



FAIR WORK
COMMISSION

6 March 2017

Mr Russell Collison
The Branch Secretary,
New South Wales Branch
The Australian Workers Union

By email: wchen@awu-nsw.asn.au

Dear Sir,

Re: Lodgement of Financial Statements and Accounts – The Australian Workers Union, Greater New South Wales Branch - for period ended 31 August 2016 (FR2017/3)

I refer to the financial report for the Greater New South Wales Branch ('the former Branch') of the Australian Workers Union. The report was lodged with the Fair Work Commission on 23 February 2017.

The financial report has been filed based on a primary review. This involved confirming whether 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.

Re-structure disclosures

The next report will be the first report for the new amalgamated New South Wales Branch ('the new Branch') for the year ending 30 June 2017. It will need to include such disclosures and/or explanatory information that will show/reflect the transfers of assets and liabilities from the former Branch to the new Branch.

Please also note that the next report may be subject to an advanced review.¹

Should you require further information on the financial reporting requirements of the Act, I may be contacted on (02) 6746 3283 or 0429 462 979 or by email at stephen.kellett@fwc.gov.au

Yours sincerely

Stephen Kellett
Senior Adviser
Regulatory Compliance Branch

¹ See the requirements as set out in the advanced checklist at <https://www.fwc.gov.au/documents/documents/organisations/factsheets/org-financial-report-checklist-advanced.pdf>

From: KELLETT, Stephen
Sent: Monday, 6 March 2017 7:54 AM
To: Wendy Chen
Cc: info@awu-nsw.asn.au
Subject: Attention Mr Russell Collison - financial reporting - Greater NSW Branch - filing

Dear Ms Chen,

Please see attached my letter in relation to the above.

Yours faithfully

STEPHEN KELLETT
Regulatory Compliance Branch
FAIR WORK COMMISSION

80 William Street
EAST SYDNEY NSW 2011

(ph) (02) 6746 3283
(mob.) 0429 462 979
(email) stephen.kellett@fwc.gov



AWU GNSW FR2017
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From: Wendy Chen [<mailto:wchen@awu-nsw.asn.au>]

Sent: Thursday, 23 February 2017 7:29 PM

To: Orgs

Cc: Nigel Bubalo (nigel@bgsaccountants.com.au); Steve Ackerman; Helen Teo; Russ Collison; KELLETT, Stephen

Subject: ON CMS FR17/2 +3+ 4 and LGD 17/2 + 3 + 4 AWU Financial Reports for year ending 31 August 2016

Dear Sir/Madam

Please find attached financial reports for period ending 31st August 2016 for The Australian Workers' Union:

- Greater New South Wales Branch
- Newcastle, Central Coast & Northern Regions Branch
- Port Kembla, South Coast & Southern Highlands Branch

Wendy Chen

Office Manager/Personal Assistant to The Secretary

The Australian Workers' Union

New South Wales Branch

Level 2, 16-20 Good Street, Granville NSW 2142

PO Box 20, Granville NSW 2142

T: (02) 9897 3644 F: (02) 9897 1481

E: wchen@awu-nsw.asn.au

W: www.nsw.awu.net.au

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FWC - Greater NSW
Period Ending 31 Aug



**STRONGER
TOGETHER**

Australian Workers' Union
Greater New South Wales Branch

Operating Report

And

Financial Statements
For the period (two months)
ended 31 August 2016

Auditor:

BGS & Associates Pty Limited
Level 1, 1 Bungan lane
Mona Vale NSW 2103
Phone: 02 9979 8502
Fax: 02 9999 2016
Email: nigel@bgsaccountants.com.au



**STRONGER
TOGETHER**

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The Australian Workers' Union Greater New South Wales Branch


s.268 *Fair Work (Registered Organisations) Act 2009*

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER¹

Certificate for the 2-month period ended 31st August 2016

I, Russell Kerry Collison being the AWU NSW Branch Secretary and the authorised officer of the Australian Workers' Union of the Greater New South Wales Branch certify:

- that the documents lodged herewith are copies of the full report for the Australian Workers' Union of the Greater New South Wales Branch for the 2-month period ended 31st August 2016 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 12th December 2016; and
- that the full report was presented to the Special General Meeting of members of the reporting unit on 13th February 2017 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:.....

Name of prescribed designated officer: Russell Kerry Collison

Title of prescribed designated officer: AWU NSW Branch Secretary

Dated: 16th February 2017

¹ 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.

**The Australian Workers' Union
Greater New South Wales Branch - ABN 70 662 384 762
Branch Executive Committee Operating Report and Statement
for the period ended 31 August 2016**

The Committee of Management for the Union is known as the Branch Executive Committee and presents on behalf of the reporting unit for the financial period of 2 months ended 31 August 2016 in accordance with section 254 of the *Fair Work (Registered Organisations) Act 2009* (known as the "Fair Work RO Act").

