



18 January 2021

Jeffrey Lpidos  
Branch Secretary  
Australian Municipal, Administrative, Clerical and Services Union-Taxation Officers Branch

Sent via email: [jeff.lpidos@asutax.asn.au](mailto:jeff.lpidos@asutax.asn.au)  
CC: [gmler@nmmaccountants.com.au](mailto:gmler@nmmaccountants.com.au)

Dear Jeffrey Lpidos,

**Australian Municipal, Administrative, Clerical and Services Union-Taxation Officers Branch  
Financial Report for the year ended 30 June 2020 – (FR2020/65)**

I acknowledge receipt of the financial report for the year ended 30 June 2020 for the Australian Municipal, Administrative, Clerical and Services Union-Taxation Officers Branch (**the reporting unit**). The documents were lodged with the Registered Organisations Commission (**the ROC**) on 12 December 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 30 June 2021 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.

**General purpose financial report (GPFR)**

New Australian Accounting Standards – no adoption

Australian Accounting Standards AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities* are applicable to not-for-profit entities for periods beginning on or after 1 January 2019. When a new Australian Accounting Standard is adopted, Australian Accounting Standard AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors paragraph 28, requires that the entity disclose certain information about the new Australian Accounting Standard such as the title, the nature of the change and, if applicable, a description of the transitional provisions.

The GPFR does not appear to have included the disclosures required, not only by AASB 108, but also the disclosures required by AASB 15 and AASB 1058. It therefore appears that the reporting unit has not adopted AASB 15 or AASB 1058 in the financial year ended 30 June 2020.

Please note that in future years the reporting unit must adopt all applicable new accounting standards and include all required financial disclosures in accordance with the Australian Accounting Standards.

#### Irrelevant accounting policies

I note that the audited financial report lodged with the ROC contains accounting policies that are not applicable to the report unit such as note 1.11 *Leases* and note 1.19 *Investment property*.

Please ensure that in future years that the financial report contains only information that is applicable to the reporting unit's circumstances and that is mandatory according to the reporting guidelines.

### **Auditor's report**

#### Audit scope - officer's declaration statement

Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report* paragraph 24(c) requires the auditor's statement to list the elements of the GPFR. In the lodged auditor's report reference is made to an officer's declaration statement, however an officer's declaration statement was not included in the copy of the documents lodged with the ROC.

Please ensure in future years that only those statements which formed part of the auditor's scope are identified in the auditor's report.

#### Registered auditor's details

Item 29(b) of the RGs state that the auditor's statement must specify the registered auditor's name and registration number. The auditor's statement provided states the name of the registered auditor but not the registration number granted by the ROC.

Please ensure that in future years the auditor's statement includes both the name and registration number of the registered auditor.

### **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](mailto:kylie.ngo@roc.gov.au).

Yours sincerely,



**Kylie Ngo**  
**Registered Organisations Commission**

**Australian Municipal, Administrative, Clerical & Services Union**  
**Taxation Officers' Branch**

s.268 Fair Work (Registered Organisations) Act 2009

## Certificate by prescribed designated officer<sup>1</sup>

Certificate for the year ended 30 June 2020

I Jeffrey Lavidos being the Branch Secretary of the Australian Municipal, Administrative, Clerical & Services Union Taxation Officers' Branch certify:

- that the documents lodged herewith are copies of the full report for the Australian Municipal, Administrative, Clerical & Services Union Taxation Officers' Branch for the period ended 30 June 2020 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 Wednesday, 25 November 2020; and
- that the full report was presented to a meeting of the committee of management<sup>2</sup> of the reporting unit on 10 December 2020 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.



Signature of prescribed designated officer: .....

Name of prescribed designated officer: Jeffrey Lavidos.....

Title of prescribed designated officer: Branch Secretary.....

Dated: 12 December 2020.....

<sup>1</sup> Regulation 162 of the Fair Work (Registered Organisations) Regulations 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 certificate mentioned in that paragraph.

<sup>2</sup> Adjust certificate as appropriate to reflect the facts.

Australian Municipal Administrative Clerical & Services Union  
Taxation Officers' Branch

Financial Statements

For the year ended 30 June 2020

# **Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch**

**Financial Statements 2019–20**

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**Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch**

Report required under subsection 255(2A)

for the year ended 30 June 2020

The committee of management presents the expenditure report<sup>1</sup> as required under subsection 255(2A) on the reporting unit for the year ended 30 June 2020.

Descriptive form

Categories of expenditures	2020 (\$)	2019 (\$)
Remuneration and other employment-related costs and expenses – employees	227,091	228,880
Advertising	-	-
Operating costs	84,679	111,208
Donations to political parties	-	-
Legal costs	31,837	5,436

Signature of designated officer: 

Name and title of designated officer: **JEFFREY LAPIDOS BRANCH SECRETARY**

Dated: **17 NOVEMBER 2020**

<sup>1</sup> Subsection 255(2A) provides a discretion to the reporting unit about how to report the required information. It is a matter for the reporting unit to determine whether the required information is presented in diagrammatic form such as, for example, a pie chart or whether it is reported in a descriptive form. Regardless, the reporting unit is only required to report the information in one format.

# **Australian Municipal Administrative Clerical & Services Union**

## **Taxation Officers' Branch**

Operating report

*for the year ended 30 June 2020*

The Committee of Management presents the operating report of the Australian Services Union Taxation Officers' Branch for the year ended 30 June 2020.

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

**The principal activity of the Australian Services Union Taxation Officers' Branch during the 2019-20 financial year was that of a registered trade union. All employees of the Australian Taxation Office are eligible to be members. No significant change occurred in the nature of our activities during the year.**

**The results of our activities over the year**

**Surplus for the year**

We were able to generate a surplus of \$78,115 for the year, by keeping costs under control and maintaining membership levels. We achieved this despite keeping our membership fees at the same level as last year. The surplus includes \$4,994 of contributions to the ASU Tax Litigation Fund and interest on its bank account. The surplus also includes Cashflow Boost payments from the Commonwealth Government of \$32,192. This latter amount includes all the payments made to us under Cashflow Boost 1 and the payment to us for the June 2020 component of Cashflow Boost 2. Remember the income and expenditure figures in the financial statements do not include GST and there is no GST payable on the Cashflow Boost payments.

We are able to pay our debts as they fall due. No provision for tax was necessary as the organisation is exempt from income tax.

**COVID-19 and working at home**

**We urged the ATO to take action from the beginning:** The ASU began pushing the Office about its response to the COVID pandemic from the end of January 2020. Our initial concern was about employees who had returned to Australia from China in the previous two weeks or had close contact with someone who had. We pointed to the World Health Organisation advice for guidance on what the ATO should do. We pressed the ATO to grant miscellaneous leave with pay to any employee who might pose a risk to other employees because of COVID. We wrote to Chief Operating Officer Jacqui Curtis on 30 January about our concerns. We called for the ATO to urgently arrange a stockpile of face masks for its employees, particularly for use on public transport or in congested public places. We wrote to Jacqui Curtis again on 3 March to ask the Office to invest in technology to enable its employees to work at home as a result of the virus. Jacqui told us in response that the Office was reviewing its Business Continuity Management plans.

