



27 April 2020

Steve Baker  
Branch Secretary  
The Australian Workers' Union - Queensland Branch

Sent via email: [secretary@awu.org.au](mailto:secretary@awu.org.au)

cc: [aaron.santelises@awu.org.au](mailto:aaron.santelises@awu.org.au)  
[daniel.walton@nat.awu.net.au](mailto:daniel.walton@nat.awu.net.au)

Dear Steve,

**The Australian Workers' Union - Queensland Branch  
Financial Reports for the years ended 30 June 2014 (FR2014/217), 30 June 2015  
(FR2015/343), 30 June 2016 (FR2016/261) and 30 June 2017 (FR2017/207)**

I acknowledge that on 2 April 2020, the Registered Organisations Commission (**ROC**) received your response, including a range of financial and other documents, to my request for further information dated 19 February 2020 concerning the administrative arrangements of the Queensland Branch (**the reporting unit**) during 2014 – 2017.

As you are aware, the ROC's concerns about the administrative arrangements of the reporting unit include:

- (a) Why the reporting unit was lodging applications under section 269 for the financial years ended 30 June 2014 and 30 June 2015 when it has become evident that the reporting unit did have financial affairs;
- (b) What statements or claims were made in those applications which led to the then regulator, the Fair Work Commission, issuing the section 269 certificates;
- (c) What, if any, action is required to revoke the section 269 certificates for the financial years ended 30 June 2014 and 30 June 2015;
- (d) Whether an investigation or inquiry under section 330 or section 331 should be conducted to address these issues; and
- (e) What issues the reporting unit may have intentionally failed to disclose which were alluded to in the email of 29 February 2019 from the reporting unit's financial manager (inadvertently provided to the ROC on 29 February 2019).

The information you have recently provided is currently the subject of assessment by staff of the ROC and I will provide a further response once the assessment has progressed.

## Transparency for members of the AWU

For the purpose of transparency to the members of the reporting unit, I advise that we will be uploading the following correspondence to the financial reports pages of the reporting unit for the years 2014 – 2017 inclusive:

- this letter;
- our letters to you dated 19 February 2020 and 25 February 2020; and
- an email dated 21 February 2020 from the reporting unit to the ROC.


We consider that this approach is consistent with the practice of publishing the financial reports of reporting units.

For ease of reference, I have attached copies of each of the documents we will be uploading on the relevant financial report pages of the reporting unit. You will note that we have redacted parts of our letter to you dated 19 February 2020 which relates to the email provided to the ROC (apparently inadvertently) from the reporting units' financial manager dated 29 February 2019.

While we review the financial and other documents you provided on 2 April 2020, we do not propose to include them among the material uploaded to our website. However if the reporting unit would prefer that information (or any other correspondence) be included in the materials uploaded to the website, please provide that advice and we would be happy to consider any such request.

In the meantime, if you have any queries please contact Joanne Fenwick on (03) 9603 0731 or via email at [joanne.fenwick@roc.gov.au](mailto:joanne.fenwick@roc.gov.au).

Yours sincerely



**Chris Enright**  
**Executive Director**  
**Registered Organisations Commission**



25 February 2020

Aaron Santelises  
Industrial Advocate and Legal Advisor  
The Australian Workers' Union - Queensland Branch

Sent via email: [aaron.santelises@awu.org.au](mailto:aaron.santelises@awu.org.au)  
[secretary@awu.org.au](mailto:secretary@awu.org.au)

Dear Aaron,

**The Australian Workers' Union - Queensland Branch**  
**Financial Reports for the years ended 30 June 2014 (FR2014/217), 30 June 2015 (FR2015/343), 30 June 2016 (FR2016/261) and 30 June 2017 (FR2017/207)**

I acknowledge receipt of the email you sent to the Registered Organisations Commission (**ROC**) financial reporting specialist on 21 February 2020.

The email was in response to the correspondence the Australian Workers' Union Queensland Branch (the **reporting unit**) received from the Executive Director of the ROC, Chris Enright, on 19 February 2020.

In your email, you have requested an extension of time to provide the ROC with the following:

1. Provide an understanding of the decision making process of the reporting unit's committee of management which determined that a section 269 application for the financial years ended 30 June 2014 and 30 June 2015 was appropriate;
2. Provide copies of the credit card statements for the period 20 January 2014 – 7 February 2014;
3. Provide copies of pages 2 and 3 of the credit card statement for the period 8 February 2014 – 27 February 2014;
4. Provide copies of the credit card statements for the period 1 July 2016 – 17 March 2017;
5. Identify any credit card transactions during the period 20 January 2014 – 17 March 2017 that relate to either personal use or use for another entity or person (i.e. expenditure that did not pertain to the reporting unit); and
6. Identify any financial transactions reported in the reporting unit's financial reports for the periods ended 30 June 2014, 30 June 2015, 30 June 2016 and 30 June 2017 that another entity undertook on behalf of the reporting unit.

The ROC had requested the provision of this information by Thursday 5 March 2020. Your email requests to extend this timeframe by 8 weeks to Wednesday 29 April 2020.

