



19 March 2024

Tim Oosterbaan  
Secretary  
Independent Education Union (South Australia) Branch

Sent via email: [enquiries@ieusa.org.au](mailto:enquiries@ieusa.org.au)

CC: [snoble@independentaudit.com.au](mailto:snoble@independentaudit.com.au)

Dear Tim Oosterbaan

**Independent Education Union (South Australia) Branch  
Financial Report for the year ended 31 December 2023 – FR2023/236**

I acknowledge receipt of the financial report for the year ended 31 December 2023 for the Independent Education Union (South Australia) Branch (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 12 March 2024.

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

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

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

If you have any queries regarding this letter, please call 1300 341 665 or email [regorgs@fwc.gov.au](mailto:regorgs@fwc.gov.au).

Yours sincerely

**Fair Work Commission**

# Independent Education Union (SA) Branch

Financial statements for the year ended 31 December 2023

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**Independent Education Union (SA) Branch**

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

## Certificate by Prescribed Designated Officer

Certificate for the year ended 31 December 2023

I, Tim Oosterbaan, being the Secretary of the Independent Education Union (SA) Branch certify:

- that the documents lodged herewith are copies of the full report for the Independent Education Union (SA) Branch for the period ended referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 7 March 2024; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 6 March 2024 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:  .....

Name of prescribed designated officer: TIM OOSTERBAAN .....

Title of prescribed designated officer: BRANCH SECRETARY .....

Dated: 12-3-2024 .....



## Independent Audit Report to the Members of Independent Education Union (SA) Branch

### Report on the Audit of the Financial Report

#### Opinion

I have audited the financial report of Independent Education Union (SA) Branch (the Reporting Unit), which comprises the statement of financial position as at 31 December 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31 December 2023, notes to the financial statements, including a summary of significant accounting policies, the Executive Committee Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Independent Education Union (SA) Branch as at 31 December 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).

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

#### Basis for Opinion

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

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

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

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

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

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

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

The Executive Committee of the Reporting Unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Executive Committee 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 Executive Committee is responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive Committee either intend to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

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

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Committee.

- Conclude on the appropriateness of the Executive Committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion.

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

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

Australian Independent Audit Services



Stephen Noble  
Director

Adelaide  
6 March 2024

Registration number (as registered by the RO Commissioner under the RO Act):  
AA2018/4

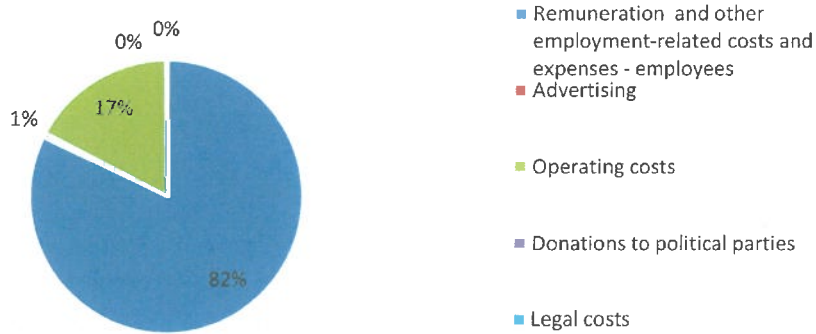
**Independent Education Union (SA) Branch**

# Report Required Under Subsection 255(2A)

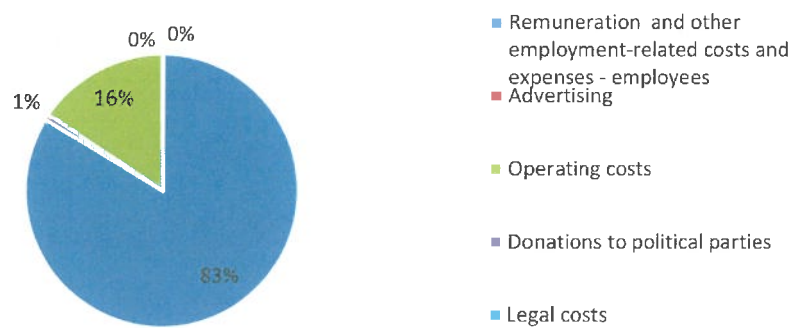
for the year ended 31 December 2023

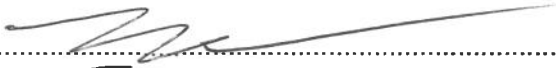
The Executive Committee presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 December 2023.

2023 - Expenditure as Required Under s.255(2A) RO Act



2022 - Expenditure as Required Under s.255(2A) RO Act



Signature of designated officer: ..... 

Name and title of designated officer: ..... TIM OOSTERBAAN  
BRANCH SECRETARY

Dated: ..... 6.3.2024



## Independent Education Union (SA) Branch

# Operating Report

*for the year ended 31 December 2023*

The Executive Committee presents its operating report on the Reporting Unit for the year ended 31 December 2023.

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

The Independent Education Union (SA) Branch represents the industrial and professional interests of its members in the non-government education sector.

### **Significant changes in financial affairs**

No significant change in the nature of these activities occurred during the period.

### **Right of members to resign**

A member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.

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

Patrick Anderson (Member) - Director of NGS Super Pty Limited trustee for NGS Super (from 14 April 2022).

### **Number of members**

Total members of Independent Education Union (SA) Branch as at 31 December 2023: 3,620 (31 December 2022: 3,649).

### **Number of employees**

Total employees of Independent Education Union (SA) Branch as at 31 December 2023: 12 (31 December 2022: 13).

### **Names of Executive Committee members and period positions held during the financial year**

The name of each member of the committee during the year:

Tim Oosterbaan (Secretary)

Anthony Haskell (Vice President)

Wendy Evans (Deputy Secretary) (retired 21<sup>st</sup> February 2024)

Meredith Farmer (Deputy Secretary) (term commenced 21<sup>st</sup> February 2024)

Britta Jureckson (President)

Jenny Johnson (Vice President)

Michael Francis (Treasurer)

Noel Karcher

Sue Bailey  
John Coop  
Ally Cunningham  
Sheryl Hoffmann  
Kathleen Johnson  
Emily Button

Members of the Executive Committee held positions for the entire reporting period unless otherwise stated.

\* There have been no changes to members of the Executive Committee listed as at the date of the report except as otherwise stated.

Signature of designated officer:  .....

Name and title of designated officer: ..... *TIM OOSTERBAAN BRANCH SECRETARY* .....

Dated: ..... *6.3.2024* .....

