Fair Work Commission

20 December 2024

Brad Gandy
Branch Secretary
The Australian Workers' Union - West Australian Branch
Sent via email: compliance@awuwa.asn.au
CC: brad.gandy@awuwa.asn.au
Matthew.Beevers@rsm.com.au

Dear Brad Gandy

The Australian Workers' Union - West Australian Branch
Financial Report for the year ended 30 June 2024 – (FR2024/75)

I acknowledge receipt of the financial report for the year ended 30 June 2024 for the Australian Workers' Union - West Australian Branch (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 9 December 2024.

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

The matters identified should be read in conjunction with the *Fair Work (Registered Organisations) Act 2009* (the RO Act), *Fair Work (Registered Organisations) Regulations 2009* (the RO Regs), the 6th edition of the reporting guidelines (RG) made under section 255 of the RO Act and Australian Accounting Standards.

Nil activities – not disclosed

Item 20 of the RG states that if any of the activities identified within items 9 – 19 of the RG have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement.

The general purpose financial report contained nil activity information for all prescribed RG categories except the following:

- Item 9 – agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- Item 10 – 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)
- Item 12(d) – receive donations or grants
- Item 15(c)(iv) – have a provision in respect of other employee provisions for holders of offices
- Item 15(d) (iv) – have a provision in respect of other employee provisions for employees (other than holders of offices)

Please ensure in future year that the officer's declaration statement or the notes are updated to include these items.

Officer's declaration statement – to include all nil activity disclosures not elsewhere disclosed

I note that the officer's declaration statement includes the following nil activity disclosures for which there was already an equivalent form of disclosure in Note 4(e) Grants or donations:

- Pay a grant that was $1,000 or less; and
- Pay a grant that exceeded $1,000

Please note that nil activities should be disclosed once only.

Cash outflow to another reporting unit

Item 17 of the RG requires that where another reporting unit and/or controlled entity of the organisation is the source of a cash inflow or the application of a cash outflow the following details of such cash flow should be separately disclosed either in the cash flow statement or in the notes to the financial statements:

(i) The name of the other reporting unit and/or controlled entity concerned; and
(ii) The amount paid to/received from each.

I note that the statement of cash flows includes payment to other reporting unit of $659,990 (2023: $929,391) but does not include the disclosures required by RG 17.

Reporting Requirements

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

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

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

Yours sincerely

Fair Work Commission

The Australian Workers' Union, West Australian Branch

s.268 Fair Work (Registered Organisations) Act 2009

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the year ended 30 June 2024

I, Bradley Gandy, being the Branch Secretary of The Australian Workers' Union, West Australian Branch certify:

- that the documents lodged herewith are copies of the full report for The Australian Workers' Union, West Australian Branch for the year ended 30 June 2024 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 30 October 2024; and
- that the full report was presented to an annual general meeting of the reporting unit on 28 November 2024 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer: [redacted]

Name of prescribed designated officer: Bradley Gandy

Title of prescribed designated officer: Branch Secretary

Dated: 2/12/2024

The Australian Workers' Union, West Australian Branch

Annual Report - 30 June 2024

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INDEPENDENT AUDITOR'S REPORT

To the Members of The Australian Workers' Union, West Australian Branch

Opinion

We have audited the financial report of The Australian Workers' Union, West Australian Branch ('the reporting unit"), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements, including a summary of material accounting policy information, the committee of management statement, the subsection 255(2A) report and officer declaration Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of The Australian Workers' Union, West Australian Branch 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).

We 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

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Restatement of comparative balances

We draw attention to Note 23 of the financial report which states that the amounts reported in the previously issued 30 June 2023 financial report have been restated and disclosed as comparatives in this financial report. Our opinion is not modified in respect of this matter.

Other Information

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

Other Information (continued)

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

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

Other matter

The financial report of the reporting unit, for the year ended 30 June 2023, was audited by another auditor who expressed an unmodified opinion on that report on 15 September 2023.

Responsibilities of the 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

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

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

We communicate with the committee of management regarding, among other matters, the planned scope and timing of our audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit. We declare Matthew Beevers is an auditor registered under the RO Act.

RSM

RSM AUSTRALIA

[redacted]

MATTHEW BEEVERS
Partner

Perth, WA
Dated: 17 September 2024
Registration number: 320235

The Australian Workers' Union, West Australian Branch
Report required under subsection 255(2A)
30 June 2024

Report required under subsection 255(2A)

The Committee of Management presents the expenditure report as required under the *Fair Work (Registered Organisations) Act 2009* (the RO Act) subsection 255(2A) on the reporting unit for the year ended 30 June 2024. The reporting unit is defined as The Australian Workers' Union, West Australian Branch.

	2024 $	2023 $
Categories of expenditures		
Remuneration and other employment - related costs and expenses - employees	3,546,738	2,738,512
Advertising	37,106	23,222
Operating costs	2,095,782	2,267,397
Donations to political parties	480	582
Legal costs	50,315	87,773

On behalf of the Committee

Signature of Designated Officer:

[redacted]

Bradley Gandy

Branch Secretary
The Australian Workers' Union, West Australian Branch

1.3.9 2024

The Australian Workers' Union, West Australian Branch
Operating report
30 June 2024

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

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

The principal activities of the reporting unit during the financial year were those of a registered trade union working for the benefit of members through negotiating enterprise bargaining agreements and varying awards, representing members before industrial tribunals, training delegates in workplace organising, recruitment, and public promotion of the interests of members.

