Fair Work Commission

24 January 2024

Timothy Kennedy
Secretary
United Workers' Union

Sent via email: reporting@unitedworkers.org.au

CC: bev.myers@unitedworkers.org.au

gkent@mgisq.com.au

Dear Timothy Kennedy

United Workers' Union
Financial Report for the year ended 30 June 2023 – FR2023/154

I acknowledge receipt of the financial report for the year ended 30 June 2023 for the United Workers' Union (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 14 December 2023.

The financial report has now been filed.

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

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

You are not required to take any further action in respect of the report lodged. I make the following comments to assist you when you next prepare a financial report. The Commission will confirm these matters have been addressed prior to filing next year's report.

1. Timescale requirements

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. Information about these timelines can be found on the Fair Work Commission website, in particular, the fact sheet 'Financial reporting process' which explains the timeline requirements, and the fact sheet 'summary of financial reporting timelines' which sets out the timelines in diagrammatical format. The Fair Work Commission website also contains a 'Compliance Calculator' to help organisations comply with the RO Act timelines.

I note that the following timescale requirements were not met:

Documents must be lodged with Fair Work Commission within 14 days after meeting of the committee of management

Section 268 of the RO Act requires a copy of the full report and the designated officer's certificate to be lodged with the Fair Work Commission within 14 days after the meeting of the committee of management referred to in section 266.

The designated officer's certificate indicates that this meeting occurred on 29 November 2023. If this is correct the documents should have been lodged with the Fair Work Commission by 13 December 2023.

The full report was not lodged until 14 December 2023.

Please note that in future financial years if the reporting unit cannot lodge within the 14 day period prescribed, a written request for an extension of time, signed by a relevant officer, including any reason for the delay, must be made *prior to* the expiry of the 14 day period.

2. Rotation of registered auditor

You must rotate your registered auditor

Correspondence was provided to the reporting unit on 22 June 2023, which alerted you that your registered auditor is approaching their statutory limit on how many consecutive financial years they are permitted to audit your financial report. The financial report lodged identifies that Graeme Kent was the reporting unit's registered auditor for this financial year. Our records indicate that you have now used your current registered auditor for five consecutive financial years, which is the statutory limit under section 256A.

Please ensure that Graeme Kent is not assigned to audit the financial report of the reporting unit for at least the following two financial years. Further information on the rotation of registered auditor requirement can be found via this link.

Reporting Requirements

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

The Commission recommends that reporting units use these model financial statements to assist in complying with the RO Act, the section 253 reporting guidelines and Australian Accounting Standards. Access to this information is available via this link.

If you have any queries regarding this letter, please call 1300 341 665 or email regorgs@fwc.gov.au.

Yours sincerely

Fair Work Commission

United Workers' Union

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

Certificate by prescribed designated officer

Certificate for the year ended 30 June 2023

1, Timothy John Kennedy, being the National Secretary of the United Workers' Union certify:

- that the documents lodged herewith are copies of the full report for the United Workers Union 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 25 October 2023; and
- that the full report was presented to Committee of Management of the reporting unit on 29 November 2023 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

T. K

Signature of prescribed designated officer: ....

Name of prescribed designated officer: Timothy John Kennedy

Title of prescribed designated officer: National Secretary.
Dated: .... 29 November 2023.

UNITED WORKERS' UNION

ABN 52 728 088 684

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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UNITED WORKERS' UNION

COMMITTEE OF MANAGEMENT'S OPERATING REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Operating Report

The National Executive being the Committee of Management presents its report on the operations of United Workers' Union (**the Union**) for the year ended 30 June 2023.

Principal Activities

The principal activities of the Union during the year fell into the following categories:

- Organising existing and new members;
- Bargaining, negotiating and arbitrating for improvements in wages and conditions for employment for members of the Union;
- Representing members in work related grievances and other matters;
- Undertaking training and the development of delegates of the Union; and
- Campaigning on political and social issues to further the interest of members and working men and women generally.

There was no change in the principal activities of the Union during the year.

Operating Results

The consolidated deficit for the year amounted to $3,998,340. Events that have contributed to this result include:

1. Equity markets recovered during the past 12 months, resulting in the investment portfolio increasing to $101,945,632 – representing an unrealised gain of revaluation of $11,309,812 (2022: unrealised loss of $23,804,431)

2. Membership income has increased by $2,568,659 (or 3.20%) to $82,780,217.

3. Employment expenses have decreased by $2,017,614 (or 2.57%) to $76,454,575.

Significant Changes in Financial Affairs

A review of the operations of the Union during the financial year found that there was no significant change in the financial affairs of the Union's operations during the year.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, the results of those operations or the state of affairs of the Union in future financial years.

Members Right to Resign

All members had the right to resign from the Union in accordance with Rule 24 - Resignation of Members (and Section 174 of the RO Act); namely, by providing written notice addressed and delivered to the Secretary of the Union.

Members of the Committee of Management

The names of the Committee of Management in respect to the National Executive of United Workers' Union was as follows:

Name	Period of Appointment	Position
Jo-anne Schofield	01/07/22 – 30/06/23	National President
Gary Bullock	01/07/22 – 30/06/23	National Vice President
Sam Roberts	01/07/22 – 30/06/23	National Vice President
Carolyn Smith	01/07/22 – 30/06/23	National Vice President
Sharron Caddie	01/07/22 – 30/06/23	National Vice President
Tim Kennedy	01/07/22 – 30/06/23	National Secretary
Jannette Armstrong	01/07/22 – 09/06/23	National Executive Member
Caterina Cinanni	01/07/22 – 30/06/23	National Executive Member
Mel Gatfield	01/07/22 – 30/06/23	National Executive Member
Helen Gibbons	01/07/22 – 30/06/23	National Executive Member
Karma Lord	01/07/22 – 30/06/23	National Executive Member
Godfery Moase	01/07/22 – 30/06/23	National Executive Member
Dario Mujkic	01/07/22 – 30/06/23	National Executive Member
Demi Pnevmatikos	01/07/22 – 30/06/23	National Executive Member
Ben Redford	01/07/22 – 30/06/23	National Executive Member
Paul Richardson	01/07/22 – 25/01/23	National Executive Member
Lyndal Ryan	01/07/22 – 30/06/23	National Executive Member

Officers or Members who are Superannuation Fund Trustees/ Directors of a Company that is a Superannuation Fund Trustee

The following officers and employees of United Workers' Union were superannuation fund trustees or directors of a company that is a superannuation fund trustee at 30 June 2023:

Name	Position	Trustee Company	Superannuation Fund
Jo-anne Schofield	Director	ACTU Super Shareholding Pty Ltd	Australian Super
Helen Gibbons	Director	H.E.S.T Australia Limited	Hesta
Gary Bullock	Director	Host-Plus Pty Limited	Hostplus
Imogen Beynon	Director	Host-Plus Pty Limited	Hostplus
Bev Myers	Alternate Director	Host-Plus Pty Limited	Hostplus

Members of the Union

Total number of members as at 30 June 2023: 149,678.

Employees of the Union

The number of persons who were, at the end of the period to which the report relates, employees of the Union, where the number of employees includes both full-time and part-time employees measured on a full-time equivalent basis was 506.67.

UNITED WORKERS' UNION

COMMITTEE OF MANAGEMENT'S OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

Wages Recovery Activity

Where the Union undertook recovery of wages on behalf of members, it is Union policy that wherever possible that any successful wage recovery from employers is paid directly to those affected members. In the event that wage recovery activity is paid to the Union, it is current policy that:

1. Recoveries are paid into a dedicated bank account, that is not linked to the Union's general fund
2. No revenue is derived from wage recovery activity and that all funds are returned to impacted members.

Auditor's Independence Declaration

A copy of the auditor's independence declaration is set out on page 7.

This report is made in accordance with a resolution of the Committee of Management and is signed for and on behalf of the Committee of Management by:

....
Tim Kennedy
National Secretary

17 October 2023

Melbourne

accountants + auditors

Brisbane & Gold Coast
GPO Box 1087
Brisbane Qld 4001 Australia

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AUDITOR'S INDEPENDENCE DECLARATION
TO THE COMMITTEE OF MANAGEMENT OF

UNITED WORKERS' UNION

As lead auditor for the audit of United Workers' Union for the year ended 30 June 2023; I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

MGI Audit Pty Ltd

G I Kent

Director – Audit & Assurance

Melbourne
17 October 2023

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/2

UNITED WORKERS' UNION

COMMITTEE OF MANAGEMENT STATEMENT

FOR THE YEAR ENDED 30 JUNE 2023

On 17 October 2023, the National Executive being the Committee of Management of the Union passed the following resolution to the General Purpose Financial statements (GPFR) of the reporting unit for the year ended 30 June 2023.

The Committee of Management declares in relation to the GPFR 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 Union for the financial year to which they relate;

(d) there are reasonable grounds to believe that the Union 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 of the Union were held in accordance with the rules of the organisation and the rules of the Union concerned; and

ii. the financial affairs of the Union have been managed in accordance with the rules of the organisation; and

iii. the financial records of the Union 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 to each of the other reporting units of the organisation; and

v. where information has been sought in any request of a member of the reporting unit or General Manager duly made under section 272 of the RO Act, that information has been provided to the member or General Manager; and

vi. where any order for inspection of financial records 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.

Name of Designated Officer: Tim Kennedy

Title of Designated Officer: National Secretary

Signature: ....

Date: 17 October 2023

accountants + auditors

accountants + auditors

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Independent Audit Report to the Members of United Workers' Union

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of United Workers' Union (the Union), 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 ended, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the United Workers' Union as at 30 June 2023, and its financial performance and its cash flows for the year ended on that date in accordance with:

a) the Australian Accounting Standards; and

b) 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).

We declare that management's use of the going concern basis in the preparation of the financial statements of the Union 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 Union in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to 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.

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

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

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

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

Responsibilities of Committee of Management for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Union's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.

- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Union to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Union to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Union's audit. We remain solely responsible for our audit opinion.

We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Declaration

I declare that I am an approved auditor, a member of Chartered Accountants Australia and New Zealand and hold a current Public Practice Certificate.

MGI Audit Pty Ltd

G I Kent

Director – Audit & Assurance

Melbourne
17 October 2023

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/2

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

		Consolidated		Parent	
		2023	2022	**2023**	2022
	Notes	**$**	$	**$**	$
Revenue from contracts with customers	3				
Membership subscription		**82,780,217**	80,211,558	**82,780,217**	80,211,558
Rental income	3C	**2,700,029**	1,996,195	**2,700,029**	1,996,195
Total revenue from contracts with customers		**85,480,246**	82,207,753	**85,480,246**	82,207,753
Income for furthering objectives					
Grants and/ or donations	3F	**95,812**	24,983	**95,812**	24,983
Total income for furthering objectives		**95,812**	24,983	**95,812**	24,983
Other income					
Interest	3A	**115,096**	110,662	**115,096**	110,662
Investment income	3B	**11,309,812**	548,036	**11,309,812**	548,036
Other revenue	3D	**5,370,770**	4,361,780	**4,354,625**	3,101,616
Net gain from sale of assets	3E	**69,652**	1,380,324	**69,652**	1,380,324
Share of net profit from joint ventures	6A	**-**	408,510	**-**	408,510
Share of net profit from associates	6A	**-**	-	**-**	-
Gain on transfer of net assets from amalgamation of NUW (NSW) (State Registered Union)	3G	**-**	2,962,682	**-**	2,962,682
Total other income		**16,865,330**	9,771,994	**15,849,185**	8,511,830
Total Income		**102,441,388**	92,004,730	**101,425,243**	90,744,566