In requesting this extension, you have provided information on the circumstances that the reporting unit considers to support the granting of additional time. In reviewing this request, I have taken into consideration this information. I have also taken into consideration that the financial reports, which

relate to the request for information, have been prepared and audited within the last 12 months and I would therefore assume that the records would be readily accessible and recently analysed. Finally, I have taken into account the nature of the request to ensure that a reasonable time is allowed for the reporting unit to review and identify any relevant transactions, balanced with the need to ensure that these matters are progressed reasonably and resolved as soon as possible.

Based on the above, I grant the reporting unit an extension of time to provide the requested documents and information to the ROC until **Thursday 2 April 2020**. I am satisfied that this four week extension from the originally requested date is more than adequate having regard to the nature of the above requests, and that this is still more than five weeks away.

If you have any queries please contact Joanne Fenwick on (03) 9603 0731 or via email at [joanne.fenwick@roc.gov.au](mailto:joanne.fenwick@roc.gov.au).

Yours sincerely



**Patrick Coyle**  
**Executive Director (A/g)**  
**Registered Organisations Commission**

Archived: Wednesday, 15 April 2020 10:28:48 AM

From: [Aaron Santelises](#)

Sent: Fri, 21 Feb 2020 17:14:03

To:  
Subject: FW: The Australian Workers' Union - Queensland Branch [SEC=OFFICIAL]

Sensitivity: Normal

Attachments:  
[Letter to AWU Qld Branch 19 Feb 2020.pdf](#)

Dear Ms Fenwick,

We are in receipt of the enclosed correspondence dated 19 February 2020 ('your correspondence').

We note that you have requested a series of items and responses regarding the credit card of The Australian Workers' Union – Queensland Branch between 2014 and 2017, and the section 269 of the *Fair Work (Registered Organisations) Act 2009* (Cth) applications that were conducted for the financial years ending 30 June 2014 and 2015.

In particular, we note that the questions you have put forward in your correspondence are in relation to matters that:

- a. have occurred over four years;
- b. includes a review of a substantial amount of records being the credit card statements over four years; and
- c. overall, reviewing potentially records of The Australian Workers' Union – Queensland Branch over four years that are beyond the credit card statements.

In consideration of the items above it is a substantial list of items and questions that you have put forward to us, and as such we request an extension be provided on **5pm, Wednesday, 29 April 2020**.

If you have any questions about the items above, please let me know via email or (07) 3221 8844.

Kind regards,

**Aaron Santelises**  
Industrial Advocate and Legal Advisor | The Australian Workers' Union  
Level 13, 333 Adelaide Street, Brisbane Qld 4000  
Ph. 07 3221 8844 | Mob. 0447 332 934 | Fax. 07 3221 8700 | [www.qld.awu.net.au](http://www.qld.awu.net.au)



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Steve Baker  
Secretary, Queensland AWU  
GPO Box 88  
BRISBANE QLD 4001

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**Aaron Santelises**  
Industrial Advocate and Legal Advisor  
The Australian Workers' Union Queensland  
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✉ [aaron.santelises@awu.org.au](mailto:aaron.santelises@awu.org.au) 🌐 [www.qld.awu.net.au](http://www.qld.awu.net.au)  
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Steve Baker  
Secretary, Queensland AWU  
GPO Box 88  
BRISBANE QLD 4001

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From: FENWICK, Joanne <[Joanne.Fenwick@roc.gov.au](mailto:Joanne.Fenwick@roc.gov.au)>  
Sent: Wednesday, 19 February 2020 3:24 PM  
To: Secretary AWU Queensland Branch <[secretary@awu.org.au](mailto:secretary@awu.org.au)>  
Subject: The Australian Workers' Union - Queensland Branch [SEC=OFFICIAL]

**OFFICIAL**

Dear Steven

Please find attached correspondence from the Registered Organisations Commission Executive Director, Chris Enright.

Regards

**JOANNE FENWICK**

Financial Reporting Specialist  
**Registered Organisations Commission**

Tel: (03) 9603 0731  
[joanne.fenwick@roc.gov.au](mailto:joanne.fenwick@roc.gov.au)  
[www.roc.gov.au](http://www.roc.gov.au)

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**Australian Government**  
**Registered Organisations Commission**

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19 February 2020

Steve Baker  
Secretary - QLD Branch  
The Australian Workers' Union - Queensland Branch

Sent via email: [secretary@awu.org.au](mailto:secretary@awu.org.au)

Dear Steve,

**The Australian Workers' Union - Queensland Branch**  
**Financial Reports for the years ended 30 June 2014 (FR2014/217), 30 June 2015 (FR2015/343), 30 June 2016 (FR2016/261) and 30 June 2017 (FR2017/207)**

As you will be aware from our correspondence to you on 13 December 2019, the Registered Organisations Commission (**ROC**) has filed the financial reports for the Australian Workers' Union Queensland Branch (the **reporting unit**) for the periods ended 30 June 2014, 30 June 2015, 30 June 2016 and 30 June 2017.

