



Fair Work  
Commission

27 November 2024

John Callisto  
Treasurer  
Musicians' Union of Australia

Sent via email: [callisto@senet.com.au](mailto:callisto@senet.com.au)

CC: [nat@ascensio.com.au](mailto:nat@ascensio.com.au)

Dear John Callisto

**Musicians' Union of Australia  
Financial Report for the year ended 30 June 2024 – FR2024/126**

I acknowledge receipt of the financial report for the year ended 30 June 2024 for the Musicians' Union of Australia (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 21 November 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**



Musicians Union of Australia  
Adelaide Branch  
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mob 0447 999 822  
email musosa@bigpond.net.au

**Certificate by Prescribed Designated Officer**

Certificate for the financial year ended 30 June 2024

I, John Callisto, being the Federal Treasurer of the Musicians' Union of Australia certify:

- that the documents lodged herewith are copies of the full report for the Musicians' Union of Australia for the period ended June 2024, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that, on the 24<sup>th</sup> of October 2024, the full report was made available for download from the Union's website and members were notified of the availability of the report; and
- that, the full report was presented to a meeting of the Federal Executive on the 12th of November 2024 in accordance with s266(3) of the *Fair Work (Registered Organisations) Act 2009*.

Yours Faithfully

John Callisto  
Federal Treasurer  
Musicians' Union of Australia

21 November 2024

**MUSICIAN'S UNION OF AUSTRALIA**

**ABN 99 561 356 238**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2024**

# Musician’s Union of Australia

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## **Committee of Management's Operating Report** *For the year ended 30 June 2024*

The Committee of Management presents its operating report on the reporting unit for the year ended 30 June 2024.

### **Principal Activities**

During the financial year, the Musicians' Union of Australia continued to provide industrial and professional services to members consistent with the objects of the Union.

Advice and assistance was provided to members with the preparation and negotiation of contracts pertaining to musical performances, instrumental teaching services, licensing of copyright material, partnership agreements and understanding and negotiating laws and regulations from territories outside Australia.

### **Significant Changes in Financial Affairs**

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

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

Rule 14 of the Rules of the Musicians' Union of Australia states that:

(1) A member of the Union may resign from membership by written notice addressed and delivered to the Branch Secretary or an agent authorised by the Branch Secretary. Such notice of resignation may be forwarded by mail or electronic communication to the registered office of the Branch or an agent authorised by the Branch Secretary.

(2) A notice of resignation from membership of the Union takes effect:

- (a) where the member ceases to be eligible to become a member of the union:
  - (i) on the day on which the notice is received by the union; or
  - (ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member; whichever is later; or:
  
- (b) in any other case:
  - (i) at the end of 2 weeks after the notice is received by the union; or
  - (ii) on the day specified in the notice; whichever is later.

(3) Any dues payable but not paid by a former member of the Union in relation to a period before the member's resignation from the Union took effect, may be sued for and recovered in the name of the Union, in a court of competent jurisdiction, as a debt due to the Union.

(4) A notice delivered to the person mentioned in subrule (1) shall be taken to have been received by the Union when it was delivered.

(5) A notice of resignation that has been received by the Union is not invalid because it was not addressed and delivered in accordance with subrule (1).

**Officers or Members who are Superannuation Fund Trustee(s) or Director of a Company that is a Superannuation Fund Trustee**

No officer or member of the Union hold a position of trustee or director of an entity, scheme or company as described in s.254 (2) (d) of the Fair Work (Registered Organisations) Act 2009, where a criterion of such entity is that the holder of such position must be a member or official of a registered organisation.

**Number of members**

Total number of members as at 30 June 2024: (485)

**Number of employees**

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

**Members of Committee of Management**

The name of each person who has been a member of the Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position is as follows:

<b>Name</b>	<b>Period of Appointment</b>	<b>Position</b>
John Callisto	01/07/2023 to 30/06/2024	Federal President
John Callisto	22/08/2023 to 30/06/2024	Acting Federal Treasurer
Jim Glaister	01/07/2023 to 21/08/2023	Federal Treasurer
Peter Davidson	01/07/2023 to 30/06/2024	Federal Secretary

