of wages activity

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

Note 3F: Interest income

Interest	2,861	8,151
Deposits		
Loans	-	-
Dividends	-	-
Total investment income	<u>2,861</u>	<u>8,151</u>

Note 3G: Other income

<i>ATO Cash Boost</i>	-	229
<i>Merchandise Sales</i>	-	146
Total other income	<u>-</u>	<u>375</u>

2023 2022
\$ \$

Note 4 Expenses

Note 4A: Employee expenses

Holders of office:

Wages and salaries	500,493	407,523
Superannuation	65,529	41,433
Leave and other entitlements	202,523	49,692
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	768,545	498,648

Employees other than office holders:

Wages and salaries	1,234,510	1,428,874
Superannuation	140,743	161,945
Leave and other entitlements	7,667	202,780
Separation and redundancies	127,444	37,904
Other employee expenses	-	-
Subtotal employee expenses other than office holders	1,510,364	1,831,503

Other Staff costs:

Fringe benefit tax	23,044	23,120
Payroll tax	124,218	112,452
Workers compensation	32,898	24,264
Seminars and Training	3,471	963
Staff recruitment & Temps	741	1,831
Other	8,434	4,461
Total other staff costs	192,806	167,091
Total employee expenses	2,471,714	2,497,242

	2023	2022
	\$	\$
Note 4B: Capitation fees and other expense to another reporting unit		
Capitation fees		
Health Services Union – National Office	110,941	102,849
Health Services Union – National Office (ACTU)	33,273	24,735
Subtotal capitation fees	144,214	127,584
Other expense to another reporting unit		
	-	-
Subtotal other expense to another reporting unit	-	-
Total capitation fees and other expense to another reporting unit	144,214	127,584
Note 4C: Affiliation fees		
Geelong Trades Hall Council	852	804
Ballarat Regional Trades and Labour Council	556	404
Gippsland Trades and Labour Council	538	397
Victorian Trades Hall Council	22,104	28,980
South West Trades and Labour Council	364	204
Climate and Health Alliance	2,000	2,000
Australia Asia Worker Links	-	800
Total affiliation fees/subscriptions	26,414	33,589

2023
\$

2022
\$

Note 4D: Administration expenses

Total paid to employers for payroll deductions of membership subscriptions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	5,748
Contractors/consultants	-	-
Bank charges and fees	50,492	48,599
Insurance – General	10,002	6,929
Postage and courier	2,020	7,538
Printing and stationery	10,535	10,469
Information communications technology	42,002	39,632
Other	67,202	62,903
Subtotal administration expense	182,252	181,818
Lease rentals:		
Short term, low value and variable lease payments	-	-
Total administration expenses	182,252	181,818

Note 4E: Grants or donations

Grants:		
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-
Donations:		
Total expensed that were \$1,000 or less	455	-
Total expensed that exceeded \$1,000	1,000	3,000
Total grants or donations	1,455	3,000

2023 2022
\$ \$

Note 4F: Depreciation and amortisation

Depreciation		
Furniture and fixtures	1,065	960
Office equipment	850	1,056
Computer equipment	10,917	9,993
Computer software	2,869	2,868
Total depreciation	15,700	14,877
Amortisation		
Lease 62 Lygon	101,742	93,263
Motor Vehicle (ROUA)	50,722	39,036
Total amortisation	152,464	132,299
Total depreciation and amortisation	168,164	147,177

Note 4G: Legal costs

Litigation	-	-
Other legal costs	12,379	76,095
Total legal costs	12,379	76,095

Note 4H: Additional member benefits

Insurance	-	-
Professional indemnity & public liability	137,085	123,964
Legal fees – members	-	-
Litigation	-	-
Other legal matters	-	-
Other	-	954
Total additional member benefits	137,085	124,918

Note 4I: Occupancy

Rental expenses on operating lease	31,883	46,075
Other occupancy expenses	37,987	87,897
Total write-down and impairment of assets	69,870	133,972

	2023	2022
	\$	\$
Note 4J: Other expenses		
Penalties - via RO Act or the <i>Fair Work Act 2009</i>	-	-
Delegate expenses	464	-
Total other expenses	464	-

Note 5 Current Assets

Note 5A: Cash and cash equivalents

Cash at bank	1,466,001	602,598
Cash on hand	134	156
Short term deposits	-	-
Other	-	-
Total cash and cash equivalents	1,466,135	602,754

Note 5B: Trade and other receivables

Receivables from other reporting unit(s)		
Health Services Union – National Office	10,324	-
Health Services Union – Vic No 4 Branch	250	-
Total receivables from other reporting unit(s)	10,574	-
Less allowance for expected credit losses*		
	-	-
Total allowance for expected credit losses	-	-
Receivable from other reporting unit(s) (net)	-	-
Other receivables:		
Receivables from other reporting units	-	-
Interest receivable	-	-
Trade receivables	-	9,940
Less allowance for expected credit losses	-	-
Total other receivables	-	9,940
Total trade and other receivables (net)	10,574	9,940

	2023	2022
	\$	\$
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	-	-
At 30 June	-	-

Note 5B: Trade and other receivables (continued)

The Branch has recognised the following assets and liabilities related to contracts with customers:

Receivables	-	-
Receivables – current	-	-
Receivables – non-current	-	-
Contract assets	-	-
Contract assets – current	-	-
Contract assets – non-current	-	-
Other contract liabilities	-	-
Contract liabilities – current	349,930	385,133
Contract liabilities – non-current	-	-

The significant changes between opening and closing balances of contract liabilities primarily relates to the timing of membership subscription received in advance.

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period was \$385,133.

Unsatisfied performance obligations

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 June 2023 is \$349,930. The branch expects that 100% of the transaction price allocated to remaining performance obligations is expected to be recognised as revenue within one year. These performance obligations primarily relate to membership subscription received in advance.

Note 5C: Financial assets at amortised costs

Term deposit	-	1,033,353
Total financial assets at amortised cost	-	1,033,353

Note 6 Non-current Assets

Note 6A: Property, Plant and Equipment

2023

	Furniture and fixtures \$	Office Equipment \$	Computer equipment \$	Software \$	Total \$
Property, Plant and Equipment:					
At cost	3,408	1,724	23,317	7,319	35,768
accumulated depreciation	(1,065)	(850)	(10,917)	(2,869)	(15,701)
Total Property, Plant and Equipment	2,343	874	12,400	4,450	20,067

Reconciliation of opening and closing balances of property, plant and equipment

Net book value 1 July 2022	3,408	1,724	21,436	7,319	33,887
Additions:					
By purchase	-	-	1,881	-	1,881
Revaluations	-	-	-	-	-
Impairments	-	-	-	-	-
Depreciation expense	(1,065)	(850)	(10,917)	(2,869)	(15,701)
Other movement	-	-	-	-	-
Disposals	-	-	-	-	-
Other	-	-	-	-	-
Net book value 30 June 2023	2,343	874	12,400	4,450	20,067
Net book value as of 30 June 2023 represented by:					
Gross book value	82,362	28,752	156,301	60,477	327,892
Accumulated depreciation and impairment	(80,019)	(27,878)	(143,901)	(56,027)	(307,825)
Net book value 30 June 2023	2,343	874	12,400	4,450	20,067

Note 6A: Property, Plant and Equipment (continued)

2022

	Furniture and fixtures \$	Office equipment \$	Computer equipment \$	Software \$	Total \$
Property, Plant and Equipment:					
At Cost	4,367	2,780	31,429	10,188	48,764
accumulated depreciation	(959)	(1,056)	(9,993)	(2,869)	(14,877)
Total Property, Plant and Equipment	3,408	1,724	21,436	7,319	33,887