**ATO failure to comply with WHS obligations:** The ASU wrote to Commissioner Chris Jordan on 16 March in accordance with the Work Health and Safety Act. We told him that placing hand sanitiser at each lift well did not go far enough. We pressed the Office to consult with its employees, health and safety reps and its OH&S Committees. We said it should rapidly expand the opportunity for its employees to work at home, initially for those most vulnerable to the virus. We said the Office should increase the extent and frequency of cleaning in its building and; arrange physical distancing for those working at their office. Finally, we said the ATO should instruct employees to stay away from work if they are unwell, amongst other measures. We also complained about the ATO's attitude of 'leave it to us, we are the experts. We subsequently complained to Comcare that the ATO was not adequately complying with its obligations. This led to us having further discussions with the

Office, and then us complaining again to Comcare. Comcare then 'launched' an investigation of our complaint. After many weeks, Comcare advised us that it had decided to take no further action. Comcare refused to tell us anything about why it had taken this position. However, we noticed that over time the ATO implemented most of the measures we had been advocating.

**We advised members on working at home:** As the pandemic worsened in Australia, we provided advice to our members about access to leave and working at home. We explained how the working at home clause of the ATO Enterprise Agreement operated to assist members apply to work at home. We complained to Commissioner Jordan on 26 March about the ATO's Working at home guide. We said, amongst other things, that its direction that staff not accrue flex when working at home was inconsistent with our Enterprise Agreement. As a result, the ATO corrected this in a subsequent version of the guide.

**ASU dispute over ATO requiring staff to work below classification:** We wrote to Service Delivery on 15 April to raise our concern that it was requiring its staff to work below their classification despite a clause in our Enterprise Agreement that suggests duties should be consistent with your classification. We escalated this dispute to the Fair Work Commission. We hope to find a resolution through the assistance of the Commission.

**ATO deceives staff on working from home:** We pointed out to Commissioner Jordan on 15 April that the Office had improperly suspended a member's working at home arrangement by requiring her to return to her office for training, without giving the minimum period of one week or letting her know that she could raise hardship issues, both of which are provided for in our Enterprise Agreement.

So, we used agreed procedures to dispute the ATO's approach. We were staggered by the ATO's response, which stated that all the COVID working from home arrangements it has approved were not covered by the working at home clause in the ATO Enterprise Agreement. So, we promptly referred this dispute to the Fair Work Commission as well. We are not confident of being able to settle this dispute without having a formal hearing. The ATO has resisted our every effort to hold it accountable for what we regard as a deception on thousands of its employees.

The ATO says it can call staff back to work at their office at any time, without notice, from their working from home arrangement, no matter how inconvenient this may be for affected employees or even if it would cause them hardship. What is even worse is that the ATO has not even told its employees its view that their working from arrangements are not covered by the ATO Enterprise Agreement. The ATO should have told its staff of its view, right from the start, so we could have challenged them straight away. The ATO has never done anything despicable like this before. They must be held to account for their misbehaviour.

#### **Consultation on ATO policies etc**

We made submissions to the ATO on changes it proposed making to its travel policy. We also made a submission at the end of August 2019 to the Commonwealth Government on its review of the Tax Practitioners Board. We recommended the Government retain the status quo of the TPB using ATO staff, systems and premises for its operations. The status quo remains at this time.

#### **Harassment and bullying at Strategic Debt Management at the Docklands office**

The ASU is always alert for any occurrence of harassment. We found it going on in SDMR far worse than anyone could have expected. We started responding to the issues in 2018-19. The impact continued in to 2019-20. We were not impressed with how senior management responded to the challenge. We had to write to the Deputy Commissioner for our members to get a copy of the statement they made to a psychologist that the Office had appointed to find out what had been reported to senior management. The Office did not even give staff an opportunity to correct the notes the psychologist had taken of their concerns. The Office gave copies of these uncorrected notes of these statements to those named adversely, without the prior consent of those who reported concerns. The ATO's approach led to some people who were named adversely being able



to work out who had spoken up about them, and this led to difficulties with some personal relationships.

ATO People said the purpose of providing this information to those named adversely was to provide them with feedback to improve the culture of the area. The then Deputy Commissioner identified themes from the concerns: transparency in selection processes, perceptions of bias, workloads, and the need to build capability. Since then, the deputy and the assistant commissioner responsible for the area have left the ATO. The Director has moved elsewhere. There is new management, but the themes that were identified remain live issues, which the ASU continues to tackle.

#### **Low and Middle Income Tax Offset generated media controversy**

The ASU jumped into the media controversy in response to complaints about the ATO's delays in responding to queries about the tax offset, and in processing of income tax returns and disappointment the full offset was not paid. We explained to the public about the resourcing issues and the difference between a tax offset and a tax rebate.

#### **The ASU supported a pay increase by determination instead of bargaining**

The Commonwealth Government's bargaining policy for the Australian public service created a dilemma for us. The policy limited pay increases to 2% per annum, there could be no other improvements in pay structures or conditions of employment and there was a risk the Protocol to the 2017 ATO Enterprise Agreement could be crushed. The Protocol is important because it maintains in place many of our workplace rights. The CPSU told the Office in July 2019 that it wanted enterprise bargaining to commence in October. We told the Office that we would consider supporting a determination, rather than bargaining, to provide pay increases from 4 August 2020. We talked through the issues with our members, staff more generally and with the Office. The result was that the ATO put the determination option of three 2% annual pay increases to a vote of all staff, and this outcome was supported by 94% of those who voted. The first pay increase was to take effect on 4 August 2020. The Government decreed this had to be delayed by 6 months because the COVID-19 pandemic created exceptional circumstances to justify this. It remains open to the ASU to work with our members to press for enterprise bargaining instead if the circumstances warrant this.

#### **Unauthorised access to taxpayer records results in harsh terminations of employment**

The ATO undertakes sweeps from time to time to identify whether any of its staff may have accessed taxpayer records without authority. Five of our members were picked up. We worked with them to protect their interests. First with submissions on suspension; then with responses to notices of suspected breaches of the APS Code of Conduct; then with submissions on sanction. Each of these processes requires careful consideration of each person's circumstances so the most favourable submission can be made. Unauthorised access cases can be quite clear cut, though there are exceptions. We did not regard any of these member's situations justified termination of employment. But the ATO fired four of them. One was fined and returned to duty. We applied to the Fair Work Commission (FWC) for one member on the grounds that the termination was harsh and unreasonable. We settled that case for an agreed amount of money to be paid to our member. Our other three members did not want to apply to the FWC, despite our support for this course of action. We were very disappointed with these terminations of employment. The Office could have kept each of these employees on, without jeopardising the public interest.

