



Fair Work
Commission

15 September 2026

Aneta Menkinoska
Branch Secretary
Health Services Union-Victoria No. 3 Branch
Sent via email: info@vahpa.asn.au
CC: gkent@mgisq.com.au

Dear Aneta Menkinoska

**Health Services Union-Victoria No. 3 Branch
Financial Report for the year ended 30 June 2026 – (FR2026/34)**

I acknowledge receipt of the financial report for the year ended 30 June 2026 for the Health Services Union-Victoria No. 3 Branch (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 25 August 2026. I also acknowledge receipt of the signed auditor's report which was lodged with the Commission on 27 August 2026.

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.

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

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

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

Certificate for the period ended 30 June 2026

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

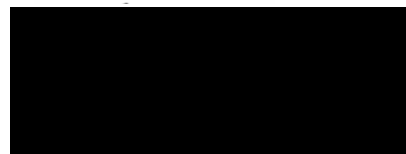
- that the documents lodged herewith are copies of the full report for the Health Services Union Victoria No. 3 Branch for the period ended 30 June 2026 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 21 August 2026; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 24 August 2026 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated Officer:

Name of prescribed designated officer:

Title of prescribed designated officer:

Dated:



Craig McGregor

Branch Secretary

25 August 2026

¹ Regulation 162 of the *Fair Work (Registered Organisations) Regulation 2009* defines a 'prescribed designated officer' of a reporting unit for the purposes of s.268(c) as:

- a) the secretary; or
- b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certification mentioned in that paragraph.



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

ABN 38 106 461 384

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

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HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH
COMMITTEE OF MANAGEMENT'S OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2026

Operating Report

The Committee of Management presents its report on the operation of the Health Services Union of Australia VIC No. 3 Branch (the Branch) for the financial year ended 30 June 2026.

Principal Activities

The Health Services Union of Australia VIC No. 3 Branch is a specialist union that promotes and defends the industrial, professional and democratic interest of our members.

The principal activities of the Branch during the year consist of:

- Organising Victorian allied health professionals;
- Training and education of members;
- Providing individual members with informed and expert representation in workplace related matters.

The principal activities of the Branch have not changed during the year.

Operating Result

The deficit for the financial year amounted to \$265,129. The current year operating result has been impacted by:

1. Membership income increased by \$495,296 (or 14%) to \$4,100,366.
2. Wages and salary expenditure increased by \$578,206 (or 22%) to \$3,155,918.
3. Operating expenditure has increased during the year primarily due to campaign activities around the public sector enterprise bargaining campaign and the ongoing wage dispute with the Victorian Government.

Significant Changes in Financial Affairs

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

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

No officers/ members/ employees of the organisation are Directors of companies that are trustees of superannuation funds where a criterion for the officer of member being the trustee or director is that the officer or member is an officer or member of a registered organisation.

Members Right to Resign

All members have the right to resign from the Branch in accordance with National Rule 10 - Termination of Membership (and Section 174 of the Act); namely, by providing written notice addressed and delivered to the Secretary of the Branch of which they are a member.

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH
COMMITTEE OF MANAGEMENT'S OPERATING REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026

Members of the Committee of Management

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

Name	Position	Period of Appointment
Joanne Ginn	Branch President	01/07/25 – 30/06/26
Karl Little	Branch Vice President	01/07/25 – 30/06/26
Craig McGregor	Branch Secretary	01/07/25 – 30/06/26
Bernarda Cavka	Assistant Branch Secretary	16/10/25 – 30/06/26
Scott Plowman	Committee Member	01/07/25 – 01/09/25
Anthony D'Amore	Committee Member	01/07/25 – 30/06/26
Andrea McQueen	Committee Member	01/07/25 – 30/06/26
Elizabeth Cobbledick	Committee Member	01/07/25 – 23/09/25
Nicole Erlich	Committee Member	10/10/25 – 30/06/26
Julian Ginn	Committee Member	11/08/25 – 30/06/26
Rory O'Hea	Committee Member	10/10/25 – 30/06/26

Membership of the Branch

Total number of members as at 30 June 2026: 8,200.

Employees of the Branch

The number of persons who were, at the end of the period to which the report relates, employees of the Branch, where the number of employees includes both full-time and part-time employees measured on a full-time equivalent basis is 22.51.

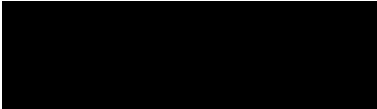
Wages Recovery Activity

The Branch continuously undertakes recovery of wages on behalf of members. It is Branch policy that any successful wage recovery from employers is paid directly to those effected members. As a result, no wage recovery activity is accounted through via the Branch's bank accounts and therefore not reflected in these financial statements.

Auditor's Independence Declaration

A copy of the auditor's independence declaration is set out on page 6.

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



Craig McGregor
Branch Secretary

17 August 2026

Carlton

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE COMMITTEE OF MANAGEMENT OF THE
HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH**

As lead auditor for the audit of the Health Services Union of Australia VIC No. 3 Branch for the year ended 30 June 2026; I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

MGI Audit Pty Ltd



G I Kent

Director – Audit & Assurance

October

17 August 2026

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

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

COMMITTEE OF MANAGEMENT STATEMENT

FOR THE YEAR ENDED 30 JUNE 2026

On 17 August 2026, the Committee of Management of the Branch passed the following resolution to the General-Purpose Financial statements (GPFR) of the reporting unit for the financial year ended 30 June 2026.