Reconciliation of opening and closing balances of property, plant and equipment

Net book value 1 July 2021	1,482	1,419	18,957	10,188	32,046
Additions:					
By purchase	2,885	1,361	12,472	-	16,718
Revaluations	-	-	-	-	-
Impairments	-	-	-	-	-
Depreciation expense	(959)	(1,056)	(9,993)	(2,869)	(14,877)
Other movement	-	-	-	-	-
Disposals	-	-	-	-	-
Other	-	-	-	-	-
Net book value 30 June 2022	3,408	1,724	21,436	7,319	33,887
Net book value as of 30 June 2022 represented by:					
Gross book value	82,362	28,752	154,420	60,477	326,011
Accumulated depreciation and impairment	(78,954)	(27,028)	(132,984)	(53,158)	(292,124)
Net book value 30 June 2022	3,408	1,724	21,436	7,319	33,887

Note 6B: Right-of-use assets and leases

The branch as a lessee

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Office premises	Motor Vehicle	Total
	\$	\$	\$
As at 1 July 2021	-	78,075	78,075
Additions	406,966	-	406,966
Depreciation expense	(93,262)	(39,036)	(132,299)
Impairment	-	-	-
Disposal	-	-	-
As at 1 July 2022	313,704	39,039	352,743
Additions	-	31,340	31,340
Depreciation expense	(101,742)	(50,722)	(152,464)
Impairment	-	-	-
Disposal	-	-	-
As at 30 June 2023	211,962	19,657	231,619

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

	2023	2022
	\$	\$
As at 1 July	393,271	74,916
Additions	31,341	406,966
Accretion of interest	14,161	14,474
Payments	(163,373)	(103,085)
As at 30 June	275,400	393,271
Current	137,343	135,796
Non-current	138,058	257,475

The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets	152,464	132,299
Interest expense on lease liabilities	14,161	14,474
Expense relating to short-term leases	7,385	34,662
Expense relating to leases of low-value assets (included in administrative expenses)	21,606	23,403
Variable lease payments	-	-
Total amount recognised in profit or loss	195,616	204,838

The Branch has no right-of-use lease assets with variable lease payments. There are no undiscounted potential future rental payments relating to the period relating to extension and termination options that are not included in the lease term.

	2023	2022
	\$	\$
Note 6C Other non-current assets		
Loan to a related party	-	-
Prepayments	59,322	56,629
Other	-	-
Total other non-current assets	59,322	56,629

Note 7 Current Liabilities

Note 7A: Trade payables

Trade creditors and accruals	127,017	92,706
Subtotal trade creditors	127,017	92,706
Payables to other reporting unit(s)		
Health Services Union - National Office	39,749	-
Subtotal payables to other reporting unit(s)	39,749	-
Total trade payables	166,766	92,706

Settlement is usually made within 30 days.

Note 7B: Other payables

Wages and salaries	-	36,153
Superannuation	22,628	-
Payable to employers for making payroll deductions of membership subscriptions	-	-
Legal costs		
Litigation	-	-
Other legal costs	-	-
Net GST payable	75,005	59,559
Other	-	-
Total other payables	97,633	95,712

2023 2022
\$ \$

Note 8 Provisions

Note 8A: Employee provisions

Office holders:		
Annual leave	30,072	62,163
Long service leave	85,920	118,432
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	115,992	180,595
Employees other than office holders:		
Annual leave	229,281	244,438
Long service leave	209,293	244,806
Separations and redundancies	-	-
Other	1,855	1,855
Subtotal employee provisions—employees other than office holders	440,429	491,099
Total employee provisions	556,421	671,694
Current	500,254	657,809
Non-current	56,167	13,886
Total employee provisions	556,421	671,694

Note 9 Other funds

Note 9A: Other funds

Compulsory levy/voluntary contribution fund		
Balance as at start of year	-	-
Transferred to fund, account or controlled entity	-	-
Transferred out of fund, account or controlled entity	-	-
Balance as at end of year	-	-
Total compulsory levy/voluntary contribution fund	-	-
Other fund(s) required by rules		
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	-	-
Investment in asset(s)		
Value of asset(s)	-	-

2023	2022
\$	\$

Note 10 Equity

Note 10A: Retained earnings

Balance as at start of year	450,790	1,005,340
Deficit for the year	(109,224)	(554,550)
Net assets at end of year	<u>341,566</u>	<u>450,790</u>

2023 2022
\$ \$

Note 11 Cash Flow

Note 11A: Cash flow reconciliation

Reconciliation of cash and cash equivalents as per statement of financial position to statement of cash flow:

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

Deficit for the year	(109,224)	(554,550)
Adjustments for non-cash items		
Depreciation/amortisation	168,164	147,177
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 receivables and prepayments	(3,327)	55,006
(Increase)/decrease in prepayments	-	-
Increase/(decrease) in supplier payables	-	-
Increase/(decrease) in other payables	40,778	101,062
Increase/(decrease) in employee provisions	(115,271)	63,736
Increase/(decrease) in other provisions	-	-
Net cash from (used by) operating activities	(18,880)	(187,569)

Note 11B: Cash flow information

Cash inflows		
Health Services Union National Office	7,308	-
Health Services Union Victoria No 2 Branch	-	-
Health Services Union Victoria No 4 Branch	-	-
Health Services Union NSW Branch	-	-
Total cash inflows	7,308	-
Cash outflows		
Health Services Union National Office	123,318	136,938
Health Services Union Victoria No 2 Branch	-	-
Health Services Union NSW Branch	-	-
Total cash outflows	123,318	136,938

	2023	2022
	\$	\$

Note 12 Contingent Liabilities, Assets and Commitments

Note 12A Contingencies

There are no known contingent assets or liabilities at 30 June 2023

Note 12B Commitments

Operating lease commitments	-	-
Non-Cancellable operating leases contacted for but not capitalised in the financial statements	-	-
Payables	-	-
- not later than one year	17,238	19,306
- later than one year but not later than five years	6,188	6,807
Total other non-current assets	23,426	26,113

General description of leasing arrangement

The leases are related to the rental of office equipment.

	2023	2022
	\$	\$

Note 13 Related Party Disclosures

Note 13A: Related party transactions for the reporting period

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

Revenue received from Health Services Union National Office includes the following:

Payroll Tax Reconciliation Group refund	7,308	-
---	-------	---

Expenses paid to Health Services Union National Office includes the following:

Capitation and affiliation fee	123,318	136,938
--------------------------------	---------	---------

Other amounts owed by Health Services Union Vic Branch No.4 include the following:

Reimbursement for office flu vaccines	250	-
---------------------------------------	-----	---

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 2023, the branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2022: \$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.

2023 2022
\$ \$

Note 13B: Key management personnel remuneration for the reporting period

Short-term employee benefits

Salary (including annual leave taken)	711,596	412,461
Annual leave accrued	15,627	19,145
Performance bonus	-	-
Total short-term employee benefits	727,223	431,606

Post-employment benefits:

Superannuation	66,183	41,246
Total post-employment benefits	66,183	41,246

Other long-term benefits:

Long-service leave	(24,201)	14,465
Total other long-term benefits	(24,201)	14,465

Termination benefits

	-	-
Total	769,205	487,318

Note 13C: Transactions with key management personnel and their close family members

Loans to/from key management personnel

There were no loans between the key management personnel of the committee of management or their close family members and the Branch.

Other transactions with key management personnel

Transactions between key management personnel, the committee of management or their close family members and the Branch other than those relating to their membership of the Branch and reimbursement by the Branch in respect of expenses incurred by them in the performance of their duties are listed below. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

Note 14 Remuneration of Auditors

Value of the services provided

Financial statement audit services	25,000	22,800
Total remuneration of auditors	25,000	22,800

Note 15 Financial Instruments

The Branch's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Branch's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Branch. The Branch uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, other price risks and ageing analysis for credit risk.