The Committee of Management of The Australian Workers' Union, West Australian Branch were elected in 2021.

There were no significant changes in the nature of the activities of the reporting unit during the year.

Significant changes in financial affairs

There were no significant changes in the state of financial affairs of the reporting Unit during the financial year.

Right of Members to resign

The Australian Workers' Union Rule 14 - Resigning as a member - provides for resignation of members in accordance with s174 of the *Fair Work (Registered Organisations) Act 2009*.

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

No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such a position is that they are officers or members of an organisation.

Number of Members

The number of persons in the register of members is 12,197 (2023: 10,789).

Number of Employees

The reporting unit employed 30 full time equivalent employees during the year although a number of these employees did not work for the full financial year (2023: 28).

Other Information

The reporting unit has maintained its affiliation with the Australian Labor Party (ALP) during the financial year.

The Australian Workers' Union, West Australian Branch
Operating report
30 June 2024

Names of Committee of Management members and period positions held during the financial year
The following persons held office through the entire period 1 July 2023 to 30 June 2024 unless otherwise indicated:

A. D. Hacking	Branch President
J. Pascoe	Branch Vice President
D. Solly	Branch Vice President
B. Gandy	Branch Secretary
C. Beveridge	Assistant Branch Secretary
S.Allen	Committee Person - Alcoa Pinjarra sub-branch Secretary
A. Draper	Committee Person - Alcoa Pinjarra sub-branch President
C.Ramirez	Committee Person
R. Lynn	Committee Person
S. Ali	Committee Person
D. McCaig	Committee Person
C. Criddle	Committee Person
E. Douglas	Committee Person
A. Duffy	Committee Person
K. Hockey	Committee Person
W. White	Committee Person

On behalf of the Committee

Signature of designated officer:

[redacted]

Bradley Gandy

Branch Secretary
The Australian Workers' Union, West Australian Branch

13.9 2024

The Australian Workers' Union, West Australian Branch
Committee of management statement
30 June 2024

Committee of management statement

On 13 · 9 2024 the Committee of Management of The Australian Workers' Union, West Australian Branch 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 related 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 General Manager duly made under section 272 of the RO Act has been provided to the member or 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.

On behalf of the Committee

Signature of designated officer:

[redacted]

Bradley Gandy

Branch Secretary
The Australian Workers' Union, West Australian Branch

13 · 9 2024

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30 June 2024

General information

The financial statements cover The Australian Workers' Union, West Australian Branch as an individual entity. The financial statements are presented in Australian dollars, which is The Australian Workers' Union, West Australian Branch's functional and presentation currency.

The Australian Workers' Union, West Australian Branch is a not-for-profit, registered as a registered organisation, pursuant to the *Fair Work (Registered Organisations) Act 2009* and domiciled in Australia. Its registered office and principal place of business is:

Level 3,
25 Barrack Street,
Perth, WA 6000.

The operating report, which is not part of the financial statements, describes the nature of the reporting unit's operations and principal activities.

The Australian Workers' Union, West Australian Branch
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2024

	Note	30 June 2024 $	30 June 2023 Restated[(a)] $
Revenue			
Membership subscriptions	3	5,539,062	4,848,082
Rental revenue	3	118,041	112,859
Referrer fee revenue	3	215,100	82,894
		5,872,203	5,043,835
Service fee revenue		222,734	35,086
Other income		49,397	155,692
Gain on revaluation of financial assets at fair value through profit or loss	7	43,050	251,950
Gain on revaluation of investment property	10	50,000	30,000
		365,181	472,728
		6,237,384	5,516,563
Expenses			
Employee expenses	4(a)	(3,546,738)	(2,738,512)
Capitation fees	4(b)	(610,438)	(549,928)
Affiliation fees	4(c)	(80,036)	(74,519)
Administration expenses	4(d)	(980,926)	(1,143,560)
Grants or donations	4(e)	(3,256)	(827)
Finance costs	4(f)	(4,087)	(7,284)
Depreciation and amortisation	4(g)	(183,584)	(191,792)
Legal costs	4(h)	(50,315)	(87,773)
Audit and accounting fees		(48,376)	(66,454)
Other expenses	4(i)	(222,665)	(240,517)
Surplus for the year attributable to the members of The Australian Workers' Union, West Australian Branch		506,963	415,397
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to the members of The Australian Workers' Union, West Australian Branch		506,963	415,397

(a) Refer to Note 23 for details on the restatement of comparatives

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

The Australian Workers' Union, West Australian Branch
Statement of financial position
As at 30 June 2024

	Note	30 June 2024 $	30 June 2023 Restated(a) $	1 July 2022 Restated(a) $
Assets				
Current assets				
Cash and cash equivalents	5	1,692,075	905,302	836,061
Trade and other receivables	6	224,804	215,585	216,814
Prepayments		107,834	64,809	55,407
Total current assets		2,024,713	1,185,696	1,108,282
Non-current assets				
Financial assets at fair value through profit or loss	7	460,000	416,950	165,000
Property, plant and equipment	8	317,031	339,771	329,104
Right-of-use assets	9	7,122	79,554	147,439
Investment property	10	1,900,000	1,850,000	1,820,000
Total non-current assets		2,684,153	2,686,275	2,461,543
Total assets		**4,708,866**	**3,871,971**	**3,569,825**
Liabilities				
Current liabilities				
Trade and other payables	11	1,118,301	973,988	1,180,845
Lease liabilities	12	44,678	84,444	83,974
Employee provisions	13	1,000,633	738,137	687,219
Contract liabilities	14	267,367	251,575	142,367
Total current liabilities		2,430,979	2,048,144	2,094,405
Non-current liabilities				
Lease liabilities	12	-	42,720	116,799
Employee provisions	13	13,426	23,609	16,520
Total non-current liabilities		13,426	66,329	133,319
Total liabilities		**2,444,405**	**2,114,473**	**2,227,724**
Net assets		**2,264,461**	**1,757,498**	**1,342,101**
Equity				
Reserves	15	-	412,418	412,418
General funds		2,264,461	1,345,080	929,683
Total equity		**2,264,461**	**1,757,498**	**1,342,101**