The Committee of Management declares in relation to the GPFR that in its opinion:

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

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

Name of Designated Officer: Craig McGregor

Title of Designated Officer: Branch Secretary

Signature:

Date: 17 August 2026

Independent Audit Report to the Members of the Health Services Union of Australia VIC No. 3 Branch

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of the Health Services Union of Australia VIC No. 3 Branch (the Branch), which comprises the statement of financial position as at 30 June 2026, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Health Services Union of Australia VIC No. 3 Branch as at 30 June 2026, 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 Branch is appropriate.

Basis for Opinion

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

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

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

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

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

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

Responsibilities of Committee of Management for the Financial Report

The Committee of Management of the Branch 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 Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Branch or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Branch'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 Branch's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Branch 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 Branch to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Branch's audit. We remain solely responsible for our audit opinion.

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

Declaration

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

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

Responsibilities

The Committee of Management is responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with the reporting guidelines of the Commission. Our responsibility is to express an opinion on the recovery of wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards.

MGI Audit Pty Ltd



G I Kent

Director – Audit & Assurance

Brisbane

17 August 2026

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

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2026

		2026	2025
	Notes	\$	\$
Revenue from contracts with customers	3		
Membership subscription		4,100,366	3,605,070
Total revenue from contracts with customers		<u>4,100,366</u>	<u>3,605,070</u>
Other income			
Interest income	3A	222	476
Other revenue	3B	63,423	13,271
Total other income		<u>63,645</u>	<u>13,747</u>
Total revenue		<u>4,164,011</u>	<u>3,618,817</u>
Expenses			
Employee expenses	4A	(3,155,918)	(2,577,712)
Capitation fees	4B	(172,040)	(156,353)
Affiliation fees	4C	(30,461)	(27,963)
Administration expenses	4D	(239,920)	(255,092)
Grants and donations	4E	(3,592)	-
Depreciation and amortisation	4F	(221,862)	(149,985)
Legal fees	4G	(69,895)	(104,633)
Communication expenses (campaigns etc)		(218,802)	(67,873)
Additional member benefits expense	4H	(144,127)	(140,028)
Motor vehicle expenses		(57,154)	(29,752)
Travel expenses		(8,839)	(3,331)
Occupancy expenses	4I	(79,630)	(72,272)
Audit fees	13	(26,900)	(24,000)
Total expenses		<u>(4,429,140)</u>	<u>(3,608,994)</u>
(Deficit)/ surplus for the year		<u>(265,129)</u>	<u>9,823</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u>(265,129)</u>	<u>9,823</u>

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

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Notes	2026 \$	2025 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	1,756,135	1,663,864
Trade and other receivables	5C	25,526	11,143
Other current assets	5D	259,950	214,114
Total current assets		2,041,611	1,889,121
Non-Current Assets			
Land and buildings	6A	423,726	558,177
Motor vehicles	6B	199,685	15,977
Furniture and fixtures	6C	443	1,258
Office equipment	6D	725	725
Computer equipment	6E	16,404	11,869
Software	6F	11,454	9,047
Total non-current assets		652,437	597,053
Total assets		2,694,048	2,486,174
LIABILITIES			
Current Liabilities			
Trade payables	7A	345,029	206,253
Other payables	7B	568,577	515,272
Employee provisions	8A	691,595	556,879
Lease liabilities	9A	224,611	102,749
Total current liabilities		1,829,812	1,381,153
Non-Current Liabilities			
Employee provisions	8A	144,844	98,609
Lease liabilities	9A	451,296	473,187
Total non-current liabilities		596,140	571,796
Total liabilities		2,425,952	1,952,949
Net assets		268,096	533,225
EQUITY			
Retained earnings		268,096	533,225
Total equity		268,096	533,225

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

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2026**

	Notes	Retained Earnings \$	Total Equity \$
Balance as at 1 July 2024		523,402	523,402
Surplus for the year		9,823	9,823
Other comprehensive income		-	-
Closing balance as at 30 June 2025		533,225	533,225
Deficit for the year		(265,129)	(265,129)
Other comprehensive income		-	-
Closing balance as at 30 June 2026		268,096	268,096

