



22 July 2020

Mary Franklyn
Branch General Secretary
Australian Education Union Western Australian Branch
Sent via email: governance@sstuwa.org.au
CC: Barry-John@drykirkness.com.au

Dear Mary Franklyn,

**Australian Education Union Western Australian Branch
Financial Report for the year ended 31 December 2019 – (FR2019/345)**

I acknowledge receipt of the financial report for the year ended 31 December 2019 for the Australian Education Union Western Australian Branch (**the reporting unit**). The documents were lodged with the Registered Organisations Commission (**the ROC**) on 18 June 2020. I also acknowledge receipt of the reporting unit's amended designated officer's certificate which was lodged with the ROC on 17 July 2020.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.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 the financial report for the year ending 31 December 2020 may be subject to an advanced compliance review.

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

Timescale requirements

Committee of management statement must be audited

The committee of management statement lodged with the financial report was dated 11 May 2020, which is after the statements were audited. Section 257(1) of the RO Act requires the full report, which includes the committee of management statement, to be audited.

Please ensure in future years that the committee of management statement is audited before it is provided to members of the reporting unit.

Operating report

Prescribed information in Operating report

Regulation 159(c) requires an operating report to contain the name of each person who has been a member of the committee of management of the reporting unit at any time during the reporting period, and the period for which he or she held such a position. The ROC takes the words “at any time” to mean that all persons, whether they held their position for the full year or for part of the year, must be included.

I note that the name of Lisa Nelson appeared in the previous year’s operating report but did not appear in this year’s operating report. There was no indication that Lisa Nelson had resigned during, or at the end of, the previous year, and without any such indication the question arises whether her name has been inadvertently omitted.

In future years, please ensure that all persons are included and the periods for which they held their position are clearly indicated.

General purpose financial report

Inconsistency in disclosure of financial information

The statement of changes in equity discloses a balance of retained earnings of \$11,727 for the 2019 financial year (2018: \$13,627). The officer’s declaration statement includes a nil disclosure in relation to a balance in the general fund. It would appear that retained earnings is the reporting unit’s general fund.

In future years, please ensure that items within the financial report are disclosed consistently.

Reporting Requirements

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

The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.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 contact me on (03) 9603 0764 or via email at kylie.ngo@roc.gov.au.

Yours sincerely,




Kylie Ngo
Registered Organisations Commission

**BRANCH SECRETARY'S CERTIFICATE
FOR THE YEAR ENDED 31 DECEMBER 2019**

I, Mary Franklyn being the Branch Secretary of the AEU (WA) Branch, certify:

- that the documents lodged herewith are copies of the full report for the AEU (WA) Branch for the year ended 31 December 2019 referred to in Section 268 of the *Fair Work (Registered Organisations) Act 2009*;
- that the full report was presented to a meeting of the Branch Executive (Committee of Management) of the reporting unit on 8 May 2020, and
- that the full report was provided to members on 17 May 2020 via the members' website in accordance with Section 266 of the *Fair Work (Registered Organisations) Act 2009*, and
- that the full report was fully endorsed by the Branch Council at a second meeting on 12 June 2020. This meeting was a virtual meeting / on line due to COVID-19.

Yours sincerely


.....
Mary Franklyn
Branch Secretary, AEU (WA) Branch

Date: 17 July 2020

**AUSTRALIAN EDUCATION UNION
WESTERN AUSTRALIAN BRANCH
ABN 87 305 684 382**

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**


**DRY KIRKNESS
West Perth**

**BRANCH SECRETARY'S CERTIFICATE
FOR THE YEAR ENDED 31 DECEMBER 2019**

I, Mary Franklyn being the Branch Secretary of the AEU (WA) Branch, certify:

- that the documents lodged herewith are copies of the full report for the AEU (WA) Branch for the year ended 31 December 2019 referred to in Section 268 of the *Fair Work (Registered Organisations) Act 2009*;
- that the full report was presented to a meeting of the Branch Executive (Committee of Management) of the reporting unit on 8 May 2020, and
- that the full report was provided to members on 17 May 2020 via the members' website in accordance with Section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Yours sincerely


.....
Mary Franklyn
Branch Secretary, AEU (WA) Branch

Date: 18 June 2020


AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

REPORT REQUIRED UNDER SUBSECTION 255(2A)

FOR THE YEAR ENDED 31 DECEMBER 2019

The Branch Executive presents the expenditure report as required under subsection 255(2A) on the Branch for the year ended 31 December 2019.