#### **Unauthorised absences**

The ATO continued its shameful practice of placing employees on unauthorised absences when they have run out of paid personal leave, even though they have complied with the notification and documentation requirements of the ATO Enterprise Agreement. We believe the ATO's approach is wrong, so we have supported any of our members in this situation. We have been able to get each such decision reversed so far.

### **Health, workers compensation, conduct, performance, leave and career issues**

The Branch Secretary and Branch Assistant Secretary regularly assist members whose health impacts on their career and with their workers compensation claims. We also assist members with the following:

- if they are subject to internal investigation, suspended or charged with misconduct;
- negotiating their individual performance and development agreement;
- if under-performance is alleged against them;
- how to best manage their careers when difficult moments arise;
- access to leave, higher duties and promotions.

We do not charge our members any additional fees for this support.

**We successfully defended an innocent team leader:** It started with an email from a long standing member who had been given a notice of internal investigation from a Criminal Investigation Officer in the ATO's Fraud Prevention and Internal Investigations section (FPII). It alleged numerous unauthorised accesses to one taxpayer (a business), abuse of power and conflict of interest.

The ASU discussed the allegations with our member and advised him to provide a written response. We assisted with its preparation. We believed it was all the result of a misunderstanding and would be quickly resolved. FPII provided the report of their investigation to ATO People. ATO People appointed a suspension delegate who suspended our member with remuneration, but without notice. We then worked together to make a submission that the suspension be lifted. The delegate refused to lift the suspension. Our big problem was that we did not understand exactly what wrongdoing our member was supposed to have done.

We then submitted a request for review of the suspension under section 33 of the *Public Service Act 1999*. ATO People then appointed an officer to determine whether our member had breached the APS Code of Conduct. The suspension delegate then decided, again without notice, to change the suspension to without pay, only because of the formal allegation of misconduct. We then lodged a formal complaint against the suspension delegate on the basis she had breached the APSC Managing Misconduct Guidelines and the Public Service Regulations 1999 by denying procedural fairness in her suspension decisions. We then lodged a complaint against the determining officer on the basis that she had failed to provide details of the suspected breach contrary to the ATO Procedures; did not provide us with a reasonable opportunity to respond to the allegations; and did not inform us of the sanctions which may be imposed. We also made submissions about the existence of extenuating circumstances which should be taken into account in how the matter should proceed. We also asked that the determining officer be removed from our case.

We were then advised the ATO had rejected our request for the suspension be reviewed and lifted. We then reached an agreement with the Office for two independent officers from ATO People to interview our member. We did this because we knew our member was innocent and presumed this would become clear to the Office. Just over two weeks later we were issued with a new notice of suspected breach of the Code of Conduct by one of the officers at our interview. We then lodged a complaint with the Office about the suspension delegate's failure to comply with the Public Service Regulations 1999 because she did not review the suspension as required and submitted there were no exceptional circumstances that warranted suspension without pay for more than 30 days. We then lodged a complaint against the second determining officer alleging he breached the ATO Procedures and the Public Service Commissioner's Directions because he had relied on interviews he had conducted prior to issuing the notice of suspected breach, but had not provided that material to us with the notice. We asked that the determining officer step aside because we regarded these matters created a reasonable apprehension of bias and a conflict of interest. The ATO subsequently changed the suspension to with pay.

The ATO then decided to appoint an external solicitor to be the determining officer. We then prepared and lodged a public interest disclosure alleging serious defects in the internal investigation, the suspension decisions, the review of the suspension decision, the first and second notices of

suspected breach of the Code, the failure to provide a full copy of the misconduct file, and against the third determining officer. We then requested another review of the suspension. The ATO decided to extend the suspension with pay. The ATO responded to the public interest disclosures and found there was no issue of sufficient concern that justified any action.

We then agreed to an interview by the third determining officer and this occurred. We found the determining officer's notes of the interview to be full of errors. We provided her with detailed corrections. She accepted each one. The determining officer then provided us with a draft determination, which was accompanied by new evidence. It cleared our member of the allegation he had improperly used his position to gain an advantage. We then provided a detailed response to her draft determination that our member had breached the conflict of interest rules.

We then wrote to the Office because the determining officer's draft determination found a conflict of interest had resulted from an alleged "collegiate relationship" with another tax officer and this resulted in a material personal interest he had failed to disclose. We pointed out that the ATO expected its staff to work collegiately, and if the determining officer was correct, most staff would breach the conflict of interest rules in the Public Service Act on a daily basis.

The determining officer then advised us that she found our member had not breached the Code of Conduct at all. This automatically resulted in his suspension being lifted. This occurred almost 11 months after the internal investigation was first notified to us. The ATO subsequently re-credited all the leave our member had used and compensated him for the minimal cost of his doctor's appointments.

Our member was an acting EL1 at the time the investigation was first notified to us, so he lost those higher duties as a result of the suspension. The good news is that he was promoted to the EL1 level some 10 months after being cleared of the misconduct charges. The ASU went to these lengths because we were convinced, from the beginning, that our member had not done anything wrong. We eventually satisfied the Office that this was the case. Unfortunately, it was an exhausting process that was very unpleasant and of course hurt our member psychologically during its course.

#### **ASU Career Launchpad**

The ASU National Office worked with ASU Branches across Australia to make available to ASU members a professional development program. This involves access to live and interactive webinars with presenters who are experts in their field. We made this available again in 2019-20 and this continues in 2020-21. Many ASU Tax members have taken up this free service and told us they have valued these opportunities.

#### **Legal Expenses**

Our legal expenses were for advice from Counsel on legal issues, either in assisting members with workers compensation claims or in resolving disputes with the ATO. Legal and professional fees we incur may be reimbursed if workers compensation claims succeed or as part of a settlement.

#### **ASU Tax Litigation Fund**

The ASU Tax Litigation Fund was established to assist us in any litigation we may need to undertake to further the interests of our members. Contributions to the Fund by tax officers are tax deductible. The balance of the Fund increased by \$4,994 over the year. We did not draw any money from the Fund.

Opening Balance at 1 July 2019	\$21,470
Interest	228
Contributions	<u>4,766</u>
Closing Balance as at 30 June 2020	\$26,464

### **Remuneration Statement**

All members of the ASU Tax Executive are honorary, other than the Branch Secretary. The Branch Assistant Secretary is also our Industrial Officer, which is a paid position. We provide the Branch President with a mobile phone and laptop computer so he can keep in touch with the Branch Secretary and our membership.

The Branch Secretary's remuneration in 2019-20 was salary of \$94,877, a home office allowance of \$1,000 and superannuation of \$22,694. A 2012 Ford LPG sedan car was provided with an annual value of \$2,211.