Risk management is carried out by management under policies approved by Committee of Management. The Committee of Management identifies, evaluates and hedges financial risks as part of regular meetings. This identification and analysis includes an analysis of interest rate exposure and the evaluation of strategies in the context of most recent economic conditions.

	2023	2022
	\$	\$

Note 15A: Categories of Financial Instruments

Financial assets

At amortised cost:

Cash on hand	134	156
Cash at bank	1,466,001	602,598
Held to maturity investments	-	1,033,353
Trade and other receivables	10,574	9,940
Total	1,476,708	1,646,047
Carrying amount of financial assets	1,476,708	1,646,047

Financial liabilities

At amortised cost:

Trade and other payables	(264,399)	(188,418)
Total	(264,399)	(188,418)
Carrying amount of financial liabilities	(264,399)	(188,418)

Note 15B: Net income and expense from financial assets

Financial assets at amortised cost

Interest revenue	2,861	8,151
Impairment	-	-
Net income/(expense) from financial assets	-	-

Note 15C: Net income and expense from financial liabilities

Financial liabilities at amortised cost

Interest expense	(14,161)	(14,474)
Gain/loss on disposal	-	-
Net gain/(loss) from financial liabilities	(14,161)	(14,474)

Note 15D: Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. Cash transactions are limited to high credit quality financial institutions. Currently the investments are held in Australian banks. The Branch has no significant concentrations of credit risk. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. Set out below is the information about the credit risk exposure on trade receivables and contract assets using a provision matrix:

	Trade receivables and contract assets					Total \$
	Days past due					
	Current \$	<30 days \$	30-60 days \$	61-90 days \$	>91 days \$	
30 June 2023						
Expected credit loss rate	0%	0%	0%	0%	0%	
Estimate total gross carrying amount at default	-	-	-	-	-	-
Expected credit loss	-	-	-	-	-	-
30 June 2022						
Expected credit loss rate	-%	-%	-%	-%	-%	
Estimate total gross carrying amount at default	-	-	-	-	-	-
Expected credit loss	-	-	-	-	-	-

Note 15E: Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Maturity profile of financial instruments

The maturity profile of financial assets and liabilities held is detailed below:

Financial liabilities	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
30 June 2023						
Payables	-	(264,399)	-	-	-	(264,399)
Borrowings	-	-	-	-	-	-
Lease liabilities	-	(137,343)	(127,205)	(10,852)	-	(275,400)
Total	-	(326,737)	(127,205)	(10,852)	-	(464,794)
Financial liabilities						
30 June 2022						
Payables	-	(128,859)	-	-	-	(128,859)
Borrowings	-	-	-	-	-	-
Lease liabilities	-	(117,872)	(137,343)	(138,057)	-	(393,272)
Total	-	(246,731)	(137,343)	(138,057)	-	(522,131)

Note 15F: Market risk

Foreign exchange risk

The Branch is not exposed to foreign exchange risk.

Price risk

The Branch is not exposed to commodity price risk.

Cash flow and fair value interest rate risk

The Branch is not exposed to interest rate risk on liabilities. The Branch has investments in a variety of interest-bearing assets which have fixed interest rate and therefore not subject to interest rate volatility.

Risk variable	Change in risk variable	2023		Risk variable	2022			
		Change in risk variable	Effect on Profit or loss		Change in risk variable	Effect on Profit or loss		
	%	\$	\$		%	\$	\$	
Interest rate risk	2%	[+ Rate]	29,323	29,323	2%	[+ Rate]	32,722	32,722
Interest rate risk	2%	[- Rate]	(29,323)	(29,323)	2%	[- Rate]	(32,722)	(32,722)

Note 16 Fair value measurements

The carrying value of cash, trade receivables, and trade payables are assumed to approximate their fair values due to their short-term nature. The Branch does not have any financial instruments included in Level 1, Level 2, and Level 3.

Note 17 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 the General Manager:

1. A member of a reporting unit, or the General Manager, 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).

Officer declaration statement

I, Craig McGregor, being the Secretary of the Health Services Union Victoria No, 3 Branch, declare that the following activities did not occur during the reporting period ended 30 June 2023.

The Branch did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- 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 an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by the officer: 

Dated: 14 Nov 2023

Independent Auditor's Report to the Members of Health Services Union Vic No.3 Branch

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Health Services Union Vic No.3 Branch (the Branch), which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, the committee of management statement, the subsection 255(2A) report and the officer declaration statement.

In our opinion, the accompanying financial report of the Branch is in accordance with the Fair Work (Registered Organisations) Act 2009, including:

- i) giving a true and fair view of the Branch's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards.

We declare that management's use of the going concern basis in the preparation of the financial statements of the Branch 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 Branch 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 information

The Branch Committee of Management are responsible for the other information. The other information comprises the information in Health Services Union Vic No.3 Branch's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and 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 the other information we are required to report that fact. We have nothing to report in this regard.

Branch Committee of Management' responsibility for the financial report

The Branch Committee of Management of the Branch are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 and for such internal control as the Branch 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 Branch Committee of Management are responsible for assessing the Branch'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 Branch Committee of Management either intend to liquidate the Branch or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial report

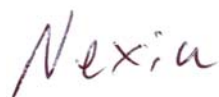
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

We communicate with the Branch Committee of Management, Secretary and Assistant Secretary 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.

We declare the signing auditor below is an auditor registered under the RO Act and a member of a firm where at least one member is a registered auditor.

We also provide the Branch Committee of Management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Nexia Sydney Audit Pty Limited



Brett Hanger
Director

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/225

Dated: 29 November 2023



29 November 2023

Craig McGregor
Secretary
Health Services Union-Victoria No. 3 Branch

Sent via email: info@vahpa.asn.au

CC: Bhanger@nexiasydney.com.au

Dear Craig McGregor

**Health Services Union-Victoria No. 3 Branch
Financial Report for the year ended 30 June 2023 – FR2023/35**

I acknowledge receipt of the financial report for the year ended 30 June 2023 for the Health Services Union-Victoria No. 3 Branch (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 25 November 2023.

The financial report has not been filed. I have examined the report and identified the following matters that you are required to address before the report can be filed.

Committee of management meeting must be prior to audit

The committee of management statement lodged with the financial report was dated 14 November 2023 which is prior to the committee of management resolution date of 20 November 2023 referred to in the first paragraph. The resolution date is also after the statements were audited on 14 November 2023. Section 257(1) of the RO Act requires the full report, which includes the committee of management statement, to be audited.

After the GPFR has been prepared, but before it has been audited, the reporting unit's committee of management is required to meet and pass a resolution that contains certain declarations as specified in reporting guideline 26. The reporting unit is required to ensure that the committee of management meets prior to the audit of the GPFR.

The reporting unit is required to resubmit the financial statements, the notes to the statements and an amended committee of management statement to audit. The full report is required to be provided to members after the revised audit report is made. The full report is to be presented to a committee of management meeting and then a fresh designated officer's certificate and the full report must be lodged with the Commission within 14 days of the meeting.

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 provided states the name of the registered auditor but not the Commission registration number.

The auditor's statement will require amendment to include this information.

Declaration relating to management use of going concern basis of accounting

Item 30 of the reporting guidelines requires that the auditor's statement include a declaration, that as part of the audit of the financial statements, they have concluded that management's use of the going concern basis of accounting in the preparation of the financial statement is appropriate.

The auditor's statement will need to be amended to include the abovementioned declaration.

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

A handwritten signature in black ink, appearing to read 'K. Morgan', with a stylized flourish at the end.