This report is required as it is the final financial report of the AWU Greater New South Wales Branch prior to its amalgamation with the two other NSW geographic branches to form one State union.

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

The principal activities of the Union are to act on behalf of, and for the benefit of, members in respect of:

- negotiating enterprise agreements;
- varying State Awards;
- uphold the terms and conditions of employment agreements;
- assisting members in the resolution of disputes;
- representing members before industrial tribunals;
- representing members in unfair dismissals;
- training of delegates and members in workplace dispute resolution;
- assisting in the improvement of work, health and safety in the workplace;
- assisting members (including their carers and dependents) who have suffered or been injured in the course of their employment;
- providing additional membership benefits including journey cover insurance for financial members; and,
- workplace organising, recruitment, and public promotion of the interests of members.

The AWU continues to satisfactorily meet its stated objectives of the Union including the principal activities listed above. The Union has played a vital role in improving the terms and conditions of employment for members by renegotiating expiring enterprise agreements or establishing new agreements; ensured that these terms and conditions of employment were adhered to and where necessary were resolved at the Fair Work Commission. Journey insurance continues to be a significant benefit for financial union members since it goes some way in addressing the draconian actions of the NSW Liberal/National Government in eliminating journey cover benefit from the *NSW Workers Compensation Act*.

There were no significant changes to the activities of the organisation during the financial year.

Operating Results

The net deficit for 2016 part financial year is \$216,632 (2016/15 period was \$267,898 surplus).

Significant Change in Financial Affairs

There were no significant changes in the Union's financial affairs during the financial year.

Right of Members to Resign

AWU Rule 14 – Resigning as a member – provides for resignation of members in accordance with s174 of the *Fair Work (Registered Organisations) Act 2009*.

Number of Members

Number of persons in register of members: 12,838 (31 August 2016); 13,618 (30 June 2016)

Officers and employees who are superannuation fund trustees(s) – including position details – or directors of a company that is a superannuation fund trustee:

No AWU Officer was appointed to represents its members on any superannuation funds.

Number of Employees

Number of equivalent full time employees as at 31st August 2016: 32 including officials and staff (2016: 32).

Names of Branch Executive Committee members and period positions held during the financial year:

All of the following members were members of AWU GNSW Branch Executive during the period 1st July 2016 till 31st August 2016. The position of President has remained vacant. The Executive committee members are:

Bali, S (Assistant Secretary)	Mason, C
Boreland, D	Morley, I
Buhler, J	Murray, P
Brown, K (Vice President)	Noack, P
Collison, R (Secretary)	O'Connor, T (Organiser)
Dawson, G	O'Neill, R (Hon. Vice President)
Dunn, R	Quirk, P
Fairless, L	Ryan, C
Farrow, P (Organiser)	Ryan, S
Freudenreich, J	Scott, J
Garay, A	Seton, G (Vice President)
Hillary, R	Thomas, I
Livioco, B	Tucker, L
Kelly, P (Hon. Vice President)	Wall, R

Events after the reporting date:

The AWU National Executive and the three branch executives of the AWU geographically located within New South Wales agreed to merge into one NSW State Branch as at 1st September 2016. As a result a new Executive was appointed to take control of the Union.


All assets and liabilities of the Branch will be transferred to the new entity, AWU New South Wales Branch effective 1st September 2016.

Officers and employees who are directors of a company or member of a board:

Name	Organisation	Activity	Capacity (Private or Representing the AWU)
R K Collison	Racing Industry Consultation Group	Statutory body set up to consult with and make recommendations to Racing NSW.	AWU
R K Collison	Unions NSW	NSW Peak Body representing the union movement	AWU
R K Collison	Trades Hall Association Ltd	Administration of Unions NSW property	AWU
R K Collison	ALP NSW Administration Committee	Political Organisation appointed 20/06/2014	AWU
R K Collison	ALP National Executive	Political Organisation	Private
S L Bali	Unions NSW	NSW Peak Body representing the union movement.	AWU
S L Bali	Chifley Financial Services Ltd	Service provider of financial advice, income protection, home loans.	AWU
S L Bali	Blacktown Venue Management Ltd	Managing sporting facilities	Private
S L Bali	Blacktown City Council	Local Government	Private
S L Bali	Blacktown – Mt Druitt Hospital Foundation	Charity	Private
S L Bali	Mechanical & Electrical Redundancy Trust	Safeguard redundancy benefits for mechanical and electrical workers within the building and construction industry.	AWU
P Noack	Unions NSW	NSW Peak Body representing the union movement.	AWU
P Farrow	Long Service Corporation Building and Construction Industry Committee	Administers a scheme which provides a portable long service benefit for workers in the building and construction industry.	AWU
V Falconer	Bankstown Sports Club	Recreational club with all profits towards the improvement of the club, junior sport and community.	Private

Other Information

There is no other information that the Union considers relevant.