(a) Refer to Note 23 for details on the restatement of comparatives

The above statement of financial position should be read in conjunction with the accompanying notes

The Australian Workers' Union, West Australian Branch
Statement of changes in equity
For the year ended 30 June 2024

	Note	Reserves $	General funds $	Total equity $
Reported balance at 1 July 2022		**412,418**	**(601,338)**	**(188,920)**
Impact of change in accounting policy [(a)]	23	-	1,531,021	1,531,021
Restated balance at 1 July 2022 [(a)]		**412,418**	**929,683**	**1,342,101**
Surplus for the year- restated [(a)]		-	415.397	415,397
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	415,397	415,397
Transfer to/ (from) reserves		-	-	-
Balance at 30 June 2023		**412,418**	**1,345,080**	**1,757,498**

	Note	Reserves $	General funds $	Total equity $
Reported balance at 1 July 2023		**412,418**	**(386,738)**	**25,680**
Impact of change in accounting policy	23	-	1,578,321	1,578,321
Impact of correction of prior period error	23	-	153,497	153,497
Restated balance at 1 July 2023		**412,418**	**1,345,080**	**1,757,498**
Surplus for the year		-	506,963	506,963
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	506,963	506,963
Transfer to/ (from) reserves		(412,418)	412,418	-
Balance at 30 June 2024		**-**	**2,264,461**	**2,264,461**

(a) Refer to Note 23 for details on the restatement of comparatives

The above statement of changes in equity should be read in conjunction with the accompanying notes

The Australian Workers' Union, West Australian Branch
Statement of cash flows
For the year ended 30 June 2024

	Note	2024 $	2023 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		6,765,997	5,577,097
Payments to suppliers (inclusive of GST)		(5,144,249)	(4,370,282)
Payment to other reporting units (inclusive of GST)		(659,990)	(929,391)
Net cash from operating activities	21	961,758	277,424
Cash flows from investing activities			
Payments for property, plant and equipment	8	(61,466)	(106,166)
Proceeds from disposal of property, plant and equipment		84	-
Net cash used in investing activities		(61,382)	(106,166)
Cash flows from financing activities			
Repayment of lease liabilities		(113,603)	(102,017)
Net cash used in financing activities		(113,603)	(102,017)
Net increase in cash and cash equivalents		786,773	69,241
Cash and cash equivalents at the beginning of the financial year		905,302	836,061
Cash and cash equivalents at the end of the financial year	5	1,692,075	905,302

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Material accounting policy information

Basis of preparation of the financial statements

The financial statements are Tier 1 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 Organisations) Act 2009* (RO Act). For the purpose of preparing the general purpose financial statements, The Australian Workers' Union, West Australian 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.

Going concern

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, as at 30 June 2024 the reporting unit had net current liabilities of $406,266.

The Management Committee believes that it is reasonably foreseeable that the reporting unit will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The reporting unit has $1,000,633 of employee benefit obligations presented as current as at 30 June 2024. The employee benefits provision, which includes annual leave, other leave, and long service leave, is presented as current since the reporting unit does not have an unconditional right to defer settlement of these obligations for a period greater than 12 months at the balance date.

However, the Committee of Management expects the amount of provision to be used in the next twelve months will be approximately $182,500, based on the historical average of leave taken in the past two reporting periods.

Comparative amounts

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

New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

The reporting unit has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

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

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.

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.

Note 1. Material accounting policy information (continued)

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

If there is more than one distinct good or service promised in the membership subscription, the reporting unit 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 reporting unit 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 reporting unit recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the reporting unit 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 reporting unit at their standalone selling price, the reporting unit accounts for those sales as a separate contract with a customer.

Income of the reporting unit as a not-for-profit entity
Consideration is received by the reporting unit to enable the Entity to further its objectives. The reporting unit recognises each of these amounts of consideration as income when the consideration is received (which is when the reporting unit 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 reporting unit's recognition of the cash contribution does not give to any related liabilities.

Income recognised from transfers
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 over time. The asset that is being acquired or constructed is recognised in accordance with the policy on property, plant and equipment.

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

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

Rental income
Rent revenue from investment property is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period when earned.

Note 1. Material accounting policy information (continued)

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents
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.

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

Financial assets

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

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the reporting unit'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 reporting unit's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the reporting unit 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; and
- (Other) financial assets designated at fair value through profit or loss.

Note 1. Material accounting policy information (continued)

Financial assets at amortised cost
The reporting unit measures financial assets at amortised cost if both of the following conditions are met:
- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

Derecognition
A financial asset is derecognised when:
- The rights to receive cash flows from the asset have expired; or
- The reporting unit 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 reporting unit has transferred substantially all the risks and rewards of the asset, or
  b) the reporting unit has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the reporting unit 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 reporting unit continues to recognize 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 realize the assets and settle the liabilities simultaneously.