Our Industrial Officer's remuneration in 2019-20 was a salary of \$86,636 and superannuation of \$9,412.

### **Statement of loans, grants and donations exceeding \$1,000**

As reported to the Registered Organisations Commission, we made no loans, grants or donations exceeding \$1,000 during 2019-20.

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

There were no significant changes in our Branch's financial affairs during the year, other than the matters reported on above.

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

Ancel Greenwood, Branch President	1 July 2019 to 30 June 2020
Neil Colebrook, Branch Vice President	1 July 2019 to 30 June 2020
Jeffrey Lapidos, Branch Secretary:	1 July 2019 to 30 June 2020
Amelia Tucker, Branch Assistant Secretary	1 July 2019 to 30 June 2020
Gisele Wood, Branch Treasurer	1 July 2019 to 30 June 2020
George Northend, Branch Executive Member	1 July 2019 to 30 June 2020
Kristen Baker, Branch Executive Member	1 July 2019 to 30 June 2020

### **Representatives on the ASU National Executive**

Jeffrey Lapidos, First Representative	1 July 2019 to 30 June 2020
Ancel Greenwood, Second Representative	1 July 2019 to 30 June 2020
Amelia Tucker, Alternate Representative	1 July 2019 to 30 June 2020

### **Delegates to the ASU National Conference**

Jeffrey Lapidos	1 July 2019 to 30 June 2020
Ancel Greenwood	1 July 2019 to 30 June 2020
Gisele Wood	1 July 2019 to 30 June 2020
Kristen Baker	1 July 2019 to 30 June 2020
Amelia Tucker	1 July 2019 to 30 June 2020
Alternative Delegate: Geoff Southern	1 July 2019 to 30 June 2020

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

**All members have the right to resign from the Union in accordance with Rule 32 of the Australian Services Union National Rules (and Section 174 of the *Fair Work (Registered Organisations) Act 2009*); namely, by providing 14 days' notice in writing addressed and delivered to the Branch Secretary, Australian Services Union Taxation Officers' Branch, 116 Queensberry Street, Carlton South, Victoria, 3053. Fax: 03) 9347 8781. Email: [Jeff.Lapidos@asutax.asn.au](mailto:Jeff.Lapidos@asutax.asn.au)**

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

No officers or members of our Branch were in this position.

**Number of members**

There were 1,005 members, both financial and un-financial as at 30 June 2020.

**Number of employees**

There were two full time employees at the end of the 2019-20 financial year.

**Material personal interest disclosures**

No member of the Committee of Management had any material personal interests of theirs or a relative of theirs that relates to the affairs of our Branch of the Union.

**Information required under section 255(2A) of Fair Work (Registered Organisations) Act 2009**

The ASU Tax Branch did not spend any money on advertising. We made no donations to any political party. We did incur legal costs. They are described above under the heading **Legal Expenses – Barristers**. We made no payments to external solicitors during the year under review. Our expenditure on remuneration and other employment related costs for employees are set out in the **Expenses** section of our **Statement of Comprehensive Income** for the year and in the section of this Operating Report headed, **Remuneration statement**.



Signature of designated officer:

Name and title of designated officer: Jeffrey Lapidos, Branch Secretary...

Dated: 17 November 2020.

**Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch**

Committee of management statement

for the year ended 30 June 2020

On 17/11 2020 the Taxation Officers' Branch of the Australian Services Union passed the following resolution in relation to the general purpose financial report (**GPFR**) for the year ended 30 June 2020:

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch declares that in its opinion:

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

Signature of designated officer: 

Name and title of designated officer: JEFFREY LAPIDOS BRANCH SECRETARY

Dated: 17 NOVEMBER 2020

# Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch

Statement of comprehensive income

for the year ended 30 June 2020

	Notes	2020 \$	2019 \$
<b>Revenue</b>			
Membership fees		365,261	366,054
Capitation fees and other revenue from another reporting unit	3A	1,626	609
Levies	3B	-	-
Litigation Fund		4,333	4,467
Investment income	3C	8,187	9,755
Other revenue	3D	42,315	2,060
<b>Total revenue</b>		<b>421,722</b>	<b>382,945</b>
<b>Other Income</b>			
Grants and/or donations	3E	-	-
Revenue from recovery of wages activity	3F	-	-
<b>Total other income</b>		<b>-</b>	<b>-</b>
<b>Total income</b>		<b>421,722</b>	<b>382,945</b>
<b>Expenses</b>			
Employee expenses	4A	227,091	228,880
Capitation fees and other expense to another reporting unit	4B	25,303	24,069
Administration expenses	4C	23,921	31,894
Grants or donations	4D	-	18,182
Depreciation and amortisation	4E	5,604	7,364
Legal costs	4F	31,837	5,436
Audit fees	13	4,600	4,600
Other expenses	4G	25,252	25,099
<b>Total expenses</b>		<b>343,607</b>	<b>345,526</b>
<b>Surplus (deficit) for the year</b>		<b>78,115</b>	<b>37,419</b>

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

## Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch

Statement of financial position

as at 30 June 2020

	Notes	2020 \$	2019 \$
<b>ASSETS</b>			
Current Assets			
Cash and cash equivalents	5A	612,957	502,083
Trade and other receivables	5B	-	1,320
<b>Total current assets</b>		<b>612,957</b>	<b>503,403</b>
Non-current Assets			
Plant and equipment	6A	9,826	12,240
<b>Total non-current assets</b>		<b>9,826</b>	<b>12,240</b>
<b>Total assets</b>		<b>622,784</b>	<b>515,643</b>
<b>LIABILITIES</b>			
Current Liabilities			
Trade payables	7A	33,625	14,077
Other payables	7B	47,101	41,906
Employee provisions	8A	122,743	118,460
<b>Total current liabilities</b>		<b>203,469</b>	<b>174,443</b>
<b>Non-current Liabilities</b>			
<b>Total non-current liabilities</b>		<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>203,469</b>	<b>174,443</b>
Net assets		<b>419,315</b>	<b>341,200</b>
<b>EQUITY</b>			
Litigation Fund	9A	26,464	21,470
Reserves	9A	-	-
Retained surplus (accumulated deficit)		392,851	319,730
<b>Total equity</b>		<b>419,315</b>	<b>341,200</b>

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



## Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch

Statement of changes in equity

for the year ended 30 June 2020

	Notes	General funds /reserves \$	Retained earnings \$	Total equity \$
<b>Balance as at 1 July 2018</b>		16,232	287,549	303,781
Adjustment for errors		-	-	-
Adjustment for changes in accounting policies		-	-	-
Surplus / (deficit)		-	32,181	32,181
Other comprehensive income		-	-	-
Transfer to/from Litigation Fund	9A	5,238	-	5,238
Transfer from retained surplus		-	-	-
<b>Closing balance as at 30 June 2019</b>		<b>21,470</b>	<b>319,730</b>	<b>341,200</b>
Adjustment for errors		-	-	-
Surplus / (deficit)		-	73,121	73,121
Other comprehensive income		-	-	-
Transfer to/from Litigation Fund	9A	4,994	-	4,994
Transfer from retained surplus		-	-	-
<b>Closing balance as at 30 June 2020</b>		<b>26,464</b>	<b>392,851</b>	<b>419,315</b>