**Independent Education Union (SA) Branch**

# Executive Committee Statement

*for the year ended 31 December 2023*

On 6 March 2024 the Executive Committee of the Independent Education Union (SA) Branch passed the following resolution in relation to the general-purpose financial report (GPFR) for the year ended 31 December 2023:

The Executive Committee declares that in its opinion:

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

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

Signature of designated officer: 

Name and title of designated officer: Tim OOSTERBAAN  
BRANCH SECRETARY

Dated: 6-3-2024

Independent Education Union (SA) Branch

# Statement of Comprehensive Income

for the year ended 31 December 2023

|  | Notes | 2023<br>\$       | 2022<br>\$       |
|--|-------|------------------|------------------|
| <b>Revenue from contracts with customers</b>                       | 3     |                  |                  |
| Membership subscriptions*  |       | 2,060,859        | 2,096,719        |
| Capitation fees and other revenue from another reporting unit*     | 3A    | -                | -                |
| Levies*  | 3B    | -                | -                |
| Revenue from recovery of wages activity*                           | 3G    | -                | -                |
| <b>Total revenue from contracts with customers</b>                 |       | <u>2,060,859</u> | <u>2,096,719</u> |
| <b>Income for furthering objectives</b>                            | 3     |                  |                  |
| Grants and/or donations*   | 3C    | -                | -                |
| Income recognised from volunteer services*                         | 3D    | -                | -                |
| <b>Total income for furthering objectives</b>                      |       | <u>-</u>         | <u>-</u>         |
| <b>Other Income</b>  |       |                  |                  |
| Board fees NGS Super   |       | -                | -                |
| Net gains from sale of assets                                      | 3F    | -                | 14,196           |
| Investment income  | 3H    | 33,914           | 11,950           |
| Other income   | 3I    | 39,892           | 29,794           |
| Other income – Gain on transfer of net assets                      | 12A   | -                | -                |
| <b>Total other income</b>  |       | <u>73,806</u>    | <u>55,940</u>    |
| <b>Total income</b>  |       | <u>2,134,665</u> | <u>2,152,659</u> |
| <b>Expenses</b>  |       |                  |                  |
| Employee expenses*   | 4A    | 1,671,897        | 1,690,620        |
| Capitation fees and other expense relating to reporting unit*      | 4B    | 70,943           | 61,613           |
| Affiliation fees*  | 4C    | 43,223           | 32,903           |
| Administration expenses  | 4D    | 226,765          | 218,923          |
| Grants or donations*   | 4E    | -                | 250              |
| Depreciation and amortisation                                      | 4F    | 28,027           | 8,857            |
| Finance costs  | 4G    | 18,725           | 19,636           |
| Legal costs*   | 4H    | 3,133            | (88)             |
| Audit fees   | 13    | 19,393           | 18,512           |
| Other expenses   | 4I    | -                | -                |
| <b>Total expenses</b>  |       | <u>2,082,106</u> | <u>2,051,225</u> |
| <b>Surplus (deficit) for the year</b>                              |       | <u>52,559</u>    | <u>101,434</u>   |
| <b>Other comprehensive income</b>                                  |       |                  |                  |
| Items that will not be subsequently reclassified to profit or loss |       |                  |                  |
| Gain/(loss) on revaluation of land & buildings                     | 6A    | 210,000          | 40,000           |
| <b>Total comprehensive income for the year</b>                     |       | <u>262,559</u>   | <u>141,434</u>   |

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

Independent Education Union (SA) Branch  
**Statement of Financial Position**  
*as at 31 December 2023*

|   | Notes | 2023<br>\$       | 2022<br>\$       |
|---|-------|------------------|------------------|
| <b>ASSETS</b>                           |       |                  |                  |
| <b>Current Assets</b>                   |       |                  |                  |
| Cash and cash equivalents               | 5A    | 1,282,057        | 1,473,178        |
| Trade and other receivables*            | 5B    | 18,720           | 9,152            |
| Other current assets                    | 5C    | 7,719            | 9,420            |
| <b>Total current assets</b>             |       | <b>1,308,496</b> | <b>1,491,750</b> |
| <b>Non-Current Assets</b>               |       |                  |                  |
| Property, plant and equipment           | 6A    | 1,133,466        | 898,694          |
| Intangibles                             | 6B    | 42,858           | 42,858           |
| Right-of-use assets                     | 6C    | -                | 1,936            |
| <b>Total non-current assets</b>         |       | <b>1,176,324</b> | <b>943,488</b>   |
| <b>Total assets</b>                     |       | <b>2,484,820</b> | <b>2,435,238</b> |
| <b>LIABILITIES</b>                      |       |                  |                  |
| <b>Current Liabilities</b>              |       |                  |                  |
| Trade payables*                         | 7A    | 98,563           | 89,485           |
| Other payables*                         | 7B    | 53,593           | 89,356           |
| Employee provisions                     | 8A    | 259,548          | 446,460          |
| Lease liabilities                       | 6C    | 2,436            | 2,436            |
| <b>Total current liabilities</b>        |       | <b>414,140</b>   | <b>627,737</b>   |
| <b>Non-Current Liabilities</b>          |       |                  |                  |
| Employee provisions                     | 8A    | -                | -                |
| Lease liabilities                       | 6B    | 165              | 2,349            |
| <b>Total non-current liabilities</b>    |       | <b>165</b>       | <b>2,349</b>     |
| <b>Total liabilities</b>                |       | <b>414,305</b>   | <b>630,086</b>   |
| <b>Net assets</b>                       |       | <b>2,070,515</b> | <b>1,805,151</b> |
| <b>EQUITY</b>                           |       |                  |                  |
| General funds                           | 9A    | -                | -                |
| Retained earnings (accumulated deficit) |       | 2,070,515        | 1,805,151        |
| <b>Total equity</b>                     |       | <b>2,070,515</b> | <b>1,805,151</b> |

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

Independent Education Union (SA) Branch

# Statement of Changes in Equity

for the year ended 31 December 2023

|   | Notes | Retained earnings<br>\$ | Total equity<br>\$ |
|---|-------|-------------------------|--------------------|
| <b>Balance as at 1 January 2022</b>           |       | 1,663,717               | 1,663,717          |
| Surplus / (deficit)                           |       | 101,434                 | 101,434            |
| Other comprehensive income                    |       | 40,000                  | 40,000             |
| <b>Closing balance as at 31 December 2022</b> |       | 1,805,151               | 1,805,151          |
| <b>Balance as at 1 January 2023</b>           |       | 1,805,151               | 1,805,151          |
| Surplus / (deficit)                           |       | 52,559                  | 52,559             |
| Other comprehensive income                    |       | 210,000                 | 210,000            |
| Retained earnings adjustment                  |       | 2,805                   | 2,805              |
| <b>Closing balance as at 31 December 2023</b> |       | 2,070,515               | 2,070,515          |