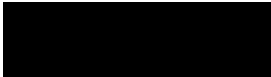


John Callisto  
Federal Treasurer  
Dated: 23/10/24

**AUDITOR'S INDEPENDENCE DECLARATION**  
**TO THE COMMITTEE OF MANAGEMENT OF THE**  
**MUSICIAN'S UNION OF AUSTRALIA**

As the Auditor of the Musician's Union of Australia for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

**Ascensio Accountants**



**Natale Rugari**

Principal

Adelaide

23<sup>rd</sup> October 2024



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### **Committee of Management Statement** ***For the year ended 30 June 2024***

On 23/10/2024 the Committee of Management of the Union passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2024:

The Committee of Management declares that in its opinion:

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



consistent manner with each of the other reporting units of the organisation;  
and

- v. where information has been sought in any request by a member of the reporting unit or the General Manager duly made under section 272 of the RO Act, that information has been provided to the member or the General Manager; and
- vi. where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

This declaration is made in accordance with a resolution of the committee of management.

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

**John Callisto,**  
Federal Treasurer  
Dated: 23/10/24

# Musician's Union of Australia

## Statement of comprehensive income

for the year ended 30 June 2024

	Notes	2024 \$	2023 \$
<b>Revenue from contracts with customers</b>	3		
Membership subscriptions		7,665	6,944
Import Visa Fees		47,308	29,088
<b>Total revenue from contracts with customers</b>		<b>54,973</b>	<b>36,032</b>
<b>Other income</b>			
Interest income	3A	21,863	812
Other income	3B	-	7,545
<b>Total other income</b>		<b>21,863</b>	<b>8,357</b>
<b>Total income</b>		<b>76,836</b>	<b>44,389</b>
<b>Expenses</b>			
Employee expenses	4A	17,642	83,350
Affiliation fees	4B	1,784	1,736
Administration expenses	4C	47,201	18,549
Depreciation and amortisation	4D	11,700	7,800
Finance costs	4E	3,784	3,643
Legal costs	4F	600	1,243
Other expenses		388	453
Audit & Accounting fees	12	7,000	7,740
<b>Total expenses</b>		<b>90,099</b>	<b>124,514</b>
<b>Surplus (deficit) for the year</b>		<b>(13,263)</b>	<b>(80,125)</b>
<b>Other comprehensive income</b>			
Items that will not be subsequently reclassified to profit or loss			
Gain/(loss) on revaluation of land & buildings		-	-
<b>Total comprehensive income for the year</b>		<b>(13,263)</b>	<b>(80,125)</b>

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

# Musician's Union of Australia

## Statement of financial position

as at 30 June 2024

	Notes	2024 \$	2023 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5A	722,186	753,345
Trade and other receivables	5B	-	-
<b>Total current assets</b>		<b>722,186</b>	<b>753,345</b>
<b>Non-current assets</b>			
Property, plant and equipment		-	-
Right-of-use assets	6A	39,002	50,702
<b>Total non-current assets</b>		<b>39,002</b>	<b>50,702</b>
<b>Total assets</b>		<b>761,188</b>	<b>804,047</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables	7A	9,757	8,894
Other payables	7B	128	4,009
Employee provisions	8A	-	16,323
Lease liabilities	6A	11,272	10,255
<b>Total current liabilities</b>		<b>21,158</b>	<b>39,481</b>
<b>Non-current liabilities</b>			
Employee provisions	8A	-	-
Lease liabilities	6A	30,627	41,899
<b>Total non-current liabilities</b>		<b>30,627</b>	<b>41,899</b>
<b>Total liabilities</b>		<b>51,785</b>	<b>81,380</b>
<b>Net assets</b>		<b>709,404</b>	<b>722,667</b>
<b>EQUITY</b>			
Retained Earnings		(767,269)	(754,306)
Reserves		1,476,672	1,476,972
<b>Total Equity</b>		<b>709,404</b>	<b>722,667</b>

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

# Musician's Union of Australia

## Statement of changes in Equity

for the year ended 30 June 2024

	Notes	Retained Earnings	Reserves	Total Equity
		\$	\$	\$
<b>Balance as at 1 July 2022</b>		(674,181)	1,476,972	802,791
Surplus / (deficit)		(80,125)	-	(80,125)
Other comprehensive income		-	-	-
<b>Closing balance as at 30 June 2023</b>		<b>(754,306)</b>	<b>1,476,972</b>	<b>722,667</b>
Surplus / (deficit)		(13,263)	-	(13,263)
Other comprehensive income		-	-	-
Transfers To (From) Reserves		300	(300)	-
<b>Closing balance as at 30 June 2024</b>		<b>(767,269)</b>	<b>1,476,672</b>	<b>709,404</b>