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

## Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch

### Statement of cash flows

for the year ended 30 June 2020

		2020	2019
		\$	\$
	Notes		
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from other reporting units/controlled entity(s)	10B	1,788	670
Interest		8,187	9,755
Other		413,068	368,370
<b>Cash used</b>			
Employees		(222,808)	(214,292)
Suppliers		(43,597)	(96,335)
Payment to other reporting units/controlled entity(s)	10B	(42,574)	(34,240)
<b>Net cash from (used by) operating activities</b>	10A	<b>114,064</b>	<b>33,929</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sale of plant and equipment		-	-
Proceeds from sale of land and buildings		-	-
Other		-	-
<b>Cash used</b>			
Purchase of plant and equipment		(3,190)	(4,053)
Purchase of land and buildings		-	-
Other		-	-
<b>Net cash from (used by) investing activities</b>		<b>(3,190)</b>	<b>(4,053)</b>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Contributed equity		-	-
Other		-	-
<b>Cash used</b>			
Repayment of borrowings		-	-
Other		-	-
<b>Net cash from (used by) financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash held</b>		<b>110,874</b>	<b>29,875</b>
Cash & cash equivalents at the beginning of the reporting period		502,083	472,208
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	5A	<b>612,957</b>	<b>502,083</b>

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

## Index to the notes of the financial statements

Note 1	Summary of significant accounting policies
Note 2	Events after the reporting period
Note 3	Revenue
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Note 13	Remuneration of auditors
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Note 15	Section 272 <i>Fair Work (Registered Organisations) Act 2009</i>

## **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 Australian Municipal Administrative Clerical & Services Union Taxation Officers' 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. The financial statements are presented in Australian dollars.

Except where otherwise stated, the accounting policies in the preparation of this financial report are consistent with those of the previous financial year. The financial statements were authorised for issue on the same date the statement by the Committee of Management was signed.

### **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**

No significant accounting judgements or estimates have been identified which have a significant risk.

### **1.4 New Australian Accounting Standards**

#### ***Adoption of New Australian Accounting Standard requirements***

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch has adopted all standards which became effective for the first time at 30 June 2020. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the ASU National Office.

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

#### **AASB 16 Leases (AASB 16)**

AASB 16 was issued in January 2016 and it replaces AASB 117 *Leases*, AASB Interpretation 4 *Determining whether an Arrangement contains a Lease*, AASB Interpretation-115 *Operating Leases-Incentives* and AASB Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

For NFP entities, AASB 16 will commence from financial years beginning on or after 1 January 2019. Either a full retrospective application or a modified retrospective application is required for AASB 16. The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch plans to adopt AASB 16 on the required effective date.

AASB 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model

similar to the accounting for finance leases under AASB 117. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the re-measurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under AASB 16 is substantially unchanged from today's accounting under AASB 117. Lessors will continue to classify all leases using the same classification principle as in AASB 117 and distinguish between two types of leases: operating and finance leases.

Following the adoption of this new Standard, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch's net profit after tax has not changed.

### ***AASB 1058 Income of Not-for-Profit Entities (AASB 1058) and AASB 15 Revenue from Contracts with Customers (AASB 15)***

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (**NFP**) entities in conjunction with AASB 15. AASB 1058 and AASB 15 supersede all the income recognition requirements relating to private sector NFP entities, and the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 *Contributions*.

For NFP entities, both AASB 1058 and 15 will commence from financial years beginning on or after 1 January 2019. Either a full retrospective application or a modified retrospective application is required for AASB 15. The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch plans to adopt AASB 15 on the required effective date.

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch has concluded that the adoption of AASB 15 will not have a significant impact on the entity's financial statements.

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

An associate is an entity over which the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

A joint operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the individual assets and obligations for the liabilities of the joint operation.

The results and assets and liabilities of associates and its joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with *AASB 5 Non-current Asset Held for Sale and Discontinued Operations*. Under the equity method, an investment in an associate or joint venture is initially recognised in the statement of financial position at cost and adjusted thereafter to recognise the share of the profit or loss and other comprehensive income of the associate. When the share of losses of an associate or joint venture exceeds the interest in that associate, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch discontinues recognising its share of further losses. Additional losses are recognised only to the extent that it has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Any excess of the cost of acquisition over the share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

## **1.6 Revenue**

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

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.

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

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

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

## **1.7 Government grants**

Government grants are not recognised until there is reasonable assurance that the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the *Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch* recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch should purchase, construct otherwise acquire non-current assets are recognised as deferred revenue in the

statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch with no future related costs are recognised in profit or loss in the period in which they become receivable.

## **1.8 Gains**

### ***Sale of assets***

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

No assets were sold during the 2018/19 financial year.

## **1.9 Capitation fees and levies**

Capitation fees and levies are recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

## **1.10 Employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

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

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch in respect of services provided by employees up to reporting date.

## **1.11 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease

are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

### **Exceptions to lease accounting**

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The branch recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

#### **1.12 Borrowing costs**

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

No borrowing costs were incurred during the 2018/19 financial year.

#### **1.13 Cash**

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

#### **1.14 Financial instruments**

Financial assets and financial liabilities are recognised when the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch entity becomes a party to the contractual provisions of the instrument.

#### **1.15 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 Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' 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 Australian Municipal Administrative Clerical & Services Union Taxation Officers' 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 Australian Municipal Administrative Clerical & Services Union Taxation Officers' 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

### **Derecognition**

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Australian Municipal Administrative Clerical & Services Union Taxation Officers' 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 Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch has transferred substantially all the risks and rewards of the asset, or
  - b) the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Australian Municipal Administrative Clerical & Services Union Taxation Officers' 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 Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

### **Offsetting**

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

### **Impairment**

#### **(i) Trade receivables**

For trade receivables that do not have a significant financing component, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' 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 Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Australian Municipal Administrative Clerical & Services Union Taxation Officers' 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.

## **(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 Australian Municipal Administrative Clerical & Services Union Taxation Officers' 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 Australian Municipal Administrative Clerical & Services Union Taxation Officers' 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 Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch may also consider a financial asset to be in default when internal or external information indicates that the Australian Municipal Administrative Clerical & Services Union Taxation Officers' 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.

## **1.16 Financial Liabilities**

### **Initial recognition and measurement**

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

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

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch's financial liabilities include trade and other payables.