Signature of designated officer: 

Date:

Name and title of designated officer: Russell Kerry Collison, AWU NSW Secretary.

The Australian Workers' Union (Greater NSW Branch)
Branch Executive Committee Statement

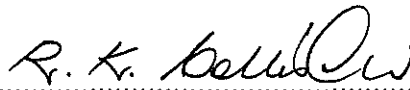
On the 12th December 2016, the Branch Executive Committee of the Australian Workers' Union (NSW Branch) – hereafter referred to as the Branch Executive Committee - passed the following resolution in relation to the general purpose financial report (GPFR) for the financial period ended 31 August 2016:

The Branch Executive Committee 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 the reporting guidelines of the General Manager of Fair Work Australia (the "General Manager");
- (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 General Purpose Financial Report relates and since the end of that year:
 - (i) meetings of the Branch Executive Committee were held in accordance with the rules of the organisation including the rules of the 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 the Branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and its regulations; and,
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been provided to the member or General Manager; and,
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) No revenue has been derived from undertaking recovery of wages activity during the reporting period.

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

Signature of designated officer:



Name and title of designated officer: Russell Kerry Collison, AWU NSW Branch Secretary

Dated:

Australian Workers' Union Greater NSW Branch

Independent Auditor Report to the members of the Australian Workers' Union (Greater NSW Branch)

Scope

I have audited the Financial Statements of the Australian Workers' Union (Greater NSW Branch) for the period ended 31 August 2016 consisting of the Statement of Financial Position; Statement of Comprehensive Income; Statement of Changes in Equity; Cash Flow Statement; accompanying notes summarizing significant accounting policies and other explanatory information; and Branch Executive Committee Statement and I have concluded that management's use of the going concern basis of accounting in the preparation of the unit's financial statements is appropriate. The Branch Executive Committee and the Financial Controller are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*. I have conducted an independent audit of these Financial Statements in order to express an opinion on them to the members of the Australian Workers' Union (Greater NSW Branch).

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free from material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Standards and statutory requirements so as to present a view which is consistent with my understanding of the organisation's its financial position and the results of its operations.

In accordance with the Act, I conducted a review of recovery of wages activity.

I received all the information and explanations that officers and employees of the branch were able to provide.

The audit opinion expressed in this report has been formed on the above basis.

Independence

In conducting my audit, I have complied with the applicable independence requirements of the Accounting Professional and Ethical Standards Board.

Audit opinion

In my opinion, under the Fair Work (Registered Organisations) Act 2009, the general purpose financial report is presented fairly for the Australian Workers' Union (Greater NSW Branch) in accordance with:

1. According to the records provided, I can confirm that the Branch has kept satisfactory accounting records including:

(a) the records provided of the sources and nature of the income of the Branch; and

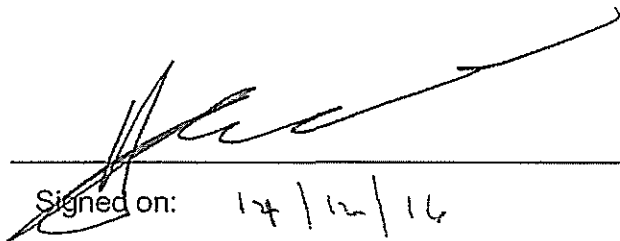
(b) the records provided of the nature and purposes of expenditure of the Branch.

2. I am able to state that in my opinion: -

- (i) The General Purpose Financial Report is presented fairly in accordance with:
 - (a) The requirements of the Fair Work (Registered Organisations) Act 2009;
 - (b) Australian Accounting Standards and Australian Accounting interpretations;
 - (c) Other mandatory professional reporting requirements;

- (ii) I have complied with the independence requirements of the major Accounting Bodies.

As part of my audit of the organization for the period ended 31 August 2016, I am of the opinion that management's use of the going concern basis of accounting in the preparation of its financial statements is appropriate.