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

# Musician's Union of Australia

## Statement of cash flows

for the year ended 30 June 2024

	Notes	2024 \$	2023 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from members and customers		54,973	46,583
Interest		21,863	812
Other		-	-
<b>Cash used</b>			
Employees & Suppliers		(94,963)	(147,008)
<b>Net cash from (used by) operating activities</b>	11A	<b>(18,127)</b>	<b>(99,613)</b>
<b>INVESTING ACTIVITIES</b>			
Cash received		-	-
Cash used		-	-
<b>Net cash from (used by) investing activities</b>		<b>-</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Contributed funds		-	-
Other		-	-
<b>Cash used</b>			
Repayment of lease liabilities	6E	(13,032)	(8,518)
Other		-	-
<b>Net cash from (used by) financing activities</b>		<b>(13,032)</b>	<b>(8,518)</b>
<b>Net increase (decrease) in cash held</b>		<b>(31,159)</b>	<b>(108,241)</b>
Cash & cash equivalents at the beginning of the reporting period		753,345	861,476
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	5A	<b>722,186</b>	<b>753,345</b>

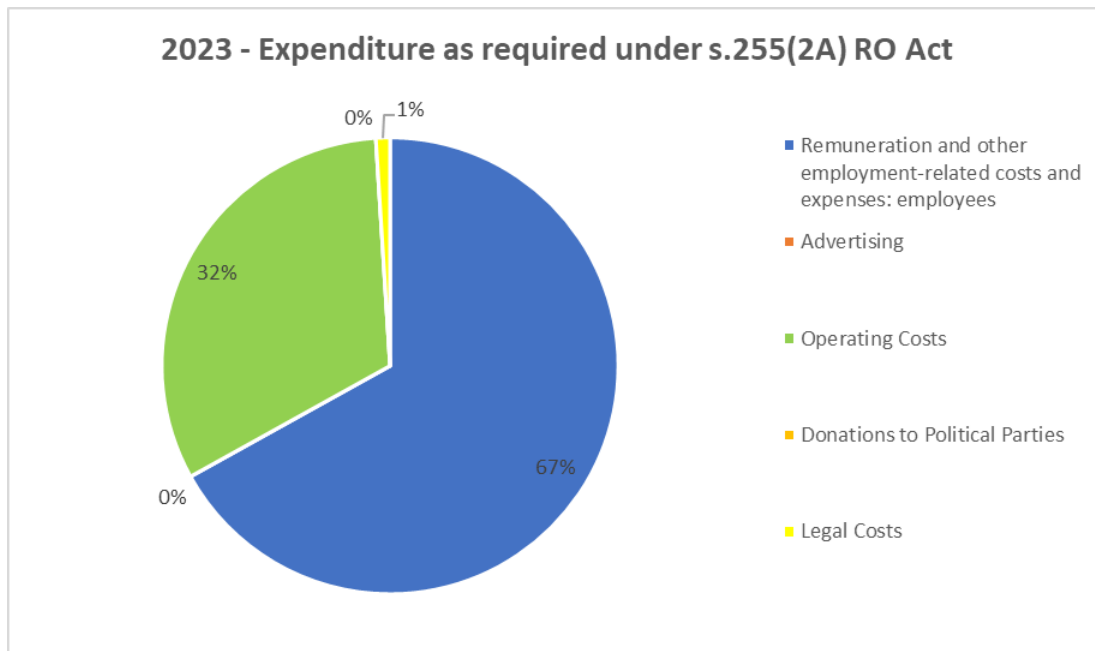
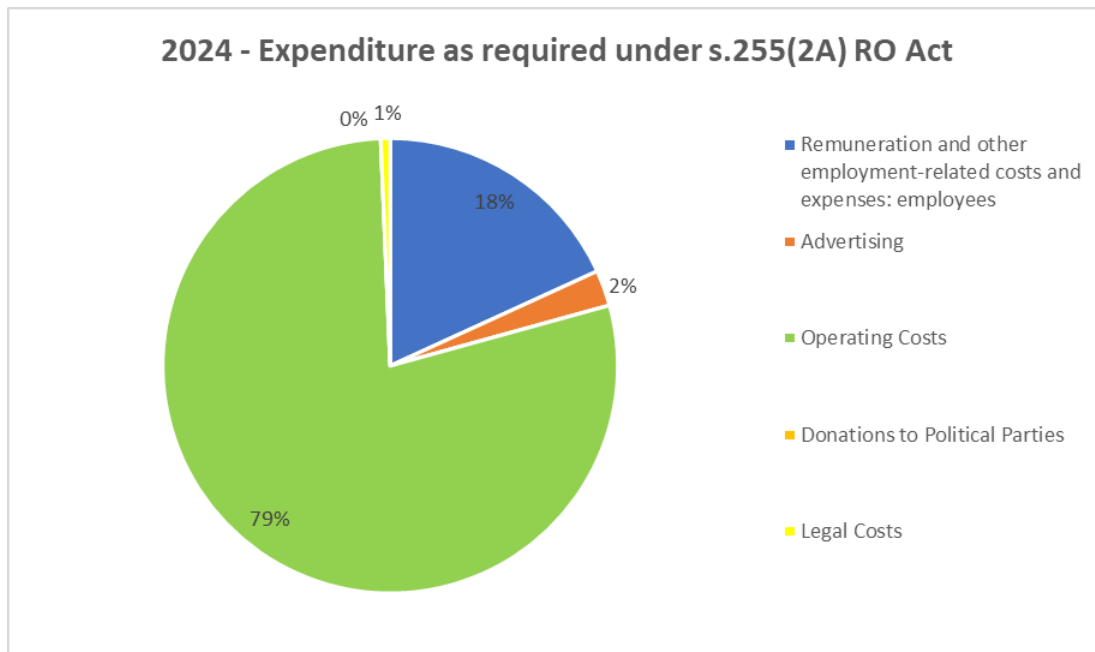
The above statement should be read in conjunction with the notes.