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

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2026**

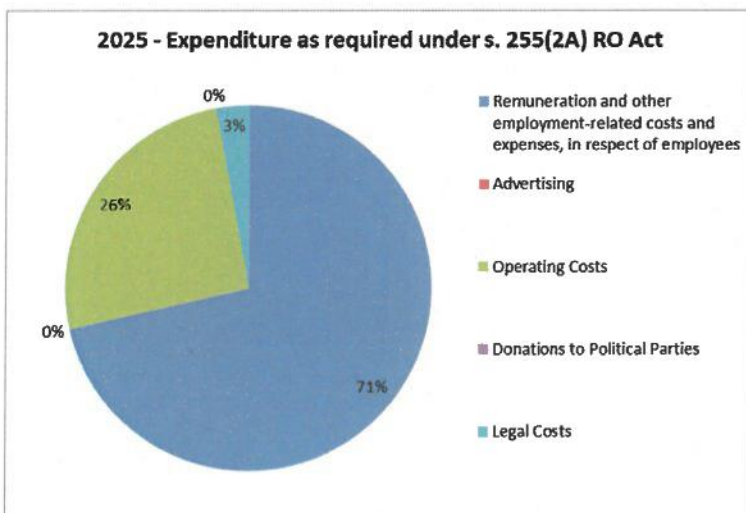
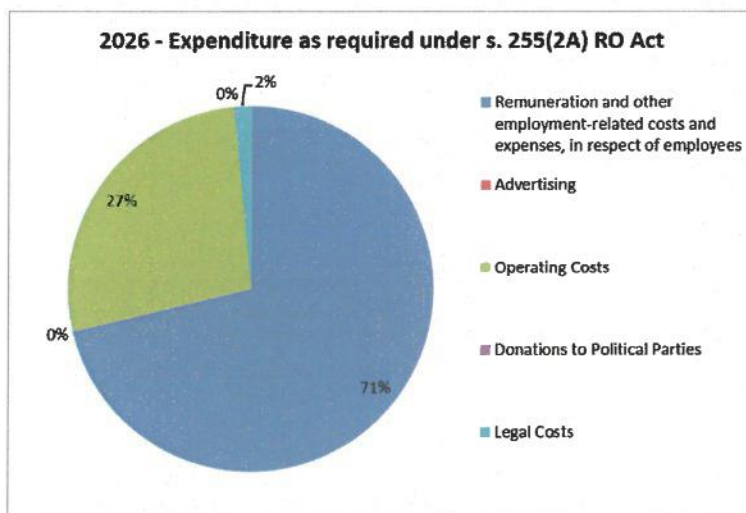
	Notes	2026 \$	2025 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	10B	11,511	14,924
Receipts from members and other customers		4,589,214	4,001,136
Interest		222	476
		<u>4,600,947</u>	<u>4,016,536</u>
Cash used			
Employees and suppliers		(4,083,435)	(3,579,094)
Payment to other reporting units	10B	(211,473)	(179,417)
		<u>(4,294,908)</u>	<u>(3,758,511)</u>
Net cash provided by operating activities		<u>306,039</u>	<u>258,025</u>
INVESTING ACTIVITIES			
Payments on purchases of property, plant and equipment		(18,672)	(17,482)
Net cash used in investing activities		<u>(18,672)</u>	<u>(17,482)</u>
FINANCING ACTIVITIES			
Repayment of leasing liabilities		(195,096)	(166,575)
Net cash used in financing activities		<u>(195,096)</u>	<u>(166,575)</u>
Net increase in cash held		<u>92,271</u>	<u>73,968</u>
Cash & cash equivalents at the beginning of the reporting period		1,663,864	1,589,896
Cash & cash equivalents at the end of the reporting period	10A	<u>1,756,135</u>	<u>1,663,864</u>

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

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

**REPORT REQUIRED UNDER SUBSECTION 255(2A) OF THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009
FOR THE YEAR ENDED 30 JUNE 2026**

The Committee of Management presents the expenditure report as required under subsection 255(2A) of the *Fair Work (Registered Organisations) Act 2009* on the Branch for the year ended 30 June 2026.




Craig McGregor
Branch Secretary

17 August 2026

Carlton

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026**

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HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026

Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Health Services Union of Australian VIC No. 3 Branch (the Branch) is a not-for-profit entity.

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

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

Lease Liabilities/ Right to Use Asset

Key assumptions used in the determination of the Branch's lease liability/ right to use assets are:

- Incremental borrowing rate (buildings): 6.55%.
- Incremental borrowing rate (motor vehicles): 6.25%

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.

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

Note 1 Summary of significant accounting policies (Continued)

1.3 Significant accounting judgements and estimates (continued)

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 Branch 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

New accounting and amendments applied for the first time for this annual reporting period commencing 1 July 2025 did not have any material impact on the amounts recognised in the current or prior periods and are not expected to significantly affect future periods.

Future Australian Accounting Standards Requirements

AASB 18 – Presentation and Disclosure in Financial Statements

AASB 18 Presentation and Disclosure in Financial Statements has been issued to improve how entities communicate in their financial statements, with a particular focus on information about financial performance in the statement of profit or loss.

The key presentation and disclosure requirements established by AASB 18 are:

- The presentation of newly defined subtotals in the statement of profit or loss
- The disclosure of management-defined performance measures (MPM)
- Enhanced requirements for grouping information (i.e., aggregation and disaggregation) AASB 18 is accompanied with limited consequential amendments to the requirements in other accounting standards, including AASB 107 Statement of Cash Flows.

AASB 18 introduces three new categories for classification of all income and expenses in the statement of profit or loss: operating, investing and financing. Additionally, entities will be required to present subtotals for 'operating profit or loss', 'profit or loss before financing and income taxes' and 'profit or loss'.

For the purposes of classifying income and expenses into one of the three new categories, entities will need to assess their main business activity, which will require judgement. There may be more than one main business activity.

AASB 18 also requires several disclosures in relation to MPMS, such as how the measure is calculated, how it provides useful information and a reconciliation to the most comparable subtotal specified by AASB 18 or another standard.

The Branch is yet to determine the impact on adopting AASB 18.

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026

Note 1 Summary of significant accounting policies (Continued)

1.5 Revenue

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

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

Membership subscriptions

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

If there is only one distinct membership service promised in the arrangement, the Branch recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Branch'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 Branch 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 Branch 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 Branch recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026

Note 1 Summary of significant accounting policies (Continued)

1.5 Revenue (Continued)

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

Consideration is received by the Branch to enable the entity to further its objectives. The Branch recognises each of these amounts of consideration as income when the consideration is received (which is when the Branch 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 Branch'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 Branch receives consideration to acquire or construct a non-financial asset such as property, plant and equipment to an identified specification and for the Branch'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.