### **Subsequent measurement**

#### **Financial liabilities at amortised cost**

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are

recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

### **Derecognition**

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

### **1.17 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.

### **1.18 Land, buildings, plant and equipment**

#### ***Asset Recognition Threshold***

Purchases of land, buildings, plant and equipment are recognised initially at cost in the statement of financial position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

#### ***Depreciation***

Depreciable property, plant and equipment assets is depreciated on a diminishing basis over their useful lives to Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch commencing from the time the asset is held ready for use.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

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

	<b>2020</b>	<b>2019</b>
Plant and equipment	<b>20-66.67%</b>	20-66.67%

#### ***Derecognition***

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

### **1.19 Investment property**

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch does not hold any investment in property.

### **1.20 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 Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

### **1.21 Taxation**

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' 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.

### **1.22 Going concern**

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch has not agreed to provide financial support to reporting entity to ensure they can continue on a going concern basis.

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch's ability to continue as a going concern is not reliant on the agreed financial support of another reporting unit.

### **1.23 Acquisitions of assets and liabilities under specific sections**

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch did not acquire any asset or liability during the financial year as a result of:

- An amalgamation under part 2 of Chapter 3, of the RO Act;
- A restructure of the Branches of the organisation;
- A determination by the Commissioner under S245(1) of the RO Act
- A revocation by the Commissioner under S249(1) of the RO Act.

## Note 2 Events after the reporting period

There were no events that occurred after 30 June 2020, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch.

2020	2019
\$	\$

## Note 3 Revenue

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

#### Capitation fees:

ASU National	-	-
<b>Subtotal capitation fees</b>	<b>-</b>	<b>-</b>

#### Other revenue from another reporting unit:

ASU National	1,626	609
<b>Subtotal other revenue from another reporting unit</b>	<b>1,626</b>	<b>609</b>
<b>Total capitation fees and other revenue from other reporting unit</b>	<b>1,626</b>	<b>609</b>

### Note 3B: Levies

Levies	-	-
<b>Total levies</b>	<b>-</b>	<b>-</b>

### Note 3C: Investment income

Interest		
Deposits	8,187	9,465
Loans	-	-
Debt instruments at fair value through OCI	-	-
Dividends	-	-
<b>Total investment income</b>	<b>8,187</b>	<b>9,465</b>

### Note 3D: Other Income

Government Cashflow Boost	32,192	-
Other Income	327	118
Other Reimbursements	9,091	-
Special Fees Collected	705	1,942
<b>Total grants or donations</b>	<b>42,315</b>	<b>2,060</b>

	2020 \$	2019 \$
<b>Note 3E: Grants or donations</b>		
Grants	-	-
Donations	-	-
<b>Total grants or donations</b>	<u>-</u>	<u>-</u>

**Note 3F: Revenue from recovery of wages activity**

Amounts recovered from employers in respect of wages	-	-
Interest received on recovered money	-	-
<b>Total revenue from recovery of wages activity</b>	<u>-</u>	<u>-</u>

**Note 4 Expenses**

**Note 4A: Employee expenses**

**Holders of office:**

Wages and salaries	185,438	116,387
Superannuation	30,562	23,444
Leave and other entitlements	4,283	6,632
Separation and redundancies	-	-
Other employee expenses	274	-
<b>Subtotal employee expenses holders of office</b>	<u>220,557</u>	<u>146,463</u>

**Employees other than office holders:**

Wages and salaries	-	67,454
Superannuation	-	7,007
Leave and other entitlements	-	1,481
Separation and redundancies	-	-
Other employee expenses	-	-
<b>Subtotal employee expenses employees other than office holders</b>	<u>-</u>	<u>75,942</u>

Payroll Tax	4,400	4,431
Workcover	2,134	2,044
<b>Total employee expenses</b>	<u>227,091</u>	<u>228,880</u>

2020	2019
\$	\$

**Note 4B: Capitation fees and other expense to another reporting unit**

**Capitation fees**

ASU National Executive	24,069	23,119
<b>Subtotal capitation fees</b>	<b>24,069</b>	<b>23,119</b>

**Affiliation Fees**

ASU National Executive	-	-
<b>Subtotal affiliation fees</b>	<b>-</b>	<b>-</b>
<b>Total capitation and affiliation fees to another reporting unit</b>	<b>24,069</b>	<b>23,119</b>

**Note 4C: Administration expenses**

Total paid to employers for payroll deductions of membership subscriptions	-	-
Compulsory levies		
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	9,138	17,796
Contractors/consultants	-	-
Property expenses	7,217	7,058
Office expenses	361	632
Information communications technology	6,211	5,200
Other	994	1,208
<b>Subtotal administration expense</b>	<b>23,921</b>	<b>31,894</b>
Operating lease rentals:		
Minimum lease payments	-	-
<b>Total administration expenses</b>	<b>-</b>	<b>-</b>

**Note 4D: Grants or donations**

Grants:

Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	18,182

Donations:

Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-

<b>Total grants or donations</b>	<b>-</b>	<b>18,182</b>
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	2020	2019
	\$	\$
<b>Note 4E: Depreciation and amortisation</b>		
Depreciation		
Land & buildings	-	-
Property, plant and equipment	5,604	7,364
<b>Total depreciation</b>	<b>5,604</b>	<b>7,364</b>
Amortisation		
Intangibles	-	-
<b>Total amortisation</b>	<b>-</b>	<b>-</b>
<b>Total depreciation and amortisation</b>	<b>5,604</b>	<b>7,364</b>

**Note 4F: Legal costs**

Litigation	-	-
Other legal costs	31,837	5,436
<b>Total legal costs</b>	<b>31,837</b>	<b>5,436</b>

**Note 4G: Other expenses**

Other expenses	25,252	25,099
Penalties - via RO Act or the <i>Fair Work Act 2009</i>	-	-
<b>Total other expenses</b>	<b>-</b>	<b>25,099</b>

**Note 5      Current Assets**

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

Cash at bank	612,957	502,083
Cash on hand	-	-
Short term deposits	-	-
Other	-	-
<b>Total cash and cash equivalents</b>	<b>612,957</b>	<b>502,083</b>

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

**Receivables from other reporting units**

	-	-
<b>Total receivables from other reporting units</b>	<b>-</b>	<b>-</b>

**Less allowance for expected credit losses**

	-	-
<b>Total allowance for expected credit losses</b>	<b>-</b>	<b>-</b>
<b>Receivable from other reporting units (net)</b>	<b>-</b>	<b>-</b>



	2020	2019
	\$	\$
<b>Other receivables:</b>		
GST receivable	-	-
Other	-	1,320
<b>Total other receivables</b>	-	1,320
<b>Total trade and other receivables (net)</b>	-	1,320

The movement in the allowance for expected credit losses of trade and other receivables is as follows:

At 1 July	-	-
Provision for expected credit losses	-	-
Write-off	-	-
<b>At 30 June</b>	-	-