UNITED WORKERS' UNION

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

		Consolidated		Parent	
		2023	2022	**2023**	2022
	Notes	**$**	$	**$**	$
Expenses					
Employee expenses	4A	**(69,307,217)**	(71,986,416)	**(68,999,517)**	(71,986,416)
Indirect employment expenses	4B	**(7,147,358)**	(6,485,773)	**(7,147,338)**	(6,485,711)
Affiliation fees	4C	**(3,264,986)**	(3,206,123)	**(3,264,986)**	(3,206,123)
Grants and donations	4D	**(229,345)**	(1,737,563)	**(229,345)**	(1,737,563)
Depreciation and amortisation	4E	**(7,263,194)**	(6,367,750)	**(7,263,194)**	(6,367,750)
Finance costs	4F	**(505,302)**	(470,842)	**(504,253)**	(470,474)
Legal and professional costs	4G	**(423,846)**	(613,261)	**(422,354)**	(613,081)
Audit and accounting fees	4H	**(151,681)**	(156,319)	**(151,050)**	(155,735)
Campaign costs	4I	**(927,636)**	(712,982)	**(927,636)**	(641,365)
Communication costs	4J	**(2,602,590)**	(4,131,862)	**(1,968,235)**	(3,313,168)
IT costs	4K	**(1,817,146)**	(1,476,976)	**(1,815,802)**	(1,475,282)
Meeting and conference costs	4L	**(4,241,463)**	(2,186,299)	**(4,241,275)**	(2,186,267)
Property costs	4M	**(3,502,011)**	(2,953,456)	**(3,462,157)**	(2,944,739)
Occupancy and equipment costs	4N	**(72,007)**	-	**(72,007)**	-
Other expenses	4O	**(4,983,946)**	(5,269,888)	**(4,951,584)**	(5,186,725)
Share of net loss from associates	6A	**-**	(81,245)	**-**	(81,245)
Unreaslied loss on revaluation of investments		**-**	(23,804,431)	**-**	(23,804,431)
Total expenses		**(106,439,728)**	(131,641,186)	**(105,420,733)**	(130,656,075)
Deficit for the year		**(3,998,340)**	(39,636,456)	**(3,995,490)**	(39,911,509)
Other comprehensive income					
Fair value gain on revaluation on land and buildings		**86,853**	13,279,357	**86,853**	13,279,357
Total comprehensive income for the year		**(3,911,487)**	(26,357,099)	**(3,998,637)**	(26,632,152)

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

UNITED WORKERS' UNION

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

		Consolidated		Parent	
		2023	2022	**2023**	2022
	Notes	**$**	$	**$**	$
ASSETS					
Current Assets					
Cash and cash equivalents	5A	**5,516,404**	10,288,245	**5,444,140**	10,272,168
Trade and other receivables	5B	**4,223,338**	4,418,028	**4,530,610**	4,600,935
Other current assets	5C	**2,393,686**	3,007,239	**2,074,748**	2,657,234
Non-current assets held for sale	5D	**-**	3,000,000	**-**	3,000,000
Total current assets		**12,133,428**	20,713,512	**12,049,498**	20,530,337
Non-Current Assets					
Financial assets	6A	**101,945,632**	93,920,740	**101,945,632**	93,920,740
Land and buildings	6B	**140,419,501**	143,719,326	**140,419,501**	143,719,326
Investment properties	6C	**9,841,238**	10,474,909	**9,841,238**	10,474,909
Plant and equipment	6D	**3,677,748**	5,088,445	**3,677,748**	5,088,445
Capital work in progress	6E	**-**	350,632	**-**	350,632
Total non-current assets		**255,884,119**	253,554,052	**255,884,119**	253,554,052
Total assets		**268,017,547**	274,267,564	**267,933,617**	274,084,389
LIABILITIES					
Current Liabilities					
Trade and other payables	7A	**5,433,889**	7,700,611	**5,388,662**	7,558,989
Employee provisions	8A	**15,774,424**	15,490,536	**15,774,424**	15,490,536
Lease liabilities	9A	**276,117**	360,974	**276,117**	360,974
Total current liabilities		**21,484,430**	23,552,121	**21,439,203**	23,410,499
Non-Current Liabilities					
Employee provisions	8A	**4,539,725**	4,570,189	**4,539,725**	4,570,189
Lease liabilities	9A	**182,349**	422,724	**182,349**	422,724
Total non-current liabilities		**4,722,074**	4,992,913	**4,722,074**	4,992,913
Total liabilities		**26,206,504**	28,545,034	**26,161,277**	28,403,412
Net assets		**241,811,043**	245,722,530	**241,772,340**	245,680,977
EQUITY					
Retained earnings		**223,279,736**	227,278,076	**223,241,033**	227,236,523
Asset revaluation reserve	10A	**18,531,307**	18,444,454	**18,531,307**	18,444,454
Total equity		**241,811,043**	245,722,530	**241,772,340**	245,680,977

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

UNITED WORKERS' UNION

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

Consolidated	Notes	Asset Revaluation Reserve $	Retained earnings $	Total equity $
Balance as at 1 July 2021		5,165,097	266,914,532	272,079,629
Surplus for the year		-	(39,636,456)	(39,636,456)
Other comprehensive income		13,279,357	-	13,279,357
Closing balance as at 30 June 2022		18,444,454	227,278,076	245,722,530
Deficit for the year		**-**	**(3,998,340)**	**(3,998,340)**
Other comprehensive income		**86,853**	**-**	**86,853**
Closing balance as at 30 June 2023		**18,531,307**	**223,279,736**	**241,811,043**

Parent	Notes	Asset Revaluation Reserve $	Retained earnings $	Total equity $
Balance as at 1 July 2021		5,165,097	267,148,032	272,313,129
Surplus for the year		-	(39,911,509)	(39,911,509)
Other comprehensive income		13,279,357	-	13,279,357
Closing balance as at 30 June 2022		18,444,454	227,236,523	245,680,977
Deficit for the year		**-**	**(3,995,490)**	**(3,995,490)**
Other comprehensive income		**86,853**	**-**	**86,853**
Closing balance as at 30 June 2023		**18,531,307**	**223,241,033**	**241,772,340**

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

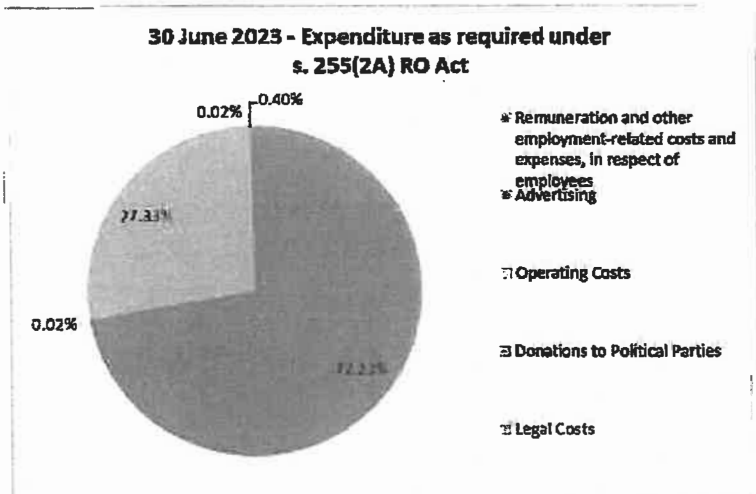
		Consolidated		Parent	
		2023	2022	**2023**	2022
	Notes	**$**	$	**$**	$
OPERATING ACTIVITIES					
Cash received					
Receipts from members and other customers		**99,878,644**	97,539,777	**98,738,134**	96,936,139
Interest and investment income received		**184,195**	658,698	**184,195**	658,698
		100,062,839	98,198,475	**98,922,329**	97,594,837
Cash used					
Payments to employees and suppliers		**(109,284,063)**	(107,661,543)	**(108,199,740)**	(106,715,640)
Net cash used in operating activities	11A	**(9,221,224)**	(9,463,068)	**(9,277,411)**	(9,120,803)
INVESTING ACTIVITIES					
Proceeds from sale of property, plant and equipment		**3,444,498**	6,150,391	**3,444,498**	6,150,391
Proceeds from investments		**3,215,821**	13,232,608	**3,215,821**	13,232,608
Purchase of property, plant and equipment		**(1,814,360)**	(32,633,648)	**(1,814,360)**	(32,633,648)
Net cash provided by (used in) investing activities		**4,845,959**	(13,250,649)	**4,845,959**	(13,250,649)
FINANCING ACTIVITIES					
Repayment of leases		**(396,576)**	(2,739,524)	**(396,576)**	(2,739,524)
Net cash used in financing activities		**(396,576)**	(2,739,524)	**(396,576)**	(2,739,524)
Net decrease in cash held		**(4,771,841)**	(25,453,241)	**(4,828,028)**	(25,110,976)
Cash & cash equivalents at the beginning of the year		**10,288,245**	35,741,486	**10,272,168**	35,383,144
Cash & cash equivalents at the end of the year	5A	**5,516,404**	10,288,245	**5,444,140**	10,272,168

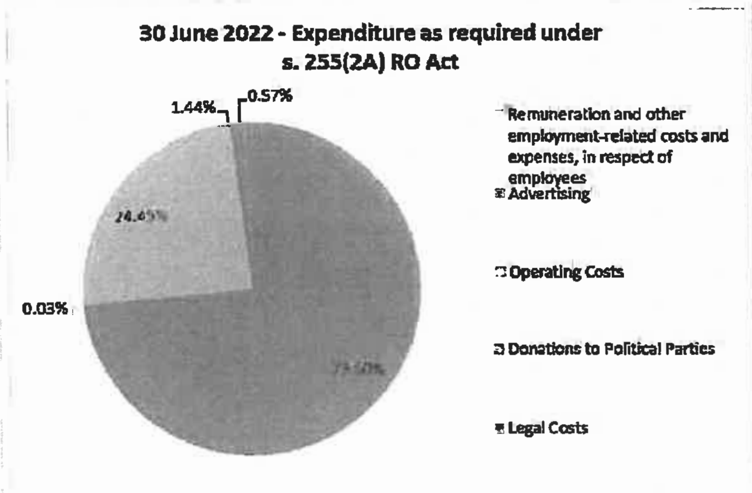
The above statement should be read in conjunction with the notes.

UNITED WORKERS' UNION

REPORT REQUIRED UNDER SUBSECTION 255(2A) OF THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009
FOR THE YEAR ENDED 30 JUNE 2023

The Committee of Management presents the expenditure report as required under subsection 255(2A) of the *Fair Work (Registered Organisations) Act 2009* on the Union for the year ended 30 June 2023:





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Tim Kennedy
National Secretary

17 October 2023

Melbourne

UNITED WORKERS' UNION

OFFICER'S DECLARATION STATEMENT

I, Tim Kennedy, being the National Secretary of the United Workers' Union, declare that the following activities did not occur during the reporting year ended 30 June 2023:

The reporting unit 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 capitation fees or any other revenue amount from another reporting unit
- receive revenue via compulsory levies
- receive revenue from undertaking recovery of wages activity
- pay capitation fees to another reporting unit
- pay a grant that was $1,000 or less
- pay separation and redundancy to holders of office
- pay separation and redundancy to employees (other than holders of office)
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- have a receivable with other reporting unit(s)
- have a payable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have other employee provisions in respect of employees (other than holders of office)
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or Union

UNITED WORKERS' UNION

OFFICER DECLARATION STATEMENT (CONTINUED)

- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- provide cash flows to another reporting unit and/or controlled entity
- receive cash flows from another reporting unit and/or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

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Tim Kennedy
National Secretary

17 October 2023

Melbourne

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Note 17	Information about subsidiaries
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Note 19	Union Details
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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the United Workers' Union (the Union) 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.

1.2 Comparative amounts

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

1.3 Significant accounting judgements and estimates

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.

<u>Key Estimates</u>

Impairment – general
The Union assesses impairment at each reporting period by evaluation of conditions and events specific to the Union that may be indicative of impairment triggers. Recoverable amounts of relevant assets are assessed using value-in-use calculations which incorporate various key assumptions.

Investment Properties
During the year the Union recognised an impairment in value of $413,242 relating to the land and building located at 303 Cleveland Street, Redfern. This has been reflected in the Union's profit and loss statement at 30 June 2023.

Land and Buildings
During the year the Union recognised an impairment in value of $1,503,946 relating to the land and building located at 19-37 Greek Street, Glebe. No amount was charged to the profit and loss accounts, as the net valuation of the class of assets (land and buildings) increased during the year. This is consistent with the provisions outlined in AASB 116 – Property, Plant and Equipment, paragraph Aus 39.1.