Categories of expenditure	Year ended 31 December 2019 \$	6 months ended 31 December 2018 \$
Remuneration and other employment-related costs and expenses - employees	-	-
Advertising	-	-
Operating costs	1,900	1,850
Donations to political parties	-	-
Legal costs	-	-



Mary Franklyn
Branch Secretary, AEU (WA) Branch

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

OPERATING REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

Your Branch Executive presents its report of the Australian Education Union Western Australian Branch ("the reporting unit") for the year ended 31 December 2019.

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

The principal activities of the reporting unit during the financial period were:

- To maintain and improve the working conditions and professional welfare of its members.
- Be a professionally managed and democratic Union which provides maximum opportunities for membership involvement in its activities.
- Provide a wide range of appropriate services and benefits to members.
- Work towards ensuring a just and equitable society, including by promoting actively public education, training and unionism.

It is noted that during the financial period, the activities of the reporting unit were suitably carried out.

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

Significant Changes in Financial Affairs

The deficit from ordinary activities amounted to \$(1,900) for the year ended 31 December 2019 [6 months ended 31 December 2018: \$(1,850)].

There were no significant change in the financial affairs of the entity.

Right of members to resign

Resignation from membership and termination of eligibility for membership is regulated by Rule 17 of the Federal Rules.

A member may resign from membership of the Union by written notice addressed to and delivered to the Secretary of the Branch to which the member is attached.

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

OPERATING REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

Officers & members who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee

There are no members or officers of the reporting unit that are trustees or directors of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

Number of Members

16,748 members for the year ended 31 December 2019.

Number of Employees

0 employees for the year ended 31 December 2019.

Names of Branch Council members and period positions held during the year ended 31 December 2019 were:

BRANCH PRESIDENT

Patricia Byrne

BRANCH SENIOR VICE PRESIDENT

Paul Bridge

BRANCH SECRETARY

Mary Franklyn

BRANCH VICE PRESIDENT

Samantha Schofield

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

OPERATING REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

Names of Branch Council members and period positions held during the year ended 31 December 2019 were (cont'd):

BRANCH EXECUTIVE

Bruce Banyard
Edd Black
Natalie Blewitt
Paul Bridge
Kate Bunney
Wes Buzza
Patricia Byrne
Cathy de Thierry
Simon Hitchens
Jan Lau
Kathryn Mannion
Sharmila Nagar
Graeme Repper
Lincoln Rose
Anne Tumak
Sharon Vertigan
Pauline Winrow

BRANCH COUNCILLORS:

Chloe Bravos
Andrew Donaldson
Joe Isaia
Justine Moorman
Bob O'Neill
James Pollard
Renee Chapple
Kelsy Duncan
Shane Jamieson
Mark Longbottom
Nghia Nguyen
Natasha Schmitt
Renee Wilson
Anita Strang

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

OPERATING REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

Names of Branch Council members and period positions held during the year ended 31 December 2019 were (CONT'D):

BRANCH COUNCILLORS (CONT'D):

Vicky Alexander
Lydia Cavallaro
Jade Elvin
Danielle Boyd
Caitlin McKerchar
Heather Riseberry
Jo Talbot
Anaelle Talelo Donjio
Joanna Wright
Ruth Zahwe
Alana Arcus
Gavin Falco-Brown
Michelle Kingsbury
Michelle Murphy
Esther Rose
Anne Gisborne
Julie-Anne Ellis
Sharon McCarthy
Linda Valdrighi
Lisa Yang
Julian Agafonoff
Sheena Chaplin
Leanne Fyfe
Jasmine Harris
Vic Lundy
Geoff MacNicol
Paul Noble
Stacey Scorer
Sue Smith
Jesse Weston
Peter Sharrett
Tristan Broomhall
Gary Davies