# Musician's Union of Australia

## Report required under subsection 255(2A)

for the year ended 30 June 2024

The committee of management presents the expenditure report as required under subsection 255(2A) on the reporting unit for the year ended 30 June 2024



Signature:

**John Callisto**, Federal President

Dated: 23<sup>rd</sup> October 2024

# Musician's Union of Australia

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Note 5	Current assets
Note 6	Non-current assets
Note 7	Current liabilities
Note 8	Provisions
Note 9	Cash flow
Note 10	Contingent liabilities, assets and commitments
Note 11	Related party disclosures
Note 12	Remuneration of auditors
Note 13	Financial instruments
Note 14	Fair value measurements
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## Note 1 SUMMARY OF MATERIAL ACCOUNTING POLICIES

### 1.1 Basis of preparation of the financial statements

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

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. The financial statements have been prepared on a historical cost basis except for certain classes of property, plant and equipment and investment properties, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. The financial statements are presented in Australian dollars.

### 1.2 Comparative amounts

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

### 1.3 Significant accounting judgements and estimates

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

#### Key Estimates

##### *Impairment – general*

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

#### Key Judgements

##### *Useful lives of plant and equipment*

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

##### *Provision for impairment of receivables*

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

##### *On-cost for employee entitlement provision*

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



## **1.4 New Australian Accounting Standards**

### **Adoption of New Australian Accounting Standards and amendments**

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

- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

New accounting amendments applied for the first time for this annual reporting period commencing 1 July 2023 did not have any material impact on the amounts recognised in the current or prior periods and is not expected to significantly affect future reporting periods.

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

### **Future Australian Accounting Standards**

There are no new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected to have a future financial impact on the Union.

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

The Union 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.

The Union classifies all other liabilities as non-current.

## 1.6 Revenue

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

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

### **Revenue from contracts with customers**

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

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

### **Membership subscriptions**

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

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

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

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

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

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

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

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

### **Interest income**

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

### **Rental income**

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

## **1.7 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 in the circumstances set up below.

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 Union in respect of services provided by employees up to reporting date.

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

Provision is made for separation and redundancy benefit payments. The Union 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.

## **1.8 Leases**

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

### **The Union as a lessee**

The Union applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Union 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 Union 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 lease term.

### **Lease liabilities**

At the commencement date of the lease, the Union 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 Union and payments of penalties for terminating the lease if the lease term reflects the Union 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.