Lease Liabilities/ Right-of-Use Asset
Key assumptions used in the determination of the Union's lease liability/ right-of-use assets are:

- Incremental borrowing rate: 5.40% (buildings)

- Incremental borrowing rate: 5.73% (plant and equipment)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.3 Significant accounting judgements and estimates (Continued)

Key Judgements

Useful lives of plant and equipment
Plant and equipment are depreciated over the useful life of the asset and the depreciation rates are assessed when the asset are acquired or when there is a significant change that affects the remaining useful life of the asset.

Provision for impairment of receivables
The value of the provision for impairment of receivables is estimated by considering the ageing of receivables, communication with the debtors and prior history.

On-cost for employee entitlement provision
The Union revised its estimate for on-costs for employee provision during the year to include superannuation, workers compensation, income protection and payroll tax.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard and amendments

New accounting amendments applied for the first time for this annual reporting period commencing 1 July 2022 did not have any material impact on the amounts recognised in the current or prior periods and is not expected to significantly affect future reporting periods.

Future Australian Accounting Standards Requirements

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected to have a future financial impact on the Union include:

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

This Standard amends AASB 101 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 Union does not expect the adoption of this amendment to have an impact on its financial statements

Note 1 Summary of significant accounting policies (Continued)

1.5 Basis of Consolidation

The consolidated financial statements comprise the financial statements of United Workers' Union and entities controlled by the Union. Control is achieved where the Union is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the entity

Specifically, the Union controls an investee if and only if it has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

When the Union has less than a majority of the voting or similar rights of an investee, the Union considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- Relevant activities of the investee and who has control over them
- Existing or future administrative or statutory arrangements that may give rise to rights/control (or change the previous control assessment)
- Whether rights are substantive or protective in nature and whether rights presently exercisable or will be exercisable when decisions about relevant activities are being made
- Exposure or rights to financial and non-financial returns (direct or indirect) and the ability to influence those returns
- Whether the investor is exercising its decision-making abilities as a principal or agent
- Rights arising from other contractual arrangements

The Union re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Union obtains control over the subsidiary and ceases when it loses control of the subsidiary.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Union gains control until the date it ceases to control the subsidiary.

Income and expense of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Union and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Union.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Note 1 Summary of significant accounting policies (Continued)

1.5 Basis of Consolidation (continued)

Changes in the Union's ownership interests in subsidiaries that do not result in the Union losing control are accounted for as equity transactions. The carrying amounts of the Union's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Union

When the Union loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Union had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under *AASB 139 'Financial Instruments: Recognition and Measurement'* or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

1.6 Revenue

The Union enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, levies, 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 Union has a contract with a customer, the Union recognises revenue when or as it transfers control of goods or services to the customer. The Union 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.

Note 1 Summary of significant accounting policies (Continued)

1.6 Revenue (Continued)

Membership subscriptions

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Union.

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

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

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

When a member subsequently purchases additional goods or services from the Union at their standalone selling price, the Union accounts for those sales as a separate contract with a customer.

Note 1 Summary of significant accounting policies (Continued)

1.6 Revenue (Continued)

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

Consideration is received by the Union to enable the entity to further its objectives. The Union recognises each of these amounts of consideration as income when the consideration is received (which is when the Union obtains control of the cash) because, based on the rights and obligations in each arrangement:

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

Gains from sale of assets

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

Interest income

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

Rental income

Leases in which the Union as a lessor, does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the relevant lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

1.7 Cash

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

Note 1 Summary of significant accounting policies (Continued)

1.8 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

1.9 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 reporting unit 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 1 Summary of significant accounting policies (Continued)

1.10 Leases

For any leases entered into the Union considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Union assesses whether the contract meets three key evaluations which are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Union;
- The Union has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract;
- The Union has the right to direct the use of the identified asset throughout the period of use.
- The Union assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use

<u>Measurement and recognition of leases as a lessee</u>
At lease commencement date, the Union recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Union, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Union depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Union also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Union measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Union's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Note 1 Summary of significant accounting policies (Continued)

1.10 Leases (Continued)

The Union has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term. On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in trade and other payables.

1.11 Financial instruments

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

1.12 Financial assets

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 Union's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Union 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 Union'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 Union commits to purchase or sell the asset.

Note 1 Summary of significant accounting policies (Continued)

1.12 Financial assets (Continued)

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 reporting unit 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 Union's financial assets at amortised cost includes trade receivables and loans to related parties.

Financial assets at fair value through profit or loss (including designated)
Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

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

Note 1 Summary of significant accounting policies (Continued)

1.12 Financial assets (Continued)

Derecognition
A financial asset is derecognised when:

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

When the Union 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 Union 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 Union 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 Union does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Union 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 1 Summary of significant accounting policies (Continued)

1.12 Financial assets (Continued)

(ii) Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Union recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Union expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

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

The Union considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Union may also consider a financial asset to be in default when internal or external information indicates that the Union is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

1.13 Financial liabilities

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.

Subsequent Measurement

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

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

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

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

Note 1 Summary of significant accounting policies (Continued)

1.13 Financial liabilities (Continued)

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

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

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

1.14 Contingent liabilities and contingent assets

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

1.15 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 Union transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Union performs under the contract (i.e., transfers control of the related goods or services to the customer).

Refund liabilities
A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Union refund liabilities arise from customers' right of return. The liability is measured at the amount the Union ultimately expects it will have to return to the customer. The Union updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Note 1 Summary of significant accounting policies (Continued)

1.16 Plant and equipment

Asset Recognition Threshold

Purchases of land, buildings, 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.

Revaluations—Land and Buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation

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

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

	2023	**2022**
Buildings	30 years	30 years
Investment properties	30 years	30 years
Furniture and fittings	10 years	10 years
IT hardware/ equipment	5 years	5 years
Motor vehicles	4 years	4 years
Office equipment	5 years	5 years
Plant and equipment	15 years	15 years

Derecognition

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

Note 1 Summary of significant accounting policies (Continued)

1.17 Impairment of non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than 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 Union were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.18 Taxation

The Union 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 statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

1.19 Investments in associates and joint arrangements

An associate is an entity over which the Union has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

A joint operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the individual assets and obligations for the liabilities of the joint operation.

Note 1 Summary of significant accounting policies (Continued)

1.19 Investments in associates and joint arrangements (continued)

The results and assets and liabilities of associates and its joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with AASB 5 'Non-current Asset Held for Sale and Discontinued Operations. 'Under the equity method, an investment in an associate or joint venture is initially recognised in the statement of financial position at cost and adjusted thereafter to recognise the share of the profit or loss and other comprehensive income of the associate. When the share of losses of an associate or joint venture exceeds the interest in that associate, the Union discontinues recognising its share of further losses. Additional losses are recognised only to the extent that it has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Any excess of the cost of acquisition over the share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

1.20 Fair value measurement

The Union measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 17.

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 Union. 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 Union 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.

Note 1 Summary of significant accounting policies (Continued)

1.20 Fair value measurement (Continued)

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 Union 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 Union has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

1.21 Borrowing costs

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

1.22 Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

Any investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal.

Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$

Note 2 Events after the reporting period

There were no events that occurred after 30 June 2023, and/ or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Union.

Note 3 Revenue and income

Disaggregation of revenue from contracts with customers

A disaggregation of the Union's revenue by type of arrangements 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.

	Consolidated 2023 $	Consolidated 2022 $	Parent 2023 $	Parent 2022 $
Type of customer				
Members	**82,780,217**	80,211,558	**82,780,217**	80,211,558
By leasing arrangement (rental income)	**2,700,029**	1,996,195	**2,700,029**	1,996,195
Total revenue from contracts with customers	**85,480,246**	82,207,753	**85,480,246**	82,207,753
Note 3A: Interest				
Interest on Deposits	**115,096**	110,662	**115,096**	110,662
Total interest	**115,096**	110,662	**115,096**	110,662
Note 3B: Investment income				
Gain on revaluation of investments	**11,240,713**	-	**11,240,713**	-
Other investment income	**69,099**	548,036	**69,099**	548,036
Total investment income	**11,309,812**	548,036	**11,309,812**	548,036
Note 3C: Rental income				
303 Cleveland Street, Redfern	**324,304**	242,332	**324,304**	242,332
833 Bourke Street, Docklands	**148,098**	280,897	**148,098**	280,897
27 + 47 Peel Street, South Brisbane	**656,669**	574,697	**656,669**	574,697
101 Henley Beach Road, Mile End	**278,781**	291,363	**278,781**	291,363
54 Cheriton Street, Perth	**9,091**	16,000	**9,091**	16,000
117-131 Capel Street, North Melbourne	**560,546**	471,861	**560,546**	471,861
62 Drummond Street, Carlton	**8,888**	72,496	**8,888**	72,496
19 Greek Street, Glebe	**613,986**	-	**613,986**	-
Other rental income	**99,666**	46,549	**99,666**	46,549
Total rental income	**2,700,029**	1,996,195	**2,700,029**	1,996,195

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$
Note 3D: Other Revenue				
Directors fees	**564,169**	735,096	**564,169**	735,096
Sponsorships	**1,048,864**	151,885	**1,048,864**	151,885
Reimbursement of costs	**862,915**	593,645	**862,915**	593,645
Printing income	**1,016,145**	1,256,909	**-**	-
Legal fee recoveries	**-**	549,968	**-**	549,968
Other income	**1,878,677**	1,074,277	**1,878,677**	1,071,022
Total other revenue	**5,370,770**	4,361,780	**4,354,625**	3,101,616
Note 3E: Gain on Sale of assets				
Profit on sale of buildings	**-**	1,179,972	**-**	1,179,972
Profit of sale of plant and equipment	**69,652**	200,352	**69,652**	200,352
Total gain on sale of assets	**69,652**	1,380,324	**69,652**	1,380,324
Note 3F: Grants and/ or donations				
Grants	**95,812**	24,893	**95,812**	24,893
Total grants and/ or donations	**95,812**	24,893	**95,812**	24,893
Note 3G: Gain on Transfer of net assets from amalgamation of NUW (NSW) (State Registered Union)				
On 30 June 2022, the NUW (NSW) a state registered union under the *Industrial Relations Act 1996 (NSW)* was formally abolished and its net assets (comprising of cash assets) was transferred to the Union. The gain on acquisition amount to:	**-**	2,962,682	**-**	2,962,682
	-	2,962,682	**-**	2,962,682

	Consolidated		Parent	
	2023	2022	**2022**	2020
	$	$	**$**	$
NOTE 4 Expenses				
Note 4A: Employee expenses				
Holders of office:				
Wages and salaries	**2,702,834**	2,755,155	**2,702,834**	2,755,155
Superannuation	**518,330**	533,116	**518,330**	533,116
Leave and other entitlements	**536,730**	544,246	**536,730**	544,246
Other employee expenses	**122,716**	116,627	**122,716**	116,627
Subtotal employee expenses – holders of office	**3,880,610**	3,949,144	**3,880,610**	3,949,144
Employees other than office holders:				
Wages and salaries	**41,381,678**	45,261,304	**41,119,986**	45,261,304
Superannuation	**8,758,466**	8,953,080	**8,712,458**	8,953,080
Leave and other entitlements	**12,578,675**	10,850,773	**12,578,675**	10,850,773
Other employee expenses	**2,707,788**	2,972,115	**2,707,788**	2,972,115
Subtotal employee expenses – employees other than office holders	**65,426,607**	68,037,272	**65,118,907**	68,037,272
Total employee expenses	**69,307,217**	71,986,416	**68,999,517**	71,986,416
Note 4B: Indirect employment expenses				
Payroll tax	**3,740,599**	3,497,623	**3,740,599**	3,497,623
Workcover	**608,740**	701,740	**608,740**	701,740
Fringe benefits tax	**647,197**	573,863	**647,197**	573,863
Insurances – staff	**1,952,365**	1,515,289	**1,952,365**	1,515,289
Education and staff training	**114,596**	124,229	**114,596**	124,229
Staff amenities	**36,796**	42,082	**36,776**	42,020
Staff recruitment	**47,065**	30,947	**47,065**	30,947
Total indirect employment expenses	**7,147,358**	6,485,773	**7,147,338**	6,485,711