## Note 6 Non-current Assets

### Note 6A: Plant and equipment

Plant and equipment:		
at cost	80,877	77,688
accumulated depreciation	(71,051)	(65,447)
<b>Total plant and equipment</b>	9,826	12,240

### *Reconciliation of opening and closing balances of plant and equipment*

<b>As at 1 July</b>		
Gross book value	77,688	73,635
Accumulated depreciation and impairment	(65,447)	(58,083)
<b>Net book value 1 July</b>	12,240	15,551
Additions:		
By purchase	3,190	4,053
From acquisition of entities (including restructuring)	-	-
Impairments	-	-
Depreciation expense	(5,604)	(7,364)
Other movement [ <i>give details below</i> ]	-	-
Disposals:		
From disposal of entities (including restructuring)	-	-
Other	-	-
<b>Net book value 30 June</b>	9,826	12,240
<b>Net book value as of 30 June represented by:</b>		
Gross book value	80,877	77,688
Accumulated depreciation and impairment	(71,051)	(65,447)
<b>Net book value 30 June</b>	9,826	12,240

<b>2020</b>	2019
\$	\$

## Note 7 Current Liabilities

### Note 7A: Trade payables

Trade creditors and accruals	<b>33,625</b>	14,077
Operating lease rentals	-	-
<b>Subtotal trade creditors</b>	<b>-</b>	<b>-</b>
<b>Payables to other reporting units</b>	<b>-</b>	<b>-</b>
<b>Subtotal payables to other reporting units</b>	<b>-</b>	<b>-</b>
<b>Total trade payables</b>	<b>33,625</b>	<b>14,077</b>

Settlement is usually made within 30 days.

### Note 7B: Other payables

Wages and salaries	-	-
Superannuation	<b>6,484</b>	7,778
Payable to employers for making payroll deductions of membership subscriptions	-	-
Legal costs		
Litigation	-	-
Other legal costs	-	-
Prepayments received/unearned revenue	<b>39,475</b>	22,514
GST payable	<b>7,437</b>	7,591
Other	<b>(6,295)</b>	4,023
<b>Total other payables</b>	<b>47,101</b>	<b>41,906</b>

Total other payables are expected to be settled in:

No more than 12 months	<b>47,101</b>	41,906
More than 12 months	-	-
<b>Total other payables</b>	<b>47,101</b>	<b>41,906</b>

2020	2019
\$	\$

## Note 8 Provisions

### Note 8A: Employee provisions

<b>Office holders:</b>		
Annual leave	69,374	57,533
Long service leave	53,369	38,538
Separations and redundancies	-	-
Other	-	-
<b><i>Subtotal employee provisions—office holders</i></b>	<b>122,743</b>	<b>96,071</b>
<b>Employees other than office holders:</b>		
Annual leave	-	12,265
Long service leave	-	10,124
Separations and redundancies	-	-
Other	-	-
<b><i>Subtotal employee provisions—employees other than office holders</i></b>	<b>-</b>	<b>22,389</b>
<b>Total employee provisions</b>	<b>122,743</b>	<b>118,460</b>
Current	122,743	118,460
Non-current	-	-
<b><i>Total employee provisions</i></b>	<b>122,743</b>	<b>118,460</b>

## Note 9 Equity

### Note 9A: General funds

<b><u>Litigation Fund</u></b>		
<b>Balance as at start of year</b>	<b>21,470</b>	16,232
Transferred to litigation fund	4,994	5,238
Transferred out of litigation fund	-	-
<b>Balance as at end of year</b>	<b>26,464</b>	21,470
<b><u>Reserves</u></b>		
<b>Balance as at start of year</b>	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
<b>Balance as at end of year</b>	-	-

## Note 10 Cash Flow

### Note 10A: Cash flow reconciliation

#### Reconciliation of cash and cash equivalents as per balance sheet to cash flow statement:

##### Cash and cash equivalents as per:

Cash flow statement	612,957	502,083
Balance sheet	612,957	502,083
<b>Difference</b>	<b>-</b>	<b>-</b>

#### Reconciliation of surplus/(deficit) to net cash from operating activities:

Surplus/(deficit) for the year	78,115	37,419
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##### Adjustments for non-cash items

Depreciation/amortisation	5,604	7,364
Net write-down of non-financial assets	-	-
Fair value movements in investment property	-	-
Gain on disposal of assets	-	-

##### Changes in assets/liabilities

(Increase)/decrease in net receivables	(1,320)	(928)
(Increase)/decrease in prepayments	-	-
Increase/(decrease) in supplier payables	(6,138)	(13,982)
Increase/(decrease) in other payables	(10,472)	(676)
Increase/(decrease) in employee provisions	4,283	8,114
Increase/(decrease) in other provisions	41,352	(3,382)
<b>Net cash from (used by) operating activities</b>	<b>114,064</b>	<b>33,929</b>

### Note 10B: Cash flow information

Cash inflows		
ASU National	670	670
<b>Total cash inflows</b>	<b>670</b>	<b>670</b>

Cash outflows		
ASU National	34,240	34,240
<b>Total cash outflows</b>	<b>34,240</b>	<b>34,240</b>

2020  
\$

2019  
\$

## Note 11 Contingent Liabilities, Assets and Commitments

### Note 11A: Commitments and contingencies

#### Operating lease commitments—as lessee

Future minimum rentals payable under non-cancellable operating leases as at 30 June are:

Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-
	-	-

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

Members of the committee of management are not aware of any contingent assets or liability which existed at balance date, nor the date of issue of this financial report, which would have a material effect in relation to the disclosures in this report.

<b>2020</b>	2019
\$	\$

## **Note 12      Related Party Disclosures**

### **Note 12A: Related party transactions for the reporting period**

Transactions with related parties are on normal terms and conditions no more favourable than those available to other parties, unless otherwise stated.

Capitation fees are paid quarterly to ASU National Executive. Capitation fees incurred in the year are disclosed in the Income and Expenditure Statement as Capitation Fees.

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

#### **Revenue received from ASU National Executive includes the following:**

Expense reimbursements	-	609
Other reimbursements	<b>1,626</b>	-

#### **Expenses paid to ASU National Executive includes the following:**

Capitation Fees	<b>25,303</b>	24,069
Insurance	<b>650</b>	385
Subscriptions	<b>213</b>	211
Other Reimbursement	<b>37</b>	-
Rent	<b>7,571</b>	7,058
Payroll Tax	<b>4,400</b>	4,431

#### **Amounts owed by ASU National Executive include the following:**

-	-
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#### **Amounts owed to ASU National Executive include the following:**

Capitation	<b>7,205</b>	6,264
Rent	-	1,941
Payroll Tax	<b>4,400</b>	4,431

#### **Loans from/to ASU National Executive includes the following:**

-	-
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#### **Assets transferred from/to ASU National Executive includes the following:**

-	-
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#### **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 2020, the Australian Municipal Clerical & Services Union Taxation Officers' Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body

(2019: \$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.