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

Note 1 Summary of significant accounting policies (Continued)

1.6 Cash

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

1.7 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 when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026

Note 1 Summary of significant accounting policies (Continued)

1.8 Leases

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

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

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

Measurement and recognition of leases as a lessee

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

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

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

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

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

Note 1 Summary of significant accounting policies (Continued)

1.8 Leases (continued)

The Branch 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 Financial instruments

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

1.10 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 Branch's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Branch initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Branch's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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

Subsequent measurement

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026

Note 1 Summary of significant accounting policies (Continued)

1.10 Financial assets (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 Branch'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.

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

Note 1 Summary of significant accounting policies (Continued)

1.10 Financial assets (continued)

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Branch has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - a) the Branch has transferred substantially all the risks and rewards of the asset, or
 - b) the Branch has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

Offsetting

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

Impairment

Expected credit losses

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

(i) Trade receivables

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026

Note 1 Summary of significant accounting policies (Continued)

1.10 Financial assets (continued)

(ii) Debt instruments other than trade receivables

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

ECLs are recognised in two stages:

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

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

1.11 Financial Liabilities

Financial liabilities are classified at initial recognition, at amortised cost unless or at fair value through profit or loss. All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

Subsequent Measurement

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

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

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

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

Note 1 Summary of significant accounting policies (Continued)

1.11 Financial Liabilities (Continued)

Financial liabilities at amortised cost

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

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

Derecognition

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

1.12 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.

1.13 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026

Note 1 Summary of significant accounting policies (Continued)

1.14 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 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:

	2026	2025
Furniture and fixtures	3 – 5 years	3 – 5 years
Office equipment	2 - 4 years	2 – 4 years
Computer equipment	3 – 5 years	3 – 5 year
Software	3 – 5 years	3 – 5 year

Derecognition

An item of plant and equipment is derecognized 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 recognized in the profit and loss.

1.15 Impairment of non-financial assets

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

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

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

Note 1 Summary of significant accounting policies (Continued)

1.16 Taxation

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

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

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

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

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

1.17 Fair value measurement

The Branch measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 15.

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

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

The principal or the most advantageous market must be accessible by the Branch. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

Note 1 Summary of significant accounting policies (Continued)

1.17 Fair value measurement (continued)

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

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

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

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

Note 2 Events after the reporting period

There have been no events that have occurred after 30 June 2026 and /or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch.

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026**

	2026	2025
	\$	\$

Note 3 Revenue and Income

Disaggregation of revenue from contracts with customers

A disaggregation of the Branch's revenue by type of arrangements is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of revenue by type of customer.

Type of customer

Members	4,100,366	3,605,070
Total revenue from contracts with customers	4,100,366	3,605,070

Note 3A: Interest

Deposits	222	476
Total interest	222	476

Note 3B: Other revenue

Sponsorship income	63,423	13,271
Total other revenue	63,423	13,271

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026**

	2026	2025
	\$	\$
Note 4 Expenses		
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	165,064	211,831
Superannuation	10,954	24,958
Leave and other entitlements	30,126	37,351
Subtotal employee expenses holders of office	206,144	274,140
Employees other than office holders:		
Wages and salaries	2,059,088	1,579,446
Superannuation	275,662	201,675
Leave and other entitlements	351,510	294,081
Subtotal employee expenses employees other than office holders	2,686,260	2,075,202
Add: Other employment costs		
Fringe benefits tax	24,715	24,383
Payroll tax	149,489	128,428
Workers compensation	58,965	52,370
Seminars and training	11,402	7,756
Other	18,943	15,433
	263,514	228,370
Total employee expenses	3,155,918	2,577,712
Note 4B: Capitation Fees		
Health Services Union of Australia – National Office	128,750	120,293
Health Services Union of Australia – National Office (ACTU fees)	43,290	36,060
Total capitation fees	172,040	156,353

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026**

	2026	2025
	\$	\$
Note 4C: Affiliation fees		
Victorian Trades Hall Council	26,426	26,457
Geelong Trades & Labour Council	1,600	940
Gippsland Trades & Labour Council	71	202
South West Trades & Labour Council	364	364
Climate and Health Alliance	2,000	-
Total affiliation fees	30,461	27,963
Note 4D: Administration and other operating expenses		
Conference and meeting expenses	-	34,955
Bank charges and fees	87,733	72,207
Insurance – general	11,177	11,691
Postage and courier	2,318	1,773
Printing and stationery	6,753	6,966
Information communications technology	30,624	28,351
Interest expense on leasing arrangements	36,493	5,370
Other expenses	64,822	93,779
Total administration and other operating expense	239,920	255,092
Note 4E: Grants or donations		
<i>Donations:</i>		
Total paid that were \$1,000 or less	3,592	-
Total paid that exceeded \$1,000	-	5,000
Total grants or donations	3,592	5,000