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

### **Short-term and Low-value Leases**

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

## **1.9 Cash**

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

## **1.10 Financial instruments**

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

## **1.11 Financial assets**

### **Contract assets and receivables**

A contract asset is recognised when the Union's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Union'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).

### **Initial recognition and measurement**

The Union's financial assets include trade receivables and loans to related parties.

The Union's financial assets are classified as financial assets subsequently measured at amortised cost because 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.

The classification of financial assets is performed at an instrument level at initial recognition of the financial asset.

The Union initially measures a financial asset at its fair value plus transaction costs. However, contract assets and trade receivables that do not contain a significant financing component are measured at the transaction price as determined in accordance with the revenue policy in Note 1.9.

### **Subsequent measurement**

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

## **Derecognition**

Financial assets are derecognised when the rights to receive cash flows from the asset have expired. For receivables and contract assets, the Union directly reduces the gross carrying amount of a receivable or contract asset when it has no reasonable expectations of recovering the receivable or contract asset in its entirety or a portion thereof.

## **Offsetting**

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

## **Impairment**

### **Expected credit losses (ECLs)**

#### **i. Debt instruments other than trade receivables**

The Union recognises an allowance for ECLs for all contract assets, receivables and any other financial assets measured at amortisation cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the reporting unit expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### **ii. Trade receivables and contract assets**

For trade receivables that do not have a significant financing component, the Union applies a simplified approach in calculating ECLs. Therefore, the [reporting unit] does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Union has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

## **1.12 Financial Liabilities**

### **Initial recognition and measurement**

The Union's financial liabilities include trade and other payables, interest-bearing loans and borrowings.

The Union's financial liabilities are classified as financial liabilities subsequently measured at amortised cost.

These financial liabilities are recognised initially at fair value and net of directly attributable transaction costs.

## **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.

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

### **Contract liabilities**

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

### **Refund liabilities**

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

## **1.14 Contingent liabilities and contingent assets**

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

## **1.15 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.

### 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:

	2024	2023
Plant and equipment	2 to 10 years	2 to 10 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 or loss.

## 1.16 Impairment of non-financial assets

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

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

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.

## 1.24 Taxation

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

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

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



- for receivables and payables.

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

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

## 1.25 Fair value measurement

The Union measures non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date.

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

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

The principal or the most advantageous market must be accessible by *[reporting unit]*. 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.

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 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, *[reporting unit]* 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.

## Note 2 Events after the reporting period

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

2024	2023
\$	\$

**Note 3 REVENUE AND INCOME**

**Disaggregation of revenue from contracts with customers**

A disaggregation of the Union 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	7,665	6,944
Other reporting units	-	-
Government	-	-
Other parties	47,308	29,088
<b>Total revenue from contracts with customers</b>	<b>54,973</b>	<b>36,032</b>

**Note 3A: Interest income**

Deposits	21,863	812
<b>Total investment income</b>	<b>21,863</b>	<b>812</b>

**Note 3B: Other income**

Other Income	-	7,545
<b>Total other income</b>	<b>-</b>	<b>7,545</b>

**Note 4 EXPENSES**

**Note 4A: Employee expenses\***

**Holders of office:**

Wages and salaries	9,743	75,132
Superannuation	1,385	1,736
Leave and other entitlements	5,248	6,482
Separation and redundancies	-	-
Other employee expenses	1,266	-
<b>Subtotal employee expenses holders of office</b>	<b>17,642</b>	<b>83,350</b>
<b>Total employee expenses</b>	<b>17,642</b>	<b>83,350</b>

	2024	2023
	\$	\$
<b>Note 4B: Affiliation fees*</b>		
SA Unions	1,784	1,736
<b>Total affiliation fees/subscriptions</b>	<b>1,784</b>	<b>1,736</b>

**Note 4C: Administration expenses**

Conference and meeting expenses	1,456	873
Contractors/consultants	32,013	-
Office expenses	6,343	17,186
Other	7,389	499
<b>Subtotal administration expense</b>	<b>47,201</b>	<b>18,549</b>

**Note 4D: Depreciation and amortisation**

Depreciation		
Buildings	-	-
Property, plant and equipment	-	-
<b>Total depreciation</b>	<b>-</b>	<b>-</b>
Amortisation		
Right-to-use Assets	11,700	7,800
<b>Total amortisation</b>	<b>11,700</b>	<b>7,800</b>
<b>Total depreciation and amortisation</b>	<b>11,700</b>	<b>7,800</b>