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

**Independent Education Union (SA) Branch**  
**Statement of Cash Flows**  
*for the year ended 31 December 2023*

|  | Notes | 2023<br>\$       | 2022<br>\$       |
|--|-------|------------------|------------------|
| <b>OPERATING ACTIVITIES</b>  |       |                  |                  |
| <b>Cash received</b>   |       |                  |                  |
| Receipts from members  |       | 2,091,183        | 2,119,825        |
| Interest   |       | 33,914           | 11,950           |
| Receipts from other reporting unit/controlled entity(s)*                                 | 11B   | -                | -                |
| <b>Cash used</b>   |       |                  |                  |
| Employees and suppliers  |       | (2,261,286)      | (2,055,273)      |
| Lease payments for leases of low-value assets  | 6C    | (1,632)          | (1,632)          |
| Interest payments and other finance costs  | 6C    | (252)            | (502)            |
| Payment to other reporting units/controlled entity(s)*                                   | 11B   | -                | -                |
| <b>Net cash from (used by) operating activities</b>                                      | 10A   | <u>(138,073)</u> | <u>74,368</u>    |
| <b>INVESTING ACTIVITIES</b>  |       |                  |                  |
| <b>Cash received</b>   |       |                  |                  |
| Proceeds from sale of plant and equipment  |       | -                | 15,000           |
| <b>Cash used</b>   |       |                  |                  |
| Purchase of plant and equipment  | 6A    | (50,864)         | (44,920)         |
| <b>Net cash from (used by) investing activities</b>                                      |       | <u>(50,864)</u>  | <u>(29,920)</u>  |
| <b>FINANCING ACTIVITIES</b>  |       |                  |                  |
| <b>Cash used</b>   |       |                  |                  |
| Repayment of lease liabilities   | 6C    | (2,184)          | (1,934)          |
| <b>Net cash from (used by) financing activities</b>                                      |       | <u>(2,184)</u>   | <u>(1,934)</u>   |
| <b>Cash transferred from Independent Education Union (SA) Inc. for nil consideration</b> | 12A   | -                | -                |
| <b>Net increase (decrease) in cash held</b>  |       | <u>(191,121)</u> | <u>42,514</u>    |
| Cash & cash equivalents at the beginning of the reporting period                         |       | 1,473,178        | 1,430,663        |
| <b>Cash &amp; cash equivalents at the end of the reporting period</b>                    | 5A    | <u>1,282,057</u> | <u>1,473,178</u> |

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

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# Notes of the Financial Statements

## 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 Independent Education Union (SA) Branch is a not-for-profit entity.

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

### 1.2 Going concern

The Reporting Unit is not reliant on any agreed financial support to continue on a going concern basis, nor has the Reporting Unit agreed to provide financial support to another Reporting Unit to ensure they can continue on a going concern basis.

### 1.3 Comparative amounts

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

### 1.4 Significant accounting judgements and estimates

There are no accounting assumptions or estimates identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

### 1.5 New Australian Accounting Standards

#### Adoption of New Australian Accounting Standard requirements

The accounting policies adopted are consistent with those of the previous financial year. No new standards or amendments have been adopted for the first time this financial year.

#### Future Australian Accounting Standards

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

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

This Standard amends AASB 101 Presentation of Financial Statements to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. This

Standard applies to annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted. The Reporting Unit does not expect the adoption of this amendment to have an impact on its financial statements.

#### **1.6 Investment in associates and joint arrangements**

The Reporting Unit has no significant influence over any associate that is neither a subsidiary nor an interest in a joint venture. The Reporting Unit has no joint ventures with any parties.

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

The Reporting Unit did not acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.

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

Independent Education Union (SA) Branch presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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

Independent Education Union (SA) Branch classifies all other liabilities as non-current.

#### **1.9 Revenue**

The Reporting Unit 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 Reporting Unit has a contract with a customer, the Reporting Unit recognises revenue when or as it transfers control of goods or services to the customer. The Reporting Unit accounts for an arrangement as a contract with a customer if the following criteria are met:

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

### **Membership subscriptions**

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

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

### **Capitation fees**

Where the Reporting Unit's arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Reporting Unit recognises the capitation fees promised under that arrangement when or as it transfers the Reporting Unit to specify the goods or services that will transfer as part of its sufficiently specific promise to the branch/other reporting unit.

In circumstances where the criteria for a contract with a customer are not met, the Reporting Unit will recognise capitation fees as income upon receipt (as specified in the income recognition policy below).

### **Levies**

Levies paid by a member (or other party) in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the Reporting Unit transfers the Reporting Unit to specify the goods or services that will transfer as part of its sufficiently specific promise to the branch/other reporting unit.

In circumstances where the criteria for a contract with a customer are not met, the Reporting Unit will recognise levies as income upon receipt (as specified in the income recognition policy below).

### **Income of the Reporting Unit as a Not-for-Profit Entity**

During the year the Reporting Unit did not receive any consideration to further its objectives by way of donations and voluntary contributions from members or government grants.

### **Volunteer services**

During the year, the Reporting Unit did not receive any volunteer services.

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

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

During the year, the Reporting Unit received no consideration to acquire or construct a non-financial asset.

**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.

**1.10 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.

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.

**1.11 Leases**

The Reporting Unit assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### Reporting unit as a lessee

The Reporting Unit applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Reporting Unit recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

### Right-of-use assets

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

|             | 2023    | 2022    |
|-------------|---------|---------|
| Photocopier | 3 years | 3 years |

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

### Lease liabilities

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

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

### Short-term leases and leases of low-value assets

The Reporting Unit's short-term leases are those that have a lease term of 12 months or less from the commencement. It also applies the lease of low-value assets

recognition exemption to leases of telephone equipment that are below \$7,000. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### **1.12 Borrowing costs**

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

#### **1.13 Cash**

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

#### **1.14 Financial instruments**

Financial assets and financial liabilities are recognised when the Independent Education Union (SA) Branch becomes a party to the contractual provisions of the instrument.

#### **1.15 Financial assets**

##### **Contract assets and receivables**

A contract asset is recognised when the Reporting Unit's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Reporting Unit's future performance or some other condition.

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

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

##### **Initial recognition and measurement**

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

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Independent Education Union (SA) Branch's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Reporting Unit 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 Independent Education Union (SA) Branch business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Independent Education Union (SA) Branch commits to purchase or sell the asset.

### **Subsequent measurement**

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

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

### **Financial assets at amortised cost**

The Independent Education Union (SA) Branch measures financial assets at amortised cost if both of the following conditions are met:

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

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

The Independent Education Union (SA) Branch's financial assets at amortised cost includes trade receivables and loans to related parties.

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

The Reporting Unit measures debt instruments at fair value through other comprehensive income (OCI) if both of the following conditions are met:

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

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

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

The Reporting Unit's debt instruments at fair value through other comprehensive income includes investments in quoted debt instruments included under other non-current financial assets.

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

Upon initial recognition, the Reporting Unit can elect to classify irrevocably its equity investments as equity instruments designated at fair value through other comprehensive income when they meet the definition of equity under AASB 132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

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

The Reporting Unit elected to classify irrevocably its listed and non-listed equity investments under this category.

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

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

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

### **Derecognition**

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Independent Education Union (SA) Branch has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:



- a) the Independent Education Union (SA) Branch has transferred substantially all the risks and rewards of the asset, or
- b) the Independent Education Union (SA) Branch has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Independent Education Union (SA) Branch has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Independent Education Union (SA) Branch continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

### **Offsetting**

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

### **Impairment**

#### **(i) 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 Independent Education Union (SA) Branch 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 Independent Education Union (SA) Branch 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 Independent Education Union (SA) Branch considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Independent Education Union (SA) Branch may also consider a financial asset to be in default when internal or external information indicates that the Independent Education Union (SA) Branch is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## **(ii) Trade receivables**

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

Therefore, the Independent Education Union (SA) Branch does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Independent Education Union (SA) Branch has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

## **1.16 Financial Liabilities**

### **Initial recognition and measurement**

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

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

Independent Education Union (SA) Branch's financial liabilities include trade and other payables.

### **Subsequent measurement**

#### **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.

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

## **1.18 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.

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

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

|                     | <b>2023</b>         | <b>2022</b>  |
|---------------------|---------------------|--------------|
| Plant and equipment | <b>1 to 7 years</b> | 1 to 7 years |

### ***Derecognition***

An item of land, buildings, 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.