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$
Note 4C: Affiliation Fees				
Australian Council of Trades Unions	**880,602**	883,534	**880,602**	883,534
Queensland Council of Unions	**287,918**	272,223	**287,918**	272,223
Unions NSW	**117,969**	111,589	**117,969**	111,589
Unions ACT	**14,877**	12,688	**14,877**	12,688
Victorian Trades Hall Council	**217,273**	290,000	**217,273**	290,000
Unions Tasmania	**24,461**	19,465	**24,461**	19,465
SA Unions	**125,848**	122,157	**125,848**	122,157
Unions WA	**125,704**	123,542	**125,704**	123,542
Trades and Labor Council NT	**20,888**	17,864	**20,888**	17,864
Newcastle Trade Hall Council	**3,322**	3,191	**3,322**	3,191
Ballart Trades and Labour Council	**8,264**	3,465	**8,264**	3,465
Bendigo Trades Hall Council	**7,668**	5,288	**7,668**	5,288
Geelong Trades Hall Council	**7,225**	6,818	**7,225**	6,818
Gippsland Trades and Labour Council	**2,000**	1,391	**2,000**	1,391
Goulburn Valley Trades and Labour Council	**3,491**	3,491	**3,491**	3,491
North East and Boarder Trades and Labour Council	**26,186**	19,044	**26,186**	19,044
South West Trades and Labour Council	**2,200**	1,788	**2,200**	1,788
Sunraysia Trades and Labour Council	**578**	413	**578**	413
Australian Labor Party – Qld Branch	**232,042**	211,691	**232,042**	211,691
Australian Labor Party – NSW Branch	**133,900**	142,080	**133,900**	142,080
Australian Labor Party – ACT Branch	**6,377**	6,035	**6,377**	6,035
Australian Labor Party – VIC Branch	**191,827**	199,002	**191,827**	199,002
Australian Labor Party – TAS Branch	**8,294**	11,788	**8,294**	11,788
Australian Labor Party – SA Branch	**101,018**	104,632	**101,018**	104,632
Australian Labor Party – WA Branch	**154,260**	150,862	**154,260**	150,862
Australian Labor Party – NT Branch	**14,814**	14,251	**14,814**	14,251
UNI Global Union	**213,091**	141,999	**213,091**	141,999
International Union of Food Workers	**194,884**	187,855	**194,884**	187,855
NSW Council of Social Services	**-**	1,449	**-**	1,449
Asbestos Disease Support Society	**-**	408	**-**	408
Workers Health Centre	**1,625**	1,367	**1,625**	1,367
Union Shopper	**117,663**	123,809	**117,663**	123,809
Prison Officers Association of Australasia	**2,705**	-	**2,705**	-
Union Pride and World Pride Committee	**2,254**	-	**2,254**	-
Aged and Community Services Australia	**965**	951	**965**	951
Australian Palestine Advocacy Network	**800**	400	**800**	400
APHEDA	**11,993**	9,593	**11,993**	9,593
Total affiliation fees	**3,264,986**	3,206,123	**3,264,986**	3,206,123

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$
Note 4D: Grants or donations				
Grants:				
Total paid that exceeded $1,000	**30,000**	-	**30,000**	-
Total grants	**30,000**	-	**30,000**	-
Donations:				
Total paid that were $1,000 or less	**17,375**	18,293	**17,375**	18,293
Total paid that exceeded $1,000	**181,970**	1,719,270	**181,970**	1,719,270
Total donations	**199,345**	1,737,563	**199,345**	1,737,563
Total grants or donations	**229,345**	1,737,563	**229,345**	1,737,563
Note 4E: Depreciation and amortisation				
Depreciation:				
Buildings	**4,612,658**	3,174,630	**4,612,658**	3,174,630
Investment properties	**220,429**	307,839	**220,429**	307,839
Furniture and equipment	**230,258**	211,092	**230,258**	211,092
IT hardware/ equipment	**172,372**	190,635	**172,372**	190,635
Motor vehicles	**1,219,218**	1,452,835	**1,219,218**	1,452,835
Office equipment	**122,000**	99,407	**122,000**	99,407
Plant and equipment	**56,638**	55,071	**56,638**	55,071
Low value assets	**236,158**	278,984	**236,158**	278,984
Total depreciation	**6,869,731**	5,770,493	**6,869,731**	5,770,493
Amortisation:				
Buildings	**-**	361,508	**-**	361,508
Plant and equipment	**393,463**	235,749	**393,463**	235,749
Total amortisation	**393,463**	597,257	**393,463**	597,257
Total depreciation and amortisation	**7,263,194**	6,367,750	**7,263,194**	6,367,750
Note 4F: Finance costs				
Bank Charges	**445,497**	396,045	**444,448**	395,677
Interest expense by leasing arrangement	**29,342**	71,325	**29,342**	71,325
Interest expense (bank)	**30,463**	3,472	**30,463**	3,472
Total finance costs	**505,302**	470,842	**504,253**	470,474

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$
Note 4G: Legal and professional costs				
Litigation	**139,530**	491,066	**139,530**	491,066
Other Legal Costs	**284,316**	122,195	**282,824**	122,015
Total legal and professional costs	**423,846**	613,261	**422,354**	613,081

The Union has determined that litigation represents legal costs incurred for defending the industrial rights of its members.

Note 4H: Audit and accounting fees				
External audit and preparation of financial statements	**140,000**	135,000	**140,000**	135,000
Other audit costs	**10,000**	10,000	**10,000**	10,000
Other services	**1,681**	11,319	**1,050**	10,735
Total audit and accounting fees	**151,681**	156,319	**151,050**	155,735
Note 4I: Campaign costs				
Campaign expenses	**478,067**	595,903	**478,067**	595,903
Promotions - merchandise	**449,569**	117,079	**449,569**	45,462
Total campaign costs	**927,636**	712,982	**927,636**	641,365
Note 4J: Communication costs				
Advertising	**15,971**	36,267	**15,971**	36,267
Media, social media and SMS costs	**487,956**	1,182,829	**487,956**	1,182,829
Postage	**145,691**	217,865	**145,691**	120,131
Printing and stationery	**978,589**	1,803,776	**444,234**	1,082,816
Telephone	**809,579**	855,564	**809,579**	855,564
Other communication costs	**164,804**	35,561	**64,804**	35,561
Total communication costs	**2,602,590**	4,131,862	**1,968,235**	3,313,168
Note 4K: IT costs				
IT repairs and maintenance	**10,674**	22,471	**10,674**	22,471
Internet	**110,965**	177,413	**110,965**	177,413
Software and licences	**1,446,534**	934,847	**1,446,534**	934,847
Consumables and hardware	**42,309**	95,490	**40,965**	93,796
Other IT costs	**206,664**	246,755	**206,664**	246,755
Total IT costs	**1,817,146**	1,476,976	**1,815,802**	1,475,282

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$
Note 4L: Meeting and conference costs				
Accommodation	**1,252,600**	750,478	**1,252,600**	750,478
Airfares	**861,968**	439,091	**861,968**	439,091
Travel allowance	**686,214**	464,671	**686,214**	464,671
Parking, cab charge and car hire	**258,204**	243,352	**258,016**	243,320
Other meeting costs	**78,949**	155,590	**78,949**	155,590
Conference costs	**1,103,528**	133,117	**1,103,528**	133,117
Total meeting and conference costs	**4,241,463**	2,186,299	**4,241,275**	2,186,267
Note 4M: Property costs				
Repairs and maintenance	**550,599**	435,847	**510,745**	427,130
Rates, water and land tax	**798,093**	767,568	**798,093**	767,568
Electricity	**640,593**	444,040	**640,593**	444,040
Cleaning and waste removal	**562,455**	503,192	**562,455**	503,192
Strata and management fees	**586,056**	600,800	**586,056**	600,800
Other property costs	**364,215**	202,009	**364,215**	202,009
Total property costs	**3,502,011**	2,953,456	**3,462,157**	2,944,739
Note 4N: Occupancy and equipment costs				
Buildings	**72,007**	-	**72,007**	-
Total occupancy and equipment costs	**72,007**	-	**72,007**	-

Occupancy and equipment costs relate to expenditure incurred that are either on short term leases (less than 12 months) or other occupancy related costs.

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$
Note 4O: Other expenses				
Motor vehicle costs	**1,791,806**	1,482,233	**1,789,088**	1,482,233
Sponsorship	**344,175**	196,589	**344,175**	196,589
Consultancy and other professional costs	**646,814**	1,158,242	**646,814**	1,158,242
Insurance	**324,240**	663,933	**324,240**	663,933
Member benefits	**1,378,323**	1,154,739	**1,378,324**	1,154,739
Consideration to employers for payroll deductions	**51,207**	83,030	**51,207**	83,030
Compulsory levies				
Australian Labor Party – WA Branch	**-**	41,198	**-**	41,198
Unions WA	**60,000**	-	**60,000**	-
Other expenses	**387,381**	489,924	**357,736**	406,761
Total other expenses	**4,983,946**	5,269,888	**4,951,584**	5,186,725

Purpose of Levies

Australian Labor Party – WA Branch
The Australian Labor Party – WA Branch raised a levy on affiliated unions to assist in funding of campaigning and election activities.

Unions WA
The purpose of this levy raised is to raise funds for a legal defence fund.

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$

Note 5 Current Assets

Note 5A: Cash and Cash Equivalents				
Cash at bank	**5,498,061**	10,269,902	**5,425,797**	10,253,825
Cash on hand	**18,343**	18,343	**18,343**	18,343
Total cash and cash equivalents	**5,516,404**	10,288,245	**5,444,140**	10,272,168

Note 5B: Trade and other receivables				
Other receivables				
Accrued membership income	**1,976,823**	2,044,119	**1,976,823**	2,044,119
Related party receivables (Poll Printing Limited)	**-**	-	**558,281**	467,106
Other trade and sundry receivables	**2,246,515**	2,373,909	**1,995,506**	2,089,710
Total other receivables				
Total trade and other receivables (net)	**4,223,338**	4,418,028	**4,530,610**	4,600,935

Note 5C: Other current assets				
Prepayments	**2,074,748**	2,657,234	**2,074,748**	2,657,234
Stock on hand	**318,938**	350,005	**-**	-
Total other current assets	**2,393,686**	3,007,239	**2,074,748**	2,657,234

Note 5D: Non-current assets held for sale				
62 Drummond Street, Carlton				
Land and buildings	**-**	3,000,000	**-**	3,000,000
Accumulated depreciation	**-**	-	**-**	-
Total non-current assets held for sale	**-**	3,000,000	**-**	3,000,000

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$
Note 6 Non-current assets				
Note 6A: Financial assets				
Morgan Stanley investment (bond, share and cash portfolio)	**74,992,765**	66,767,137	**74,992,765**	66,767,137
IFS managed investment (share and cash portfolio)	**4,930,439**	4,439,184	**4,930,439**	4,439,184
Bell Potter investment (share and cash portfolio)	**18,952,179**	18,650,178	**18,952,179**	18,650,178
Floating rate notes	**1,923,196**	2,976,417	**1,923,196**	2,976,417
Sentinel Property investment	**214,953**	214,953	**214,953**	214,953
Other financial assets	**219,600**	160,371	**219,600**	160,371
Investments accounted for using the equity method	**712,500**	712,500	**712,500**	712,500
Total financial assets	**101,945,632**	93,920,740	**101,945,632**	93,920,740

Investments accounted for using the equity method

Set out below are the associates and joint ventures of the Union at 30 June 2023 which, in the opinion of the Committee of Management, are material to the Union. The proportion of ownership interest in each investment is the same as the proportion of voting rights held.