Signed on: 17 / 12 / 16

Alan Fraser Lovett - Registered Company Auditor

Australian Workers Union Greater NSW Branch
Statement of Comprehensive Income
For the period ended 31 August 2016

		Aug 2016	2016
	Notes	\$	\$
Revenue			
Membership subscriptions		829,629	4,931,965
Interest received		30,982	138,548
Commissions received		5,525	52,595
Rents Received	10	30,471	257,359
OH & S Training course income		-	-
Sundry income		48,127	292,823
Total Revenue		<u>944,734</u>	<u>5,673,290</u>
Other Income			
Grants & Donations	10	-	-
Dividends received		-	-
Net gains from sale of assets	10	-	965
Total Other Income		<u>-</u>	<u>965</u>
Total income		<u>944,734</u>	<u>5,674,255</u>
Expenses			
Accountancy and audit expenses	2	5,134	18,482
Administration Expenses	13	24,326	230,888
Affiliation fees	13	19,240	113,551
Sustentation Fees – AWU National	12/14	89,824	516,118
Depreciation expenses	13	32,096	179,834
Grants & Donations	13	2,138	11,167
Property expenses	13	37,156	264,510
Union Activities	13	24,494	163,271
Legal costs	13	8,011	83,642
Organisers expenses	13	39,123	269,965
Employee Expenses	11	879,824	3,554,929
Total expenses		<u>1,161,366</u>	<u>5,406,357</u>
Profit (loss) for the year		<u>(216,632)</u>	<u>267,898</u>

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

Australian Workers' Union Greater NSW Branch
Statement of Financial Position
As At 31 August 2016

	Note	Aug 2016 \$	2016 \$
Current Assets			
Cash assets	3	8,127,650	8,813,296
Receivables	4	<u>295,472</u>	<u>234,822</u>
Total Current Assets		<u>8,423,122</u>	<u>9,048,118</u>
Non-Current Assets			
Other financial assets	5	830,133	830,133
Receivables	5/14	2,127,123	2,127,123
Property, plant and equipment	6	<u>5,215,874</u>	<u>5,174,342</u>
Total Non-Current Assets		<u>8,173,130</u>	<u>8,131,598</u>
Total Assets		<u>16,596,252</u>	<u>17,179,716</u>
Current Liabilities			
Payables	7	190,286	482,640
Current tax liabilities	8	56,844	96,845
Employee entitlements	9	<u>368,158</u>	<u>336,027</u>
Total Current Liabilities		<u>615,288</u>	<u>915,512</u>
Non-Current Liabilities			
Employee entitlements	9	<u>1,048,614</u>	<u>1,115,222</u>
Total Non-Current Liabilities		<u>1,048,614</u>	<u>1,115,222</u>
Total Liabilities		<u>1,663,902</u>	<u>2,030,734</u>
Net Assets		<u>14,932,350</u>	<u>15,148,982</u>
Equity			
Reserves		2,747,205	2,747,205
Retained profits		<u>12,185,145</u>	<u>12,401,777</u>
Total Equity		<u>14,932,350</u>	<u>15,148,982</u>

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

Australian Workers' Union Greater NSW Branch
Statement of Changes in Equity
As At 31 August 2016

	Note	Aug 2016 \$	2016 \$
Total equity at the beginning of the year		12,401,777	12,133,879
Reserves		2,747,205	2,747,205
Operating surplus/(deficit) for the year		<u>(216,632)</u>	<u>267,898</u>
Total Equity		<u>14,932,350</u>	<u>15,148,982</u>

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

Australian Workers' Union Greater NSW Branch
Statement of Cash Flows
For the period ended 31 August 2016

	Note	Aug 2016 \$	2016 \$
Cash Flow From Operating Activities			
Receipts from members		712,091	4,796,126
Payments to Suppliers and employees		(1,356,916)	(4,976,689)
Dividends received		-	-
Interest received		30,982	138,548
Interest and other costs of finance		(3,700)	(25,772)
Other income		5,525	52,595
Net cash provided by (used in) operating activities	15	(612,018)	(15,192)
Cash Flow From Investing Activities			
Payment for:			
Shares in other companies			
Payments for property, plant and equipment		(73,628)	(131,998)
Proceeds from disposal of:			
Proceeds from sale of property		-	6,364
Net cash provided by (used in) investing activities	15	(73,628)	(125,634)
Net increase (decrease) in cash held		(685,646)	(140,826)
Cash at the beginning of the year		8,813,296	8,954,122
Cash at the end of the year	3	8,127,650	8,813,296

Australian Workers' Union Greater NSW Branch
Recovery of Wages Activity
For the period ended 31 August 2016

NIL

* Note: The Union did not charge for recovery of wages on behalf of members nor did the Union bank any monies on behalf of members. All recoveries went directly to members,

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

Australian Workers' Union Greater NSW Branch
Notes to the Financial Statements

For the period ended 31 August 2016

Note 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is for the entity Australian Workers Union (Greater NSW Branch), as an individual entity. The Greater NSW Branch is an organisation of employees registered under the Fair Work (Registered Organisations) Act 2009. In accordance with the Act the Greater NSW Branch is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Greater NSW Branch is not subject to the Corporations Act 2001.