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026

	2026 \$	2025 \$
Note 4F: Depreciation and amortisation		
<i>Depreciation:</i>		
Furniture and fixtures	816	704
Office equipment	-	425
Computer equipment	8,136	5,735
Software	3,593	3,268
Total depreciation	12,545	10,132
<i>Amortisation:</i>		
Right-of-use asset (buildings)	134,451	101,742
Right-of-use asset (motor vehicles)	74,866	38,111
Total amortisation	209,317	139,853
Total depreciation and amortisation	221,862	149,985
Note 4G: Legal costs		
Litigation	10,593	-
Other legal matters	59,302	104,633
Total legal costs	69,895	104,633
Note 4H: Additional member benefits		
Professional indemnity and public liability insurance	144,127	140,028
Total additional member benefits	144,127	140,028
Note 4I: Occupancy expenses		
Congestion levy	36,049	17,490
Outgoings, electricity and occupancy expenses	43,581	54,782
Total occupancy expenses	79,630	72,272

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026**

	2026 \$	2025 \$
Note 5 Current Assets		
Note 5A: Cash and Cash Equivalents		
Cash at bank	1,756,017	1,663,746
Cash on hand	118	118
Total cash and cash equivalents	1,756,135	1,663,864
Note 5B: Trade and Other Receivables		
Receivables from other reporting units		
Health Services Union of Australia – National Office	11,251	10,893
Health Services Union of Australia – VIC No. 4 Branch	250	250
Less provision for doubtful debts (reporting units)	-	-
Receivables from other reporting units (net)	11,501	11,143
Trade receivables	14,025	-
Less: provision for doubtful debts (other receivables)	-	-
Total trade and other receivables (net)	25,526	11,143
Note 5C: Other current assets		
Prepayments	259,950	214,114
Total other current assets	259,950	214,114

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2026

	2026	2025
	\$	\$
Note 6 Non-current Assets		
Note 6A: Land and buildings		
At cost	549,699	956,665
accumulated amortisation	(125,973)	(398,488)
Total land and buildings	423,726	558,177

Reconciliation of Opening and Closing Balances of Land and Buildings

As at 1 July		
Gross book value	956,665	406,966
Accumulated depreciation and impairment	(398,488)	(296,746)
Net book value 1 July	558,177	110,220
Additions:		
By leasing arrangements	-	549,699
Amortisation expense	(134,451)	(101,742)
Disposals:		
By sale	-	-
Net book value 30 June	423,726	558,177
Net book value as of 30 June represented by:		
Gross book value	549,699	956,665
Accumulated depreciation and impairment	(125,973)	(398,488)
Net book value 30 June	423,726	558,177

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

Right of use asset		
At cost	549,699	956,665
accumulated amortisation	(125,973)	(398,488)
Total right of use asset - buildings	423,726	558,177

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026

	2026 \$	2025 \$
Note 6B: Motor vehicles		
Motor vehicles:		
at cost	487,241	228,667
accumulated depreciation	(287,556)	(212,690)
Total motor vehicles	199,685	15,977

Reconciliation of Opening and Closing Balances of Motor Vehicles

As at 1 July		
Gross book value	228,667	216,142
Accumulated depreciation	(212,690)	(196,667)
Net book value 1 July	15,977	19,475
Additions:		
By leasing arrangement	258,574	34,613
Amortisation expense	(74,866)	(38,111)
Disposals:		
By sale	-	-
Net book value 30 June	199,685	15,977
Net book value as of 30 June represented by:		
Gross book value	487,241	228,667
Accumulated depreciation	(287,556)	(212,690)
Net book value 30 June	199,685	15,977

Included in the net carrying amount of motor vehicles are right to use assets as follows:

Right of use asset		
At cost	487,241	228,667
accumulated amortisation	(287,556)	(212,690)
Total right of use asset – motor vehicles	199,685	15,977

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026

	2026 \$	2025 \$
Note 6C: Furniture and fixtures		
Furniture and fixtures:		
at cost	82,831	82,831
accumulated depreciation	(82,388)	(81,573)
Total furniture and fixtures	443	1,258

Reconciliation of Opening and Closing Balances of Furniture and Fixtures

As at 1 July		
Gross book value	82,831	82,831
Accumulated depreciation	(81,573)	(80,869)
Net book value 1 July	1,258	1,962
Additions:		
By purchase	-	-
Depreciation expense	(815)	(704)
Disposals:		
By sale	-	-
Net book value 30 June	443	1,258
Net book value as of 30 June represented by:		
Gross book value	82,831	82,831
Accumulated depreciation	(82,388)	(81,573)
Net book value 30 June	443	1,258

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026

	2026 \$	2025 \$
Note 6D: Office equipment		
At cost	29,478	29,478
accumulated depreciation/ amortisation	(28,753)	(28,753)
Total office equipment	725	725

Reconciliation of Opening and Closing Balances of Office Equipment

As at 1 July		
Gross book value	29,478	28,752
Accumulated depreciation	(28,753)	(28,327)
Net book value 1 July	725	425
Additions:		
By purchase	-	725
Depreciation expense	-	(425)
Disposals:		
By sale	-	-
Net book value 30 June	725	725
Net book value as of 30 June represented by:		
Gross book value	29,478	29,478
Accumulated depreciation	(28,753)	(28,753)
Net book value 30 June	725	725

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026

	2026 \$	2025 \$
Note 6E: Computer equipment		
Land and buildings:		
at cost	184,180	171,508
accumulated depreciation	(167,776)	(159,639)
Total computer equipment	16,404	11,869