KEN MORGAN
Assistant Director, Financial Analysis
Registered Organisations Services Branch

HEALTH SERVICES UNION OF AUSTRALIA VIC NO 3 BRANCH
(VICTORIAN ALLIED HEALTH PROFESSIONALS ASSOCIATION)

ABN 38 106 461 384

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023



Financial Statements 2022–23

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Introduction

for the year ended 30 June 2023

This financial report is prepared using the model financial statements provided by the Registered Organisations Commission, as defined under section 242 of the Fair Work (Registered Organisations) Act 2009 (RO Act), with a reporting date of 30 June 2023.

The enclosed financial report has been prepared in accordance with the requirements of applicable Australian Accounting Standards as they apply to a not-for-profit entity and the RO Act, including the 5th edition section 253 Reporting Guidelines. The financial report is intended to illustrate the disclosure requirements for the preparation of a general-purpose financial report under Tier 1— Australian Accounting Standards by a not-for-profit entity.

Health Services Union Victoria No. 3 Branch
ABN 38 106 461 384
(Victorian Allied Health Professionals Association)

s.268 *Fair Work (Registered Organisations) Act 2009*
CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER¹

Certificate for the period ended 30 June 2023

I, Craig McGregor, being the Secretary of the Health Services Union Victoria No. 3 Branch certify:

- that the documents lodged herewith are copies of the full report for the Health Services Union Victoria No. 3 Branch for the period ended 30 June 2023 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 23 November 2023; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 20 November 2023 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.



Signature of prescribed designated Officer:

Name of prescribed designated officer:

Craig McGregor

Title of prescribed designated officer:

Branch Secretary

Dated:

23 November 2023

¹ Regulation 162 of the *Fair Work (Registered Organisations) Regulation 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 certification mentioned in that paragraph.



Report required under subsection 255(2A)

for the year ended June 2023

The committee of management presents the expenditure report² as required under subsection 255(2A) on the reporting unit for the year ended June 2023.

Categories of expenditures	2023 (\$)	2022 (\$)
Remuneration and other employment-related costs and expenses – employees	2,471,714	2,497,242
Advertising	1,590	0
Operating costs	352,743	556,792
Donations to political parties	0	0
Legal costs	12,379	76,095

Signature of designated officer:

Name and title of designated officer:

Dated:

² Subsection 255(2A) provides a discretion to the reporting unit about how to report the required information. It is a matter for the reporting unit to determine whether the required information is presented in diagrammatic form such as, for example, a pie chart or whether it is reported in a descriptive form. Regardless, the reporting unit is only required to report the information in one format.

Operating report

The Branch Committee of Management presents its operating report on the Health Services Union of Australia Vic No. 3 Branch for the year ended 30 June 2023.

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

The Health Services Union of Australia Vic No. 3 Branch (the Branch) is a specialist Union that promotes and defends the industrial, professional and democratic interests of our members.

The principal activities of the Branch during the financial year consist of: organising Victorian Allied Health Professionals; training and education of members; providing individual members with informed and expert representation in workplace related matters.

Significant changes in financial affairs

There were no significant changes in the financial affairs of the Branch during the period.

Right of members to resign

Rule 10 sets out the terms under which a member of the Branch may resign.

10 (b) A member may resign from membership of the Union by notice in writing addressed and delivered to the Secretary of the member's Branch.

10 (c) Where the member ceases to be eligible to become a member of the Union, the notice of resignation will take effect on the later of the following two dates:

- (i) on the day on which the notice is received; or
- (ii) on the day specified in the notice, which is a day not earlier than the day when the member ceased to be eligible to become a member.

10 (d) Where the member has not ceased to be eligible to become a member of the Union, the notice of resignation will take effect on the later of the following two dates:

- (i) at the end of two weeks after the notice is received by the Union; or
- (ii) on the day specified in the notice.

10 (e) A notice delivered to the Secretary of the member's Branch shall be taken to have been received by the Union when it was delivered.

10 (f) A notice of resignation that has been received by the Union shall not be invalid because it was not addressed and delivered in accordance with rule 10(b).

10 (g) A resignation from membership of the Union shall be valid even if it is not effected otherwise in accordance with these rules if the member is informed in writing by or on behalf of the Union that the resignation has been accepted.

10 (h) Any dues payable but not paid by a former member, in relation to a period before the resignation took effect, shall be the amount owed by the member and may be recovered in accordance with rule 11.

Officers & employees who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee where bring a member or officer of a registered organisation is a criterion for them holding such position

To the best of our knowledge and belief, no officers or employees of the Branch are a trustee of a superannuation scheme or an exempt public sector superannuation scheme or a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

Number of members

The number of financial members at 30 June 2023 was 5,609 (2022: 5,457).

Total number of members (including un-financial) at 30 June 2023 was 5,775 (2022: 5,572).

Number of employees

The number of full-time equivalent employees at 30 June 2023 was 17.7 (2022: 19.4)

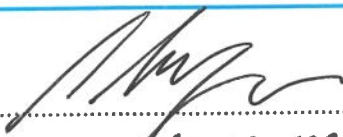
Names of Committee of Management members and period positions held during the financial year

Name	Position	Dates office taken	Date resigned
Cheryl O'Connor	President	06 Mar 2013	
Marni Jackson	Vice President	04 Aug 2022	
	Junior Vice President	11 Oct 2016	04 Aug 2022
Craig McGregor	Branch Secretary	28 Nov 2012	
Lindsay 'John' Ryan	Assistant Secretary	04 Aug 2022	
Andrew Hewat	Assistant Secretary	28 Nov 2012	04 Aug 2022
Nainaben Dhana	Member	01 Mar 2019	
Joanne Ginn	Member	04 Aug 2022	
	Senior Vice President	06 Mar 2013	04 Aug 2022
Karl Little	Member	04 Aug 2022	
Scott Plowman	Member	04 Aug 2022	
	Trustee	12 Jul 2016	04 Aug 2022
Justin Selleck	Member	10 Jul 2018	
Anthony D'Amore	Trustee	06 Mar 2013	04 Aug 2022
Kerri Felemonow	Member	14 Mar 2017	04 Aug 2022
Sarah Hathway	Member	10 Jul 2018	04 Aug 2022

Signature of designated officer:

Name and title of designated officer:

Dated:


Craig McGregor, Branch Secretary
14 Nov 2023

Branch committee of management statement

for the year ended June 2023

On 20 November 2023 the Branch Committee of Management of the Health Services Union Victoria No, 3 Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended June 2023:

The [insert relevant committee name] 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 the General Manager duly made under section 272 of the RO Act, that information has been provided to the member or the General Manager; 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: Craig McGregor, Branch Secretary

Dated: 14 Nov 2023

Statement of comprehensive income

for the year ended 30 June 2023

	Notes	2023 \$	2022 \$
Revenue from contracts with customers	3		
Membership subscriptions		3,206,210	2,986,820
Capitation fees and other revenue from another reporting unit	3A	-	16,386
Levies	3B	-	-
Revenue from recovery of wages activity	3E	-	-
Total revenue from contracts with customers		3,206,210	3,003,206
Income for furthering objectives			
Grants and/or donations	3C	-	116
Income recognised from volunteer services	3D	-	-
Total income for furthering objectives		-	116
Other income			
Interest Income	3F	2,861	8,151
Other income	3G	-	375
Total other income		2,861	8,526
Total income		3,209,071	3,011,848
Expenses			
Employee expenses	4A	2,471,714	2,497,242
Capitation fees and other expense to another reporting unit	4B	144,214	127,584
Affiliation fees	4C	26,414	33,589
Administration expenses	4D	182,252	181,818
Grants or donations	4E	1,455	3,000
Depreciation and amortisation	4F	168,164	147,177
Legal costs	4G	12,379	76,095
Communication expenses		43,936	195,361
Additional Member Benefits	4H	137,085	124,918
Motor Vehicle expenses		27,777	17,472
Travel expenses		7,569	5,369
Occupancy expenses	4I	69,870	133,972
Other expenses	4J	464	-
Audit fees	14	25,000	22,800
Total expenses		3,318,293	3,566,397
Total comprehensive loss for the year		(109,224)	(554,550)