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

OPERATING REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

Names of Branch Council members and period positions held during the year ended 31 December 2019 were (CONT'D):

BRANCH COUNCILLORS (CONT'D):

Liz Gibson
Jen Heath
Tom James
Renee Skehan
Robynn Blay
Sam Charles
Glen Cookson
Rosemarie De Vries
Cameron Dean
Aoife Macaodhain
Nick Virgona
Gail Davies
Rick McMahon
Pat Burke
Mardi McNamara
Robyn Newman
Gail Reed
Diane Baker
Melina Hale
Gary Hedger
Leanne Irvine
Ronnie Naidoo
Bridget O'Neill
Paul Otto
Dorothy Roe
Marie-Louise Sadler
Andrew Samway
Richard Schiefler
Darren Smith
Rose Hooper
Erin Martin
Graeme Morgan
Sam Testa

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

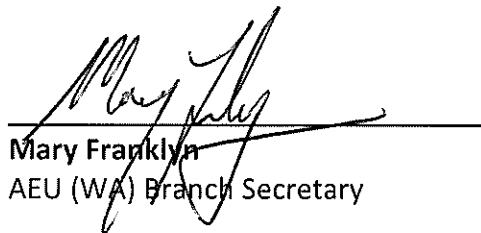
OPERATING REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

Names of Branch Council members and period positions held during the year ended 31 December 2019 were (CONT'D):

BRANCH COUNCILLORS (CONT'D):

Ken Cornwell
Rasidah Dobbs
Tracey McCarthy
Allan Bertram
Jan Brown
Tracy Priest
Katrina Rees
Nicola Sorrell
Chris Spencer
Ramona Wales
Kimberley Annear
Kyle Griffiths
Paul Knapton



Mary Franklyn
AEU (WA) Branch Secretary

Date: 8 May 2020

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

BRANCH EXECUTIVE STATEMENT

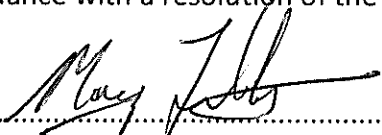
FOR THE YEAR ENDED 31 DECEMBER 2019

On 8 May 2020, the Branch Executive of the Australian Education Union Western Australian Branch ('AEU WA Branch') passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2019:

The AEU WA Branch Executive declares that in its opinion:

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

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

Signature of designated officer: 

Name and title of designated officer: MARY FRANKLIN, AEUWA GENERAL SECRETARY

Dated: 11 MAY 2020

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Australian Education Union Western Australian Branch (the 'Branch'), which comprises the statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income, statement of changes in members' funds and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, the Branch Executive Statement, the subsection 255(2A) report and the Branch Secretary Declaration Statement.

In my opinion, the accompanying financial report presents fairly, in all material respects, the financial position of Australian Education Union Western Australian Branch as at 31 December 2019, and of its financial performance and its cash flows for the year then ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

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

Basis for Opinion

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

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

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

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

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

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

Responsibilities of the Branch Executive for the Financial Report

The Branch Executive 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 Branch Executive determines 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 Branch Executive 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 Branch Executive either intend to liquidate the Branch or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes 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 this financial report.

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

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

- Conclude on the appropriateness of the Branch Executive'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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the 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 on the entities or business activities within the Branch to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Branch audit. I remain solely responsible for my audit opinion.

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

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



DRY KIRKNESS



B ROTHMAN

Partner

Registered Auditor No. AA2017/10

Date: 8 May 2020

Perth, Western Australia

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019**

	NOTE	31 December 2019 \$	31 December 2018 \$
CURRENT ASSETS			
Cash and cash equivalents	4	11,727	13,602
Trade and other receivables	5	-	25
		-----	-----
TOTAL CURRENT ASSETS		11,727	13,627
		-----	-----
TOTAL ASSETS		11,727	13,627
		-----	-----
NET ASSETS		11,727	13,627
		=====	=====
EQUITY			
Retained earnings		11,727	13,627
		-----	-----
TOTAL EQUITY		11,727	13,627
		=====	=====