In the 13 December 2019 correspondence, our financial reporting specialist advised you that:

*'The ROC identified in 2017, that since 2014 the 'Australian Workers' Union of Employees, Queensland', the associated State body of the reporting unit (the associated State body), did not encompass the reporting unit's financial affairs, as previously asserted by the reporting unit.'*

The reporting unit had applied for and been issued with, section 269 certificates stating that the financial affairs of the reporting unit were encompassed by the financial affairs of the associated State body for the financial years ended 30 June 2014 and 30 June 2015. It is now apparent that these applications did not reflect the actual administrative arrangements.

**Matters for consideration**

Now that the substantial work has been completed in order to provide transparency and accountability, including our review of the draft financial reports provided by the reporting unit, and the relevant financial reports have been filed, it is now time to turn to the issues which remain to be resolved, including:

- (a) Why the reporting unit was lodging applications under section 269 for the financial years ended 30 June 2014 and 30 June 2015 when it is now evident that the reporting unit did have financial affairs;
- (b) What statements or claims were made in those applications which led to the then regulator, the Fair Work Commission, issuing the section 269 certificates;
- (c) What, if any, action is required to revoke the section 269 certificates for the financial years ended 30 June 2014 and 30 June 2015;
- (d) Whether an investigation or inquiry under section 330 or section 331 should be conducted to address these issues.

A further concern to the ROC relates to the contents of an email that our financial reporting specialist received from the reporting unit's Finance Manager, Mark Goodey, on 28 February 2019 following on from correspondence provided on various draft financial reports. The contents of the email are as follows:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

I acknowledge from its contents that the email does not appear to have been intended for the ROC but nonetheless, it is the email's authorship by the financial manager of the reporting unit which potentially elevates its character to some significance. While I also acknowledge that the reporting unit has co-operated with the ROC by providing relevant documentation in relation to our initial inquiries into this matter, an interpretation which is open on the face of this email, is that full disclosure into the administrative arrangements and financial affairs of the reporting unit may not have been provided to the regulator.

I refer in particular to the penultimate and final paragraphs of the email which refer to [REDACTED] and [REDACTED].

**Information provided to date**

The reporting unit provided the ROC with copies of credit card statements, bank statements and general ledger extracts during August 2018 and September 2018. Unfortunately the credit card statements were incomplete. The reporting unit's credit card was closed on 17 March 2017 however, the documentation relating to the period 1 July 2016 – 17 March 2017 was not provided with the other documents during August and September 2018. Credit card statements for the period 20 January 2014 – 7 February 2014 and pages 2 and 3 of the credit card statement for the period 8 February 2014 – 27 February 2014 were also not included in the provided documents.

I can advise that the ROC has reviewed the provided credit card statements, bank statements and general ledger extracts and undertaken a reconciliation against the reporting unit's financial statements for the periods ended 30 June 2014, 30 June 2015 and 30 June 2016. For each financial year the expenditure total reported in the financial statements did not match the transaction totals within the credit card statements provided.

**Seeking further assistance**

As I have indicated above, a number of issues remain to be resolved, including whether an inquiry or investigation under section 330 or section 331 should be conducted. In order to assist the ROC to make an informed decision on the course of action to follow, if any, under section 330 or 331, I am seeking your assistance in understanding the administrative arrangements of the reporting unit during 2014 – 2017. In particular, I would appreciate if you could:



1. Provide an understanding of the decision making process of the reporting unit's committee of management which determined that a section 269 application for the financial years ended 30 June 2014 and 30 June 2015 was appropriate;
2. Provide copies of the credit card statements for the period 20 January 2014 – 7 February 2014;
3. Provide copies of pages 2 and 3 of the credit card statement for the period 8 February 2014 – 27 February 2014;
4. Provide copies of the credit card statements for the period 1 July 2016 – 17 March 2017;
5. Identify any credit card transactions during the period 20 January 2014 – 17 March 2017 that relate to either personal use or use for another entity or person (i.e. expenditure that did not pertain to the reporting unit); and
6. Identify any financial transactions reported in the reporting unit's financial reports for the periods ended 30 June 2014, 30 June 2015, 30 June 2016 and 30 June 2017 that another entity undertook on behalf of the reporting unit.

I request that this information be to the ROC at [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au) by **Thursday 5 March 2020**.

If you have any queries regarding this letter in the interim, please contact Joanne Fenwick on (03) 9603 0731 or via email at [joanne.fenwick@roc.gov.au](mailto:joanne.fenwick@roc.gov.au).

Yours sincerely



**Chris Enright**  
**Executive Director**  
**Registered Organisations Commission**



13 December 2019

Steve Baker  
Secretary - QLD Branch  
The Australian Workers' Union - Queensland Branch

Sent via email: [secretary@awu.org.au](mailto:secretary@awu.org.au)  
CC: [mark.goodey@awu.org.au](mailto:mark.goodey@awu.org.au)  
[Matthew.Green@hanrickcurran.com.au](mailto:Matthew.Green@hanrickcurran.com.au)

Dear Steve,

**The Australian Workers' Union - Queensland Branch  
Financial Reports for the years ended 30 June 2014 (FR2014/217), 30 June 2015  
(FR2015/343), 30 June 2016 (FR2016/261) and 30 June 2017 (FR2017/207)**

I refer to the abovementioned financial reports for the Australian Workers' Union Queensland Branch (the **reporting unit**) which have been the subject of ongoing discussions between the Registered Organisations Commission (the **ROC**) and the reporting unit since 2017.