Impairment

Expected credit losses
Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any loss allowance due to expected credit losses at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

Note 1. Material accounting policy information (continued)

Trade receivables
For trade receivables that do not have a significant financing component, the reporting unit 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 reporting unit does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The reporting unit 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.

Financial liabilities
Initial recognition and measurement

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

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

The reporting unit'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

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.

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-fine method of depreciation. Depreciation rates (useful fives), 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 fives:

Class of fixed asset	*2024*	*2023*
Plant and equipment	3-20 years	3-20 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.

Note 1. Material accounting policy information (continued)

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 its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value with changes in fair value reported in the profit or loss.

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 the derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

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 is 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 reporting unit were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

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 re measurement 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:

Class of fixed asset	*2024*	*2023*
Land and buildings	1-6 years	1-6 years
Plant and equipment	1-5 years	1-5 years
Motor vehicles	1-4 years	1-4 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.

Note 1. Material accounting policy information (continued)

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

Short-term leases and leases of low-value assets
The 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 that are below $10,000. Lease payments on short- term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

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

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 the reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

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

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

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

Note 1. Material accounting policy information (continued)

Taxation

The reporting unit is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligations 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.

Fair value measurement

The reporting unit measures financial instruments at fair value through profit or loss at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in note 20.

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 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.

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 reporting unit 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 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 investment property. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the reporting unit has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Note 2. Critical accounting judgements, estimates and assumptions

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.

Estimation of useful lives of assets
The reporting unit's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of use or some other event. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write off assets that have been abandoned or sold.

Long service leave provision
The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date.

Fair value measurement hierarchy
The reporting unit is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets (which include investments in unlisted ordinary units and investment property) and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs. Refer to note 20 for further information.

Note 3. Revenue

Disaggregation of revenue from contracts with customers

A disaggregation of the reporting unit's revenue by type of arrangements is provided on the face of the Statement of Comprehensive Income.

	2024 $	Restated 2023 $
(a) Membership subscriptions		
Members	5,539,062	4,848,082
(b) Rental revenue		
Investment property	118,041	112,859
(c) Other revenue		
Referrer fees	215,100	82,894
Total revenue from contracts with customers	5,872,203	5,043,835

The Australian Workers' Union, West Australian Branch
Notes to the financial statements
30 June 2024

Note 4. Expenses

	2024 $	2023 $
(a) Employee expenses		
Holders of office:		
Wages and salaries	766,584	710,063
Superannuation	117,672	109,093
Leave and other entitlements	46,990	125,115
Separation and redundancies	-	19,409
Payroll tax	51,219	52,140
Other employee expenses	34,452	3,731
	1,016,917	1,019,551
Employees other than office holders:		
Wages and salaries	1,980,873	1,285,396
Superannuation	260,107	197,514
Leave and other entitlements	183,958	165,916
Separation and redundancies	-	4,465
Payroll tax	85,817	24,302
Other employee expenses	19,066	41,368
	2,529,821	1,718,961
	3,546,738	2,738,512
(b) Capitation fees		
The Australian Workers' Union – National Office	610,438	549,928
(c) Affiliation fees		
Australian Labor Party	73,422	67,905
ShopRite	6,614	6,614
	80,036	74,519
(d) Administration expenses		
Total paid to employers for payroll deductions of membership subscriptions		
Conference and meeting expenses	10,154	41,440
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Property expenses	245,676	213,097
Office expenses	85,313	214,875
Information communications technology	21,816	9,575
Broker fees	2,205	1,135
Travel and accommodation	422,676	311,113
Other	193,086	352,325
	980,926	1,143,560
(e) Grants or donations		
Grants:		
Total expensed that were $1,000 or less	-	-
Total expensed that exceeded $1,000	-	-
Donations:		
Total expensed that were $1,000 or less	3,256	827
Total expensed that exceeded $1,000	-	-
	3,256	827

*In-kind donations for the year were $2,193 (2023: $420).

Note 4. Expenses (continued)

	2024 $	2023 $
(f) Finance costs		
Interest expense	4,087	7,284
(g) Depreciation and amortisation		
Property, plant and equipment	84,122	95,499
Right-of-use assets	99,462	96,293
	183,584	191,792
(h) Legal costs		
Litigation	32,388	85,624
Other legal costs	17,927	2,149
	50,315	87,773
(i) Other expenses		
Bank charges	60,122	46,116
Loss on disposal of PPE	85	-
Other expenses	162,458	194,401
	222,665	240,517

Note 5. Cash and cash equivalents

	2024 $	2023 $
Current assets		
Cash at hand	391	391
Cash at bank	1,691,684	904,911
	1,692,075	905,302

Note 6. Trade and other receivables

	2024 $	Restated 2023 $
Current assets		
Trade receivables	101,146	139,890
Other receivables	132,658	84,695
Less: Allowance for expected credit losses	(9,000)	(9,000)
	224,804	215,585

Allowance for expected credit losses
The reporting unit has recognised nil loss in profit or loss in respect of the expected credit losses for the year ended 30 June 2024.