Name of Entity	**Country of incorporation**	**Nature of Ownership**	**% of ownership**	**% of ownership**	**Carrying amount**	**Carrying amount**
			2023	**2022**	**2023**	**2022**
87 St Vincent Street Unit Trust	Australia	Associate[1]	25%	25%	**712,500**	712,500
					712,500	712,500

[1] 87 St Vincent Street Unit Trust operates as a property investor

Note 6A: Financial assets (Continued)

The tables below provide summarised financial information for those associates/ joint ventures that are material to the Union. The information disclosed reflects the amounts presented in the financial statements of the relevant associates/ joint ventures and not the Union's share of those amounts. They have been amended to reflect adjustments made by the Union when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

Summarised statement of financial position

	833 Bourke St Unit Trust		87 St Vincent St Unit Trust	
	2023	2022	**2023**	2022
	$	$	**$**	$
Current assets	**-**	**-**	**-**	-
Non-current assets	**-**	**-**	**2,850,000**	2,850,000
Total assets	**-**	**-**	**2,850,000**	2,850,000
Current liabilities	**-**	**-**	**-**	-
Non-current liabilities	**-**	**-**	**-**	-
Total liabilities	**-**	**-**	**-**	-
Equity	**-**	**-**	**2,850,000**	2,850,000
Ownership %	**-**	**-**	**25%**	25%
Union's carrying amount of the investment	**-**	-	**712,500**	712,500

Note 6A: Financial assets (Continued)

Summarised statement of financial position

	833 Bourke St Unit Trust		87 St Vincent St Unit Trust	
	2023	2022	**2023**	2022
	$	$	**$**	$
Rental income	**-**	831,006	**-**	-
Other income	**-**	44,056	**-**	-
Unrealised gain on revaluation of investment properties	**-**	-	**-**	(250,000)
Total revenue	**-**	875,062	**-**	(250,000)
Property expenses	**-**	(58,043)	**-**	(74,980)
Other expenses	**-**	-	**-**	-
Total expenses	**-**	(58,043)	**-**	(74,980)
Profit/ loss	**-**	817,019	**-**	(324,980)
Other comprehensive income	**-**	-	**-**	-
Total comprehensive income	**-**	817,019	**-**	(324,980)
Total distributions paid	**-**	817,019	**-**	-
Union's share of joint ventures/ associates total comprehensive income	**-**	408,510	**-**	(81,245)
Union's share of distributions	**-**	408,510	**-**	-

Contingent liabilities or commitments

The associates/ joint venture had no contingent liabilities or commitments at 30 June 2023 (2022: Nil).

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$
Note 6B: Land and Buildings				
Land and buildings:				
at fair value	**149,544,957**	147,946,852	**149,544,957**	147,946,852
accumulated depreciation	**(9,125,456)**	(4,227,526)	**(9,125,456)**	(4,227,526)
Total Land and Buildings	**140,419,501**	143,719,326	**140,419,501**	143,719,326

Reconciliation of Opening and Closing Balance of Land and Buildings

As at 1 July				
Gross book value	**147,946,852**	118,051,150	**147,946,852**	118,051,150
Accumulated depreciation and impairment	**(4,227,526)**	(12,556,355)	**(4,227,526)**	(12,556,355)
Net book value 1 July	**143,719,326**	105,494,795	**143,719,326**	105,494,795
Additions:				
By purchase	**833,346**	30,670,038	**833,346**	30,670,038
By leasing arrangement	**42,002**	89,184	**42,002**	89,184
By independent valuation	**86,853**	13,316,717	**86,853**	13,316,717
By transfer from capital WIP	**350,632**	168,912	**350,632**	168,912
Depreciation/ amortisation expense	**(4,612,658)**	(3,536,138)	**(4,612,658)**	(3,536,138)
Disposals:				
By sale	**-**	(2,484,182)	**-**	(2,484,182)
Net book value 30 June	**140,419,501**	143,719,326	**140,419,501**	143,719,326
Net book value as of 30 June represented by:				
Gross book value	**149,544,957**	147,946,852	**149,544,957**	147,946,852
Accumulated depreciation/ amortisation and impairment	**(9,125,456)**	(4,227,526)	**(9,125,456)**	(4,227,526)
Net book value 30 June	**140,419,501**	143,719,326	**140,419,501**	143,719,326

Included in the net carrying amount of land and buildings are right-of-use assets as follows:

Right of use asset				
At cost	**89,084**	89,184	**89,084**	89,184
Accumulated depreciation/ amortisation	**-**	-	**-**	-
Total right of use asset – land and buildings	**89,084**	89,184	**89,084**	89,184

Note 6B: Land and Buildings (Continued)

Valuation Details

Details of the latest valuations on land and buildings are as follows:

27 Peel Street, South Brisbane

On 5 July 2022, the land and buildings at 27 Peel Street, South Brisbane was valued by Mr Matthew Buckley AAPI CPV of ACORPP (Qld) Pty Ltd. The land and buildings valuation was based on a highest and best use, which was determined as investment building held for rental yields (the asset current use).

Fair value is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. Fair value is determined by direct reference to recent market transactions on arm's length terms for land and buildings comparable in size and location to those held by the Union and to market based yields for comparable properties. Key assumptions utilised in the valuation were:

- Capitalisation Rate 6.00%
- CPI Rate (Brisbane CPI) 2.50%
- Net Market Rental m^2 $6,433

19 Argyle Street, Parramatta

On 13 July 2022, the land and buildings at 19 Argyle Street, Parramatta was valued by Mr Craig Barrett AAPI CPV of Independent Property Valuations Pty Ltd. The land and buildings valuation was based on a highest and best use, which was determined as commercial office building held for rental yields (the assets current use).

Fair value is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. Fair value is determined by direct reference to recent market transactions on arm's length terms for land and buildings comparable in size and location to those held by the Union and to market based yields for comparable properties. Key assumptions utilised in the valuation were:

- Capitalisation Rate 3.75%
- CPI Rate (Sydney CPI) 3.0%
- Net Market Rental m^2 $8,500

Note 6B: Land and Buildings (Continued)

117 – 131 Capel Street, North Melbourne

On 5 July 2022, the land and buildings at 117- 131 Capel Street, North Melbourne was valued by Mr Matt Rice AAPI CPV and Mr Martin Reynolds AAPI CPV of Jones Lang LaSalle Advisory Services Pty Ltd. The land and buildings valuation was based on a highest and best use, which was determined as a redevelopment site (for residential units) (not the assets current use).

Fair value is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. Fair value is determined by direct reference to recent market transactions on arm's length terms for land and buildings comparable in size and location to those held by the Union and to market based yields for comparable properties. Key assumptions utilised in the valuation were:

- CPI Rate (Melbourne CPI) 3.0%
- Net Market Rental m^2 $7,785

101 Henley Beach Road, Mile End

On 13 August 2021, the land and buildings at 101 Henley Beach Road, Mile End was valued by Mr John Richardson AAPI CPV MREI of McLean Gladstone Valuers. The land and buildings valuation was based on a highest and best use, which was determined as commercial office building held for rental yields (the assets current use).

Fair value is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. Fair value is determined by direct reference to recent market transactions on arm's length terms for land and buildings comparable in size and location to those held by the Union and to market based yields for comparable properties. Key assumptions utilised in the valuation were:

- Capitalisation Rate 6.00%
- CPI Rate (Adelaide CPI) 1.25%
- Net Market Rental m^2 $4,500

Lot 10, 11, 13 & 14, 54 Cheriton Street, Perth

On 18 October 2021, the land and buildings at Lot 10,11, 13 & 14, 54 Cheriton Street, Perth was valued by Mr Ryan Jacob AAPI CPV and Mr Mark Foster-Key AAPI CPV of Savills Valuations Pty Ltd. The land and buildings valuation was based on a highest and best use, which was determined as commercial office building (the assets current use).

Fair value is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. Fair value is determined by direct reference to recent market transactions on arm's length terms for land and buildings comparable in size and location to those held by the Branch and to market based yields for comparable properties. Key assumptions utilised in the valuation were:

- Capitalisation Rate 7.75%
- Reflective rate/ lettable m^2 $1,900 – $2,300

Note 6B: Land and Buildings (Continued)

45 Peel Street, South Brisbane

On 5 July 2022, the land and buildings at 45 Peel Street, South Brisbane was valued by Mr Matthew Buckley AAPI CPV of ACORPP (Qld) Pty Ltd. The land and buildings valuation was based on a highest and best use, which was determined as investment building held for rental yields (the asset current use).

Fair value is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. Fair value is determined by direct reference to recent market transactions on arm's length terms for land and buildings comparable in size and location to those held by the Union and to market based yields for comparable properties. Key assumptions utilised in the valuation were:

- Capitalisation Rate 5.00%
- CPI Rate (Brisbane CPI) 2.84%
- Net Market Rental m^2 $5,770

833 Bourke Street, Docklands

On 30 June 2023, the land and buildings at 833 Bourke Street, Docklands was valued by Mr Peter Iliadis AAPI CPV + Mr Martin Reynolds AAPI CPV of Jones Lang LaSalle Advisory Services Pty Ltd. The land and buildings valuation was based on a highest and best use, which was determined as commercial office building held for rental yields (the assets current use).

Fair value is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. Fair value is determined by direct reference to recent market transactions on arm's length terms for land and buildings comparable in size and location to those held by the Union and to market based yields for comparable properties. Key assumptions utilised in the valuation were:

- Capitalisation Rate 6.13%
- CPI Rate (Melbourne CPI) 2.84%
- Net Market Rental m^2 $8,120

19-37 Greek Street, Glebe

On 30 June 2023, the land and buildings at 19-37 Greek Street, Glebe was valued by Mr Mark Willers AAPI CPV + Mr Sam Barrow AAPI CPV of Charter Keck Cramer Pty Ltd. The land and buildings valuation was based on a highest and best use, which was determined as commercial office building held for rental yields (the assets current use).

Fair value is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. Fair value is determined by direct reference to recent market transactions on arm's length terms for land and buildings comparable in size and location to those held by the Union and to market based yields for comparable properties. Key assumptions utilised in the valuation were:

- Capitalisation Rate 4.25%
- CPI Rate (Sydney CPI) 2.58%
- Net Market Rental m^2 $13,500

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$
Note 6C: Investment properties				
Investment properties:				
at fair value	**9,875,000**	11,125,000	**9,875,000**	11,125,000
accumulated depreciation	**(33,762)**	(650,091)	**(33,762)**	(650,091)
Total investment properties	**9,841,238**	10,474,909	**9,841,238**	10,474,909

Reconciliation of Opening and Closing Balance of Investment Properties

As at 1 July				
Gross book value	**11,125,000**	13,550,000	**11,125,000**	13,550,000
Accumulated depreciation and impairment	**(650,091)**	(750,519)	**(650,091)**	(750,519)
Net book value 1 July	**10,474,909**	12,799,481	**10,474,909**	12,799,481
Additions:				
By independent valuation	**-**	983,267	**-**	983,267
Depreciation/ amortisation expense	**(220,429)**	(307,839)	**(220,429)**	(307,839)
Disposals:				
By independent valuation	**(413,242)**	-	**(413,242)**	-
By transfer to non-current assets held for sale	**-**	(3,000,000)	**-**	(3,000,000)
Net book value 30 June	**9,841,238**	10,474,909	**9,841,238**	10,474,909
Net book value as of 30 June represented by:				
Gross book value	**9,875,000**	11,125,000	**9,875,000**	11,125,000
Accumulated depreciation/ amortisation and impairment	**(33,762)**	(650,091)	**(33,762)**	(650,091)
Net book value 30 June	**9,841,238**	10,474,909	**9,841,238**	10,474,909

Valuation Details

Details of the latest valuations on land and buildings are as follows:

47 Peel Street, South Brisbane

On 5 July 2022, the land and buildings at 47 Peel Street, South Brisbane was valued by Mr Matthew Buckley AAPI CPV of ACORPP (Qld) Pty Ltd. The land and buildings valuation was based on a highest and best use, which was determined as investment building held for rental yields (the asset current use).