The financial report of the AWU Greater NSW Branch for the period ended 31 August 2016 was authorised for issue in accordance with a resolution of the AWU NSW Branch Executive on 12th December 2016.

Note 1.1: BASIS OF PREPARATION

The enclosed financial report has been prepared in accordance with the requirements of the Australian Accounting Standards and the RO Act including the section 253 Reporting Guidelines. The report is intended to illustrate the disclosure requirements of the Accounting Standards and the RO Act as required for the preparation of a general purpose financial report under Tier 1—Australian Accounting Standards. The AWU Greater NSW Branch is a not-for-profit entity.

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

The significant accounting policies which have been adopted in the preparation of these financial statements are:

In some cases, an Australian Accounting Standard permits more than one accounting treatment for a transaction or event. We as preparers of financial statements have selected the treatment that is most relevant to our organisation and the relevant circumstances as their accounting policy.

AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, requires an entity to select and apply its accounting policies consistently for similar transactions, events and/or conditions, unless an Australian Accounting Standard specifically requires or permits categorisation of items for which different policies may be appropriate. Where an Australian Accounting Standard requires or permits such categorisation, an appropriate accounting policy is selected and applied consistently to each category. Therefore, once a choice of one of the alternative treatments has been made, it becomes an accounting policy and is applied consistently. Changes in accounting policy are only be made if required by a standard or interpretation, or if the change results in the financial statements providing more reliable and relevant information.

Australian Workers' Union Greater NSW Branch
Notes to the Financial Statements

For the period ended 31 August 2016

Note 1.2: ACCOUNTING POLICIES

(a) Comparative Figures

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

(b) New Australian Accounting Standards

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

(c) Revenue and Other Income

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 membership subscriptions (sustentation income) by the branch is recognised on a on an accruals basis.

Donation income is recognised when it is received.

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.

Revenue from membership subscriptions (sustentation income) by the branch is recognised on a on an accruals basis.

(d) Government grants

Government grants are not recognised until there is reasonable assurance that the organisation 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 organisation recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the organisation 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 organisation with no future related costs are recognised in profit or loss in the period in which they become receivable.

Australian Workers' Union Greater NSW Branch
Notes to the Financial Statements

For the period ended 31 August 2016

(e) Gains - Sale of assets

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

(f) Employee benefits

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

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

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

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

The accrual for employee entitlements to annual leave represents the amount which the Union has a present obligation to pay resulting from employee's services provided up to the balance date. The accrual has been calculated at nominal amounts based on current wage and salary rates plus leave loading.

Provision for Long-Service Leave

The liability for long-service leave of branch officials has only been accumulated in the books of account up to 31 December 2001. In accordance with the decision of the National Executive, the branch is now required to bring to account the annual indebtedness to long service leave of its officials.

(g) 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.

Australian Workers' Union Greater NSW Branch
Notes to the Financial Statements

For the period ended 31 August 2016

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.

(h) Borrowing costs

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

(i) 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 consolidated statement of financial position.

(j) Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(k) Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

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For the period ended 31 August 2016

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

Available-for-sale

Listed shares and listed redeemable notes held by the reporting unit that are traded in an active market are classified as available-for-sale and are stated at fair value. The reporting unit also has investments in unlisted shares that are not traded in an active market but that are also classified as available-for-sale financial assets and stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the reporting unit right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on

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the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

(l) Loan and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

(m) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

(n) Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of

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amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of

(o) Derecognition of financial assets

The reporting unit derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

(p) Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

it has been acquired principally for the purpose of repurchasing it in the near term; or
on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the

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reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The reporting unit derecognises financial liabilities when, and only when, the reporting units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(q) 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.

(r) 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 Revaluations—Land and Buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class.

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(s) Depreciation

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount. dismantling and removing the item and restoring the site on which it is located.

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the Union commencing from the time the asset is ready for use.

The depreciation rates used for each class of asset are:

Building	2.5% - 6.67%
Office Equipment and Furniture	10%- 40%
Motor Vehicles	20%

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.

(t) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

(u) Impairment for 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

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

(v) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

(w) Taxation

The Union 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 cash flow statement 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.

(x) Fair value measurement

The [reporting unit] measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date.

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

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

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For the period ended 31 August 2016

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

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

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

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

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

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

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

(y) Going Concern

The financial report has been prepared on the basis that the Branch is a going concern, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The AWU National Executive and the three branch executives of the AWU geographically located within New South Wales agreed to merge into one NSW State Branch as at 1st September 2016. As a result a new Executive was appointed to take control of the Union.

All assets and liabilities of the Branch will be transferred to the new entity, AWU New South Wales Branch effective 1st September 2016 on a going concern basis.