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

Statement of financial position

as at 30 June 2023

	Notes	2023 \$	2022 \$
ASSETS			
Current assets			
Cash and cash equivalents	5A	1,466,135	602,754
Trade and other receivables	5B	10,574	9,940
Prepayments	6C	59,322	56,629
Financial assets at amortised cost	5C	-	1,033,353
Total current assets		1,536,031	1,702,676
Non-current assets			
Property, plant and equipment	6A	20,067	33,887
Right-of-use assets	6B	231,619	352,743
Total non-current assets		251,686	386,630
Total assets		1,787,717	2,089,306
LIABILITIES			
Current liabilities			
Trade payables	7A	166,766	92,706
Other payables	7B	97,633	95,712
Employee provisions	8A	500,254	308,456
Contract liabilities	5B	349,930	385,133
Lease liabilities	6B	137,343	135,796
Total current liabilities		1,251,926	1,017,803
Non-current liabilities			
Employee provisions	8A	56,167	363,238
Lease liabilities	6B	138,058	257,475
Total non-current liabilities		194,225	620,713
Total liabilities		1,446,151	1,638,517
Net assets		341,566	450,790
EQUITY			
Retained earnings	10A	341,566	450,790
Other funds		-	-
Reserves		-	-
Total equity		341,566	450,790

Statement of changes in equity

for the year ended 30 June 2023

	Notes	Retained earnings \$	Other funds \$	Reserves \$	Total equity \$
Balance as at 1 July 2021		1,005,340	-	-	1,005,340
Deficit		(554,550)	-	-	(554,550)
Other comprehensive income		-	-	-	-
Closing balance as at 30 June 2022		450,790	-	-	450,790
Balance as at 1 July 2022		450,790	-	-	450,790
Deficit		(109,224)	-	-	(109,224)
Other comprehensive income		-	-	-	-
Closing balance as at 30 June 2023		341,566	-	-	341,566

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

Statement of cash flows

for the year ended 30 June 2023

	Notes	2023 \$	2022 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from customers		3,250,766	3,112,908
Donations and Grants		-	-
Receipts from other reporting unit/controlled entity(s)	11B	7,308	-
Interest		2,861	9,316
Other		-	16,877
Cash used			
Employees		(2,470,851)	(2,497,242)
Suppliers		(642,495)	(619,949)
Short term lease payments		(7,385)	(34,662)
Lease payments for leases of low-value assets		(21,606)	(23,403)
Variable lease payments not included in the measurement of the lease liabilities		-	-
Interest payments and other finance costs		(14,161)	(14,475)
Payment to other reporting units/controlled entity(s)	11B	(123,318)	(136,938)
Net cash from (used by) operating activities	11A	(18,880)	(187,569)
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		-	-
Proceeds of financial assets as amortised cost		1,033,353	-
Other		-	-
Cash used			
Purchase of plant, property and equipment		(1,881)	(16,718)
Purchase of land and buildings		-	(8,202)
Other		-	-
Net cash from (used by) investing activities		1,031,472	(24,920)
FINANCING ACTIVITIES			
Cash received			
Contributed funds		-	-
Other		-	-
Cash used			
Repayment of lease liabilities		(149,212)	(86,613)
Other		-	-
Net cash from (used by) financing activities		(149,212)	(86,613)
Net increase (decrease) in cash held		863,381	(301,102)
Cash & cash equivalents at the beginning of the reporting period		602,754	903,856
Cash & cash equivalents at the end of the reporting period	5A	1,466,135	602,754

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

Index to the notes of the financial statements

Note 1	Summary of significant accounting policies
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Note 1 Summary of significant accounting policies

Note 1A: 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. For the purpose of preparing the general purpose financial statements, the Branch is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, 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.

Note 1B: Comparative amounts

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

Note 1C: Significant accounting judgements and estimates

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Critical accounting estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The Branch determines the estimated useful lives and related depreciation and recognized charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and recognized charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The Branch assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Branch and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in note 1G, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognized and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 1D: New Australian Accounting Standards

Adoption of New Australian Accounting Standards and amendments

The accounting policies adopted are consistent with those of the previous financial year except for the following accounting standards and amendments, which have been adopted for the first time this financial year:

AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments

This Standard amends:

the application of AASB 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences;

AASB 3 to update references to the Conceptual Framework for Financial Reporting;

AASB 9 to clarify when the terms of a new or modified financial liability are substantially different from the terms of the original financial liability;

AASB 116 to require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in profit or loss, instead of deducting the amounts received from the cost of the asset;

AASB 137 to specify the costs that an entity includes when assessing whether a contract will be loss-making; and AASB 141 to align the fair value measurement requirements in AASB 141 with those in other Australian Accounting Standards.

The branch does not expect the adoption of these amendments to have an impact on its financial statements.

AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date [Deferral of amendments to AASB 101]

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 branch expects more disclosures in future years but does not expect the adoption of this amendment to have a material impact on its financial statements.

Note 1E: Revenue

The Branch enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, grants and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

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

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.

If there is only one distinct membership service promised in the arrangement, 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 promise to stand ready to provide assistance and support to the member as required.

Interest income

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

Note 1F: Capitation fees and levies

Capitation fees and levies are recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

Note 1G: 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 [reporting unit] 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.

Note 1H: 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.

As a lessee

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 assets.

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 (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Branch uses incremental borrowing rate if the implicit lease rate is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Branch's short-term leases are those that have a lease term of 12 months or less from the commencement. It also applies the lease of low-value assets recognition exemption to leases of mobile phone and other office equipment that are below \$10,000. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Note 1I: Borrowing costs

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

Note 1J: Cash

Cash is recognised at its nominal amount. Cash and cash equivalents include 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 consolidated statement of financial position.

Note 1K: Financial instruments

Financial assets and financial liabilities are recognised when the Branch becomes a party to the contractual provisions of the instrument.

Note 1L: Financial assets

Contract assets and receivables

A contract asset is recognised when the Branch's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Branch's 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 (OCI), 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 Branch's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the 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 OCI, 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 Branch's 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 market place (regular way trades) are recognised on the trade date, i.e., the date that the Branch commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in 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 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 (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 Branch's financial assets at amortised cost includes trade receivables and investments previously classified as held-to-maturity.

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The 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 Branch has transferred substantially all the risks and rewards of the asset, or
 - b) the Branch has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the 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 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 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.

i) Trade receivables

For trade receivables that do not have a significant financing component, the Branch applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Branch does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The 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.

Note 1M: Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost unless 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.

The Branch's financial liabilities include trade and other payables.

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.

Note 1N: 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 Branch transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the [reporting unit] performs under the contract (i.e. 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 Branch's refund liabilities arise from customers' right of return. The liability is measured at the amount the Branch ultimately expects it will have to return to the customer. The Branch updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Note 1O: 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.

Note 1P: Property, Plant and Equipment

Asset Recognition Threshold

Purchases of property, 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:

<i>Class of fixed asset</i>	<i>Depreciation rate</i>
Office equipment	25-50%
Computer equipment	20-33.3%
Furniture and fixtures	20-33.3%
Computer software	20-33.3%

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 and loss.