Fair value is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. Fair value is determined by direct reference to recent market transactions on arm's length terms for land and buildings comparable in size and location to those held by the Union and to market based yields for comparable properties. Key assumptions utilised in the valuation were:

- Capitalisation Rate 5.00%
- CPI Rate (Brisbane CPI) 2.50%
- Net Market Rental m^2 $5,770

303 Cleveland Street, Redfern

On 30 June 2023, the land and buildings at 303 Cleveland Street, Redfern was valued by Mr Anthony St Leon AAPI CPV of Keen Property Pty Ltd. The land and buildings valuation was based on a highest and best use, which was determined as investment building held for rental yields (the asset current use).

Fair value is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. Fair value is determined by direct reference to recent market transactions on arm's length terms for land and buildings comparable in size and location to those held by the Union and to market based yields for comparable properties. Key assumptions utilised in the valuation were:

- Capitalisation Rate 4.5%
- CPI Rate (Sydney CPI) 2.50%
- Net Market Rental m^2 $8,000

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$
Note 6D: Plant and equipment				
Furniture and fittings:				
at cost	**1,931,153**	3,133,522	**1,931,153**	3,133,522
accumulated depreciation	**(1,350,887)**	(2,511,979)	**(1,350,887)**	(2,511,979)
Total furniture and fittings	**580,266**	621,543	**580,266**	621,543
IT hardware/ equipment:				
at cost	**794,815**	2,143,614	**794,815**	2,143,614
accumulated depreciation	**(617,413)**	(1,800,814)	**(617,413)**	(1,800,814)
Total hardware/ equipment	**177,402**	342,800	**177,402**	342,800
Motor vehicles:				
at cost	**5,874,360**	6,248,735	**5,874,360**	6,248,735
accumulated depreciation	**(4,331,573)**	(3,985,734)	**(4,331,573)**	(3,985,734)
Total motor vehicles	**1,542,787**	2,263,001	**1,542,787**	2,263,001
Office equipment:				
at cost	**797,860**	1,395,759	**797,860**	1,395,759
accumulated depreciation	**(407,221)**	(908,710)	**(407,221)**	(908,710)
Total office equipment	**390,639**	487,049	**390,639**	487,049
Plant and equipment:				
at cost	**2,421,165**	3,206,892	**2,421,165**	3,206,892
accumulated depreciation	**(1,544,519)**	(1,941,905)	**(1,544,519)**	(1,941,905)
Total plant and equipment	**876,646**	1,264,987	**876,646**	1,264,987
Low value assets				
At cost	**748,701**	511,599	**748,701**	511,599
Accumulated depreciation	**(638,693)**	(402,534)	**(638,693)**	(402,534)
Total low value assets	**110,008**	109,065	**110,008**	109,065
Plant and equipment - consolidated				
at cost	**12,568,054**	16,640,121	**12,568,054**	16,640,121
accumulated depreciation	**(8,890,306)**	(11,551,676)	**(8,890,306)**	(11,551,676)
Total Plant and equipment	**3,677,748**	5,088,445	**3,677,748**	5,088,445

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$

Note 6D: Plant and equipment (Continued)

Reconciliation of Opening and Closing Balance of Plant and Equipment

	Consolidated 2023 $	Consolidated 2022 $	Parent 2023 $	Parent 2022 $
As at 1 July				
Gross book value	**16,640,121**	17,802,300	**16,640,121**	17,802,300
Accumulated depreciation and impairment	**(11,551,676)**	(11,575,873)	**(11,551,676)**	(11,575,873)
Net book value 1 July	**5,088,445**	6,226,427	**5,088,445**	6,226,427
Additions:				
By purchase	**1,042,766**	1,612,698	**1,042,766**	1,612,698
By leasing arrangement	**-**	271,145	**-**	271,145
Depreciation/ amortisation expense	**(2,430,107)**	(2,523,773)	**(2,430,107)**	(2,523,773)
Disposals:				
By sale	**(23,356)**	(498,052)	**(23,356)**	(498,052)
Net book value 30 June	**3,677,748**	5,088,445	**3,677,748**	5,088,445
Net book value as of 30 June represented by:				
Gross book value	**12,568,054**	16,640,121	**12,568,054**	16,640,121
Accumulated depreciation/ amortisation and impairment	**(8,890,306)**	(11,551,676)	**(8,890,306)**	(11,551,676)
Net book value 30 June	**3,677,748**	5,088,445	**3,677,748**	5,088,445

Included in the net carrying amount of plant and equipment are right-of-use assets as follows:

	Consolidated 2023 $	Consolidated 2022 $	Parent 2023 $	Parent 2022 $
Right of use asset				
At cost	**1,571,702**	1,509,949	**1,571,702**	1,509,949
Accumulated depreciation/ amortisation	**(1,160,588)**	(767,125)	**(1,160,588)**	(767,125)
Total right of use asset – plant and equipment	**411,114**	742,824	**411,114**	742,824

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$
Note 6E: Capital Work in Progress				
Capital work in progress:				
at cost	**-**	350,632	**-**	350,632
accumulated depreciation	**-**	-	**-**	-
Total capital work in progress	**-**	350,632	**-**	350,632

Reconciliation of Opening and Closing Balance of Capital Work in Progress

As at 1 July				
Gross book value	**350,632**	168,912	**350,632**	6,778,613
Accumulated depreciation and impairment	**-**	-	**-**	168,912
Net book value 1 July	**350,632**	168,912	**350,632**	-
				168,912
Additions:				
By purchase	**-**	350,632	**-**	
Depreciation/ amortisation expense	**-**	-	**-**	350,632
Disposals:				-
By transfer to property, plant and equipment	**(350,632)**	(168,912)	**(350,632)**	
Net book value 30 June	**-**	350,632	**-**	(168,912)
Net book value as of 30 June represented by:				350,632
Gross book value	**-**	350,632	**-**	
Accumulated depreciation/ amortisation and impairment	**-**	-	**-**	350,632
Net book value 30 June	**-**	350,632	**-**	-

Capital work in progress relates to:

1. Fitout and improvement works at the land and buildings located 19-37 Greek Street, Glebe NSW 2037.
2. IT software/ hardware.

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$
Note 7 Current Liabilities				
Note 7A: Trade and other payables				
Trade creditors and accruals	**2,055,296**	2,589,934	**2,055,296**	2,586,949
Total trade payables	**2,055,296**	2,589,934	**2,055,296**	2,586,949
Other payables				
Legal costs				
Litigation	**4,512**	8,972	**4,512**	8,972
Other legal matters	**78,307**	-	**78,307**	-
Income received in advance	**648,097**	798,736	**648,097**	798,736
GST payable	**708,320**	2,383,322	**663,093**	2,245,534
PAYG withholding	**1,854,914**	1,791,117	**1,854,914**	1,791,117
Other payables	**84,443**	128,530	**84,443**	127,681
Subtotal other payables	**3,378,593**	5,110,677	**3,333,366**	4,972,040
Total trade and other payables	**5,433,889**	7,700,611	**5,388,662**	7,558,989

Settlement is usually made within 30 days.

Total other payables are expected to be settled in:				
No more than 12 months	**5,433,889**	7,700,611	**5,388,662**	7,558,989
More than 12 months	**-**	-	**-**	-
Total trade and other payables	**5,433,889**	7,700,611	**5,388,662**	7,558,989

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$

Note 8 Provisions

Note 8A: Employee Provisions

	Consolidated 2023 $	Consolidated 2022 $	Parent 2023 $	Parent 2022 $
Office Holders:				
Annual leave	**865,427**	784,546	**865,427**	784,546
Long service leave	**1,289,808**	1,456,777	**1,289,808**	1,456,777
Subtotal employee provisions—office holders	**2,155,235**	2,241,323	**2,155,235**	2,241,323
Employees other than office holders:				
Annual leave	**8,790,142**	9,173,555	**8,790,142**	9,173,555
Long service leave	**9,368,772**	8,645,847	**9,368,772**	8,645,847
Subtotal employee provisions—employees other than office holders	**18,158,914**	17,819,402	**18,158,914**	17,819,402
Total employee provisions	**20,314,149**	20,060,725	**20,314,149**	20,060,725
Current	**15,774,424**	15,490,536	**15,774,424**	15,490,536
Non-Current	**4,539,725**	4,570,189	**4,539,725**	4,570,189
Total employee provisions	**20,314,149**	20,060,725	**20,314,149**	20,060,725

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$

Note 9 Financial liabilities

Note 9A: Lease liabilities

Lease liabilities are presented in the statement of financial position as follows:

	Consolidated 2023 $	Consolidated 2022 $	Parent 2023 $	Parent 2022 $
Current	**276,117**	360,974	**276,117**	360,974
Non-Current	**182,349**	422,724	**182,349**	422,724
Total lease liabilities	**458,466**	783,698	**458,466**	783,698

The Union has multiple leases that comprise of:

- Property leases
- Equipment leases, including printing equipment, photocopies etc.

With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the statement of financial position as a right-of-use asset and a lease liability. The Union classifies its right-of-use assets in a consistent manner to its property, plant and equipment (refer Note 6B and 6D).

Each lease generally imposes a restriction that, unless there is a contractual right for the Union to sublet the asset to another party, the right-of-use asset can only be used by the Union. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The Union is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings, the Union must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Union must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts.

The table below describes the nature of the Union's leasing activities by type of right-of-use asset recognised on the statement of financial position:

Right of use asset	**No of right of use assets leased**	**Range of remaining term**	**Average remaining term**	**No of leases with extension options**	**No of leases with options to purchase**	**No of leases with variable payments linked to index**	**No of leases with termination options**
Photocopiers/ IT equipment leases	10	1 - 5 years	1.5 years	-	-	-	-
Property leases	3	1-3 years	2.1 years	-	-	3	-

Note 9A: Lease Liabilities (continued)

Future minimum lease payments at 30 June 2023 were as follows:

<u>Consolidated</u>

	Minimum lease payments due						
	Within 1 year	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**After 5 years**	**Total**
30 June 2023							
Lease payments	**302,112**	**108,331**	**79,309**	**9,463**	**982**	**-**	**500,197**
Finance charges	**(25,995)**	**(10,317)**	**(4,804)**	**(563)**	**(52)**	**-**	**(41,731)**
Net present value	**276,117**	**98,014**	**74,505**	**8,900**	**930**	**-**	**458,466**
30 June 2022							
Lease payments	387,339	283,741	87,331	68,063	5,534	-	832,008
Finance charges	(26,365)	(14,223)	(5,155)	(2,387)	(180)	-	(48,310)
Net present value	360,974	269,518	82,176	65,676	5,354	-	783,698

<u>Parent</u>

	Minimum lease payments due						
	Within 1 year	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**After 5 years**	**Total**
30 June 2023							
Lease payments	**302,112**	**108,331**	**79,309**	**9,463**	**982**	**-**	**500,197**
Finance charges	**(25,995)**	**(10,317)**	**(4,804)**	**(563)**	**(52)**	**-**	**(41,731)**
Net present value	**276,117**	**98,014**	**74,505**	**8,900**	**930**	**-**	**458,466**
30 June 2022							
Lease payments	387,339	283,741	87,331	68,063	5,534	-	832,008
Finance charges	(26,365)	(14,223)	(5,155)	(2,387)	(180)	-	(48,310)
Net present value	360,974	269,518	82,176	65,676	5,354	-	783,698

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$

Note 10 Reserves

Note 10A: Asset Revaluation Reserve

The asset revaluation reserve records revaluation of land and buildings held by the Union.