Note 7. Financial assets at fair value through profit or loss

	2024 $	2023 $
Non-current assets		
Unlisted ordinary units	460,000	416,950

Reconciliation
Reconciliation of the fair values at the beginning and end of the current financial year are set out below

	2024 $	2023 $
Opening fair value	416,950	165,000
Revaluation increment	43,050	251,950
Closing fair value	460,000	416,950

Refer to note 20 for further information on fair value measurement.

Note 8. Property, plant and equipment

	2024 $	2023 $
Non-current assets		
Equipment - at cost	382,580	377,119
Less: Accumulated depreciation	(363,072)	(357,736)
	19,508	19,383
Furniture and fittings - at cost	573,036	592,895
Less: Accumulated depreciation	(486,642)	(501,946)
	86,394	90,949
Motor vehicles - at cost	579,730	548,848
Less: Accumulated depreciation	(368,601)	(319,409)
	211,129	229,439
	317,031	339,771

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Equipment $	Furniture & fittings $	Motor vehicles $	Total $
Balance at 1 July 2022	21,052	68,451	239,601	329,104
Additions	17,630	42,926	45,610	106,166
Disposals	-	-	-	-
Depreciation expense	(19,299)	(20,428)	(55,772)	(95,499)
Balance at 30 June 2023	19,383	90,949	229,439	339,771
Additions	19,379	11,205	30,882	61,466
Disposals	-	(84)	-	(84)
Depreciation expense	(19,254)	(15,676)	(49,192)	(84,122)
Balance at 30 June 2024	19,508	86,394	211,129	317,031

Note 9. Right-of-use assets

	2024 $	2023 $
Non-current assets		
Building	673,699	646,669
Less: Accumulated depreciation	(666,577)	(567,115)
	7,122	79,554

Additions to the right-of-use assets during the year were $27,030.

The reporting unit leases part of a building for its offices, under an agreement for a term of five years with an option to extend at the reporting unit's description for an additional 5 years. The lease has a rent review clause which increases the lease payments by an amount equivalent to the increase in the Consumer Price index for Perth.

The reporting unit leases office equipment under agreements of less than two years. These leases are either short-term or low-value, so have been expensed as incurred and not capitalised as right-of-use assets.

Note 10. Investment property

	2024 $	Restated 2023 $
Non-current assets		
Investment property – at independent valuation	1,900,000	1,850,000

Reconciliation
Reconciliation of the fair values at the beginning and end of the current financial year are set out below

Opening fair value	1,850,000	1,820,000
Revaluation increment	50,000	30,000
Closing fair value	1,900,000	1,850,000

The valuations were performed by an accredited independent valuer with a recognised and relevant professional qualification and with recent experience in the location and category of the investment property being valued.

The fair value of completed investment property has been determined on a market value basis in accordance with Australian Property Institute (API) Valuation and Property Standards. The highest and best use of the investment property is not considered to be different from its current use.

There were no additions during the year.

Net income earned and received from the investment property during the year was $118,041 (2023: $112,859).

During the year and as at the year-end, no restrictions on the realisation of the investment property or the remittance of income and proceeds of disposal were present. The reporting unit does not have any contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

The fair value of investment property is determined by an independent valuer using recognised valuation techniques. These techniques comprise of comparative sales method and income capitalisation method.

The fair value of investment property is included within Level 3.

The investment property is subject to a registered charge.

Note 11. Trade and other payables

	2024 $	Restated 2023 $
Current liabilities		
Trade payables	398,013	252,832
Other payables	612,722	518,765
Accrued expenses	50,131	134,509
GST payable from the Australian Taxation Office	-	-
Legal costs payable		
Litigation	-	-
Other legal costs	-	-
	1,060,866	906,106
Payables to other reporting units:		
The Australian Workers' Union – National Office	57,435	67,882
	57,435	67,882
	1,118,301	973,988

Settlement of trade payables is usually made within 30 days; all other payables are expected to be settled in no more than 12 months.

Note 12. Lease liabilities

	2024 $	2023 $
Current liabilities		
Lease liability	44,678	84,444
Non-current liabilities		
Lease liability	-	42,720

Operating lease commitments—as lessor

Average remaining terms
The weighted average lease expiry is 1.69 years (2023: 1.10 years)

Maturity analysis of undiscounted lease payments for operating leases (as a lessor)
Minimum lease commitments receivable but not recognised in the financial statements

	2024 $	2023 $
Within one year	112,263	66,764
After one year but no more than five years	77,421	89,502
More than five years	-	-
	189,684	156,266

Note 13. Employee provisions

	2024 $	2023 $
Current liabilities		
Office holders:		
Annual leave	177,633	122,282
Long service leave	381,457	260,148
	559,090	382,430
Employees other than office holders:		
Annual leave	284,355	217,974
Long service leave	157,188	137,733
	441,543	355,707
	1,000,633	738,137
Non-current liabilities		
Office holders:		
Long service leave	-	7,056
	-	7,056
Employees other than office holders:		
Long service leave	13,426	16,553
	13,426	16,553
	13,426	23,609

Note 14. Contract liabilities

	2024 $	Restated 2023 $
Current liabilities		
Membership subscriptions	249,912	233,199
Rent received in advance	16,057	18,376
Grants	1,398	-
	267,367	251,575

There were no significant changes between opening and closing balances of contract liabilities.

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period was $251,578. Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods was $ nil.

Unsatisfied performance obligations
The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 June 2024 is $267,367 (2023: $251,575). The reporting unit expects that 99% of the transaction price allocated to remaining performance obligations is expected to be recognised as revenue within one year. These performance obligations primarily relate to membership subscriptions. The remaining 1% of the transaction price allocated to remaining performance obligations is expected to be recognised as revenue within two to three years, with these performance obligations relating to membership subscriptions.