The ROC identified in 2017, that since 2014 the 'Australian Workers' Union of Employees, Queensland', the associated State body of the reporting unit (the **associated State body**), did not encompass the reporting unit's financial affairs, as previously asserted by the reporting unit. The reporting unit had applied for and was issued with, section 269 certificates stating that the financial affairs of the reporting unit were encompassed by the financial affairs of the associated State Body for the financial years ended 30 June 2014 and 30 June 2015. It is now apparent that these applications did not reflect the actual administrative arrangements.

The ROC has reviewed a number of draft financial reports for the abovementioned financial years with a final signed copy of these reports, that have been provided to members and presented to a meeting, lodged with the ROC on 11 April 2019.

The financial reports have now been filed. You are not required to take any further action in respect of the reports lodged.

Please note that the filing of these financial reports does not limit the ROC from making further enquiries into (or taking further action regarding) the administrative arrangements and state of affairs of the reporting unit during this time, and in particular, the information provided by the reporting unit in its initial section 269 applications for the years ended 30 June 2014 and 30 June 2015. Accordingly, we will correspond with you further regarding those issues.

If you have any queries regarding this letter in the interim, please contact me on (03) 9603 0731 or via email at [joanne.fenwick@roc.gov.au](mailto:joanne.fenwick@roc.gov.au).

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Joanne Fenwick', with a long horizontal flourish extending to the right.

**Joanne Fenwick  
Financial Reporting Specialist  
Registered Organisations Commission**

# **The Australian Workers' Union, Queensland Branch**

ABN: 95 939 872 984

## **Financial Statements**

For the Year Ended 30 June 2016

# The Australian Workers' Union, Queensland Branch

ABN: 95 939 872 984

## Contents

### For the Year Ended 30 June 2016

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**Designated Officer's Certificate**  
**30 June 2016**

I, Stephen Kenneth Baker being the Branch Secretary of The Australian Workers' Union, Queensland Branch (Branch), do hereby certify that:

- (a) the documents lodged herewith are copies of the Branch report for The Australian Workers' Union Queensland Branch for the period ended 30 June 2016 referred to in section 268 of the *Fair Work (Registered Organisations) Act 2009*; and
- (b) the Branch report was provided to members of the Branch on 11 March 2019; and
- (c) the Branch report was presented to a meeting of the Committee of Management on 2<sup>nd</sup> April 2019, in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

  
Stephen Kenneth Baker  
Branch Secretary

Date 2<sup>nd</sup> April 2019

Brisbane, Queensland

## **Operating Report 30 June 2016**

The Committee of Management (**Committee**) presents the Branch report for the financial year ended 30 June 2016.

### **Names of members of the Committee**

The following were members of the Committee as at for the entire reporting period unless indicated otherwise:

Mr B Swan (Chairman)	Mr D Bulow	Mr P Gunsberger	Mr T Spence
Mr K Ballin	Mr A Beers	Mr T Cross	Mr P Robertson
Ms T Sharpe	Mr S Baker	Mr B Harding	Ms M Chambers (nee Williams)

During the year the following members ceased to be on the Committee:

Mr R Stockham – resigned 31 March 2016  
Mr D Liston – resigned 13 May 2016

During the year the following members were appointed to the Committee:

Mr B Harding – appointed 6 April 2016  
Mr T Cross – appointed 27 May 2016

All the members above are elected officers of the Branch conducted in accordance with the provisions of the *Fair Work (Registered Organisations) Act 2009* and the rules of the organisation.

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

The principal activities of the Branch continued to be branch activities of a registered trade union working for the benefit of its members through negotiating enterprise bargaining agreements, varying awards, representing members before industrial tribunals, training of delegates and members in workplace health and safety, workplace organising, recruitment and public promotion of the interests of members.

The branch activities include Branch travel and accommodation, functions and events, donations, meetings, filing fees and administration. The Branch operates a bank account and a credit card facility with the Commonwealth Bank of Australia which it uses to settle payments made in relation to these activities. The State Union is not a registered organisation under the *Fair Work (Registered Organisations) Act 2009*.

There were no significant changes to these Branch activities during the year.

### **Results**

The results of the Branch show the Branch made a small profit for the financial year. Significant expenses were incurred during the year on travel and accommodation, dealing with matters on national level.

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

The Branch made a profit for the year of \$22,762. There were no significant changes to the financial affairs of the Branch during the year.