Australian Workers' Union Greater NSW Branch

Notes to the Financial Statements

For the period ended 31 August 2016

	Aug 2016	2016
Note 2: Auditor's Remuneration		
Remuneration of the auditor of the Union for:		
Auditing or reviewing the financial report	5,134	18,482
	<u>5,134</u>	<u>18,482</u>

No other services were provided by the auditors of the financial statements.

Note 3: Cash assets

Bank accounts:

Cash at bank - Account No 1	(76,202)	216,992
Cash at bank - Account No 2	120,389	190,731
Cash at bank - Greater Union Account	54,166	78,956
Cash at bank - Workcover Grant Account	11,662	11,662
Cash at bank - GTUC In	2,702,488	3,072,769
Cash at bank - Annual Leave Account	1,702,456	1,654,624
Other cash items:		
Cash at bank - Colonial First State Account	-	-
Cash at bank - Training Fund Account	159,924	164,461
Cash at bank - Long Service Leave Account	813,737	797,206
Members Equity Bank	2,629,430	2,616,295
Petty Cash Account	9,600	9,600
	<u>8,127,650</u>	<u>8,813,296</u>

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Notes to the Financial Statements

For the period ended 31 August 2016

	Aug 2016	2016
Note 4: Receivables		
Current		
Member Contribution accrual	129,292	149,423
Receivables from other reporting unit(s)	-	-
Less provision for doubtful debts	-	-
Sundry	166,180	85,399
	<u>295,472</u>	<u>234,822</u>

Current trade receivables are non-bearing and generally are receivable within 30 days. A provision for impairment is recognised against subscriptions where there is objective evidence that an individual trade receivable is impaired. No impairment was required as at 31 August 2016. (2016: nil).

Note 5: Other Financial Assets

Non-Current

Shares in other companies - at cost

Chifley Financial Services Limited	<u>830,133</u>	<u>830,133</u>
Total	<u>830,133</u>	<u>830,133</u>

Receivables

AWU – National Office Loan	<u>2,127,123</u>	<u>2,127,123</u>
Total	<u>2,127,123</u>	<u>2,127,123</u>

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Notes to the Financial Statements

For the period ended 31 August 2016

	Aug 2016	2016
Note 6: Property, Plant and Equipment		
Freehold land and buildings:		
- Granville Properties - At independent valuation	4,230,419	4,230,419
- Griffith Property - At independent valuation	393,319	393,319
	4,623,738	4,623,738
Buildings:		
- Less: Accumulated depreciation	(64,863)	(62,693)
	(64,863)	(62,693)
Office, Plant and Furniture and Fittings:		
- At cost	944,989	936,449
- Less: Accumulated depreciation	(552,428)	(539,894)
	392,561	396,555
Motor vehicles:		
- At cost	1,049,716	984,628
- Less: Accumulated depreciation	(785,278)	(767,886)
	264,438	216,742
	5,215,874	5,174,342

Movements in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

At Cost:	Motor Vehicles	Office, Plant and Furniture and Fittings	Land and Buildings	Total
Balance as at 1 July 2015	286,836	366,933	4,573,807	5,227,576
Additions	33,900	98,098	-	131,998
Disposals	-	-	-	-
Write back	(5,398)	-	-	(5,398)
Depreciation expense	(98,596)	(68,476)	(12,762)	(179,834)
Balance as at 30 June 2016	216,742	396,555	4,561,045	5,174,342
Additions	65,088	8,540	-	73,628
Disposals	-	-	-	-
Write back	-	-	-	-
Depreciation expense	(17,392)	(12,534)	(2,170)	(32,096)
Balance as at 31 August 2016	264,438	392,561	4,558,875	5,215,874

Australian Workers' Union Greater NSW Branch
Notes to the Financial Statements

For the period ended 31 August 2016

The real-estate properties included in the Greater NSW Branch Financial Statements are:

	Aug 2016	2016
	\$	\$
16-20 Good Street, Granville	3,402,053	3,404,019
61 Good Street, Granville	763,864	763,912
103 Banna Avenue, Griffith	<u>392,958</u>	<u>393,114</u>
Balance as at 30 June	<u>4,558,875</u>	<u>4,561,045</u>

The properties are primarily used as offices of the Greater NSW Branch. The Branch Executive is of the opinion that no impairment provisions are necessary, as the carrying value of the properties (written down value) are below their current market values.