#### **1.20 Investment property**

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 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 or loss in the period in which they arise.

An 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 derecognition 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.

#### **1.21 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 Independent Education Union (SA) Branch were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

#### **1.22 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.

#### **1.23 Taxation**

Independent Education Union (SA) Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

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

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

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

Cash flows are included in the 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.

#### **1.24 Fair value measurement**

The Independent Education Union (SA) Branch 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 14A.

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 Independent Education Union (SA) Branch. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Independent Education Union (SA) Branch uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Independent Education Union (SA) Branch determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Independent Education Union (SA) Branch has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

#### **1.25 Going concern**

The Independent Education Union (SA) Branch is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

The Independent Education Union (SA) Branch has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

#### **Note 2 Events after the reporting period**

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Reporting Unit, the results of those operations, or the state of affairs of the Reporting Unit in subsequent financial periods.

**Note 3 Revenue and income**

**2023**                      **2022**  
**\$**                                      **\$**

**Disaggregation of revenue from contracts with customers**

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

**Type of customer**

|  |                  |                  |
|--|------------------|------------------|
| Members  | 2,060,859        | 2,096,719        |
| Other reporting units                              | -                | -                |
| Government   | -                | -                |
| Other parties                                      | -                | -                |
| <b>Total revenue from contracts with customers</b> | <b>2,060,859</b> | <b>2,096,719</b> |

**Disaggregation of income for furthering activities**

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

**Income funding sources**

|   |               |               |
|---|---------------|---------------|
| Members                                       | -             | -             |
| Other reporting units                         | -             | -             |
| Government                                    | -             | -             |
| Other parties                                 | 73,806        | 55,940        |
| <b>Total income for furthering activities</b> | <b>73,806</b> | <b>55,940</b> |

**2023**                      **2022**  
**\$**                                      **\$**

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

**Capitation fees:**

**Subtotal capitation fees**

**Other revenue from another reporting unit:**

**Subtotal other revenue from another reporting unit**

**Total capitation fees and other revenue from another reporting unit**

**Note 3B: Levies\***

**Total levies**

**Note 3C: Grants and/or donations\***

Grants

Donations

**Total grants and donations**

|   | 2023          | 2022          |
|---|---------------|---------------|
|   | \$            | \$            |
| <b>Note 3D: Income recognised from volunteer services*</b>  |               |               |
| Amounts recognised from volunteer services  | -             | -             |
| <b>Total income recognised from volunteer services</b>  | <u>-</u>      | <u>-</u>      |
| <b>Note 3E: Income recognised from transfers to enable the Reporting Unit to acquire or construct a recognisable non-financial asset to be controlled by the Reporting Unit</b> |               |               |
| Amount recognised from financial asset transfers  | -             | -             |
| <b>Total income recognised from transfers</b>   | <u>-</u>      | <u>-</u>      |
| <b>Note 3F: Net gains from sale of assets</b>   |               |               |
| Land and buildings  | -             | -             |
| Plant and equipment   | -             | 14,196        |
| Intangibles   | -             | -             |
| Other   | -             | -             |
| <b>Total net gain from sale of assets</b>   | <u>-</u>      | <u>14,196</u> |
| <b>Note 3G: Revenue from recovery of wages activity*</b>  |               |               |
| Amounts recovered from employers in respect of wages  | -             | -             |
| Interest received on recovered money  | -             | -             |
| <b>Total revenue from recovery of wages activity</b>  | <u>-</u>      | <u>-</u>      |
| <b>Note 3H: Investment income</b>   |               |               |
| Interest  |               |               |
| Deposits  | 33,914        | 11,950        |
| Loans   | -             | -             |
| Debt instruments at fair value through other comprehensive income   | -             | -             |
| Dividends   | -             | -             |
| <b>Total investment income</b>  | <u>33,914</u> | <u>11,950</u> |
| <b>Note 3I: Other income</b>  |               |               |
| IEU (SA) Inc. support   | -             | -             |
| PAYG Refund from ATO  | -             | -             |
| TRB Sitting Fees  | 7,041         | 8,517         |
| Parental Leave Reimbursements   | 14,624        | -             |
| Sundry Income   | 18,227        | 21,277        |
| <b>Total Other income</b>   | <u>39,892</u> | <u>29,794</u> |



## Note 4 Expenses

|   | 2023             | 2022             |
|---|------------------|------------------|
|   | \$               | \$               |
| <b>Note 4A: Employee expenses</b>   |                  |                  |
| <b>Holders of office:</b>   |                  |                  |
| Wages and salaries  | 180,795          | 192,174          |
| Superannuation  | 29,159           | 30,166           |
| Leave and other entitlements  | 20,757           | (8,933)          |
| Separation and redundancies   | -                | -                |
| Other employee expenses   | 4,413            | 4,070            |
| <b>Subtotal employee expenses holders of office</b>                           | <b>235,124</b>   | <b>217,477</b>   |
| <b>Employees other than office holders:</b>                                   |                  |                  |
| Wages and salaries  | 1,339,315        | 1,157,765        |
| Superannuation  | 178,690          | 173,968          |
| Leave and other entitlements  | (207,669)        | 36,818           |
| Separation and redundancies   | -                | -                |
| Other employee expenses   | 126,437          | 104,591          |
| <b>Subtotal employee expenses employees other than office holders</b>         | <b>1,436,773</b> | <b>1,473,142</b> |
| <b>Total employee expenses</b>  | <b>1,671,897</b> | <b>1,690,620</b> |
| <b>Note 4B: Capitation fees and other expense to another reporting unit *</b> |                  |                  |
| <b>Capitation fees</b>  |                  |                  |
| Independent Education Union Australia   | 70,943           | 61,613           |
| <b>Subtotal capitation fees</b>   | <b>70,943</b>    | <b>61,613</b>    |
| <b>Other expense to another reporting unit</b>                                | <b>-</b>         | <b>-</b>         |
| <b>Subtotal other expense to another reporting unit</b>                       | <b>-</b>         | <b>-</b>         |
| <b>Total capitation fees and other expense to another reporting unit</b>      | <b>70,943</b>    | <b>61,613</b>    |
| <b>Note 4C: Affiliation fees*</b>   |                  |                  |
| Australian Council of Trade Unions  | 23,205           | 21,034           |
| Other   | 20,018           | 11,869           |
| <b>Total affiliation fees/subscriptions</b>                                   | <b>43,223</b>    | <b>32,903</b>    |
| <b>Note 4D: Administration expenses</b>                                       |                  |                  |
| Total paid to employers for payroll deductions of membership subscriptions*   | -                | -                |
| Compulsory levies*  | -                | -                |
| Fees/allowances - meeting and conferences*                                    | -                | -                |
| Conference and meeting expenses*  | 24,018           | 20,921           |
| Contractors/consultants   | 2,050            | 1,134            |
| Property expenses   | 22,534           | 21,668           |
| Office expenses   | 56,505           | 42,588           |
| Information communications technology   | 30,905           | 40,752           |
| Staff / Exec mobility and meals   | 56,467           | 67,713           |
| Promotional material / benefits   | 9,742            | 13,863           |
| Training and development  | 2,900            | 8,215            |
| Other   | 21,644           | 2,069            |
| <b>Subtotal administration expenses</b>                                       | <b>226,765</b>   | <b>218,923</b>   |