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

The right of Union members to resign from the Queensland Branch is set out in Rule 14 of The Australian Workers' Union Rules as registered under the *Fair Work (Registered Organisations) Act 2009* which states as follows:

1. A member may resign membership of the Union by notice in writing. Notice addressed to an Officer of the relevant Branch of the Union must be signed by the member and provided to the Union by mail, facsimile, email or in person.
2. A notice of resignation that has been received by an Officer of the Branch of the Union is not invalidated by reason of the fact that it has not been addressed and delivered in accordance with sub-rule (1) if the member is informed in writing by the Union that the resignation has been accepted.
3. Resignation or notice of resignation does not lessen the member's obligation to pay to the Union any sum which becomes payable prior to the members resignation.

## Operating Report (continued)

30 June 2016

4. A notice of resignation of membership takes effect:
- (a) Where the member ceases to be eligible to become a member of the Union:
    - i. on the day on which the notice is received; or
    - ii. on the day specified in the notice which is a day not earlier than the day when the members ceases to be eligible to become a memberwhichever is the later; or
  - (b) In any other case:
    - i. at the end of two weeks after the notice is received; or
    - ii. on the day specified in the noticewhichever is the later.

### Officers & employees who are Superannuation fund trustee(s) or director of a company that is a Superannuation fund trustee

Those who hold a position or trustee or director of any entity, scheme or company as described in section 254(2)(d) of the *Fair Work (Registered Organisations) Act 2009*, where a criterion of such an entity is that the holder of such position must be a member or an official of a registered organisation are as follows:

Mr B Swan	Director of Sunsuper Pty Ltd	Appointed: 1 August 2013
Ms C Mullen	Director of AustSafe Pty Ltd	Appointed: 31 October 2013
Ms T Sharpe	Director of AustSafe Pty Ltd	Appointed: 1 February 2014
Mr T Spence	Chair of Australian Superannuation (Qld) Advisory Board	Appointed: 1 February 2014
Mr K Ballin	Director of AustSafe Pty Ltd	Ceased: 11 December 2015
Mr C Sell	Director of AustSafe Pty Ltd	Appointed: 12 December 2015

### Number of members

Members who join the Australian Workers' Union of Employees Queensland (State Union) simultaneously become members of the Branch. The number of persons held in the register of members as at the end of the financial year who were financial members were 24,223 (2015: 26,091) and unfinancial members were 10,265 (2015: 12,119).

### Number of employees

The Branch does not employ any staff members directly. Branch activities undertaken by the Branch use the resources of the State Union.

Signed in accordance with a resolution of the Committee:

  
Stephen Kenneth Baker  
Branch Secretary

Date 11 March 2018

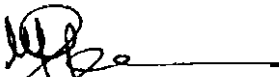
Brisbane, Queensland

**Auditor's Independence Declaration to the Committee of The Australian Workers' Union,  
Queensland Branch**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the APES 110 *Code of Ethics for Professional Accountants* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

**Mazars Audit (QLD) Pty Limited**  
**Authorised Audit Company: 338599**

  
\_\_\_\_\_  
**Matthew Green**  
Director

Brisbane, 2 April 2019

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/147



**Committee of Management Statement  
30 June 2016**

On the 11 March 2019, the Executive Committee of The Australian Workers' Union, Queensland Branch passed the following resolution in relation to the general purpose financial report of the Branch for the year ended 30 June 2016:

The Committee declares that in its opinion:

- (a) the financial statements and notes comply with Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Commissioner of the Register Organisations Commission;
- (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;
- (e) during the financial year to which the general purpose financial report relates and since the end of that year:
  - (i) meetings of the Committee were held in accordance with the rules of the organisation including the rules of a branch concerned;
  - (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;
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the *Fair Work (Registered Organisations) Act 2009*;
  - (iv) 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;
  - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the *Fair Work (Registered Organisations) Act 2009* has been provided to the member or Commissioner; and
  - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the *Fair Work (Registered Organisations) Act 2009*, there has been compliance; and
- (f) no revenue has been derived by the Branch from undertaking any recovery of wages activity during the financial year ending 30 June 2016.

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

  
**Stephen Kenneth Baker**  
Branch Secretary

Date 11 March 2019

Brisbane, Queensland

**Statement of Comprehensive Income  
For the Year Ended 30 June 2016**

	2016	2015
<b>Revenue</b>	<b>Note</b>	<b>\$</b>
Capitation fees and other revenue from another reporting unit		-
Compulsory Levies		-
Contribution received	2(a)	227,896
Interest	2(b)	67
<b>Total revenue</b>		<u><u>219,670</u></u>
<b>Expenses</b>		
Capitation fees and other expenses from another reporting unit		-
Affiliation fees		-
Levies		-
Administration expenses	3(a)	19,156
Grants or donations	3(b)	3,500
Legal costs	3(c)	4,418
Other	3(d)	210,837
<b>Total expenses</b>		<u><u>196,908</u></u>
<b>Profit (loss) for the period before tax</b>		<u><u>22,762</u></u>
Income tax expense		-
<b>Profit/(loss) for the period</b>		<u><u>22,762</u></u>
<b>Other comprehensive income for the period</b>		
<b>Items that will not be reclassified subsequently to profit or loss</b>		
Gain on revaluation of land and buildings		-
<b>Total comprehensive income for the period</b>		<u><u>22,762</u></u>