Note 1Q: Impairment for 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 its 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 Branch were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Note 1R: Taxation

The Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has 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; 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 cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

Note 1S: Fair value measurement

The Branch measures financial instruments, such as, financial asset as at fair value through the profit and loss, financial asset as at fair value through the profit and loss, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date.

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 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 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 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 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.

Note 1T: Going concern

The Branch's ability to continue as a going concern is not reliant on financial support from another reporting unit. No financial support has been provided to another reporting unit to ensure that it continues as a going concern.

Note 2 Events after the reporting period

No matters or circumstances has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Branch's operations, the results of those operations, or the Branch's state of affairs in future financial years.

Note 3 Revenue and income

	2023	2022
	\$	\$

Disaggregation of revenue from contracts with customers

A disaggregation of the branch's revenue by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of revenue by type of customer:

Type of customer

Members	3,206,210	2,986,820
Other reporting units	-	16,386
Government	-	229
Other parties	-	146
Total revenue from contracts with customers	3,206,210	3,003,581

Disaggregation of income for furthering activities

A disaggregation of the branch's income by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of income by funding source:

Income funding sources

Members	-	-
Other reporting units	-	-
Government	-	-
Other parties	-	116
Total income for furthering activities	-	116

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

Capitation fees:

Health Services Union – National	-	16,386
Subtotal capitation fees	-	16,386

Other revenue from another reporting unit:

	-	-
Subtotal other revenue from another reporting unit	-	-
Total capitation fees and other revenue from another reporting unit	-	16,386

	2023	2022
	\$	\$
Note 3B: Levies		
	-	-
Total levies	<u>-</u>	<u>-</u>

Note 3C: Grants and/or donations

Grants	-	-
Donations	-	116
Total grants and donations	<u>-</u>	<u>116</u>

Note 3D: Income recognised from volunteer services

Amounts recognised from volunteer services
Total income recognised from volunteer services

Note 3E: Revenue from recovery of wages activity

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

Note 3F: Interest income

Interest		
Deposits	2,861	8,151
Loans	-	-
Dividends	-	-
Total investment income	<u>2,861</u>	<u>8,151</u>

Note 3G: Other income

<i>ATO Cash Boost</i>	-	229
<i>Merchandise Sales</i>	-	146
Total other income	<u>-</u>	<u>375</u>

2023 2022
\$ \$

Note 4 Expenses

Note 4A: Employee expenses

Holders of office:

Wages and salaries	500,493	407,523
Superannuation	65,529	41,433
Leave and other entitlements	202,523	49,692
Separation and redundancies	-	-
Other employee expenses	-	-

Subtotal employee expenses holders of office	768,545	498,648
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Employees other than office holders:

Wages and salaries	1,234,510	1,428,874
Superannuation	140,743	161,945
Leave and other entitlements	7,667	202,780
Separation and redundancies	127,444	37,904
Other employee expenses	-	-

Subtotal employee expenses other than office holders	1,510,364	1,831,503
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Other Staff costs:

Fringe benefit tax	23,044	23,120
Payroll tax	124,218	112,452
Workers compensation	32,898	24,264
Seminars and Training	3,471	963
Staff recruitment & Temps	741	1,831
Other	8,434	4,461

Total other staff costs	192,806	167,091
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Total employee expenses	2,471,714	2,497,242
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	2023	2022
	\$	\$
Note 4B: Capitation fees and other expense to another reporting unit		
Capitation fees		
Health Services Union – National Office	110,941	102,849
Health Services Union – National Office (ACTU)	33,273	24,735
Subtotal capitation fees	144,214	127,584
Other expense to another reporting unit		
	-	-
Subtotal other expense to another reporting unit	-	-
Total capitation fees and other expense to another reporting unit	144,214	127,584

Note 4C: Affiliation fees

Geelong Trades Hall Council	852	804
Ballarat Regional Trades and Labour Council	556	404
Gippsland Trades and Labour Council	538	397
Victorian Trades Hall Council	22,104	28,980
South West Trades and Labour Council	364	204
Climate and Health Alliance	2,000	2,000
Australia Asia Worker Links	-	800
Total affiliation fees/subscriptions	26,414	33,589

2023
\$

2022
\$

Note 4D: Administration expenses

Total paid to employers for payroll deductions of membership subscriptions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	5,748
Contractors/consultants	-	-
Bank charges and fees	50,492	48,599
Insurance – General	10,002	6,929
Postage and courier	2,020	7,538
Printing and stationery	10,535	10,469
Information communications technology	42,002	39,632
Other	67,202	62,903
Subtotal administration expense	182,252	181,818
Lease rentals:		
Short term, low value and variable lease payments	-	-
Total administration expenses	182,252	181,818

Note 4E: Grants or donations

Grants:		
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-
Donations:		
Total expensed that were \$1,000 or less	455	-
Total expensed that exceeded \$1,000	1,000	3,000
Total grants or donations	1,455	3,000

2023 2022
\$ \$

Note 4F: Depreciation and amortisation

Depreciation		
Furniture and fixtures	1,065	960
Office equipment	850	1,056
Computer equipment	10,917	9,993
Computer software	2,869	2,868
Total depreciation	15,700	14,877
Amortisation		
Lease 62 Lygon	101,742	93,263
Motor Vehicle (ROUA)	50,722	39,036
Total amortisation	152,464	132,299
Total depreciation and amortisation	168,164	147,177

Note 4G: Legal costs

Litigation	-	-
Other legal costs	12,379	76,095
Total legal costs	12,379	76,095

Note 4H: Additional member benefits

Insurance	-	-
Professional indemnity & public liability	137,085	123,964
Legal fees – members	-	-
Litigation	-	-
Other legal matters	-	-
Other	-	954
Total additional member benefits	137,085	124,918

Note 4I: Occupancy

Rental expenses on operating lease	31,883	46,075
Other occupancy expenses	37,987	87,897
Total write-down and impairment of assets	69,870	133,972

	2023	2022
	\$	\$
Note 4J: Other expenses		
Penalties - via RO Act or the <i>Fair Work Act 2009</i>	-	-
Delegate expenses	464	-
Total other expenses	464	-

Note 5 Current Assets

Note 5A: Cash and cash equivalents

Cash at bank	1,466,001	602,598
Cash on hand	134	156
Short term deposits	-	-
Other	-	-
Total cash and cash equivalents	1,466,135	602,754

Note 5B: Trade and other receivables

Receivables from other reporting unit(s)		
Health Services Union – National Office	10,324	-
Health Services Union – Vic No 4 Branch	250	-
Total receivables from other reporting unit(s)	10,574	-
Less allowance for expected credit losses*		
	-	-
Total allowance for expected credit losses	-	-
Receivable from other reporting unit(s) (net)	-	-
Other receivables:		
Receivables from other reporting units	-	-
Interest receivable	-	-
Trade receivables	-	9,940
Less allowance for expected credit losses	-	-
Total other receivables	-	9,940
Total trade and other receivables (net)	10,574	9,940

	2023	2022
	\$	\$
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	-	-
At 30 June	<u>-</u>	<u>-</u>

Note 5B: Trade and other receivables (continued)

The Branch has recognised the following assets and liabilities related to contracts with customers:

Receivables	-	-
Receivables – current	-	-
Receivables – non-current	-	-
Contract assets	-	-
Contract assets – current	-	-
Contract assets – non-current	-	-
Other contract liabilities	-	-
Contract liabilities – current	349,930	385,133
Contract liabilities – non-current	-	-

The significant changes between opening and closing balances of contract liabilities primarily relates to the timing of membership subscription received in advance.

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period was \$385,133.

Unsatisfied performance obligations

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 June 2023 is \$349,930. The branch expects that 100% of the transaction price allocated to remaining performance obligations is expected to be recognised as revenue within one year. These performance obligations primarily relate to membership subscription received in advance.