	Consolidated 2023 $	Consolidated 2022 $	Parent 2023 $	Parent 2022 $
Opening balance at beginning of period	**18,444,454**	5,165,097	**18,444,454**	5,165,097
Transfers to/ from retained earnings	**-**	-	**-**	-
Fair value loss on revaluation land and buildings	**86,853**	13,279,357	**86,853**	13,279,357
Closing balance at end of period	**18,531,307**	18,444,454	**18,531,307**	18,444,454

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$

Note 11 Cash flow

Note 11A: Cash Flow Reconciliation

	Consolidated 2023 $	Consolidated 2022 $	Parent 2023 $	Parent 2022 $
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:				
Cash and cash equivalents as per:				
Cash flow statement	**5,516,404**	10,288,245	**5,444,140**	10,272,168
Balance sheet	**5,516,404**	10,288,245	**5,444,140**	10,272,168
Difference	**-**	-	**-**	-
Reconciliation of deficit to net cash from operating activities:				
Deficit for the year	**(3,998,340)**	(39,636,456)	**(3,995,490)**	(39,911,509)
Adjustments for non-cash items				
Depreciation/ amortisation	**7,263,194**	6,367,750	**7,263,194**	6,367,750
Gain on disposal of property, plant and equipment	**(69,652)**	(1,380,324)	**(69,652)**	(1,380,324)
Interest expense on leases	**29,342**	71,325	**29,342**	71,325
Unrealised (gain)/ loss on revaluation of assets	**(11,240,713)**	23,804,431	**(11,240,713)**	23,804,431
Share of joint ventures/ associates comprehensive income	**-**	(408,510)	**-**	(408,510)
Changes in assets/ liabilities				
(Increase)/ decrease in trade and other receivables	**194,690**	(545,959)	**70,325**	110,567
(Increase)/ decrease in other current assets	**613,553**	(194,659)	**582,486**	(133,816)
Increase/ (decrease) in trade and other creditors	**(2,266,722)**	719,040	**(2,170,327)**	618,989
Increase/ (decrease) in employee provisions	**253,424**	1,740,294	**253,424**	1,740,294
Net cash used in operating activities	**(9,221,224)**	(9,463,068)	**(9,277,411)**	(9,120,803)

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$

Note 11B: Non-cash transactions

During the year the Union acquired (via leasing arrangement) assets valued at $42,002 (2022: $360,329). There were no other non-cash investment or finance transactions during the year.

Note 11C: Net debt reconciliation				
Cash and cash equivalents	**5,516,404**	10,288,245	**5,444,140**	10,272,168
Lease liabilities – repayable within one year	**(276,117)**	(360,974)	**(276,117)**	(360,974)
Lease liabilities – repayable after one year	**(182,349)**	(422,724)	**(182,349)**	(422,724)
Net debt	**5,057,938**	9,504,547	**4,985,674**	9,488,470

Note 11D: Reconciliation of movements of liabilities to cash flows arising from financing activities

Consolidated

	Other Assets	Liabilities from financing activities		
	Cash assets	**Borrowings – due within 1 year**	**Borrowings – due after 1 year**	**Total**
Net debt at 1 July 2021	35,741,486	(1,360,277)	(1,731,291)	32,649,918
Cash flows	(25,453,241)	999,303	1,308,567	(23,145,371)
Net debt at 30 June 2022	10,288,245	(360,974)	(422,724)	9,504,547
Cash flows	**(4,771,841)**	**84,857**	**240,375**	**(4,446,609)**
Net debt at 30 June 2023	**5,516,404**	**(276,117)**	**(182,349)**	**5,057,938**

Note 11D: Reconciliation of movements of liabilities to cash flows arising from financing activities (Continued)

Parent

	Other Assets	Liabilities from financing activities		
	Cash assets	**Borrowings – due within 1 year**	**Borrowings – due after 1 year**	**Total**
Net debt at 1 July 2021	35,383,144	(1,360,277)	(1,731,291)	32,291,576
Cash flows	(25,110,976)	999,303	1,308,567	(22,803,106)
Net debt at 30 June 2022	10,272,168	(360,974)	(422,724)	9,488,470
Cash flows	**(4,828,028)**	**84,857**	**240,375**	**(4,502,796)**
Net debt at 30 June 2023	**5,444,140**	**(276,117)**	**(182,349)**	**4,985,674**

Note 12 Contingent Liabilities, Assets and Commitments

Note 12A: Commitments and Contingencies

Capital commitments

At 30 June 2023 the Union did not have any capital commitments (30 June 2022: Nil).

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

The Committee of Management is not aware of any other contingent assets or liabilities that are likely to have a material effect on the results of the Union.

Leasing Commitments

Property leases (as a lessor)

Non-cancellable property leases rentals are receivable as follows:

	Consolidated		**Parent**	
	2023	2022	**2023**	2022
	$	$	**$**	$
Receivable – Minimum lease receipts				
not later than 12 months	**2,758,248**	677,001	**2,758,248**	677,001
between 12 months and 5 years	**4,603,860**	109,689	**4,603,860**	109,689
greater than 5 years	**497,526**	-	**497,526**	-
Minimum lease receipts	**7,859,634**	786,690	**7,859,634**	786,690

The Union leases out (either in part of whole) the following buildings:

1. 27 & 47 Peel Street, South Brisbane
2. 303 Cleveland Street, Redfern
3. 19-37 Greek Street, Glebe
4. 117 Capel Street, North Melbourne
5. 833 Bourke Street, Docklands
6. 101 Henley Beach Road, Mile End
7. 54 Cheriton Street, Perth
8. 212 Liverpool Street, Hobart
9. 71 Leichardt Street, Kingston

Note 13 Related Party Disclosures

Note 13A: Key Management Personnel Remuneration for the Reporting Period

Key management personnel comprise those individuals who have the authority and responsibility for planning, directing and controlling the activities of the Union. Key management personnel were determined to be those listed as the Committee of Management as listed in the operating report.

During the year, the key management personnel of the Union were remunerated as follows:

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$
Short-term employee benefits				
Salary (including annual leave taken)	**2,702,834**	2,755,155	**2,702,834**	2,755,155
Leave and other entitlements	**431,523**	439,049	**431,523**	439,049
Other employee costs	**122,716**	116,627	**122,716**	116,627
Total short-term employee benefits	**3,257,073**	3,310,831	**3,257,073**	3,310,831
Post-employment benefits:				
Superannuation	**518,330**	533,116	**518,330**	533,116
Total post-employment benefits	**518,330**	533,116	**518,330**	533,116
Other long-term benefits:				
Long-service leave	**105,207**	105,197	**105,207**	105,197
Total other long-term benefits	**105,207**	105,197	**105,207**	105,197
Termination benefits:				
Redundancies	**-**	-	**-**	-
Total termination benefits	**-**	-	**-**	-
Total	**3,880,610**	3,949,144	**3,880,610**	3,949,144

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

Note 14 Remuneration of Auditors

	Consolidated		Parent	
	2023	2022	**2023**	2022
	$	$	**$**	$
Value of the services provided				
Financial statement audit services	**140,000**	135,000	**140,000**	135,000
Other audit costs (membership audits, electoral reporting audits etc.)	**10,000**	10,000	**10,000**	10,000
Other services	**1,681**	11,319	**1,050**	10,735
Total remuneration of auditors	**151,681**	156,319	**151,050**	155,735

Note 15 Financial Instruments

Financial Risk Management Policy

Union Executive monitors the Unions financial risk management policies and exposure and approves financial transactions entered into. It also reviews the effectiveness of internal controls relating to the counterparty credit risk, liquidity risk, market risk and interest rate risk. The Union Executive meets on a monthly basis to review the financial exposure of the Union.

(a) Credit Risk

Exposure to credit risk relating to financial assets arise from the potential non-performance by counterparties of contract obligations that could lead to a financial loss of the Union. The Union does not have any material credit risk exposures as its major source of revenue is the receipt of membership fees.

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

The Union has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The class of assets described as Trade and Other Receivables is considered to be the main source of credit risk related to the Union.

On a geographical basis, the Union's trade and other receivables are all based in Australia.

The following table details the Union's trade and other receivables exposed to credit risk. Amounts are considered 'past due' when the debt has not been settled, within the terms and conditions agreed between the Union and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Union.

The balance of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

Note 15 Financial Instruments (Continued)

(a) Credit Risk (Continued)

Consolidated

Ageing of financial assets that were past due but not impaired for 30 June 2023

	Within trading terms	**0 to 30 days**	**31 to 60 days**	**61 to 90 days**	**90+ days**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Trade and other receivables	**3,848,181**	**267,305**	**12,270**	**17,691**	**77,891**	**4,223,338**
Receivables from other reporting units	**-**	**-**	**-**	**-**	**-**	**-**
Total	**3,848,181**	**267,305**	**12,270**	**17,691**	**77,891**	**4,223,338**

Ageing of financial assets that were past due but not impaired for 30 June 2022

	Within trading terms	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$	$
Trade and other receivables	4,108,389	15,725	200,993	92,921	-	4,418,028
Receivables from former reporting units	-	-	-	-	-	-
Total	4,108,389	15,725	200,993	92,921	-	4,418,028

The Union has no significant concentrations of credit risk exposure to any single counterparty or group of counterparties.

Credit risk related to balances with banks and other financial institutions is managed by the Committee of Management in accordance with approved policy. Such policy requires that surplus funds are only invested with counterparties with a strong reputation and backed by the Commonwealth Government's bank guarantee. At 30 June 2023, all funds were held by financial institutions backed by the Commonwealth Government's bank guarantee.

Collateral held as security

The Union does not hold collateral with respect to its receivables at 30 June 2023 (30 June 2022: Nil).

Note 15 Financial Instruments (Continued)

(a) Credit Risk (Continued)

Parent

Ageing of financial assets that were past due but not impaired for 30 June 2023

	Within trading terms	**0 to 30 days**	**31 to 60 days**	**61 to 90 days**	**90+ days**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Trade and other receivables	**4,155,453**	**267,305**	**12,270**	**17,691**	**77,891**	**4,530,610**
Receivables from other reporting units	**-**	**-**	**-**	**-**	**-**	**-**
Total	**4,155,453**	**267,305**	**12,270**	**17,691**	**77,891**	**4,530,610**

Ageing of financial assets that were past due but not impaired for 30 June 2022

	Within trading terms	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$	$
Trade and other receivables	4,291,296	15,725	200,993	92,921	-	4,600,935
Receivables from other reporting units	-	-	-	-	-	-
Total	4,291,296	15,725	200,993	92,921	-	4,600,935

(b) Liquidity Risk

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

- preparing forward looking cash flow estimates;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Note 15 Financial Instruments (Continued)

(b) Liquidity Risk (Continued)

The tables below reflect an undiscounted contractual maturity analysis for non-derivative financial liabilities. The Union does not hold directly any derivative financial liabilities. Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Consolidated

Financial Instrument Composition and Maturity Analysis

	Within 1 Year		**1 to 5 Years**		**Over 5 Years**		**Total**	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Financial liabilities due for payment								
Trade and other payables	**(5,433,889)**	(7,700,611)	**-**	-	**-**	-	**(5,433,889)**	(7,700,611)
Lease liabilities	**(276,117)**	(360,974)	**(182,349)**	(422,724)	**-**	-	**(458,466)**	(783,698)
Total expected outflows	**(5,710,006)**	(8,061,585)	**(182,349)**	(422,724)	**-**	-	**(5,892,355)**	(8,484,309)

Note 15 Financial Instruments (Continued)

(b) Liquidity Risk (Continued)

Consolidated (Continued)

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022
	$	$	**$**	$	**$**	$	**$**	$
Cash and cash equivalents	**5,516,404**	10,288,245	**-**	-	**-**	-	**5,516,404**	10,288,245
Trade and other receivables	**4,223,338**	4,418,028	**-**	-	**-**	-	**4,223,338**	4,418,028
Investments	**101,945,632**	93,920,740	**-**	-	**-**	-	**101,945,632**	93,920,740
Total anticipated inflows	**111,685,374**	108,627,013	**-**	-	**-**	-	**111,685,374**	108,627,013
Net inflow/ (outflow) on financial instruments	**105,975,368**	100,565,428	**(182,349)**	(422,724)	**-**	-	**105,793,019**	100,142,704

Note 15 Financial Instruments (Continued)

(b) Liquidity Risk (Continued)

Parent

Financial Instrument Composition and Maturity Analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022
	$	$	**$**	$	**$**	$	**$**	$
Financial liabilities due for payment								
Trade and other payables	**(5,388,662)**	(7,558,989)	**-**	-	**-**	-	**(5,388,662)**	(7,558,989)
Lease liabilities	**(276,117)**	(360,974)	**(182,349)**	(422,724)	**-**	-	**(458,466)**	(783,698)
Total expected outflows	**(5,664,779)**	(7,919,963)	**(182,349)**	(422,724)	**-**	-	**(5,847,128)**	(8,342,687)