Note 15. Reserves

	2024 $	2023 $
Capital reserve	-	72,750
Asset revaluation reserve	-	237,146
Long service leave reserve	-	102,522
	-	412,418

Capital reserve
This reserve represents the deemed cost of assets previously gifted to the reporting unit by the Pilbara/ Kimberly Committee.

Asset revaluation reserve
The reserve has been used to recognise the increment in the fair value of the investment property upon transition from Australian General Accepted Accounting Principles (AGAAP) to the Australian equivalent of International Financial Reporting Standards (IFRS) on 1 July 2005.

Long service leave reserve
The reserve is used to match the nominal liability for Long Service Leave payable for office holders and employees other than office holders. The nominal balance is the value of the long service leave owed or payable to employees at year-end.

During the year the reporting unit has transferred the balances to General Funds.

Note 16. Contingent liabilities, assets and commitments

The reporting unit had no contingent liabilities, assets or commitments as at 30 June 2024 (2023: Contingent liability $10,000).

Note 17. Related party transactions

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

	2024 $	2023 $
Revenue received from The Australian Workers' Union, West Australian Branch, Industrial Union of Workers		
Reimbursement of expenditure	213,685	151,665
Expenses paid to The Australian Workers' Union – National Office		
Rent	67,674	61,600
Combined head office fees	680,336	840,142
Other	230,495	270,562
	978,505	1,172,304
Amounts payable to The Australian Workers' Union – National Office		
Trade and other payables	57,435	67,882

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.

Note 17. Related party transactions (continued)

Key management personnel remuneration for the reporting period

	2024 $	2023 $
Short-term employee benefits:		
Salary (including annual leave taken)	380,352	259,013
Annual leave accrued	26,819	18,230
	407,171	277,243
Post-employment benefits:		
Superannuation	44,177	33,653
	44,177	33,653
Other long-term benefits:		
Long-service leave	236,738	149,146
	236,738	149,146

Note 18. Remuneration of auditors

During the financial year, the following fees were paid or payable for services provided by RSM Australia Partners (RSM Australia), the auditor of the reporting unit:

	2024 $	2023 $
Audit services - RSM Australia (2023: Grant Thornton Audit Pty Ltd)		
Audit of the financial statements	38,500	35,600
Other services - RSM Australia (2023: Grant Thornton Audit Pty Ltd)		
Assistance with the compilation of financial statement	6,000	5,600
	44,500	41,200

The reporting unit changed its auditors from Grant Thornton Audit Pty Ltd to RSM Australia during the year.

Note 19. Financial instruments

Financial risk management objectives
The reporting unit has exposure to the following risks from their use of financial instruments:
- Credit risk;
- Liquidity risk; and
- Market risk.

The Committee of Management has overall responsibility for the establishment and oversight of the reporting unit's risk management framework and for developing and monitoring risk management policies.

The reporting unit's risk management policies are established to identify and analyse the risks faced by the reporting unit, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the reporting unit's activities. The reporting unit, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Committee of Management oversees how management monitors compliance with the reporting unit's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the reporting unit.

This note presents information about the reporting unit's exposure to each of the above risks, the reporting unit's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

Note 19. Financial Instruments (continued)

Categories of financial instruments

	2024 $	Restated 2023 $
Financial assets		
Cash and cash equivalents	1,692,075	905,302
Trade and other receivables	224,804	215,585
Unlisted ordinary units at fair value through profit or loss	460,000	416,950
Financial liabilities		
Trade payables	486,681	455,391
Lease liabilities	44,678	127,164

Net income and expense from financial assets and financial liabilities

	2024 $	2023 $
Interest income	4,725	2,621
Interest expense	4,087	7,284
Gain on revaluation of financial assets at fair value through profit or loss	43,050	251,950
	51,862	261,855

Credit risk
Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the reporting unit.

The reporting unit does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the reporting unit.

Liquidity risk
Prudent liquidity risk management involves maintaining sufficient cash reserves. The reporting unit manages liquidity risk by continuously monitoring forecast and actual cash flow. Surplus funds are generally only deposited in savings accounts offering interest rates.

Contractual maturities

2024	**< 1 year** **$**	**1-2 year** **$**	**2-5 year** **$**	**> 5 years** **$**	**Total** **$**
Trade payables	398,013	-	-	-	398,013
Lease liabilities	44,678	-	-	-	44,678
Total	442,691	-	-	-	442,691

Restated **2023**	**1 year** **$**	**1-2 year** **$**	**2-5 year** **$**	**> 5 years** **$**	**Total** **$**
Trade payables	252,832	-	-	-	252,832
Lease liabilities	84,444	42,720	-	-	127,164
Total	337,276	42,720	-	-	379,996

Note 19. Financial Instruments (continued)

Market risk
Market risk is the risk that changes in market prices, such as interest rates will affect the reporting unit's income or the value of its holdings of financial instruments. Market risk management aims to manage and control market risk exposures within acceptable parameters while optimising the return.

Interest rate risk
The reporting unit is not exposed to any significant interest rate risk.

Price risk
The reporting unit has an investment in unlisted ordinary units of the Chifley Trading Trust with a net carrying value of $460,000 (2023: $416,950) and has exposure to the fluctuations in price that are inherent in such an investment. These investments are primarily held in the interest of the members.