The accompanying notes form part of these financial statements

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	NOTE	Year ended 31 December 2019 \$	6 months ended 31 December 2018 \$
Revenue	2	-	-
Expenses	3	(1,900)	(1,850)
		-----	-----
Deficit from ordinary activities before income tax expense		(1,900)	(1,850)
		-----	-----
Income tax expense relating to ordinary activities	1(a)	-	-
		-----	-----
Net deficit from ordinary activities after income tax expense		(1,900)	(1,850)
		-----	-----
Other comprehensive (loss)/income		-	-
		-----	-----
Total comprehensive loss for the year		(1,900)	(1,850)
		=====	=====
Total comprehensive (loss)/income attributable to members of the Branch		(1,900)	(1,850)
		=====	=====

The accompanying notes form part of these financial statements

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

**STATEMENT OF CHANGES IN MEMBERS' FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Retained Earnings	Total Equity
	\$	\$
Balance at 1 July 2018	15,477	15,477
Comprehensive income		
Deficit attributable to members of the Branch	(1,850)	(1,850)
Other comprehensive income for the 6 months ended	-	-
	-----	-----
Total comprehensive income attributable to members of the Branch for the period	(1,850)	(1,850)
	-----	-----
Balance at 31 December 2018	13,627	13,627
Comprehensive income		
Deficit attributable to members of the Branch	(1,900)	(1,900)
Other comprehensive loss for the year ended	-	-
	-----	-----
Total comprehensive loss attributable to members of the Branch for the year	(1,900)	(1,900)
	-----	-----
Balance at 31 December 2019	11,727	11,727
	=====	=====

The accompanying notes form part of these financial statements

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	NOTE	Year ended 31 December 2019 \$	6 months ended 31 December 2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from donations and government		-	-
Receipts from other reporting units/controlled entity(s)		-	-
Payments for expenses		(1,875)	(1,695)
Payments to other reporting units/controlled entity(s)		-	-
		-----	-----
Net cash outflows from operating activities	7 a)	(1,875)	(1,695)
		-----	-----
Net decrease in cash held		(1,875)	(1,695)
		-----	-----
Cash at beginning of financial year		13,602	15,297
		-----	-----
Cash at end of financial year	4	11,727	13,602
		=====	=====

The accompanying notes form part of these financial statements

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements are general purpose financial statements prepared in accordance with Australian Accounting Standards and Interpretations of the Australian Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisations) Act 2009* ('RO Act'). The Australian Education Union Western Australian Branch ('Branch') is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Except where stated, no allowance is made for the effect of changing prices on the results of the financial position. The financial statements are presented in Australian dollars and amounts presented in the financial statements have been rounded to the nearest dollar.

These financial statements were authorised for issue on 8 May 2020.

a) Income Tax

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

b) Revenue and Other Income

The Branch applies AASB 1058: *Income of Not-for-Profit Entities* and AASB 15: *Revenue from Contracts with Customers*. AASB 15 requires revenue to be recognised when control of a promised good or service is passed to the customer at an amount which reflects the expected consideration. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price
5. Recognise revenue

Donation income is recognised when it is received.

There is no material impact to profit or loss or net assets on the adoption of AASB 15 and AASB 1058 in the current or comparative years.

All revenue is stated net of the amount of goods and services tax (GST).

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Cash and cash equivalents

Cash and cash equivalents is recognised at their nominal amounts. Cash and cash equivalents include cash at bank.

d) Comparative Figures

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

During the prior reporting period, the Branch changed its reporting period from 30 June to 31 December. The prior reporting period is for 6 months, whereas the current year figures are for 12 months.

e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with the other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

f) Economic Dependency

The Branch is dependent on the ongoing administrative support provided by State School Teachers' Union of Western Australia ('SSTUWA'). The Branch Executive & Branch Council endorses all the decisions that SSTUWA Executive & State Council makes in relation to the Branch. (Refer Note 9)

At the date of these financial statements, the Branch Executive has no reason to believe that SSTUWA will not continue to support the Branch.