**Statement of Financial Position**  
**As at 30 June 2016**

	Note	2016 \$	2015 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4(a)	17,049	-
Trade and other receivables	4(b)	6,529	7,079
Receivables from another reporting unit	4(c)	-	-
<b>TOTAL CURRENT ASSETS</b>		<u>23,578</u>	<u>7,079</u>
<b>TOTAL ASSETS</b>		<u>23,578</u>	<u>7,079</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Member ship deductions subscriptions		-	-
Employee provisions		-	-
Legal costs		-	-
Payable to another reporting unit		-	-
Trade payables	5(a)	-	4,286
Other payables	5(b)	-	1,977
<b>TOTAL CURRENT LIABILITIES</b>		<u>-</u>	<u>6,263</u>
<b>TOTAL LIABILITIES</b>		<u>-</u>	<u>6,263</u>
<b>NET ASSETS</b>		<u>23,578</u>	<u>816</u>
<b>EQUITY</b>			
Retained earnings		<u>23,578</u>	<u>816</u>
<b>TOTAL EQUITY</b>		<u>23,578</u>	<u>816</u>

**Statement of Changes in Equity  
For the Year Ended 30 June 2016**

	Retained Earnings \$	Total \$
<b>Balance as at 1 July 2015</b>	816	816
Profit (loss) for the year	22,762	22,762
	<hr/>	<hr/>
<b>Balance as at 30 June 2016</b>	<b>23,578</b>	<b>23,578</b>

	Retained Earnings \$	Total \$
<b>Balance as at 1 July 2014</b>	10,764	10,764
Profit (loss) for the year	(9,948)	(9,948)
	<hr/>	<hr/>
<b>Balance as at 30 June 2015</b>	<b>816</b>	<b>816</b>

**Statement of Cash Flows**  
**For the Year Ended 30 June 2016**

	2016	2015
Note	\$	\$
<b>OPERATING ACTIVITIES:</b>		
<b>Cash received</b>		
Interest received	39	67
Contribution received from the Australian Workers' Union of Employees Queensland	219,631	226,766
Other receipts	550	-
Cash flow from other reporting units	-	-
<b>Cash used</b>		
Payments to suppliers	(203,171)	(233,625)
<b>Net cash from (used by) operating activities</b>	12(a) <u>17,049</u>	<u>(6,792)</u>
<b>Net increase (decrease) in cash held</b>		
	17,049	(6,792)
Cash and cash equivalents at beginning of the reporting period	-	6,792
<b>Cash and cash equivalents at end of reporting period</b>	4(a) <u>17,049</u>	<u>-</u>

**Receipts and Payments for Recovery of Wages  
For the Year Ended 30 June 2016**

	2016	2015
	\$	\$
<b>Cash assets in respect of recovery money at beginning of year</b>	-	-
<b>Receipts</b>	-	-
Amount recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
<b>Total Receipts</b>	<hr/>	<hr/>
	-	-
<b>Payments</b>	-	-
Deductions of amounts due in respect of membership for:	-	-
- 12 months or less	-	-
- greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:	-	-
- the union	-	-
- other entity	-	-
Deductions of fees or reimbursements of expenses	-	-
Payments to workers in respect of recovered money	-	-
<b>Total Payments</b>	<hr/>	<hr/>
	-	-
<b>Cash assets in respect of recovery money at end of year</b>	<hr/>	<hr/>
	-	-
Numbers of workers to which the monies recovered relates to	-	-
<b>Aggregate payable to workers attributable to recovered monies but not yet distributed</b>	-	-
Payable balance	-	-
Number of workers the payable relates to	-	-
<b>Fund or account operated for recovery of wages</b>	-	-

## Notes to the Financial Statements For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies

#### (a) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisations) Act 2009*. For the purpose of preparing the general purpose financial statements, the Branch is a not-for-profit entity.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accrual basis and in accordance with historical costs, except for certain assets and liabilities at 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.

In accordance with arrangements between the Australian Workers' Union of Employees Queensland (State Union) and the Branch, the latter performs limited activities and functions. Accordingly, these financial statements have been prepared on the basis of reflecting those limited activities and functions for which the Branch is responsible.

#### (b) Going concern

In accordance with arrangements between the Branch and the State Union and as further detailed in Note 1(h), the State Union makes contributions as required to Branch to allow the Branch to undertake its activities and continue as a going concern.

In addition, and as detailed on Note 11, the Branch has ceased undertaking the activities referred to in the Operating Report subsequent to balance date. Accordingly, the Committee is of the opinion that the Branch will be able to pay its debts as and when they fall due.

The Branch's ability to continue as a going concern is not reliant on the financial support of another reporting unit and no other reporting unit has agreed to provide financial support to the Branch concerning its ability to continue as a going concern.

#### (c) Comparative amounts

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

#### (d) Significant accounting judgements and estimates

The Branch evaluates estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data.

The Branch assesses impairment at each reporting date by evaluating conditions specific to the Branch that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. No impairment has been recognised in respect of the current year (2015: Nil).

No other accounting judgements and estimates have been applied in the preparation of the financial report.