|   | 2023          | 2022          |
|---|---------------|---------------|
|   | \$            | \$            |
| <b>Note 4E: Grants or donations*</b>                  |               |               |
| Grants:   |               |               |
| Total paid that were \$1,000 or less                  | -             | -             |
| Total paid that exceeded \$1,000                      | -             | -             |
| Donations:  |               |               |
| Total paid that were \$1,000 or less                  | -             | 250           |
| Total paid that exceeded \$1,000                      | -             | -             |
| <b>Total grants or donations</b>                      | <b>-</b>      | <b>250</b>    |
| <br>  |               |               |
| <b>Note 4F: Depreciation</b>                          |               |               |
| Depreciation  |               |               |
| Plant and equipment                                   | 26,091        | 5,676         |
| Right-of-use assets                                   | 1,936         | 3,181         |
| <b>Total depreciation</b>                             | <b>28,027</b> | <b>8,857</b>  |
| <br>  |               |               |
| <b>Note 4G: Finance costs</b>                         |               |               |
| Merchant / payment fees                               | 18,725        | 19,636        |
| <b>Total finance costs</b>                            | <b>18,725</b> | <b>19,636</b> |
| <br>  |               |               |
| <b>Note 4H: Legal costs*</b>                          |               |               |
| Litigation  | 3,133         | (88)          |
| Other legal costs                                     | -             | -             |
| <b>Total legal costs</b>                              | <b>3,133</b>  | <b>(88)</b>   |
| <br>  |               |               |
| <b>Note 4I: Other expenses</b>                        |               |               |
| Penalties - via RO Act or <i>Fair Work Act 2009</i> * | -             | -             |
| <b>Total other expenses</b>                           | <b>-</b>      | <b>-</b>      |

## Note 5 Current Assets

|  | 2023             | 2022             |
|--|------------------|------------------|
|  | \$               | \$               |
| <b>Note 5A: Cash and Cash Equivalents</b>  |                  |                  |
| Cash at bank   | 368,362          | 571,829          |
| Cash on hand   | 227              | 227              |
| Short term deposits  | 913,468          | 901,122          |
| <b>Total cash and cash equivalents</b>   | <b>1,282,057</b> | <b>1,473,178</b> |
| <b>Note 5B: Trade and Other Receivables</b>  |                  |                  |
| Receivables from other reporting unit(s)*  | -                | -                |
| <b>Total receivables from other reporting unit(s)</b>  | <b>-</b>         | <b>-</b>         |
| Less allowance for expected credit losses*   | -                | -                |
| <b>Total allowance for expected credit losses</b>  | <b>-</b>         | <b>-</b>         |
| <b>Receivable from other reporting unit(s) (net)</b>   | <b>-</b>         | <b>-</b>         |
|  | <b>2023</b>      | 2022             |
|  | \$               | \$               |
| <b>Other receivables:</b>  |                  |                  |
| Other trade receivables  | -                | -                |
| Accrued interest   | 18,720           | 9,152            |
| <b>Total other receivables</b>   | <b>18,720</b>    | <b>9,152</b>     |
| <b>Total trade and other receivables (net)</b>   | <b>18,720</b>    | <b>9,152</b>     |
| The movement in the allowance for expected credit losses of trade and other receivables is as follows: |                  |                  |
| At 1 January   | -                | -                |
| Provision for expected credit losses   | -                | -                |
| Write-off  | -                | -                |
| <b>At 31 December</b>  | <b>-</b>         | <b>-</b>         |
| <b>Note 5C: Other Current Assets</b>   |                  |                  |
| Prepayments  | 7,719            | 9,420            |
| <b>Total other current assets</b>  | <b>7,719</b>     | <b>9,420</b>     |

**Note 6 Non-current Assets**

**Note 6A: Property, Plant and Equipment**

**2023**

|  | Land & Buildings | Motor Vehicles | Plant and Equipment | Total            |
|--|------------------|----------------|---------------------|------------------|
|  | \$               | \$             | \$                  | \$               |
| Property, Plant and Equipment:             |                  |                |                     |                  |
| carrying amount                            | 1,100,000        | 37,103         | 304,914             | 1,442,017        |
| accumulated depreciation                   | -                | (19,928)       | (288,623)           | (308,551)        |
| <b>Total Property, Plant and Equipment</b> | <b>1,100,000</b> | <b>17,175</b>  | <b>16,291</b>       | <b>1,133,466</b> |

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

|  |                  |               |               |                  |
|--|------------------|---------------|---------------|------------------|
| <b>Net book value 1 January 2023</b>                         | <b>890,000</b>   | <b>-</b>      | <b>8,694</b>  | <b>898,694</b>   |
| Additions:   |                  |               |               |                  |
| By purchase  | -                | 37,103        | 13,760        | 50,863           |
| By transfer from IEU(SA) Inc.                                | -                | -             | -             | -                |
| Revaluations   | 210,000          | -             | -             | 210,000          |
| Impairments  | -                | -             | -             | -                |
| Depreciation expense   | -                | 19,928        | 6,163         | 26,091           |
| Disposals:   | -                | -             | -             | -                |
| <b>Net book value 31 December 2023</b>                       | <b>1,100,000</b> | <b>17,175</b> | <b>16,291</b> | <b>923,466</b>   |
| <b>Net book value as of 31 December 2023 represented by:</b> |                  |               |               |                  |
| Gross book value   | 1,100,000        | 37,103        | 304,914       | 1,442,017        |
| Accumulated depreciation and impairment                      | -                | (19,928)      | (288,623)     | (308,551)        |
| <b>Net book value 31 December 2023</b>                       | <b>1,100,000</b> | <b>17,175</b> | <b>16,291</b> | <b>1,133,466</b> |

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

**2022**

|  | Land & Buildings | Motor Vehicles | Plant and Equipment | Total          |
|--|------------------|----------------|---------------------|----------------|
|  | \$               | \$             | \$                  | \$             |
| Property, Plant and Equipment:             |                  |                |                     |                |
| carrying amount                            | 890,000          | -              | 292,464             | 1,182,464      |
| accumulated depreciation                   | -                | -              | (283,770)           | (283,770)      |
| <b>Total Property, Plant and Equipment</b> | <b>890,000</b>   | <b>-</b>       | <b>8,694</b>        | <b>898,694</b> |

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

|  |                |          |              |                |
|--|----------------|----------|--------------|----------------|
| <b>Net book value 1 January 2022</b>                         | 850,000        | 1,738    | 13,596       | 865,334        |
| Additions:   |                |          |              |                |
| By purchase  | -              | -        | 159          | 159            |
| By transfer from IEU(SA) Inc.                                | -              | -        | -            | -              |
| Revaluations   | 40,000         | -        | -            | 40,000         |
| Impairments  | -              | -        | -            | -              |
| Depreciation expense   | -              | 934      | 4,743        | 5,677          |
| Disposals:   | -              | 804      | -            | 804            |
| <b>Net book value 31 December 2022</b>                       | <b>890,000</b> | <b>-</b> | <b>8,694</b> | <b>898,694</b> |
| <b>Net book value as of 31 December 2022 represented by:</b> |                |          |              |                |
| Gross book value   | 890,000        | -        | 292,464      | 1,182,464      |
| Accumulated depreciation and impairment                      | -              | -        | (283,770)    | (283,770)      |
| <b>Net book value 31 December 2022</b>                       | <b>890,000</b> | <b>-</b> | <b>8,694</b> | <b>898,694</b> |

The revalued land and buildings consist of the Property – 213 Currie Street, Adelaide. Management determined that this constitutes one class of asset under AASB 13 *Fair Value Measurement*, based on the nature, characteristics and risks of the property.