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g) Going Concern

These financial statements are prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business for at least the next 12 months following the signing of these financial statements.

The ability of the Branch to continue as a going concern and to pay its debts as and when they fall due is dependent on the continued financial support provided by SSTUWA.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that may be necessary should the Branch be unable to continue as a going concern.

The Branch has not provided any financial support to any other reporting unit to continue on as a going concern basis.

h) Adoption of New Australian Accounting Standard requirements

For the year ended 31 December 2019, the Branch reviewed all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to the Branch and effective for the current annual reporting period. The new standards are AASB 9 Financial Instruments, AASB 15 Revenue from Contracts with Customers, AASB 16 Leases and AASB 1058 Income of Not-for-Profit Entities. As a result of this review, the Branch has determined that there are no material impact of the new and revised Standards and Interpretations on the Branch and, therefore, no material change is necessary to the Branch's accounting policies.

i) Critical Accounting Estimates and Judgements

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

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j) New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Branch has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Branch where the standard is relevant.

Standard Name	Effective date	Requirements	Impact
AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material	Annual reporting periods beginning on or after 1 January 2020.	The amendments refine the definition of material in AASB 101 to clarify the definition of material and its application by improving the wording and aligning the definition across AASB Standards and other publications. The amendment also includes some supporting requirements in AASB 101 in the definition to give it more prominence and clarifies the explanation accompanying the definition of material.	Unlikely to be any impact on the reported financial position, performance or cash flows in the financial statements.
AASB 2020-1 Amendments to Australian Accounting Standards – Classifications of Liabilities as Current or Non-Current	Annual reporting periods beginning on or after 1 January 2022	This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.	Little impact expected but the Branch would need to consider the appropriate classification of liabilities as current or non-current.

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Year ended 31 December 2019 \$	6 months ended 31 December 2018 \$
2. REVENUE		
The Branch received the following during the period:		
a) Capitation fees (Note 9)	-	-
b) Other revenue from another reporting unit	-	-
c) Compulsory levies and appeals for voluntary contributions	-	-
d) Membership subscriptions	-	-
e) Grants or donations		
- Donations	-	-
3. EXPENSES		
a) Employee expenses-		
- Holders of office	-	-
- Employees other than office holders	-	-
b) Capitation fees and other expense to another reporting unit	-	-
c) Affiliation fees/subscriptions	-	-
d) Administration expenses-		
- Total paid to employers for payroll deductions of membership subscriptions	-	-
- Compulsory levies	-	-
- Fees and allowances – meetings and conferences	-	-
- Conference and meeting expenses	-	-
e) Grants and donations	-	-
f) Legal costs	-	-
g) Penalties – via RO Act or RO Regulations	-	-

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	NOTE	31 December 2019 \$	31 December 2018 \$
4. CASH AND CASH EQUIVALENTS			
CBA cheque account		11,727	13,602
		-----	-----
	12	11,727	13,602
		=====	=====
5. TRADE AND OTHER RECEIVABLES			
GST receivable from the Australian Taxation Office		-	25
Receivables from other reporting units		-	-
Less allowance for expected credit losses		-	-
		-----	-----
		-	25
		=====	=====
Loans and receivables at amortised cost classified as trade and other receivables			
- Current trade and other receivables		-	25
Less: GST receivable		-	(25)
		-----	-----
Financial assets as loans and receivables	12	-	-
		=====	=====
6. TRADE AND OTHER PAYABLES			
CURRENT			
Accrued audit fee		-	-
		-----	-----
		-	-
	12	-----	-----
		=====	=====
Settlement is usually made within 30 days			

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	31 December 2019 \$	31 December 2018 \$
7. CASH FLOW INFORMATION		
	Year ended 31 December 2019 \$	6 months ended 31 December 2018 \$
a) Reconciliation between operating deficit and cash flow from operating activities		
Deficit for year	(1,900)	(1,850)
Changes in assets and liabilities:		
Decrease/(Increase) in receivables	25	(155)
Net cash used in operating activities	----- (1,875) =====	----- (1,695) =====

8. EQUITY

There have been no funds or accounts operated in respect of compulsory levies raised by the Branch or voluntary contributions collected from members of the Branch during the financial period.