**Notes to the Financial Statements  
For the Year Ended 30 June 2016**

**1 Summary of Significant Accounting Policies (continued)**

**(e) Income tax**

The Branch is exempt from income tax by virtue of *s50-45 of the Income Tax Assessment Act 1997*.

**(f) Cash**

Cash is recognised at its nominal amount. Cash and cash equivalents include cash on hand and deposits held at call with the bank.

**(g) Financial instruments**

The Branch is not exposed to any material financial risks through the use of financial instruments. The principal categories of financial instruments used by the Branch are the following:

- Cash
- Trade receivables
- Borrowing from the Australian Workers' Union of Employees Queensland

The Branch is not exposed to material liquidity or market risk in respect of the above financial instruments. It has policies in place to ensure that it has sufficient cash to allow it to meet its obligations when they become due and payable.

Cash is held with an Australian bank. Where cash flows allow, these amounts are held on deposit. The risk of changes in interest rates affecting future cash flows is not considered material. Any credit risk attaching to counterparties is also considered immaterial.

**(h) Revenue and other income**

Members who join the Australian Workers' Union of Employees Queensland (State Union) simultaneously become members of the Branch. Membership subscriptions and fees derived by the State Union are not recorded in the Branch.

Interest revenue is recognised on a proportional basis, taking into account the interest rate applicable to the financial assets.

The Branch did not receive any capitation fees, levies, donations and grants from any third parties.

Contribution income received from The Australian Workers' Union of Employees Queensland (State Union) is recognised as received. Monies received from the State Union are reported on the basis that:

- Monies are provided by the State Union to allow the Branch to undertake certain activities in accordance with the arrangements between the State Union and Branch; and
- There is no expectation by either the State Union or Branch that any of these monies are to be repaid.



**Notes to the Financial Statements  
For the Year Ended 30 June 2016**

**1 Summary of Significant Accounting Policies (continued)**

**(i) New and amended standards and interpretations**

The Union applied, for the first time, certain new and amended accounting standards and interpretations which are effective for annual periods beginning on or after 1 July 2015. There are no new and amended accounting standards and interpretations that became effective as of July 2015 that have material impact to the Union.

**(j) New and amended standards and interpretations issued but not yet effective**

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

New/Revised Pronouncements	Nature of change	Impact
AASB 9 Financial Instruments (application date 30 June 2020)	The AASB has issued the complete AASB 9. The new standard includes revised guidance on the classification and measurement of financial assets, including a new expected credit loss model for calculating impairment, and supplements the new general hedge accounting requirements previously published. This supersedes AASB 9 (issued in December 2009-as amended) and AASB 9 (issued in December 2010).	The Union has not yet fully assessed the impact of AASB 9 as this standard does not yet apply mandatorily.
AASB 15 Revenue from Contracts with Customers (application date 30 June 2020)	The standard contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised.	The Union has not yet determined the magnitude of any changes which may be needed.
AASB 16 Leases (Not applicable to AWU, QLD Branch)	Significant revisions to accounting for operational leases on balance sheet by lessees of property and high value equipment. However, exemptions for short-term leases and leases of low value assets will reduce the impact.	The Union has not yet determined the magnitude of any changes which may be needed.
AASB 1058 Income of Not-for-Profit Entities (application date 30 June 2020)	AASB 1058 replaces the income recognition requirements relating to private sector not-for-profit (NFP) entities, as well as the majority of income recognition requirements relating to public sector NFP entities previously reflected in AASB 1004 Contributions.	The Union has not yet determined the magnitude of any changes which may be needed.

**Notes to the Financial Statements  
For the Year Ended 30 June 2016**

	2016 \$	2015 \$
<b>2. Income</b>		
<b>(a) Contribution received</b>		
The Australian Workers' Union of Employees, Queensland	219,631	227,896
<b>Total contribution received</b>	<u>219,631</u>	<u>227,896</u>
<b>(b) Interest</b>		
Deposit	39	67
<b>Total interest</b>	<u>39</u>	<u>67</u>

The Branch did not receive any membership fees from members, capitation fees, levies, donations and grants from any third parties. Accordingly, there are no compulsory or voluntary contributions which have been invested in any assets. The Branch did receive financial support from the State Union.

The Branch did not receive any financial support from another reporting unit during the year.

**Notes to the Financial Statements  
For the Year Ended 30 June 2016**

	2016 \$	2015 \$
<b>3. Expenses</b>		
<b>(a) Administration expenses</b>		
Other	3,146	19,156
<b>Total administration expense</b>	<u>3,146</u>	<u>19,156</u>
<b>(b) Grants or donations</b>		
<b>Grants</b>		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
<b>Donations</b>		
Total paid that were \$1,000 or less	1,000	1,000
Total paid that exceeded \$1,000 *	1,795	2,500
<b>Total grants or donations</b>	<u>2,795</u>	<u>3,500</u>
* The donations made were as follows:		
(i) Free Viet Labour Federation - \$1,795.00		
(ii) Cancer Council Queensland - \$1,000.00		
<b>(c) Legal costs</b>		
Litigation	-	-
Other legal matters	5,132	4,418
<b>Total legal costs</b>	<u>5,132</u>	<u>4,418</u>
<b>(d) Other expenses</b>		
Penalties (via the <i>Fair Work (Registered Organisations) Act 2009</i> )	-	-
Functions and events	23,742	13,535
License fees	860	567
Motor vehicle expense	29,487	27,722
Sundry expenses (including audit fees)	22,630	28,013
Advertising	10,544	22,265
Training and courses	-	-
Travel and accommodation	98,581	118,735
<b>Total other expenses</b>	<u>185,835</u>	<u>210,837</u>