	2017	2016
Note 7: Payables		
Unsecured:		
Sundry creditors and accruals	190,286	482,640
Payables to other reporting units	-	-
Consideration to employers for payroll deductions	-	-
Legal Costs	-	-
	<u>190,286</u>	<u>482,640</u>

Note 8: Tax Liabilities

Current

GST payable control account	56,844	96,845
Total	<u>56,844</u>	<u>96,845</u>

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Notes to the Financial Statements

For the period ended 31 August 2016

Aug 2016

2016

Note 9: Employee Provisions

Office Holders

Annual Leave	65,124	55,752
Long Service Leave	422,136	631,726
Separations and redundancies	-	-
Other	-	-
Sub-total employee provisions - Office Holders	<u>487,260</u>	<u>687,478</u>

Employees Other than Office Holders

Annual Leave	303,034	280,275
Long Service Leave	626,478	483,496
Separations and redundancies	-	-
Other	-	-
Sub-total employee provisions – Employees other than Office Holders	<u>929,512</u>	<u>763,771</u>

Total Employee Provisions

1,416,772 **1,451,249**

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Notes to the Financial Statements

For the period ended 31 August 2016

	Aug 2016	2016
Note 10 Income		
(A) Capitation Fees		
No Capitation fees were received.		
(B) Levies		
No compulsory or voluntary levies were received.		
(C) Rental Revenue		
Rents received - Granville Trade Centre	5,826	18,493
Rent received - Canberra	8,695	164,346
Rent received - Dubbo	12,384	53,031
Rent received - Griffith	2,669	16,107
Rent received - Orange	<u>897</u>	<u>5,382</u>
Total	<u>30,471</u>	<u>257,359</u>
(D) Grants and Donations		
MERT	-	-
Donations received >\$1,000	-	-
Donations received <\$1,000	<u>-</u>	<u>-</u>
Total	<u>=</u>	<u>=</u>
(E) Net gains from the Sale of Assets		
Motor Vehicles	-	<u>965</u>
Total	-	<u>965</u>

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For the period ended 31 August 2016

Note 11 Employee Expenses

(a) In accordance with Sub-regulations 107 (a) (XIV) and (XV) of the Fair Work (Registered Organisations) Act 2009, I report that the figure Salaries and Wages in the Statement of Comprehensive Income is made up of the following:

	Aug 2016	2016
	\$	\$
Employee expenses		
Holders of office:		
Wages and salaries	347,837	436,546
Superannuation	33,454	81,724
Leave and other entitlements	(94,184)	74,305
Separation and redundancies	-	-
Other employee expenses	23,099	130,921
Subtotal employee expenses holders of office	310,206	723,496
Employees other than office holders:		
Wages and salaries	431,711	1,734,727
Superannuation	49,531	259,285
Leave and other entitlements	59,708	294,454
Separation and redundancies	-	22,718
Other employee expenses	28,668	520,249
Subtotal employee expenses employees other than office holders	569,618	2,831,433
Total employee expenses	879,824	3,554,929

(b) Disclosure of Remuneration of Elected Officials

The following rates of pay apply to full-time elected officials of the Union as set by the AWU National Executive resolution:

Branch Secretary	\$108,700
Assistant Branch Secretary	\$92,200
Branch Organiser	\$82,200

Note 12 Sustentation (Capitation) Fees

AWU National Office Sustentation	89,824	516,118
Total	89,824	516,118

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	Aug 2016	2016
Note 13 Other Expenses		
(A) Affiliation Fees		
ACTU Industrial Levy	-	-
ALP NSW	9,947	63,000
ALP ACT	-	882
Unions NSW	7,767	48,659
Unions ACT	526	510
Sydney May Day Committee	<u>1,000</u>	<u>500</u>
Total	<u>19,240</u>	<u>113,551</u>
(B) Administration Expenses		
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Branch executive expenses incl fees & allowances	1,376	13,958
Annual Delegates Conference and meeting expenses	6,031	70,938
Bank Fees	1,320	6,376
Consulting and employment agency fees	346	6,036
Repairs & maintenance - computer	10,778	80,757
Repairs & maintenance - office equipment	3,798	35,524
General	<u>677</u>	<u>17,299</u>
TOTAL	<u>24,326</u>	<u>230,888</u>
(C) Grants and Donations		
Donations >\$1,000	-	4,546
Donations <\$1,000	2,138	1,273
Sponsorship >\$1,000	-	3,000
Sponsorship <\$1,000	<u>-</u>	<u>2,348</u>
TOTAL	<u>2,138</u>	<u>11,167</u>
(D) Union Activities		
Advertising and promotion	-	365
Ambulance services	-	885
Delegate expenses	2,794	18,632
Functions	-	23,396
Mortality expenses	-	960
Postage and couriers	5,403	18,823
Printing expenses	3,196	18,148
Telephone expenses	10,086	67,292
Stationery	<u>3,015</u>	<u>14,770</u>
TOTAL	<u>24,494</u>	<u>163,271</u>

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For the period ended 31 August 2016