Fair value of the property was determined by using market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for the difference in the nature, location or condition of the specific property. As at the date of revaluation 7 August 2023, the property's fair value was based on valuations performed by the Valuer General of South Australia in accordance with the Valuation of Land Act 1971.

If the land and buildings were measured using the cost model, the carrying amounts would be, as follows:

|   | 2023           | 2022           |
|---|----------------|----------------|
|   | \$             | \$             |
| Cost                                    | 960,000        | 960,000        |
| Accumulated depreciation and impairment | (70,000)       | (70,000)       |
| <b>Net carrying amount</b>              | <b>890,000</b> | <b>890,000</b> |

|   | 2023          | 2022          |
|---|---------------|---------------|
|   | \$            | \$            |
| <b>Note 6B: Intangibles</b>             |               |               |
| Computer software at cost:              |               |               |
| Internally developed                    | -             | -             |
| Purchased                               | 42,858        | 42,858        |
| Accumulated amortisation and impairment | -             | -             |
| <b>Total intangibles</b>                | <b>42,858</b> | <b>42,858</b> |

#### Reconciliation of opening and closing balances of intangibles

|   | 2023          | 2022          |
|---|---------------|---------------|
|   | \$            | \$            |
| <b>As at 1 January</b>                                  |               |               |
| Gross book value  | 42,858        | -             |
| Accumulated amortisation and impairment                 | -             | -             |
| <b>Net book value 1 January</b>                         | <b>-</b>      | <b>-</b>      |
| Additions:  |               |               |
| By purchase   | -             | 42,858        |
| Impairments   | -             | -             |
| Amortisation  | -             | -             |
| Other movements [give details below]                    | -             | -             |
| Disposals   | -             | -             |
| <b>Net book value 31 December</b>                       | <b>42,858</b> | <b>42,858</b> |
| <b>Net book value as of 31 December represented by:</b> |               |               |
| Gross book value  | 42,858        | 42,858        |
| Accumulated amortisation and impairment                 | -             | -             |
| <b>Net book value 31 December</b>                       | <b>42,858</b> | <b>42,858</b> |

## Note 6C: Leases

### Reporting Unit as a lessee

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

|                               | Photocopier | Total        |
|-------------------------------|-------------|--------------|
|                               | \$          | \$           |
| <b>As at 31 December 2022</b> | 1,936       | 1,936        |
| Additions                     | -           | -            |
| Depreciation expense          | 1,936       | 3,181        |
| <b>As at 31 December 2023</b> | <b>-</b>    | <b>1,936</b> |

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

|                          | 2023         | 2022         |
|--------------------------|--------------|--------------|
|                          | \$           | \$           |
| <b>As at 1 January</b>   | 4,785        | 6,719        |
| Additions                | -            | -            |
| Accretion of interest    | 251          | 502          |
| Payments                 | (2,436)      | (2,436)      |
| <b>As at 31 December</b> | <b>2,600</b> | <b>4,785</b> |
| Current                  | 2,436        | 2,436        |
| Non-current              | 164          | 2,349        |

The following are the amounts recognised in profit or loss:

|   | 2023         | 2022         |
|---|--------------|--------------|
|   | \$           | \$           |
| Depreciation expense of right-of-use assets   | 1,936        | 3,181        |
| Interest expense on lease liabilities   | 251          | 502          |
| Expense relating to short-term leases   | -            | -            |
| Expense relating to leases of low-value assets<br>(included in administrative expenses) | 1,632        | 1,632        |
| <b>Total amount recognised in profit or loss</b>  | <b>3,819</b> | <b>5,315</b> |

**Note 7      Current Liabilities**

|   | 2023          | 2022          |
|---|---------------|---------------|
|   | \$            | \$            |
| <b>Note 7A: Trade payables</b>  |               |               |
| Trade creditors   | 8,362         | 4,064         |
| ATO payable   | 90,201        | 85,421        |
| Operating lease rentals   | -             | -             |
| <b>Subtotal trade creditors</b>   | <b>98,563</b> | <b>89,485</b> |
| <b>Payables to other reporting units*</b>                                       | -             | -             |
| <b>Subtotal payables to other reporting unit</b>                                | -             | -             |
| <b>Total trade payables</b>   | <b>98,563</b> | <b>89,485</b> |
| Settlement is usually made within 30 days.                                      |               |               |
| <b>Note 7B: Other payables</b>  |               |               |
| Payable to employers for making payroll deductions of membership subscriptions* | -             | -             |
| Legal costs*  |               |               |
| Litigation  | -             | -             |
| Other legal costs   | -             | -             |
| Accrued expenses  | 26,526        | 32,442        |
| Membership fees in advance  | 31,864        | 31,725        |
| Other   | (4,796)       | 25,188        |
| <b>Total other payables</b>   | <b>53,594</b> | <b>89,355</b> |
| Total other payables are expected to be settled in:                             |               |               |
| No more than 12 months  | 53,594        | 89,355        |
| More than 12 months   | -             | -             |
| <b>Total other payables</b>   | <b>53,594</b> | <b>89,355</b> |



**Note 8 Provisions**

|   | 2023           | 2022           |
|---|----------------|----------------|
|   | \$             | \$             |
| <b>Note 8A: Employee Provisions</b>                                     |                |                |
| <b>Office Holders:</b>  |                |                |
| Annual leave  | 10,830         | 64,055         |
| Long service leave  | 58,145         | 133,153        |
| Separation and redundancies   | -              | -              |
| Other employee provisions   | -              | -              |
| <b>Subtotal employee provisions—office holders</b>                      | <b>68,975</b>  | <b>197,208</b> |
| <b>Employees other than office holders:</b>                             |                |                |
| Annual leave  | 112,370        | 98,597         |
| Long service leave  | 78,203         | 150,655        |
| Separation and redundancies   | -              | -              |
| Other employee provisions   | -              | -              |
| <b>Subtotal employee provisions—employees other than office holders</b> | <b>190,573</b> | <b>249,252</b> |
| <b>Total employee provisions</b>  | <b>259,548</b> | <b>446,460</b> |
| Current   | 259,548        | 446,460        |
| Non-Current   | -              | -              |
| <b>Total employee provisions</b>  | <b>259,548</b> | <b>446,460</b> |

**Note 9 Other Funds**

|  | 2023 | 2022 |
|--|------|------|
|  | \$   | \$   |
| <b>Note 9A: Other funds*</b>                             |      |      |
| <b>Compulsory levy/voluntary contribution fund</b>       |      |      |
| <b>Balance as at start of year</b>                       | -    | -    |
| Transferred to fund, account or controlled entity        | -    | -    |
| Transferred out of fund, account or controlled entity    | -    | -    |
| <b>Balance as at end of year</b>                         | -    | -    |
| <b>Total compulsory levy/voluntary contribution fund</b> | -    | -    |
| <b>Other fund(s) required by rules</b>                   |      |      |
| <b>Balance as at start of year</b>                       | -    | -    |
| Transferred to reserve                                   | -    | -    |
| Transferred out of reserve                               | -    | -    |
| <b>Balance as at end of year</b>                         | -    | -    |