**Note 4E: Finance costs**

Bank Fees	144	536
Interest on Leasing Arrangements	2,777	2,170
Insurance Premiums	863	937
<b>Total finance costs</b>	<b>3,784</b>	<b>3,643</b>

**Note 4F: Legal Costs**

Litigation	-	-
Other legal costs	600	1,243
<b>Total legal costs</b>	<b>600</b>	<b>1,243</b>

	2024	2023
	\$	\$

**Note 5 Current Assets**

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

Cash at bank	112,186	243,345
Short term deposits	610,000	510,000
<b>Total cash and cash equivalents</b>	<b>722,186</b>	<b>753,345</b>

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

Trade and other receivables	-	-
Less: Provision for Impairment	-	-
<b>Total trade and other receivables</b>	<b>-</b>	<b>-</b>

**Note 6 NON-CURRENT ASSETS**

**Note 6A: Right-of-use Assets (ROA)**

Property Lease:		
at Cost	58,502	58,502
Accumulated amortisation	(19,500)	(7,800)
<b>Total intangibles</b>	<b>39,002</b>	<b>50,702</b>

***Reconciliation of opening and closing balances of ROA***

<b>As at 1 July</b>		
Gross book value	58,502	-
Accumulated amortisation and impairment	(7,800)	-
<b>Net book value 1 July</b>	<b>50,702</b>	<b>-</b>
Additions:		
By Leasing Arrangement	-	58,502
Amortisation	(11,700)	(7,800)
Disposals		-
<b>Net book value 30 June</b>	<b>39,002</b>	<b>50,702</b>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	58,502	58,502
Accumulated amortisation and impairment	(19,500)	(7,800)
<b>Net book value 30 June</b>	<b>39,002</b>	<b>50,702</b>

2024                      2023  
\$                              \$

**Note 6A cont.:**

**LEASES**

**The Union as a lessee**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

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

Current	11,272	10,255
Non-current	30,627	48,189
<b>Total Lease Liabilities</b>	<b>41,899</b>	<b>52,154</b>

The Union leases the office building located at 23a King William Road, Unley. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected in the statement of financial position as a right-to-use asset and a lease liability. The Union classifies its right-to-use assets in a consistent manner to its property, plant and equipment (see Note 6)

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

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

Right of use Asset (ROA)	No. of ROA	Range of Remaining Term (yrs)	Average of Remaining Term (yrs)	No. with Extension Options	No. with Purchase Options	No. with variable payments linked to Index	No with Termination Options
Real Property	1	3.3	3.3	-	-	1	-

The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets	11,700	7,800
Interest expense on lease liabilities	2,777	2,170
Expense relating to short-term leases	-	-
Expense relating to leases of low-value assets (included in administrative expenses)	-	-
Variable lease payments	-	-
<b>Total amount recognised in profit or loss</b>	<b>14,477</b>	<b>9,970</b>

	2024	2023
	\$	\$

**Note 7 CURRENT LIABILITIES**

**Note 7A: Trade payables**

Trade creditors and accruals	9,757	8,894
<b>Total trade payables</b>	<b>9,757</b>	<b>8,894</b>

Settlement is usually made within 30 days.

**Note 7B: Other payables**

GST payable	128	713
PAYG Payable	-	3,296
<b>Total other payables</b>	<b>128</b>	<b>4,009</b>

Total other payables are expected to be settled in:

No more than 12 months	128	4,009
More than 12 months	-	-
<b>Total other payables</b>	<b>128</b>	<b>4,009</b>

**Note 8 PROVISIONS**

**Note 8A: Employee provisions\***

**Office holders:**

Annual leave	-	15,859
Long service leave	-	464
Separations and redundancies	-	-
Other	-	-

<b>Subtotal employee provisions—office holders</b>	<b>-</b>	<b>16,323</b>
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**Employees other than office holders:**

Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-

<b>Subtotal employee provisions—employees other than office holders</b>	<b>-</b>	<b>-</b>
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<b>Total employee provisions</b>	<b>-</b>	<b>16,323</b>
----------------------------------	----------	---------------