	Aug 2016	2016
(E) Depreciation		
Depreciation - plant & motor vehicle	29,926	167,072
Depreciation - buildings	<u>2,170</u>	<u>12,762</u>
TOTAL	<u>32,096</u>	<u>179,834</u>
(F) Property Expenses		
Granville	18,054	115,227
Canberra	6,443	78,116
Orange	4,845	26,352
Griffith	2,034	12,052
Dubbo	371	1,425
Grafton	-	2,007
Tamworth	3,699	20,799
Wagga Wagga	<u>1,710</u>	<u>8,532</u>
TOTAL	<u>37,156</u>	<u>264,510</u>
(G) Legal Costs		
Industrial relation expenses	4,415	16,228
Legal and professional fees	2,542	61,705
Court filing fees	243	1,324
Subscriptions	<u>811</u>	<u>4,385</u>
TOTAL	<u>8,011</u>	<u>83,642</u>
(H) Organiser expenses		
Motor Vehicle Expenses	30,575	212,489
Organiser expenses	8,205	50,252
Training & seminars	-	4,442
Travel & fare expenses	<u>343</u>	<u>2,782</u>
Total	<u>39,123</u>	<u>269,965</u>
(I) Other Expenses		
Penalties – via RO Act or RO Regulations	-	-

Australian Workers' Union Greater NSW Branch
Notes to the Financial Statements

For the period ended 31 August 2016

	Aug 2016	2016
Note 14 Related Party Disclosures		
(A) Related party Transactions for the reporting period		
Expenses paid to AWU National Office		
Sustentation Fees	89,824	516,118
ACTU Industrial Levy 19,238	-	-
Loans to AWU National Office		
Loan*	2,127,123	2,127,123
* The loan provided to AWU National Office and receives of 0% and no defined repayment date.		
(b) Key Management Personnel Remuneration for the Reporting Period		
Short-term employee benefits		
Salary (including annual leave taken)	347,837	436,546
Annual leave accrued	65,124	55,752
Performance Bonus	0	0
Other Benefits	0	0
Total short-term employee benefits	412,961	492,298
Post-employment benefits:		
Superannuation	33,454	81,724
Total post-employment benefits	33,454	81,724
Other long-term benefits:		
Long-service leave	(111,978)	135,115
Total other long-term benefits	(111,978)	135,115
Termination benefits	-	-
Total	-	-

(C) Transactions with key management personnel and their close family members

Loans to/from key management personnel

No loans made.

Other transactions with key management personnel

No transactions with key management personnel was undertaken

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Notes to the Financial Statements

For the period ended 31 August 2016

	Aug 2016	2016
Note 15: Reconciliation Of Net Cash Provided By/Used In Operating Activities to Surplus/Deficit		
Operating surplus (deficit) for the year	(216,632)	267,898
Depreciation	32,096	179,834
(Profit) / Loss on sale of property, plant and equipment	-	(965)
Changes in assets and liabilities:		
(Increase) decrease in receivables and others	(60,650)	(142,516)
Increase (decrease) in other creditors	(332,355)	(368,445)
Increase (decrease) in provisions	(34,477)	49,002
Net cash provided by operating activities	(612,018)	(15,192)

Note 15B: Cash flow information for reporting unit / controlled entity

Cash Inflows		
From Reporting Unit / Controlled Entities	-	-
Total cash inflows	-	-
Cash Outflows		
From Reporting Unit / Controlled Entities	-	-
Total cash outflows	-	-

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Notes to the Financial Statements

For the period ended 31 August 2016

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

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009* the attention of members is drawn to the provisions of Sub-Sections (1), (2) and (3) of Section 272 which read as follows:

Information to be provided to members or General Manager:

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

Note 17 Matters Subsequent to the End of the Financial Year

The Branch Executive is not aware of any post-balance date events or contingent liability which may materially affect the operating results or financial position of the Branch for the year under review. The Branch Executive acknowledges the merger of the three geographical branches within the state of NSW that came into effect from 1st September 2016 and this will not have a negative effect on operations in future years. The financial statements were signed by the Branch Executive committee on 12th December 2016.

Note 18 Contingent Liabilities

The Branch Executive is not aware of any contingent liability which may materially affect the operating results or financial position of the Branch for the year under review or in future years.

Note 19 Events after the reporting period

This report acknowledges that the three geographical Branches within New South Wales have merged to form one NSW State Branch. The structure of the new Branch has been agreed to and voted by the respective former Branches and endorsed by the AWU National executive. The merger will have no overall negative impact on the financial activities of the Australian Workers' Union within NSW.

Note 20 Union Information

The Australian Workers Union – Greater NSW Branch
Level 2, 16-20 Good Street
Granville NSW 2142