**Note 10 Cash Flow**

**2023**                      **2022**  
\$                                      \$

**Note 10A: Cash Flow Reconciliation**

**Reconciliation of cash and cash equivalents as per Balance Sheet to**

**Cash Flow Statement:**

**Cash and cash equivalents as per:**

|                     |           |           |
|---------------------|-----------|-----------|
| Cash flow statement | 1,282,057 | 1,473,178 |
| Balance sheet       | 1,282,057 | 1,473,178 |
| <b>Difference</b>   | <b>-</b>  | <b>-</b>  |

**2023**                      **2022**  
\$                                      \$

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

|  |           |          |
|--|-----------|----------|
| Total comprehensive income for the year  | 262,559   | 141,434  |
| <b>Adjustments for non-cash items</b>  |           |          |
| Depreciation   | 28,027    | 8,857    |
| (Gain)/loss on transfer of net assets from Independent Education Union (SA) Inc. | -         | -        |
| Net transactions received / paid by IEU (SA) Inc. on behalf of IEU (SA) Branch   | -         | -        |
| Retained Earnings Adjustment   | 2,805     |          |
| (Gain)/loss on revaluation of property   | (210,000) | (40,000) |
| (Gain)/loss on disposal of assets  | -         | (14,196) |

**Changes in assets/liabilities**

|   |                  |               |
|---|------------------|---------------|
| (Increase)/decrease in net receivables              | (9,568)          | (6,688)       |
| (Increase)/decrease in prepayments                  | 1,701            | (4,505)       |
| Increase/(decrease) in trade and other payables     | (26,685)         | 10,905        |
| Increase/(decrease) in employee provisions          | (186,912)        | (21,439)      |
| <b>Net cash from (used by) operating activities</b> | <b>(138,073)</b> | <b>74,369</b> |

**Note 10B: Cash flow information\***

Cash inflows

|   |          |          |
|---|----------|----------|
| Independent Education Union of Australia (IEUA)         | -        | -        |
| Independent Education Union of Australia NSW/ACT Branch | -        | -        |
| <b>Total cash inflows</b>                               | <b>-</b> | <b>-</b> |

Cash outflows

|   |                  |                 |
|---|------------------|-----------------|
| Independent Education Union of Australia (IEUA)         | (103,562)        | (93,083)        |
| Independent Education Union of Australia NSW/ACT Branch | -                | (125)           |
| <b>Total cash outflows</b>                              | <b>(103,562)</b> | <b>(93,208)</b> |

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

### **Note 11A: Commitments and contingencies**

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

Management are not aware of any contingent liabilities, assets or commitments at the date of the financial statements other than as disclosed elsewhere within the financial statements.

## **Note 12 Related Party Disclosures**

### **Note 12A: Related Party Transactions for the Reporting Period**

As of 25 February 2021, the members of the Executive Committee(s) of Independent Education Union (SA) Inc. (IEU(SA) Inc.) and Independent Education Union (SA) Branch (IEU(SA) Branch) jointly elected to take such steps as necessary to bring the assets and liabilities and income and expenditure of IEU(SA) Inc into the accounts and budget of IEU(SA) Branch in the interest of administrative efficiency and streamlining governance. Both entities share common membership whose dual membership fees are applied to the operating expenses of both entities. No member is a member of only one of the two entities. The combined assets and liabilities of the two entities remain the responsibility of the same group of members. The members of the Executive Committees of both entities are elected simultaneously by the same process. The governance of both entities is the responsibility of the same group of elected officials (operating separately) on behalf of the same group of members.

IEU (SA) Branch pays capitation fees to Independent Education Union of Australia (IEUA) on behalf of members. IEU (SA) Branch reimburses IEUA for Australian Council of Trade Unions affiliation fees paid.

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

|   | <b>2023</b> | <b>2022</b> |
|---|-------------|-------------|
| <b>Expenses paid to Independent Education Union of Australia includes the following:</b>                | <b>\$</b>   | <b>\$</b>   |
| Capitation fees   | 70,943      | 61,613      |
| ACTU affiliation fees   | 23,205      | 21,034      |
| Other administrative reimbursement  | -           | 1,975       |
|   | <b>2023</b> | <b>2022</b> |
| <b>Expenses paid to Independent Education Union of Australia NSW/ACT Branch includes the following:</b> | <b>\$</b>   | <b>\$</b>   |
| Publications/Subscriptions  | -           | 114         |
| Speaker Costs   | -           | -           |

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

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2023, the Reporting Unit has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2021: \$nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

|   | 2023           | 2022           |
|---|----------------|----------------|
|   | \$             | \$             |
| <b>Note 12B: Key Management Personnel Remuneration for the Reporting Period</b> |                |                |
| Tim Oosterbaan (Secretary) has been identified as key management personnel.     |                |                |
| <b>Short-term employee benefits</b>   |                |                |
| Salary (including annual leave taken)   | 180,795        | 192,174        |
| Annual leave accrued  | 4,321          | (18,590)       |
| <b>Total short-term employee benefits</b>                                       | <u>185,116</u> | <u>173,583</u> |
| <b>Post-employment benefits:</b>  |                |                |
| Superannuation  | 29,159         | 30,167         |
| <b>Total post-employment benefits</b>   | <u>29,159</u>  | <u>30,167</u>  |
| <b>Other long-term benefits:</b>  |                |                |
| Long-service leave  | 16,435         | 9,658          |
| <b>Total other long-term benefits</b>   | <u>16,435</u>  | <u>9,658</u>   |
| <b>Total</b>  | <u>230,710</u> | <u>213,408</u> |

#### **Note 13 Remuneration of Auditors**

|                                       | 2023          | 2022          |
|---------------------------------------|---------------|---------------|
|                                       | \$            | \$            |
| <b>Value of the services provided</b> |               |               |
| Financial statement audit services    | 19,000        | 18,200        |
| Other services                        | 393           | 312           |
| <b>Total remuneration of auditors</b> | <u>19,393</u> | <u>18,512</u> |

#### **Note 14 Financial Instruments**

Independent Education Union (SA) Branch manages risk and risk exposures through the oversight of the Executive Committee. Primarily, the Independent Education Union (SA) Branch is exposed to credit risk and liquidity risk.