Note 15 Financial Instruments (Continued)

(b) Liquidity Risk (Continued)

Parent (Continued)

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022
	$	$	**$**	$	**$**	$	**$**	$
Cash and cash equivalents	**5,444,140**	10,272,168	**-**	**-**	**-**	-	**5,444,140**	10,272,168
Trade and other receivables	**4,530,610**	4,600,935	**-**	**-**	**-**	-	**4,530,610**	4,600,935
Investments	**101,945,632**	93,920,740	**-**	**-**	**-**	-	**101,945,632**	93,920,740
Total anticipated inflows	**111,920,382**	108,793,843	**-**	**-**	**-**	-	**111,920,382**	108,793,843
Net inflow/ (outflow) on financial instruments	**106,255,603**	100,873,880	**(182,349)**	(422,724)	**-**	-	**106,073,254**	100,451,156

Note 15 Financial Instruments (Continued)

(c) Market Risk

i. Interest rate risk

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

Interest rate risk is managed using a mix of fixed and floating financial instruments. The effective interest rate expenditure to interest rate financial instruments are as follows:

Consolidated

	Weighted Average Effective Interest Rate			
	2023	2022	**2023**	2022
	%	%	**$**	$
Cash and cash equivalents	**0.96**	0.67	**5,516,404**	10,288,245
Floating rate notes	**2.50**	2.50	**1,923,196**	2,976,417
Lease liabilities	**5.67**	2.62	**458,466**	783,698

Parent

Cash and cash equivalents	**0.96**	0.67	**5,444,140**	10,272,168
Floating rate notes	**2.50**	2.50	**1,923,196**	2,976,417
Lease liabilities	**5.67**	2.62	**458,466**	783,698

ii. Foreign exchange risk

The Union is not exposed to direct fluctuations in foreign currencies.

iii. Price risk

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

iv. Interest rate risk

The Union has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in this risk.

Note 15 Financial Instruments (Continued)

(c) Market Risk (Continued)

v. Sensitivity Analysis
The following table illustrates sensitivities to the Union's exposures to changes in interest rates and equity prices. The table indicates the impact of how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

Consolidated

Interest rates	**Profit $**	**Equity $**
Year ended 30 June 2023		
+1% in interest rates	**69,811**	**69,811**
-1% in interest rates	**(71,499)**	**(71,499)**
Year ended 30 June 2022		
+1% in interest rates	123,979	123,979
-1% in interest rates	(108,919)	(108,919)
Share/ unit prices		
Year ended 30 June 2023		
Investment in managed funds/ bond portfolio		
+5% in prices	**4,965,497**	**4,965,497**
-5% in prices	**(4,965,497)**	**(4,965,497)**
Year ended 30 June 2022		
Investment in managed funds/ bond portfolio		
+5% in prices	4,515,745	4,515,745
-5% in prices	(4,515,745)	(4,515,745)

Note 15 Financial Instruments (Continued)

(c) Market Risk (Continued)

Parent

Interest rates	**Profit $**	**Equity $**
Year ended 30 June 2023		
+1% in interest rates	**69,089**	**69,089**
-1% in interest rates	**(71,227)**	**(71,227)**
Year ended 30 June 2022		
+1% in interest rates	123,818	123,818
-1% in interest rates	(108,847)	(108,847)
Share/ unit prices		
Year ended 30 June 2023		
Investment in managed funds/ bond portfolio		
+5% in prices	**4,965,497**	**4,965,497**
-5% in prices	**(4,965,497)**	**(4,965,497)**
Year ended 30 June 2022		
Investment in managed funds/ bond portfolio		
+5% in prices	4,515,745	4,515,745
-5% in prices	(4,515,745)	(4,515,745)

No sensitivity analysis has been performed on foreign exchange risk as the Union has no material direct exposures to currency risk. There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

Note 16 Fair Value Measurement

Fair Values

Fair value estimation

The fair values of financial assets and liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair value is the amount at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties at an arm's length transaction.

Fair value may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair values is extracted from the market, with more reliable information available from markets that are actively traded.

In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

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

The following table contains the carrying amounts and related fair values for the Union's financial assets and liabilities:

Consolidated

		2023		2022	
	Footnote	**Carrying value**	**Fair value**	Carrying value	Fair value
		$	**$**	$	$
Financial assets					
Cash and cash equivalents	(i)	**5,516,404**	**5,516,404**	10,288,245	10,288,245
Trade and other receivables	(i)	**4,223,338**	**4,223,338**	4,418,028	4,418,028
Investments	(i)	**101,945,632**	**101,945,632**	93,920,740	93,920,740
Total financial assets		**111,685,374**	**111,685,374**	108,627,013	108,627,013
Financial liabilities					
Trade and other payables	(i)	**5,433,889**	**5,433,889**	7,700,611	7,700,611
Lease liabilities	(i)	**458,466**	**458,466**	783,698	783,698
Total financial liabilities		**5,892,355**	**5,892,355**	8,484,309	8,484,309

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

Cash and cash equivalents, term deposits, accounts receivable, investments, accounts payable and other payables, borrowings and leases are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is outside the scope of AASB 139.

Note 16 Fair Value Measurement (Continued)

Parent

	Footnote	2023 Carrying value	2023 Fair value	2022 Carrying value	2022 Fair value
		$	$	$	$
Financial assets					
Cash and cash equivalents	(i)	**5,444,140**	**5,444,140**	10,272,168	10,272,168
Trade and other receivables	(i)	**4,530,610**	**4,530,610**	4,600,935	4,600,935
Investments	(i)	**101,945,632**	**101,945,632**	93,920,740	93,920,740
Total financial assets		**111,920,382**	**111,920,382**	108,793,843	108,793,843
Financial liabilities					
Trade and payables	(i)	**5,388,662**	**5,388,662**	7,558,989	7,558,989
Lease liabilities	(i)	**458,466**	**458,466**	783,698	783,698
Total financial liabilities		**5,847,128**	**5,847,128**	8,342,687	8,342,687

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

Cash and cash equivalents, term deposits, accounts receivable, investments, accounts payable and other payables, borrowings and leases are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is outside the scope of AASB 139.

Fair Value Hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categories fair value measurement into one of the three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset of liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market date. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Note 16 Fair Value Measurement (Continued)

The following tables provide an analysis of financial and non-financial assets and liabilities that are measured at fair value, by fair value hierarchy.

Fair value hierarchy –2023

	Note	Date of Valuation	Level 1	Level 2	Level 3
			$	$	$
Assets measured at fair value					
Morgan Stanley investment portfolio	6A	30 June 2023	74,992,765	-	-
IFS investment portfolio	6A	30 June 2023	4,930,439	-	-
Bell Potter investment portfolio	6A	30 June 2023	18,952,179	-	-
Floating rate notes	6A	30 June 2023	1,923,196	-	-
Sentinel Property investment	6A	30 June 2023	-	-	214,953
Investments accounted for using the equity method	6A	30 June 2023	-	-	712,500
Other financial assets	6A	30 June 2023	-	-	219,600
Land and Buildings – 27 Peel Street, South Brisbane	6B	5 July 2022	-	18,900,000	-
Land and Buildings – 45 Peel Street, South Brisbane	6B	5 July 2022	-	2,625,000	-
Land and Buildings –19 Argyle Street, Parramatta	6B	13 July 2022	-	6,500,000	-
Land and Buildings – 117-131 Capel Street, North Melbourne	6B	5 July 2022	-	19,500,000	-
Land and Buildings – 101 Henley Beach Road, Mile End	6B	13 Aug 2022	-	9,750,000	-
Land and Buildings – 54 Cheriton Street, Perth	6B	18 Oct 2022	-	5,250,000	-
Land and Buildings – 38 Woods Street, Darwin	6B	30 June 2020	-	950,000	-
Land and Buildings – 833 Bourke Street, Docklands	6B	30 June 2023	-	27,500,000	-
Land and Buildings – 19-37 Greek Street, Glebe	6B	30 June 2023	-	45,750,000	-
Land and Buildings – 71 Leichhardt Street, Kingston	6B	30 Aug 2021*	-	-	4,335,887
Investment Properties – 303 Cleveland Street, Redfern	6C	30 June 2023	-	7,250,000	-
Investment Properties – 47 Peel Street, South Brisbane	6C	5 July 2022	-	2,625,000	-
Total			100,798,579	146,600,000	5,482,940

* The Union purchased the land and buildings located at 71 Leichhardt Street, Kingston on 30 August 2021. The Committee of Management determined that the purchase price continues to reflect the fair value and therefore conducted an internal assessment at 30 June 2023.

Note 16 Fair Value Measurement (Continued)

Fair value hierarchy –2022

	Note	Date of Valuation	Level 1	Level 2	Level 3
			$	$	$
Assets measured at fair value					
Morgan Stanley investment portfolio	6A	30 June 2022	66,767,137	-	-
IFS investment portfolio	6A	30 June 2022	4,439,184	-	-
Bell Potter investment portfolio	6A	30 June 2022	18,650,178	-	-
Floating rate notes	6A	30 June 2022	2,976,417	-	-
Sentinel Property investment	6A	30 June 2022	-	-	214,953
Investments accounted for using the equity method	6A	30 June 2022	-	-	712,500
Other financial assets	6A	30 June 2022	-	-	160,371
Land and Buildings – 27 Peel Street, South Brisbane	6B	5 July 2022	-	18,900,000	-
Land and Buildings – 45 Peel Street, South Brisbane	6B	5 July 2022	-	2,625,000	-
Land and Buildings –19 Argyle Street, Parramatta	6B	13 July 2022	-	6,500,000	-
Land and Buildings – 117-131 Capel Street, North Melbourne	6B	5 July 2022	-	19,500,000	-
Land and Buildings – 101 Henley Beach Road, Mile End	6B	13 Aug 2021	-	9,750,000	-
Land and Buildings – 54 Cheriton Street, Perth	6B	18 Oct 2021	-	5,250,000	-
Land and Buildings – 38 Woods Street, Darwin	6B	30 June 2020	-	950,000	-
Land and Buildings – 833 Bourke Street, Docklands	6B	16 Nov 2021*	-	-	24,500,000
Land and Buildings – 19-37 Greek Street, Glebe	6B	4 Jan 2022**	-	-	50,520,000
Land and Buildings – 71 Leichardt Street, Kingston	6B	30 Aug 2021***	-	-	4,335,887
Investment Properties – 303 Cleveland Street, Redfern	6C	1 Feb 2019	-	8,500,000	-
Investment Properties – 47 Peel Street, South Brisbane	6C	5 July 2022	-	2,625,000	-
Non-current asset held for sale – 62 Drummond Street, Carlton	6C	30 June 2022	3,000,000	-	-
Total			95,832,916	74,600,000	80,443,711

* The Union purchased the land and buildings located at 833 Bourke Street, Docklands on 16 November 2021. The Committee of Management determined that the purchase price continues to reflect the fair value and therefore conducted an internal assessment at 30 June 2022.

** The Union purchased and refurbished the land and buildings located at 19-37 Greek Street, Glebe and was available for use on 4 January 2022. The Committee of Management determined that the purchase price continues to reflect the fair value and therefore conducted an internal assessment at 30 June 2022.

*** The Union purchased the land and buildings located at 71 Leichardt Street, Kingston on 30 August 2021. The Committee of Management determined that the purchase price continues to reflect the fair value and therefore conducted an internal assessment at 30 June 2022.

Note 17 Information about Subsidiaries

The consolidated financial statements of the Union include:

Name of entity	Principal activity	Country of Incorporation	Interest 2023 %	Interest 2022 %
Poll Printing Limited	Graphic Design and Printing	Australia	100	100

Note 18 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 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).

Note 19 Union Details

The registered office of the Union is:

833 Bourke Street
DOCKLANDS VIC 3008

Note 20 Segment Information

The Union operates solely in one reporting segment, being the provision of industrial services in Australia.