Sensitivity analysis
The Management Committee has assessed its exposure to credit risk, liquidity risk and interest rate risk at the balance date. The reporting unit is currently not subject to any interest rate risk on its financial liabilities and has assessed that there is no exposure to liquidity risk required to meet its financial obligations. The reporting unit's exposure has been assessed as not material, due to the nature, collectable and recoverability of amounts owed. As a result of the risk assessment performed, any positive or negative changes in the interest rate risk, liquidity risk, price risk or credit risk would not have a material effect on the financial statements. Hence quantitative disclosures are not required.

Note 20. Fair value measurement

Financial assets and liabilities

Management of the reporting unit assessed that cash, trade receivables, trade payables, and lease 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 the instrument could be exchanged in a current transaction between willing parties.

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

	Carrying amount 2024 $	Fair value 2024 $	Restated Carrying amount 2023 $	Restated Fair value 2023 $
Financial assets				
Cash and cash equivalents	1,692,075	1,692,075	905,302	905,302
Trade and other receivables	224,804	224,804	215,585	215,585
Unlisted ordinary units at fair value through profit or loss	460,000	460,000	416,950	416,950
Total	2,376,879	2,376,879	1,537,837	1,537,837
Financial liabilities				
Trade payables	398,013	398,013	252,832	252,832
Lease liabilities	44,678	44,678	127,164	127,164
Total	442,691	442,691	379,996	379,996

Note 20. Fair value measurement (continued)

Fair value hierarchy

The following methods and assumptions were used to estimate the fair values:

- The basis of the valuation of investment property is fair value. The investment property is revalued annually based on independent assessments by a member of the Australian Property Institute having recent experience in the location and category of investment property being valued. Valuations are based on current prices in an active market for similar properties of the same location and condition, subject to similar leases and takes into consideration occupancy rates and returns on investment.

- The fair value for unlisted ordinary units is determined using a discounted cash flow method. The fair value is estimated using explicit assumptions regarding the estimated free cash flow and an exit or terminal value. This involves projecting a series of cash flows, and an appropriate discount rate is applied to establish the present value of the income stream taking into account factors relating to the marketability of the asset and lack of control.

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

2024	**Date of Valuation**	**Level 1**	**Level 2**	**Level 3**
Assets				
Investment property	30/06/2024	-	-	1,900,000
Unlisted ordinary units at fair value through profit or loss	30/06/2024	-	-	460,000
Total		-	-	2,360,000

2023				
Assets				
Investment property	30/06/2023	-		1,850,000
Unlisted ordinary units at fair value through profit or loss	30/06/2023	-	-	416,950
Total		-	-	2,266,950

There were no financial liabilities measured at fair value and no transfers between classes during the year ended 30 June 2024.

The level 3 assets' unobservable inputs and sensitivity are as follows:

Description	Unobservable inputs	Range (average)	Sensitivity
Unlisted ordinary units at fair value through profit or loss	Growth rate	2.0% to 3.0% (2.5%)	0.25% increase would change the fair value by $5,800 and 0.25% decrease would change the fair value by ($5,400)
	Discount rate	21.5% to 26.6 % (24.1%)	0.25% increase would change the fair value by ($4,900) and 0.25% decrease would change the fair value by $5,300
	Discount for lack of marketability and lack of control	70% to 80% (75%)	10% increase would change the fair value by ($187,670) and 10% decrease would change the fair value by $187,660.
Investment property	Rental yield	6.75% to 7.25% (7%)	0.25% increase would change the fair value by ($50,000) and 0.25% decrease would change the fair value by $50,000
	Rental growth	7.0% to 9.0% (8.0%)	8% change would increase the fair value by $150,000

Note 21. Reconciliation of surplus to net cash from operating activities

	2024 $	2023 $
Surplus for the year	506,963	415,397
Adjustments for:		
Finance costs	4,087	-
Depreciation and amortisation	183,584	191,792
Gain on revaluation of investment property	(50,000)	(30,000)
Gain on revaluation of investment	(43,050)	(251,950)
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	(9,219)	1,229
Increase/(decrease) in other assets	(43,025)	(9,402)
Increase/(decrease) in trade and other payables	144,313	(206,857)
Increase/(decrease) in contract liabilities	15,792	109,208
Increase/(decrease) in employee provisions	252,313	58,007
Net cash from operating activities	961,758	277,424

Note 22. 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 23. Prior year restatements

The following restatements have been made in the year:

a) Change in accounting policy – Investment property

The reporting unit has revised its accounting policy for investment property from cost to fair value, which resulted in the following restatements:

<u>As at 1 July 2022:</u>

The reporting unit recognised investment property at a fair value of $1,820,000. As a result, net assets have increased by the incremental difference between cost and fair value of $1,531,021. Total equity also increased by the same amount.

<u>As at 30 June 2023:</u>

(a) Recognition of the investment property with a balance of $1,850,000;

(b) Recognition of a revaluation increment for the year ended of $30,000; and

(c) Derecognition of depreciation expense for the year ended of $17,300.

As a result, net assets and total equity have increased by $1,578,321, the surplus for the year increased by $37,300 and there was no impact on the statement of cash flows.

b) Prior period restatement
In the current reporting period management identified the following prior period restatements due to errors:

<u>As at 1 July 2022:</u>

(a) Classification of prepayments: Prepayments of $55,407 were erroneously classified as Trade and other receivables as of 30 June 2022. This has had no impact on the surplus or net assets for the year.