Current	-	16,323
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Non-current	-	-
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<b>Total employee provisions</b>	<b>-</b>	<b>16323</b>
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	2024	2023
	\$	\$

**Note 9 CASH FLOW**

**Note 9A: Cash flow reconciliation**

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

**Cash and cash equivalents as per:**

Statement of cash flow	722,186	753,345
Statement of financial position	722,186	753,345
<b><i>Difference</i></b>	<u>-</u>	<u>-</u>

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

Surplus/(deficit) for the year	(13,263)	(80,125)
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**Adjustments for non-cash items**

Depreciation/amortisation	11,700	7,800
Interest Expense on Leases	2,777	2,170

**Changes in assets/liabilities**

(Increase)/decrease in net receivables	-	-
(Increase)/decrease in prepayments	-	-
Increase/(decrease) in creditors and other payables	(3,018)	(27,703)
Increase/(decrease) in employee provisions	(16,323)	(1,865)
<b>Net cash from (used by) operating activities</b>	<u><b>(18,127)</b></u>	<u><b>(99,613)</b></u>

2024	2023
\$	\$

**Note 10 CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS**

**Note 10A: Commitments and contingencies**

**Capital commitments**

At 30 June 2024 the Union did not have any capital commitments (2023: Nil).

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

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

**Note 11 RELATED PART DISCLOSURES**

**Note 11A: Key management personnel remuneration for the reporting period**

**Short-term employee benefits**

Salary (including annual leave taken)	14,991	75,132
Annual leave accrued	-	6,018
Other	-	-
<b>Total short-term employee benefits</b>	<b>14,991</b>	<b>81,150</b>

**Post-employment benefits:**

Superannuation	1,385	1,736
<b>Total post-employment benefits</b>	<b>1,385</b>	<b>1,736</b>

**Other long-term benefits:**

Long-service leave accrued	-	464
<b>Total other long-term benefits</b>	<b>-</b>	<b>-</b>

**Termination benefits**

<b>Total</b>	<b>-</b>	<b>-</b>
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**Note 11C: Transactions with key management personnel and their close family members**

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



**2024**                      **2023**  
\$                                      \$

**Note 12                      Remuneration of Auditors**

**Value of the services provided**

Financial statement audit services	5,000	5,000
Other services	2,000	2,740
<b>Total remuneration of auditors</b>	<b>7,000</b>	<b>7,740</b>

**Note 13                      Financial Instruments**

The Union has financial instruments that are cash or cash equivalents, trade receivables, trade and some other payables. The Committee of Management monitors the Union’s financial risk management policies and exposure and approves financial transactions entered into. It also reviews the effectiveness of internal controls relating to the counterparty credit risk, liquidity risk, market risk and interest rate risk. The Union Committee of Management meets on a regular basis to review the financial exposure of the Union.

**Note 13A: Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Union is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits held with banks. Set out below is the information about the credit risk exposure on trade receivables and contract assets using a provision matrix:

	Trade receivables and contract assets					Total
	Days past due					
	Current	<30 days	30-60 days	61-90 days	>91 days	
	\$	\$	\$	\$	\$	\$
<b>30 June 2024</b>						
Expected credit loss rate	-%	-%	-%	-%	-%	-%
Estimate total gross carrying amount at default	-	-	-	-	-	-
Expected credit loss	-	-	-	-	-	-
<hr/>						
<b>30 June 2023</b>						
Expected credit loss rate	-%	-%	-%	-%	-%	-%
Estimate total gross carrying amount at default	-	-	-	-	-	-
Expected credit loss	-	-	-	-	-	-

For trade receivables and contract assets, customer credit risk is managed in accordance with the Union’s established policy, procedures and control relating to customer credit risk management. Generally, trade

receivables are written-off if past due for more than one year and are not subject to enforcement activity. The Union does not hold collateral as security. The Union evaluates the concentration of risk with respect to trade receivables and contract assets as low.

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

The Union’s maximum exposure to credit risk for the components of the statement of financial position at 30 June 2024 and 2023 is the carrying amounts as illustrated above.

**Note 13B: Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Union manages this risk through the following mechanisms:

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

The following tables sets out the liquidity risk of financial liabilities held by the Union. They represent the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to the liabilities at reporting date. The undiscounted cash flows in these tables differ from the amounts included in the statement of financial position that are based on discounted cash flows.