Reconciliation of Opening and Closing Balances of Computer Equipment

As at 1 July		
Gross book value	171,508	160,752
Accumulated depreciation and impairment	(159,639)	(153,905)
Net book value 1 July	11,869	6,847
Additions:		
By purchase	12,671	10,757
Depreciation expense	(8,136)	(5,735)
Disposals:		
By sale	-	-
Net book value 30 June	16,404	11,869
Net book value as of 30 June represented by:		
Gross book value	184,180	171,508
Accumulated depreciation and impairment	(167,776)	(159,639)
Net book value 30 June	16,404	11,869

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026

	2026 \$	2025 \$
Note 6E: Software		
Software:		
at cost	77,037	71,037
accumulated depreciation	(65,583)	(61,990)
Total software	11,454	9,047

Reconciliation of Opening and Closing Balances of Software

As at 1 July		
Gross book value	71,037	65,037
Accumulated depreciation and impairment	(61,990)	(58,722)
Net book value 1 July	9,047	6,315
Additions:		
By purchase	6,000	6,000
Depreciation expense	(3,593)	(3,268)
Disposals:		
By sale	-	-
Net book value 30 June	11,454	9,047
Net book value as of 30 June represented by:		
Gross book value	77,037	71,037
Accumulated depreciation and impairment	(65,583)	(61,990)
Net book value 30 June	11,454	9,047

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026

	2026 \$	2025 \$
Note 7 Current Liabilities		
Note 7A: Trade payables		
Trade creditors and accruals	345,029	206,253
Subtotal trade creditors	345,029	206,253
Total trade payables	345,029	206,253
Settlement is usually made within 30 days.		
Note 7B: Other payables		
Legal costs		
Other legal costs	-	47,669
GST payable	67,520	58,609
PAYG payable	119,737	56,075
FBT payable	6,095	6,923
Income received in advance	375,225	345,996
Total other payables	568,577	515,272
Total other payables are expected to be settled in:		
No more than 12 months	568,577	515,272
More than 12 months	-	-
Total other payables	568,577	515,272

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026

	2026 \$	2025 \$
Note 8 Provisions		
Note 8A: Employee Provisions		
Office Holders:		
Annual leave	39,520	11,742
Long service leave	22,769	31,818
<i>Subtotal employee provisions—office holders</i>	62,289	43,560
Employees other than office holders:		
Annual leave	395,742	318,250
Long service leave	376,552	291,822
Other	1,856	1,856
<i>Subtotal employee provisions—employees other than office holders</i>	774,150	611,928
Total employee provisions	836,439	655,488
 Current	 691,595	 556,879
Non-Current	144,844	98,609
<i>Total employee provisions</i>	836,439	655,488

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

	2026	2025
	\$	\$

Note 9 Borrowings

Note 9A: Lease liabilities

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

Current	224,611	102,749
Non-current	451,296	473,187
Total lease liabilities	675,907	575,936

The Branch leases commercial office space at 62 Lygon Street, Carlton, as well as motor vehicles. 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 Branch classifies its right-to-use assets in a consistent manner to its property, plant and equipment (see Note 6A + 6B).

Each lease generally imposes a restriction that, unless there is a contractual right for the Branch to sublet the asset to another party, the right-of-use asset can only be used by the Branch. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The Branch is prohibited from selling or pledging the underlying leased assets as security. Further, the Branch must keep the property in good state of repair and return the property to their original condition at the end of the lease.

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

Right of use asset	No of right of use assets leased	Range of remaining term	Average remaining term	No of leases with extension options	No of leases with options to purchase	No of leases with variable payments linked to index	No of leases with termination options
Land & Buildings	1	3 years	3 years	-	-	1	-
Motor Vehicles	9	2 years	2 years	-	-	-	-

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026**

Note 9A: Lease Liabilities (continued)

Future minimum lease payments as follows:

	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	After 5 years	Total
30 June 2026							
Lease payments	261,676	263,531	202,806	14,450	-	-	742,463
Finance charges	(37,065)	(22,174)	(7,239)	(78)	-	-	(66,556)
Net present value	224,611	241,357	195,567	14,372	-	-	675,907
30 June 2025							
Lease payments	131,923	167,419	169,274	173,083	14,450	-	656,149
Finance charges	(29,174)	(26,774)	(17,282)	(6,906)	(77)	-	(80,213)
Net present value	102,749	140,645	151,992	166,177	14,372	-	575,936

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

	2026 \$	2025 \$
Note 10 Cash Flow		
Note 10A: Cash Flow Reconciliation		
Reconciliation of cash and cash equivalents as per Statement of Financial Position to Cash Flow Statement:		
Cash and cash equivalents as per:		
Cash flow statement	1,756,135	1,663,864
Statement of financial position	1,756,135	1,663,864
Difference	-	-
Reconciliation of (deficit)/ surplus to net cash from operating activities:		
(Deficit)/ surplus for the year	(265,129)	9,823
Adjustments for non-cash items		
Depreciation/ amortisation	221,862	149,985
Interest expense on leasing arrangements	36,493	5,370
Changes in assets/ liabilities		
(Increase)/ decrease in trade and other receivables	(14,383)	3,096
(Increase)/ decrease in other current assets	(45,836)	(5,427)
Increase/ (decrease) in trade creditors and other payables	192,081	104,979
Increase/ (decrease) in employee provisions	180,951	(9,801)
Net cash provided by operating activities	306,039	258,025
Note 10B: Cash flow information		
Cash inflows from other reporting units		
Health Services Union of Australia – National Office	11,511	14,924
Total cash inflows	11,511	14,924
Cash outflows to other reporting units		
Health Services Union of Australia – National Office	(198,522)	(179,417)
Health Services Union of Australia – Victoria No. 4 Branch	(12,951)	-
Total cash outflows	(211,473)	(179,417)

Note: Cash flow information to/ from other reporting units disclosed include 10% GST on applicable transactions.