(b) Classification of trade and other payables: Trade and other payables of $402,366 were erroneously classified as Contract liabilities as at 30 June 2022. This has had no impact on the surplus or net assets for the year.

b) Prior period restatement (continued)

As at 30 June 2023:

(a) Contract liabilities - membership subscriptions: In the year ended 30 June 2023 management erroneously deferred $153,497 in membership subscriptions which should have been recognised as revenue in the year ended 30 June 2023. The result is that it has increased the surplus for the 30 June 203 year and decreased net assets by $153,497, respectively.

(b) Classification of prepayments: Prepayments consisting of $64,809 were erroneously classified as Trade and other receivables as at 30 June 2023. This has had no impact on the surplus or net assets for the year.

(c) Classification of trade and other payables: Trade and other payables of $518,597 were erroneously classified as Contract liabilities as at 30 June 2023. This has had no impact on the surplus or net assets for the year.

These changes were applied retrospectively and impacted the financial statements of the reporting unit as follows. These did not impact the statement of cash flows:

Statement of financial position (extract)	**1 July 2022**	**Change in accounting policy**	**Correction of error**	**1 July 2022**
	Reported	*Increase/ (decrease)*	*Increase/ (decrease)*	*Restated*
Current assets				
Trade and other receivables	272,221	-	(55,407)	216,814
Prepayments	-	-	55,407	55,407
Total current assets	**1,108,282**	**-**	**-**	**1,108,282**
Non-current assets				
Investment property	288,979	1,531,021	-	1,820,000
Total non-current assets	**930,522**	**1,531,021**	**-**	**2,461,543**
Total assets	**2,038,804**	**1,531,021**	**-**	**3.569.825**
Current Liabilities				
Trade and other payables	778,479	-	402,366	1,180,845
Contract liabilities	544,733	-	(402,366)	142,367
Total current liabilities	**2,094,405**	**-**	**-**	**2,094,405**
Total liabilities	**2,227,724**	**-**	**-**	**2,227,724**
Net assets/ (liabilities)	**(188,920)**	**1,531,021**	**-**	**1,342,101**
Equity				
Reserves	412,418	-	-	412,418
General funds	(601,338)	1,531,021	-	929,683
Total equity / (deficiency in equity)	**(188,920)**	**1,531,021**	**-**	**1,342,101**

Statement of financial position (extract)	30 June 2023	Change in accounting policy	Correction of error	30 June 2023
		Increase/ (decrease)	*Increase/ (decrease)*	
	Reported			*Restated*
Current assets				
Trade and other receivables	280,394	-	(64,809)	215,585
Prepayments	-	-	64,809	64,809
Total current assets	**1,185,696**	**-**	**-**	**1,185,696**
Non-current assets				
Investment property	271,679	1,578,321	-	1,850,000
Total non-current assets	**1,107,954**	**1,578,321**	**-**	**2,686,275**
Total assets	**2,293,650**	**1,578,321**	**-**	**3,871,971**
Current Liabilities				
Trade and other payables	455,391	-	518,597	973,988
Contract liabilities	923,669	-	(672,094)	251,575
Total current liabilities	**2,201,641**	**-**	**(153,497)**	**2,048,144**
Total liabilities	**2,267,970**	**-**	**(153,497)**	**2,114,473**
Net assets	**25,680**	**1,578,321**	**153,497**	**1,757,498**
Equity				
Reserves	412,418	-	-	412,418
General funds	(386,738)	1,578,321	153,497	1,345,080
Total equity	**25,680**	**1,578,321**	**153,497**	**1,757,498**

Statement of profit or loss and other comprehensive income (extract)	30 June 2023	Change in accounting policy	Correction of error	30 June 2023
		Surplus increase/ (decrease)	*Surplus increase/ (decrease)*	
	Reported			*Restated*
Revenue				
Membership subscriptions	4,694,585	-	153,497	4,848,082
Increment in revaluation of investment property	-	30,000	-	30,000
Total revenue	**5,333,066**	**30,000**	**153,497**	**5,516,563**
Expenses				
Depreciation and amortisation	(209,092)	17,300	-	(191,792)
Total expenses	**(5,118,466)**	**17,300**	**-**	**(5,101,166)**
Surplus for the year attributable to the members of The Australian Workers' Union, West Australian Branch	**214,335**	**47,300**	**153,497**	**415,397**
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year attributable to the members of The Australian Workers' Union, West Australian Branch	**214,335**	**47,300**	**153,497**	**415,397**

Note 24. Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or General Manager of the Fair Work Commission:

(1) A member of a reporting unit, or the General Manager of the Fair Work Commission, 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).

The Australian Workers' Union, West Australian Branch
Officer declaration
30 June 2024

I, Bradley Gandy, being the Secretary of The Australian Workers' Union, West Australian Branch, declare that the following activities did not occur during the reporting period ending 30 June 2024.

- acquire an asset or liability due to amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees or any other revenue amount from another reporting unit
- receive revenue via compulsory levies
- receive revenue from undertaking recovery of wages activity
- pay a grant that was $1,000 or less
- pay a grant that exceeded $1,000
- pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- have a receivable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a separation and redundancy provision in respect of holders of office
- have a separation and redundancy provision 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
- 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

Signature of designated officer:

[redacted]

Bradley Gandy

Branch Secretary
The Australian Workers' Union, West Australian Branch

13.9 2024