Contractual maturities for financial liabilities and lease liabilities are as follows:

	<b>&lt; 1 year</b>	<b>1-5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
<b>Financial liabilities</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>30 June 2024</b>				
Payables	9,855	-	-	9,855
Borrowings	-	-	-	-
Lease liabilities	11,272	30,627	-	41,899
<b>Total</b>	<b>21,127</b>	<b>30,627</b>	<b>-</b>	<b>51,754</b>
<b>Financial liabilities</b>				
<b>30 June 2023</b>				
Payables	12,903	-	-	12,903
Borrowings	-	-	-	-
Lease liabilities	10,255	41,899	-	52,154
<b>Total</b>	<b>23,158</b>	<b>41,899</b>	<b>-</b>	<b>65,057</b>

## Note 13C: MARKET RISK

### Foreign exchange risk

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

### Price risk

The Union is no exposed to any material commodity price risk.

### Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Union's exposure to the risk of changes in market interest rates relates primarily to earnings volatility on floating rate instruments.

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

The following table demonstrates the sensitivity to a reasonably possible change in interest rate:

	2024				2023		
	Change in Interest Rate	Effect on			Change in Interest Rate	Effect on	
		Profit or (loss)	Equity			Profit or (loss)	Equity
	%	\$	\$		\$	\$	
Interest rate risk	+ 2.00	14,443	14,443	-	+ 2.00	15,056	15,056
Interest rate risk	- 2.00	(12,200)	(12,200)	-	- 2.00	(10,224)	(10,224)

## Note 14 Fair value measurements

### Note 14A: Financial assets and liabilities

The Union 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.

### Note 14B: Financial and non-financial assets and liabilities fair value hierarchy

The Union did not have any assets or liabilities that were recorded using the fair value hierarchy at 30 June 2024 (2023: Nil).

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

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

Information to be provided to members or the General Manager:

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

**Note 17            UNION DETAILS**

The registered office of the Union is:

Unit 4, 23a King William Road UNLEY SA 5061

**Note 18            SEGMENT INFORMATION**

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



Musicians Union of Australia  
Adelaide Branch  
U4/ 23 King William Rd  
UNLEY  
ph 8272 5013  
mob 0447 999 822  
email [musosa@bigpond.net.au](mailto:musosa@bigpond.net.au)

## **Officer declaration statement**

I, John Callisto, being the Federal Treasurer of the Musician's Union of Australia, declare that the following activities did not occur during the reporting period ending 30/6/2024.

The Musician's Union of Australia did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees or any other revenue amount from another reporting unit
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay capitation fees or any other expense to another reporting unit
- pay affiliation fees to other entity
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay a donation that exceeded \$1,000
- pay separation and redundancy to holders of office
- pay wages and salaries to employees (other than holders of office)

- pay superannuation to employees (other than holders of office)
- pay leave and other entitlements to employees (other than holders of office)
- pay separation and redundancy to employees (other than holders of office)
- pay other employee expenses to employees (other than holders of office)
- pay legal costs relating to litigation
- pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- have a receivable with other reporting unit(s)
- have a payable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have an annual leave provision in respect of holders of office
- have a long service leave provision in respect of holders of office
- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office
- have an annual leave provision in respect of employees (other than holders of office)
- have a long service leave provision in respect of employees (other than holders of office)
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have other employee provisions in respect of employees (other than holders of office)
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- provide cash flows to another reporting unit and/or controlled entity
- receive cash flows from another reporting unit and/or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed :



**John Callisto**

Federal Treasurer

Dated: 23/10/24

Adelaide

## Independent Audit Report to the Members of the Musician's Union of Australia

### Report on the Audit of the Financial Report

#### Opinion

I have audited the financial report of Musician's Union of Australia (the reporting unit), which comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2024, notes to the financial statements, including a summary of material accounting policies, the committee of management 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 Musician's Union of Australia as at 30 June 2024, 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 committee of management is responsible for the other information. The other information obtained at the date of this auditor's report is in the operating report accompanying the financial report.

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

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

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

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

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

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

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

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

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





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

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

#### **Declaration**

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

#### **Ascensio Accountants**



**Natale Rugari**

Principal

North Adelaide

23<sup>rd</sup> October 2024

Registration number (as registered under the RO Act) : AA2017/32