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2026

Note 10C: Non-cash transactions

During the year the Branch acquired plant and equipment with an aggregate value of \$258,574 (2025: \$28,655) by means of leasing arrangement. These acquisitions are not reflected in the statement of cash flows

	2026 \$	2025 \$
Note 10D: Net debt reconciliation		
Cash and cash equivalents	1,756,135	1,663,864
Borrowings – repayable within one year	(224,611)	(102,749)
Borrowings – repayable after one year	(451,296)	(473,187)
Net debt	<u>1,080,228</u>	<u>1,087,928</u>

Note 10E: Reconciliation of movements of liabilities to cash flows arising from financing activities

	Other Assets	Liabilities from financing activities		
	Cash assets	Borrowings – due within 1 year	Borrowings – due after 1 year	Total
Net debt at 1 July 2024	1,589,896	(141,977)	(10,852)	1,437,067
Cash flows	73,968	39,228	(462,335)	(349,139)
Net debt at 30 June 2025	<u>1,663,864</u>	<u>(102,749)</u>	<u>(473,187)</u>	<u>1,087,928</u>
Cash flows	<u>92,271</u>	<u>(121,862)</u>	<u>21,891</u>	<u>(7,700)</u>
Net debt at 30 June 2026	<u>1,756,135</u>	<u>(224,611)</u>	<u>(451,296)</u>	<u>1,080,228</u>

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026

Note 11 Contingent Liabilities, Assets and Commitments

Note 11A: Commitments and Contingencies

Capital commitments

At 30 June 2026 the Branch did not have any capital commitments (2025: 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 Branch.

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2026

Note 12 Related Party Disclosures

Note 12A: Related Party Transactions for the Reporting Period

Holders of office and related reporting units

For financial reporting purposes, under the *Fair Work (Registered Organisations) Act 2009*, the Health Services Union of Australia is divided into the following separate reporting units (and deemed related parties):

Health Services Union of Australia – National Office (HSU – National Office)
Health Services Union of Australia – NSW/ ACT/ QLD Branch (HSU – NSW/ ACT/ QLD Branch)
Health Services Union of Australia – South Australia/ Northern Territory Branch (HSU – SA/NT Branch)
Health Services Union of Australia – Victoria No. 1 Branch (HSU – VIC No. 1 Branch)
Health Services Union of Australia – Victoria No. 2 Branch (HSU – VIC No. 2 Branch)
Health Services Union of Australia – Victoria No. 4 Branch (HSU – VIC No. 4 Branch)
Health Services Union of Australia – Western Australia Branch (HSU – WA Branch)

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

	2026 \$	2025 \$
Revenue received from HSU – National Office includes the following:		
Payroll tax reimbursement	11,251	10,893
Other	562	851
Amounts owed by HSU – National Office include the following:		
Payroll tax reimbursement	11,251	10,893
Expenses paid to HSU – National Office includes the following:		
Capitation/ ACTU affiliation fees	172,040	156,353
Administration expenses	8,434	6,754
Expenses paid to HSU – Victoria No.2 Branch includes the following:		
Campaign expenses	11,774	-
Amounts owed by HSU – VIC No. 4 Branch include the following:		
Administration expenses	250	250

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2026, the Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2025: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026****Note 12 Related Party Disclosures (Continued)****Note 12A: Related Party Transactions for the Reporting Period
Holders of office and related reporting units (Continued)**

Key management personnel comprise those individuals who have the authority and responsibility for planning, directing and controlling the activities of the Branch.

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

	2026	2025
	\$	\$
Note 12B: Key Management Personnel Remuneration for the Reporting Period		
Short-term employee benefits		
Salary (including annual leave taken)	188,204	240,521
Other	-	-
Total short-term employee benefits	188,204	240,521
Post-employment benefits:		
Superannuation	10,954	24,958
Total post-employment benefits	10,954	24,958
Other long-term benefits:		
Long-service leave	6,986	8,661
Total other long-term benefits	6,986	8,661
Termination benefits	-	-
Total	206,144	274,140

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.

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

	2026	2025
	\$	\$
Note 13 Remuneration of Auditors		
Value of the services provided		
Financial statement audit services	26,900	24,000
Other services	-	-
Total remuneration of auditors	26,900	24,000

Note 14 Financial Instruments

Financial Risk Management Policy

The Branch Committee of Management monitors the Branch'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 Branch Committee of Management meets on a regular basis to review the financial exposure of the Branch.

(a) 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 of the Branch. The Branch does not have any material credit risk exposures as its major source of revenue is the receipt of membership fees.