Note 5C: Financial assets at amortised costs

Term deposit	-	1,033,353
Total financial assets at amortised cost	<u>-</u>	<u>1,033,353</u>

Note 6 Non-current Assets

Note 6A: Property, Plant and Equipment

2023

	Furniture and fixtures \$	Office Equipment \$	Computer equipment \$	Software \$	Total \$
Property, Plant and Equipment:					
At cost	3,408	1,724	23,317	7,319	35,768
accumulated depreciation	(1,065)	(850)	(10,917)	(2,869)	(15,701)
Total Property, Plant and Equipment	2,343	874	12,400	4,450	20,067

Reconciliation of opening and closing balances of property, plant and equipment

Net book value 1 July 2022	3,408	1,724	21,436	7,319	33,887
Additions:					
By purchase	-	-	1,881	-	1,881
Revaluations	-	-	-	-	-
Impairments	-	-	-	-	-
Depreciation expense	(1,065)	(850)	(10,917)	(2,869)	(15,701)
Other movement	-	-	-	-	-
Disposals	-	-	-	-	-
Other	-	-	-	-	-
Net book value 30 June 2023	2,343	874	12,400	4,450	20,067
Net book value as of 30 June 2023 represented by:					
Gross book value	82,362	28,752	156,301	60,477	327,892
Accumulated depreciation and impairment	(80,019)	(27,878)	(143,901)	(56,027)	(307,825)
Net book value 30 June 2023	2,343	874	12,400	4,450	20,067

Note 6A: Property, Plant and Equipment (continued)

2022

	Furniture and fixtures \$	Office equipment \$	Computer equipment \$	Software \$	Total \$
Property, Plant and Equipment:					
At Cost	4,367	2,780	31,429	10,188	48,764
accumulated depreciation	(959)	(1,056)	(9,993)	(2,869)	(14,877)
Total Property, Plant and Equipment	3,408	1,724	21,436	7,319	33,887

Reconciliation of opening and closing balances of property, plant and equipment

Net book value 1 July 2021	1,482	1,419	18,957	10,188	32,046
Additions:					
By purchase	2,885	1,361	12,472	-	16,718
Revaluations	-	-	-	-	-
Impairments	-	-	-	-	-
Depreciation expense	(959)	(1,056)	(9,993)	(2,869)	(14,877)
Other movement	-	-	-	-	-
Disposals	-	-	-	-	-
Other	-	-	-	-	-
Net book value 30 June 2022	3,408	1,724	21,436	7,319	33,887
Net book value as of 30 June 2022 represented by:					
Gross book value	82,362	28,752	154,420	60,477	326,011
Accumulated depreciation and impairment	(78,954)	(27,028)	(132,984)	(53,158)	(292,124)
Net book value 30 June 2022	3,408	1,724	21,436	7,319	33,887

Note 6B: Right-of-use assets and leases

The branch as a lessee

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Office premises	Motor Vehicle	Total
	\$	\$	\$
As at 1 July 2021	-	78,075	78,075
Additions	406,966	-	406,966
Depreciation expense	(93,262)	(39,036)	(132,299)
Impairment	-	-	-
Disposal	-	-	-
As at 1 July 2022	313,704	39,039	352,743
Additions	-	31,340	31,340
Depreciation expense	(101,742)	(50,722)	(152,464)
Impairment	-	-	-
Disposal	-	-	-
As at 30 June 2023	211,962	19,657	231,619

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

	2023	2022
	\$	\$
As at 1 July	393,271	74,916
Additions	31,341	406,966
Accretion of interest	14,161	14,474
Payments	(163,373)	(103,085)
As at 30 June	275,400	393,271
Current	137,343	135,796
Non-current	138,058	257,475

The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets	152,464	132,299
Interest expense on lease liabilities	14,161	14,474
Expense relating to short-term leases	7,385	34,662
Expense relating to leases of low-value assets (included in administrative expenses)	21,606	23,403
Variable lease payments	-	-
Total amount recognised in profit or loss	195,616	204,838

The Branch has no right-of-use lease assets with variable lease payments. There are no undiscounted potential future rental payments relating to the period relating to extension and termination options that are not included in the lease term.

2023 2022
\$ \$

Note 6C Other non-current assets

Loan to a related party	-	-
Prepayments	59,322	56,629
Other	-	-
Total other non-current assets	59,322	56,629

Note 7 Current Liabilities

Note 7A: Trade payables

Trade creditors and accruals	127,017	92,706
Subtotal trade creditors	127,017	92,706
Payables to other reporting unit(s)		
Health Services Union - National Office	39,749	-
Subtotal payables to other reporting unit(s)	39,749	-
Total trade payables	166,766	92,706

Settlement is usually made within 30 days.

Note 7B: Other payables

Wages and salaries	-	36,153
Superannuation	22,628	-
Payable to employers for making payroll deductions of membership subscriptions	-	-
Legal costs		
Litigation	-	-
Other legal costs	-	-
Net GST payable	75,005	59,559
Other	-	-
Total other payables	97,633	95,712

2023 2022
\$ \$

Note 8 Provisions

Note 8A: Employee provisions

Office holders:		
Annual leave	30,072	62,163
Long service leave	85,920	118,432
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	115,992	180,595
Employees other than office holders:		
Annual leave	229,281	244,438
Long service leave	209,293	244,806
Separations and redundancies	-	-
Other	1,855	1,855
Subtotal employee provisions—employees other than office holders	440,429	491,099
Total employee provisions	556,421	671,694
Current	500,254	657,809
Non-current	56,167	13,886
Total employee provisions	556,421	671,694

Note 9 Other funds

Note 9A: Other funds

Compulsory levy/voluntary contribution fund		
Balance as at start of year	-	-
Transferred to fund, account or controlled entity	-	-
Transferred out of fund, account or controlled entity	-	-
Balance as at end of year	-	-
Total compulsory levy/voluntary contribution fund	-	-
Other fund(s) required by rules		
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	-	-
Investment in asset(s)		
Value of asset(s)	-	-

2023	2022
\$	\$

Note 10 Equity

Note 10A: Retained earnings

Balance as at start of year	450,790	1,005,340
Deficit for the year	(109,224)	(554,550)
Net assets at end of year	<u>341,566</u>	<u>450,790</u>

2023
\$

2022
\$

Note 11 Cash Flow

Note 11A: Cash flow reconciliation

Reconciliation of cash and cash equivalents as per statement of financial position to statement of cash flow:

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

Deficit for the year	(109,224)	(554,550)
Adjustments for non-cash items		
Depreciation/amortisation	168,164	147,177
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 receivables and prepayments	(3,327)	55,006
(Increase)/decrease in prepayments	-	-
Increase/(decrease) in supplier payables	-	-
Increase/(decrease) in other payables	40,778	101,062
Increase/(decrease) in employee provisions	(115,271)	63,736
Increase/(decrease) in other provisions	-	-
Net cash from (used by) operating activities	(18,880)	(187,569)

Note 11B: Cash flow information

Cash inflows		
Health Services Union National Office	7,308	-
Health Services Union Victoria No 2 Branch	-	-
Health Services Union Victoria No 4 Branch	-	-
Health Services Union NSW Branch	-	-
Total cash inflows	7,308	-
Cash outflows		
Health Services Union National Office	123,318	136,938
Health Services Union Victoria No 2 Branch	-	-
Health Services Union NSW Branch	-	-
Total cash outflows	123,318	136,938

2023	2022
\$	\$

Note 12 Contingent Liabilities, Assets and Commitments

Note 12A Contingencies

There are no known contingent assets or liabilities at 30 June 2023

Note 12B Commitments

Operating lease commitments	-	-
Non-Cancellable operating leases contacted for but not capitalised in the financial statements	-	-
Payables	-	-
- not later than one year	17,238	19,306
- later than one year but not later than five years	6,188	6,807
Total other non-current assets	23,426	26,113

General description of leasing arrangement

The leases are related to the rental of office equipment.