There have been no funds or accounts operated which is required by the rules of the Branch.

9. RELATED PARTY INFORMATION

The members of the Branch Executive act in a voluntary capacity and do not receive any remuneration for their services.

The Branch receives administrative support provided by staff employed by a related entity, the State School Teachers' Union of Western Australia ('SSTUWA'), for which there is no charge.

The SSTUWA pays capitation fees directly to the Australian Education Union (AEU) and not to the Australia Education Union Western Australian Branch based on an agreement between the SSTUWA and AEU that was endorsed by the SSTUWA Executive on 29 January 1993.

The amount of capitation fees paid directly to the AEU for the year ended 31 December 2019 amounted to \$715,124 (six months ended 31 December 2019: \$289,385).

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

10. KEY MANAGEMENT PERSONNEL REMUNERATION

The Branch does not employ any staff (refer Note 9 Related Party Information).

	Year ended 31 December 2019 \$	6 months ended 31 December 2018 \$
11. AUDITOR'S REMUNERATION		
Remuneration of the auditor of the Branch for:		
Audit of financial statements	1,900	1,850
Other services	-	-
	-----	-----
	1,900	1,850
	=====	=====

12. FINANCIAL RISK MANAGEMENT

The Branch's financial instruments consist of cash at bank, trade receivable and payables.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

	NOTE	31 December 2019 \$	31 December 2018 \$
Financial assets			
Cash and cash equivalents	4	11,727	13,602
Loans and receivables	5	-	-
		-----	-----
Total financial assets		11,727	15,297
		=====	=====
Financial liabilities at amortised cost			
Payables	6	-	-
		-----	-----
Total financial liabilities		-	-
		=====	=====

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

13. FAIR VALUE MEASUREMENTS

The Branch has assessed that cash, trade receivables and payables approximate their carrying amounts largely due to the short-term maturities of these instruments

14. EVENTS AFTER REPORTING PERIOD

The financial statements have been prepared on a going concern basis.

In March 2020, the World Health Organisation declared a pandemic in relation to the COVID-19 virus.

The State and Federal government have announced measures and guidelines to control the spread of COVID-19. At the date of this report, the guidelines require social distancing measures to reduce the spread of COVID-19.

At the time of signing this report, it is not possible to predict or reliably estimate the potential impact of COVID-19, however the leadership team will continue to monitor the situation going forward.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Branch, the results of those operations or the state of affairs of the Branch in future financial years.

15. SEGMENT REPORTING

The Branch is the Western Australian Branch of the Australian Education Union and acts solely in Western Australia and in one business segment being in industrial relations activities for members of the Australian Education Union.

16. BRANCH DETAILS

The registered office of the Branch and its principal place of business are:
1 West Street
West Perth WA 6005

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

17. ACQUISITION OF ASSETS AND/OR LIABILITIES

The Branch has not acquired any assets or liabilities during the financial period as a result of the following:

- a) an amalgamation under Part 2 of Chapter 3, of the RO Act in which the organisation (of which the reporting unit form part) was the amalgamated organisation; or
- b) a restructure of the branches of the organisation; or
- c) a determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation; or
- d) a revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to an organisation under subsection 245(1); or
- e) a business combination.

18. SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

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

Information to be provided to members or Commissioner:

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

AUSTRALIAN EDUCATION UNION WESTERN AUSTRALIAN BRANCH

**BRANCH SECRETARY DECLARATION STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019**

I, Mary Franklyn, being the Branch Secretary of the Australian Education Union Western Australian Branch, declare that the following activities did not occur during the year ended 31 December 2019.

The reporting unit did not:

- receive revenue from undertaking recovery of wages activity
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- 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 employee provisions in respect of office holders
- have employee provisions in respect of employees other than office holders
- have a balance within the general fund
- provide cash flows to another reporting unit and/or controlled entity
- receive cash flows from another reporting units and/or controlled entity
- make a payment to a former related party of the reporting unit



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Mary Franklyn

Date: 8 May 2020