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

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

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

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

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

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

Note 14 Financial Instruments (Continued)

(a) Credit Risk (Continued)

Ageing of financial assets that were past due but not impaired for 2026

	Within trading terms	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$	\$
Trade and other receivables	-	-	-	-	-	-
Receivables from other reporting units	25,276	-	-	-	250	25,526
Total	25,276	-	-	-	250	25,526

Ageing of financial assets that were past due but not impaired for 2025

	Within trading terms	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$	\$
Trade and other receivables	-	-	-	-	-	-
Receivables from other reporting units	10,893	-	-	-	250	11,143
Total	10,893	-	-	-	250	11,143

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

Credit risk related to balances with banks and other financial institutions is managed by the Committee of Management in accordance with approved policy. Such policy requires that surplus funds are only invested with counterparties with a strong reputation and backed by the Commonwealth Government's bank guarantee. At 30 June 2026, all funds were held by financial institutions backed by the Commonwealth Government's bank guarantee.

Collateral held as security

The Branch does not hold collateral with respect to its receivables at 30 June 2026 (2025: Nil).

(b) Liquidity Risk

Liquidity risk arises from the possibility that the Branch might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The Branch 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 realization profile of financial assets.

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

Note 14 Financial Instruments (Continued)

(b) Liquidity Risk (continued)

The tables below reflect an undiscounted contractual maturity analysis for non-derivative financial liabilities. The Branch does not hold directly any derivative financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates

Financial Instrument Composition and Maturity Analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment								
Trade payables	(345,029)	(206,253)	-	-	-	-	(345,029)	(206,253)
Other payables	(568,577)	(515,272)	-	-	-	-	(568,577)	(515,272)
Borrowings – leases	(224,611)	(102,749)	(451,296)	(473,187)	-	-	(675,907)	(575,936)
Total expected outflows	(1,138,217)	(824,274)	(451,296)	(473,187)	-	-	(1,589,513)	(1,297,461)
Financial assets – cash flow receivable								
Cash and cash equivalents	1,756,135	1,663,864	-	-	-	-	1,756,135	1,663,864
Trade and other receivables	25,526	11,143	-	-	-	-	25,526	11,143
Total anticipated inflows	1,781,661	1,675,007	-	-	-	-	1,781,661	1,675,007
Net inflow/ (outflow) on financial instruments	643,444	850,733	(451,296)	(473,187)	-	-	192,148	377,546

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

Note 14 Financial Instruments (Continued)

(c) Market Risk

i. Interest rate risk

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

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

	Weighted Average Effective Interest Rate			
	2026	2025	2026	2025
	%	%	\$	\$
Floating rate instruments				
Cash and cash equivalents	0.04	0.03	1,756,135	1,663,864

ii. Foreign exchange risk

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

iii. Price risk

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

iv. Interest rate risk

The Branch 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.

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026

Note 14 Financial Instruments (Continued)

(c) Market Risk (Continued)

v. Sensitivity Analysis

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

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

	Profit \$	Equity \$
Year ended 30 June 2026		
+2% in interest rates	35,123	35,123
-2% in interest rates	(689)	(689)
Year ended 30 June 2025		
+2% in interest rates	33,280	33,280
-2% in interest rates	(491)	(491)

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

There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

Note 15 Fair Value Measurement

Fair Values

Fair value estimation

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

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

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

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

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

	Footnote	2026		2025	
		Carrying value	Fair value	Carrying value	Fair value
		\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	(i)	1,756,135	1,756,135	1,663,864	1,663,864
Accounts receivable and other debtors	(i)	25,526	25,526	11,143	11,143
Total financial assets		1,781,661	1,781,661	1,675,007	1,675,007
Financial liabilities					
Trade payables	(i)	345,029	345,029	206,253	206,253
Other payables	(i)	568,577	568,577	515,272	515,272
Borrowings – leases		675,907	675,907	575,936	575,936
Total financial liabilities		1,589,513	1,589,513	1,297,461	1,297,461

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

- (i) Cash and cash equivalents, term deposits, shares in listed companies, accounts receivable and other debtors, accounts payable and other payables and lease liabilities are short-term instruments in nature whose carrying value is equivalent to fair value.

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026**

Note 15 Fair Value Measurement (Continued)

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

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

Fair Value Hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

The Branch does not have any assets or liabilities that were recorded using the above fair value hierarchy at 30 June 2026 (2025: Nil).

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2026**

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

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

Information to be provided to members or Commission:

- (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 Branch Details

The registered office of the Branch is:

Level 1, 62 Lygon Street
Carlton VIC 3053

Note 18 Segment Information

The Branch operates solely in one reporting segment, being the provision of industrial services in Victoria.

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

OFFICER DECLARATION STATEMENT

I, Craig McGregor, being the Branch Secretary of the Health Services Union of Australia VIC No. 3 Branch, declare that the following activities did not occur during the reporting period ending 30 June 2026:

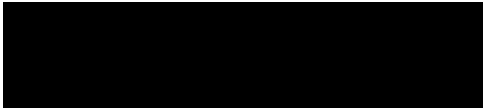
The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees 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 compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that exceeded \$1,000
- pay separation and redundancy to holders of office
- pay other employee expenses to holders of office
- pay separation and redundancy to employees (other than holders of office)
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- incur expenses due to holding a meeting as required under the rules of the organisation
- pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- 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 a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have other employee provisions in respect of employees (other than holders of office)

HEALTH SERVICES UNION OF AUSTRALIA VIC NO. 3 BRANCH

OFFICER DECLARATION STATEMENT (CONTINUED)

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



Craig McGregor
Branch Secretary

17 August 2026

Carlton