	2023	2022
	\$	\$

Note 13 Related Party Disclosures

Note 13A: Related party transactions for the reporting period

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

Revenue received from Health Services Union National Office includes the following:

Payroll Tax Reconciliation Group refund	7,308	-
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Expenses paid to Health Services Union National Office includes the following:

Capitation and affiliation fee	123,318	136,938
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Other amounts owed by Health Services Union Vic Branch No.4 include the following:

Reimbursement for office flu vaccines	250	-
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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 2023, the branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2022: \$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.

2023 2022
\$ \$

Note 13B: Key management personnel remuneration for the reporting period

Short-term employee benefits

Salary (including annual leave taken)	711,596	412,461
Annual leave accrued	15,627	19,145
Performance bonus	-	-
Total short-term employee benefits	727,223	431,606

Post-employment benefits:

Superannuation	66,183	41,246
Total post-employment benefits	66,183	41,246

Other long-term benefits:

Long-service leave	(24,201)	14,465
Total other long-term benefits	(24,201)	14,465

Termination benefits

Total	-	-
Total	769,205	487,318

Note 13C: Transactions with key management personnel and their close family members

Loans to/from key management personnel

There were no loans between the key management personnel of the committee of management or their close family members and the Branch.

Other transactions with key management personnel

Transactions between key management personnel, the committee of management or their close family members and the Branch other than those relating to their membership of the Branch and reimbursement by the Branch in respect of expenses incurred by them in the performance of their duties are listed below. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

Note 14 Remuneration of Auditors

Value of the services provided

Financial statement audit services	25,000	22,800
Total remuneration of auditors	25,000	22,800

Note 15 Financial Instruments

The Branch's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Branch's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Branch. The Branch uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, other price risks and ageing analysis for credit risk.

Risk management is carried out by management under policies approved by Committee of Management. The Committee of Management identifies, evaluates and hedges financial risks as part of regular meetings. This identification and analysis includes an analysis of interest rate exposure and the evaluation of strategies in the context of most recent economic conditions.

	2023	2022
	\$	\$

Note 15A: Categories of Financial Instruments

Financial assets

At amortised cost:

Cash on hand	134	156
Cash at bank	1,466,001	602,598
Held to maturity investments	-	1,033,353
Trade and other receivables	10,574	9,940
Total	1,476,708	1,646,047
Carrying amount of financial assets	1,476,708	1,646,047

Financial liabilities

At amortised cost:

Trade and other payables	(264,399)	(188,418)
Total	(264,399)	(188,418)
Carrying amount of financial liabilities	(264,399)	(188,418)

Note 15B: Net income and expense from financial assets

Financial assets at amortised cost

Interest revenue	2,861	8,151
Impairment	-	-
Net income/(expense) from financial assets	-	-

Note 15C: Net income and expense from financial liabilities

Financial liabilities at amortised cost

Interest expense	(14,161)	(14,474)
Gain/loss on disposal	-	-
Net gain/(loss) from financial liabilities	(14,161)	(14,474)

Note 15D: Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. Cash transactions are limited to high credit quality financial institutions. Currently the investments are held in Australian banks. The Branch has no significant concentrations of credit risk. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. Set out below is the information about the credit risk exposure on trade receivables and contract assets using a provision matrix:

	Trade receivables and contract assets					Total
	Days past due					
	Current	<30 days	30-60 days	61-90 days	>91 days	
\$	\$	\$	\$	\$	\$	
30 June 2023						
Expected credit loss rate	0%	0%	0%	0%	0%	
Estimate total gross carrying amount at default	-	-	-	-	-	-
Expected credit loss	-	-	-	-	-	-
30 June 2022						
Expected credit loss rate	-%	-%	-%	-%	-%	
Estimate total gross carrying amount at default	-	-	-	-	-	-
Expected credit loss	-	-	-	-	-	-

Note 15E: Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Maturity profile of financial instruments

The maturity profile of financial assets and liabilities held is detailed below:

Financial liabilities	On Demand	< 1 year	1– 2 years	2– 5 years	>5 years	Total
		\$	\$	\$	\$	\$
30 June 2023						
Payables	-	(264,399)	-	-	-	(264,399)
Borrowings	-	-	-	-	-	-
Lease liabilities	-	(137,343)	(127,205)	(10,852)	-	(275,400)
Total	-	(326,737)	(127,205)	(10,852)	-	(464,794)

Financial liabilities
30 June 2022

Payables	-	(128,859)	-	-	-	(128,859)
Borrowings	-	-	-	-	-	-
Lease liabilities	-	(117,872)	(137,343)	(138,057)	-	(393,272)
Total	-	(246,731)	(137,343)	(138,057)	-	(522,131)

Note 15F: Market risk

Foreign exchange risk

The Branch is not exposed to foreign exchange risk.

Price risk

The Branch is not exposed to commodity price risk.

Cash flow and fair value interest rate risk

The Branch is not exposed to interest rate risk on liabilities. The Branch has investments in a variety of interest-bearing assets which have fixed interest rate and therefore not subject to interest rate volatility.

Risk variable	Risk variable	2023			Risk variable	2022		
		Change in risk variable	Effect on			Change in risk variable	Effect on	
			Profit or loss	Equity			Profit or loss	Equity
	%	\$	\$			\$	\$	
Interest rate risk	2%	[+ Rate]	29,323	29,323	2%	[+ Rate]	32,722	32,722
Interest rate risk	2%	[- Rate]	(29,323)	(29,323)	2%	[- Rate]	(32,722)	(32,722)

Note 16 Fair value measurements

The carrying value of cash, trade receivables, and trade payables are assumed to approximate their fair values due to their short-term nature. The Branch does not have any financial instruments included in Level 1, Level 2, and Level 3.

Note 17 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 the General Manager:

1. A member of a reporting unit, or the General Manager, 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).

Officer declaration statement

I, Craig McGregor, being the Secretary of the Health Services Union Victoria No, 3 Branch, declare that the following activities did not occur during the reporting period ended 30 June 2023.

The Branch did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- 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 an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by the officer: 

Dated: 14 Nov 2023

Independent Auditor's Report to the Members of Health Services Union Vic No.3 Branch

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Health Services Union Vic No.3 Branch (the Branch), which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, the committee of management statement, the subsection 255(2A) report and the officer declaration statement.

In our opinion, the accompanying financial report of the Branch is in accordance with the Fair Work (Registered Organisations) Act 2009, including:

- i) giving a true and fair view of the Branch's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards.

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 Branch 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 information

The Branch Committee of Management are responsible for the other information. The other information comprises the information in Health Services Union Vic No.3 Branch's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and 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 the other information we are required to report that fact. We have nothing to report in this regard.

Branch Committee of Management' responsibility for the financial report

The Branch Committee of Management of the Branch are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 and for such internal control as the Branch 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 Branch Committee of Management are responsible for assessing the Branch'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 Branch Committee of Management either intend to liquidate the Branch or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial report

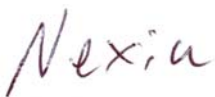
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

We communicate with the Branch Committee of Management, Secretary and Assistant Secretary 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.

We declare the signing auditor below is an auditor registered under the RO Act and a member of a firm where at least one member is a registered auditor.

We also provide the Branch Committee of Management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Nexia Sydney Audit Pty Limited



Brett Hanger
Director

Dated: 14 November 2023