- Credit risk is the risk that a counterparty will not meet its obligations under a customer contract, leading to a financial loss. The entity is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions.
- Liquidity risk is monitored to ensure the entity is able to meet debt obligations as and when they fall due.

|  | 2023             | 2022             |
|--|------------------|------------------|
|  | \$               | \$               |
| <b>Note 14A: Categories of Financial Instruments</b> |                  |                  |
| <b>Financial Assets</b>                              |                  |                  |
| Held-to-maturity investments:                        |                  |                  |
| Cash and cash equivalents                            | 1,282,057        | 1,473,178        |
| <b>Total</b>   | <u>1,282,057</u> | <u>1,473,178</u> |
| At amortised cost:                                   |                  |                  |
| Trade and other receivables                          | 18,720           | 9,152            |
| <b>Total</b>   | <u>18,720</u>    | <u>9,152</u>     |
| <b>Carrying amount of financial assets</b>           | <u>1,300,777</u> | <u>1,482,330</u> |

|   | 2023<br>\$     | 2022<br>\$     |
|---|----------------|----------------|
| <b>Financial Liabilities</b>                    |                |                |
| Other financial liabilities:                    |                |                |
| Trade and other payables                        | 109,591        | 146,991        |
| <b>Total</b>                                    | <u>109,591</u> | <u>146,991</u> |
| <b>Carrying amount of financial liabilities</b> | <u>109,591</u> | <u>146,991</u> |

**Note 14B: Net income and expense from Financial Assets**

**Held-to-maturity**

|   |               |               |
|---|---------------|---------------|
| Interest revenue                        | 33,914        | 11,950        |
| <b>Net gain/(loss) held-to-maturity</b> | <u>33,914</u> | <u>11,950</u> |

**Amortised cost**

|  |               |               |
|--|---------------|---------------|
| <b>Net gain/(loss) amortised costs</b>       | -             | -             |
| <b>Net gain/(loss) from financial assets</b> | <u>33,914</u> | <u>11,950</u> |

The net income from financial assets not at fair value from profit and loss is \$33,914 (2022: \$11,950).

**Note 14C: Net Income and Expense from Financial Liabilities**

**At amortised cost**

|  |          |          |
|--|----------|----------|
| Interest expense   | -        | -        |
| <b>Net gain/(loss) financial liabilities - at amortised cost</b> | -        | -        |
| <b>Net gain/(loss) from financial liabilities</b>                | <u>-</u> | <u>-</u> |

**Note 14D: Credit Risk**

The credit risk to Independent Education Union (SA) Branch of a counterparty not meeting its obligation is appropriately managed by the Executive Committee. The Committee does not believe there is a concentration of risk in any counterparty that is not appropriately managed.

The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements.

**Financial assets**

|                             |                  |                  |
|-----------------------------|------------------|------------------|
| Cash and cash equivalents   | 1,282,057        | 1,473,178        |
| Trade and other receivables | 18,720           | 9,152            |
| <b>Total</b>                | <u>1,300,777</u> | <u>1,482,330</u> |

|                          |                |                |
|--------------------------|----------------|----------------|
| Trade and other payables | 109,591        | 146,991        |
| <b>Total</b>             | <u>109,591</u> | <u>146,991</u> |

In relation to the entity's gross credit risk the following collateral is held: Nil

Set out below is the information about the credit risk exposure on financial assets using a provision matrix:

|   | Trade and other receivables |          |            |            |          | Total |
|---|-----------------------------|----------|------------|------------|----------|-------|
|   | Days past due               |          |            |            |          |       |
|   | Current                     | <30 days | 30-60 days | 61-90 days | >91 days |       |
|   | \$                          | \$       | \$         | \$         | \$       | \$    |
| Expected credit loss rate                       | -%                          | -%       | -%         | -%         | -%       |       |
| Estimate total gross carrying amount at default | -                           | -        | -          | -          | -        | -     |
| Expected credit loss                            | -                           | -        | -          | -          | -        | -     |

|   | Trade and other receivables |          |            |            |          | Total |
|---|-----------------------------|----------|------------|------------|----------|-------|
|   | Days past due               |          |            |            |          |       |
|   | Current                     | <30 days | 30-60 days | 61-90 days | >91 days |       |
|   | \$                          | \$       | \$         | \$         | \$       | \$    |
| Expected credit loss rate                       | -%                          | -%       | -%         | -%         | -%       |       |
| Estimate total gross carrying amount at default | -                           | -        | -          | -          | -        | -     |
| Expected credit loss                            | -                           | -        | -          | -          | -        | -     |

The Independent Education Union (SA) Branch's maximum exposure to credit risk for the components of the statement of financial position at 31 December 2023 and 2022 is the carrying amounts as illustrated in Note 14D.

#### Note 14E: Liquidity Risk

The Independent Education Union (SA) Branch monitors its liquidity risk through the Executive Committee. The entity has cash on deposit that can be accessed when required to meet debt obligations as and when they fall due.

#### Contractual maturities for financial liabilities 2023

|                          | On Demand | < 1 year | 1– 2 years | 2– 5 years | >5 years | Total   |
|--------------------------|-----------|----------|------------|------------|----------|---------|
| Trade and other payables | -         | 109,591  | -          | -          | -        | 109,591 |
| <b>Total</b>             | -         | 109,591  | -          | -          | -        | 109,591 |

#### Contractual maturities for financial liabilities 2022

|                          | On Demand | < 1 year | 1– 2 years | 2– 5 years | >5 years | Total   |
|--------------------------|-----------|----------|------------|------------|----------|---------|
| Trade and other payables | -         | 146,991  | -          | -          | -        | 146,991 |
| <b>Total</b>             | -         | 146,991  | -          | -          | -        | 146,991 |

**Note 14F: Market Risk**

The Independent Education Union (SA) Branch does not currently have any exposure to market risk.

**Note 15 Fair Value Measurement****Note 15A: Financial Assets and Liabilities**

Management of the reporting unit assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- Fair values of the reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The own performance risk as at year-end date was assessed to be insignificant.
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at year-end reporting date the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

The following table contains the carrying amounts and related fair values for the Independent Education Union (SA) Branch financial assets and liabilities:

|                              | <b>Carrying<br/>amount<br/>2023<br/>\$</b> | <b>Fair<br/>value<br/>2023<br/>\$</b> | <b>Carrying<br/>amount<br/>2022<br/>\$</b> | <b>Fair<br/>value<br/>2022<br/>\$</b> |
|------------------------------|--|---------------------------------------|--|---------------------------------------|
| <b>Financial Assets</b>      |  |                                       |  |                                       |
| Cash and cash equivalents    | 1,282,057                                  | 1,282,057                             | 1,473,178                                  | 1,473,178                             |
| Trade and other receivables  | 18,720                                     | 18,720                                | 9,152                                      | 9,152                                 |
| <b>Total</b>                 | <b>1,300,777</b>                           | <b>1,300,777</b>                      | <b>1,482,330</b>                           | <b>1,482,330</b>                      |
| <b>Financial Liabilities</b> |  |                                       |  |                                       |
| Trade and other payables     | 109,591                                    | 109,591                               | 146,991                                    | 146,991                               |
| <b>Total</b>                 | <b>109,591</b>                             | <b>109,591</b>                        | <b>146,991</b>                             | <b>146,991</b>                        |

**Note 16      Section 272 Fair Work (Registered Organisations) Act 2009**

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

Information to be provided to members or Commissioner:

- (1) A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the Reporting Unit.
- (3) A Reporting Unit must comply with an application made under subsection (1).



**Independent Education Union (SA) Branch**  
**Officer Declaration Statement**

I, Tim Oosterbaan, being the Secretary of the Independent Education Union (SA) Branch, declare that the following activities did not occur during the reporting period ending 31 December 2023.

The reporting unit did not:

- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by the officer:

  
.....

Dated:

6-3-2024  
.....