No expected credit losses have been raised in relation to any outstanding balances, and no expense has been recognised in respect of expected credit losses due from loan to a related party (See Note 6G).

There were no payments to former related parties and no asset has been acquired or disposed from such a party.

2020	2019
\$	\$

**Note 12B: Key management personnel remuneration for the reporting period**

**Short-term employee benefits**

Salary (including annual leave taken)	98,778	117,308
Annual leave accrued	7,298	9,373
Performance bonus	-	-

<b>Total short-term employee benefits</b>	<b>106,076</b>	<b>126,681</b>
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**Post-employment benefits:**

Superannuation	21,348	23,444
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<b>Total post-employment benefits</b>	<b>21,348</b>	<b>23,444</b>
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**Other long-term benefits:**

Long-service leave	2,278	2,576
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<b>Total other long-term benefits</b>	<b>23,626</b>	<b>26,020</b>
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<b>Termination benefits</b>	-	-
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<b>Total Remuneration</b>	<b>152,701</b>	<b>152,701</b>
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**Note 12C: Transactions with key management personnel and their close family members**

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

**Note 13 Remuneration of Auditors**

**Value of the services provided**

Financial statement audit services	4,600	4,600
Other services	-	-

<b>Total remuneration of auditors</b>	<b>4,600</b>	<b>4,600</b>
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No other services were provided by the auditors of the financial statements.

## Note 14 Financial Risk Management

Financial instruments held by the Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch consist mainly of cash, deposits with banks (either at-call or on short-term deposit) and accounts receivable and accounts payable.

The total of each category of financial instrument together with their weighted-average interest rate and their maturity profile may be summarised as follows:

	Floating interest rate	1 year or less to maturity	1 to 5 years to maturity	Non-interest bearing	Total
	\$	\$	\$	\$	\$
<b>30 June 2020</b>					
Cash on hand	-	-	-	-	-
Cash at bank	285,947	-	-	-	285,947
Term Deposit	-	327,010	-	-	327,010
Other receivables	-	-	-	-	-
<b>Total financial assets</b>	<b>285,947</b>	<b>327,010</b>	<b>-</b>	<b>-</b>	<b>612,957</b>
Less financial liabilities	-	-	-	-	-
Trade and other payables	-	-	-	(15,300)	(15,300)
<b>Net financial assets</b>	<b>285,947</b>	<b>327,010</b>	<b>-</b>	<b>(15,300)</b>	<b>597,657</b>

	Floating interest rate	1 year or less to maturity	1 to 5 years to maturity	Non-interest bearing	Total
	\$	\$	\$	\$	\$
<b>30 June 2019</b>					
Cash on hand	-	-	-	-	-
Cash at bank	181,908	-	-	-	181,908
Term Deposit	-	320,175	-	-	320,175
Other receivables	-	-	-	-	-
<b>Total financial assets</b>	<b>181,908</b>	<b>320,175</b>	<b>-</b>	<b>-</b>	<b>502,083</b>
Less financial liabilities	-	-	-	-	-
Trade and other payables	-	-	-	(21,437)	(21,437)
<b>Net financial assets</b>	<b>181,908</b>	<b>320,175</b>	<b>-</b>	<b>(21,437)</b>	<b>436,789</b>

### (a) Net fair value of financial instruments

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

Cash and cash equivalents, trade and other receivables, trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value. Trade and other payable excludes amounts provided for relating to annual and long service leave which is not considered a financial instrument.



## **(b) Financial risk management policies**

The Australian Municipal Administrative Clerical & Services Union Taxation Officers' Branch has established a risk management framework. This includes the development of policies covering specific areas.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the union activities. The overall risk management policies seek to assist the union in meeting its financial targets, while minimising potential adverse effects on financial performance.

Mitigation strategies for specific risks faces are described below:

### **Credit risk**

Exposure to credit risk relating to financial assets arises from potential non-performance by counterparties of contract obligations that could lead to a financial loss to the union and arises principally from the union's receivables.

### **Credit risk exposure**

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

	<b>2020</b>	<b>2019</b>
<b>Bank deposits</b>		
Commonwealth Bank	80,319	57,397
Member's Equity Bank	532,638	444,686
<b>Other receivables</b>		
Trade and sundry debtors	-	1,320
	<b>612,957</b>	<b>503,403</b>

## **(c) Liquidity Risk**

Liquidity risk arises from the possibility that the union might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The entity manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financial activities which are monitored throughout the year;
- monitoring undrawn credit facilities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- maintaining adequate reserves.

## **(d) Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

## **(e) Price Risk**

The union is not exposed to any material commodity price risk.

**(f) 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 union is also exposed to earnings volatility on floating rate instruments.

The financial instruments that expose the group to interest rate risk are limited to held-to-maturity financial assets and cash at bank.

The activities of the union are not sensitive to changes in interest rates as neither interest income nor interest on borrowings are significant to the organisation.

**(g) Asset pledged or held as collateral**

No assets have been pledged as security or held as collateral for any loan, borrowing or credit facility.

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

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

Information to be provided to members or Commissioner:

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION TAXATION  
OFFICERS BRANCH**

**Report on the Audit of the Financial Report**

**Opinion**

We have audited the financial report of Australian Municipal Administrative Clerical & Services Union Taxation Officers Branch (the reporting unit), which comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, 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 Australian Municipal Administrative Clerical & Services Union Taxation Officers Branch as at 30 June 2020, and its financial performance and its cash flows for the year ended on that date in accordance with:

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

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

**Basis for Opinion**

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

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

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

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION TAXATION  
OFFICERS BRANCH**

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

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

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

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

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

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 our 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 company'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 company'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 Reporting Unit to cease to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
AUSTRALIAN MUNICIPAL ADMINISTRATIVE CLERICAL & SERVICES UNION TAXATION  
OFFICERS BRANCH**

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

We declare that we are approved auditors, a member of CPA Australia and hold a current Public Practice Certificate.

**Report on Other Legal and Regulatory Requirements**

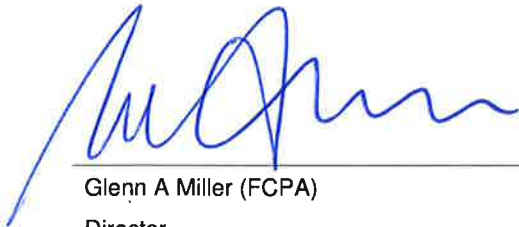
From the work performed, no deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act was noted.

*NMM Audit & Assurance Pty Ltd*

NMM Audit & Assurance Pty Ltd

110 Drummond Street, Oakleigh, Vic, 3166

Registered Auditor Number: 376104



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Glenn A Miller (FCPA)

Director

Dated this 19<sup>th</sup> day of November 2020