The Branch did not incur any expenses as consideration for employers making payroll deductions from membership subscriptions, employee expenses, fees, allowances or expenses for attendance at meetings or conferences, pay any capitation or affiliation fees, or any levies to third parties. The Branch did receive financial support from the State Union.

**Notes to the Financial Statements  
For the Year Ended 30 June 2016**

	2016 \$	2015 \$
<b>4. Current Assets</b>		
<b>(a) Cash and cash equivalents</b>		
Cash at bank *	17,049	-
<b>Total cash and cash equivalents</b>	<b>17,049</b>	<b>-</b>

\* The Branch operates a bank account and a credit card facility with the Commonwealth Bank of Australia. These facilities are used to settle financial commitments incurred by the Branch.

<b>(b) Trade and other receivables</b>		
<b>Other receivables</b>		
GST receivable from the Australian Taxation Office	6,529	7,079
Provision for doubtful debts	-	-
<b>Total trade and other receivables</b>	<b>6,529</b>	<b>7,079</b>

**5. Current Liabilities**

<b>(a) Trade payables</b>		
Trade creditors and accruals	-	4,286
<b>Total trade payables</b>	<b>-</b>	<b>4,286</b>
<b>(b) Other payables</b>		
Other	-	1,977
<b>Total other payables</b>	<b>-</b>	<b>1,977</b>
<b>Total trade and other payables</b>	<b>-</b>	<b>6,263</b>

The Branch does not have any receivable or payable balances with any reporting unit as at the end of the financial year.

The Branch does not employ either staff or officeholders, and consequently does not have any outstanding annual leave, long service leave, separation and/or redundancy or other employee provisions as at the end of the financial year.

The Branch does not have any outstanding legal costs, litigation or other matters, payable to any third parties as at the end of the financial year.

As the Branch did not incur any expenses in consideration for employers making payroll deductions of membership subscriptions, there are no amounts owing to employers as at the end of the financial year. Further there are no outstanding legal costs and expenses relating to litigation and other legal matters as at the end of the financial year.

The Branch did not acquire an asset or a liability during the financial year as a result of an amalgamation or a restructure of branches of the Branch, or as stated elsewhere in the financial report, the provision of financial support received from another reporting unit.

**Notes to the Financial Statements  
For the Year Ended 30 June 2016**

2016                      2015  
\$                              \$

**6. Key Management Personnel Disclosures**

The totals of remuneration paid to the key management personnel of the Branch during the year are as follows:

	2016	2015
	\$	\$
<b>Short-term employee benefits</b>		
Salary (including annual leave taken)	-	-
Annual leave accrued	-	-
Performance bonus	-	-
	<hr/>	<hr/>
<b>Total short-term employee benefits</b>	<hr/>	<hr/>
<b>Long-term employee benefits</b>		
Long-service leave	-	-
	<hr/>	<hr/>
<b>Post-employment benefits</b>		
Superannuation	-	-
Retirement provision	-	-
	<hr/>	<hr/>
<b>Total long-term employee benefits</b>	<hr/>	<hr/>
<b>Employee provisions</b>		
Officeholders	-	-
Employees other than officeholders	-	-
	<hr/>	<hr/>
<b>Total employee provisions</b>	<hr/>	<hr/>

**7. Related Party Disclosures**

<b>Borrowing from related parties</b>		
Related party loans	-	-
	<hr/>	<hr/>
<b>Total borrowing from related parties</b>	<hr/>	<hr/>
<b>Loans to related parties (receivables from other reporting units)</b>	-	-
	<hr/>	<hr/>
<b>Total loans to related parties</b>	<hr/>	<hr/>

During the year the Branch did not make a payment to a former related party of the reporting unit.

## **8. Financial Risk Management**

The Branch is not exposed to material financial risks through its use of financial instruments. This note discloses the Branch's objectives, policies and processes for managing and measuring these risks. The Branch does not speculate in financial assets.

### **Financial instruments used**

The principal categories of financial instrument used by the Branch are:

- Trade receivables
- Cash at bank
- Trade and other payables

Specific information regarding the mitigation of each financial risk to which the Branch is exposed is provided below.

### **Liquidity risk**

Liquidity risk arises from the Branch's management of working capital. It is the risk that the Branch will encounter difficulty in meeting its financial obligations as they fall due.

The Branch's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. Funding for short and long-term liquidity needs is additionally available through related parties.

The Branch's liabilities are current and are either expected to be settled with in normal trade terms (i.e., 30 days) or are at call liabilities.

### **Market risk**

The Branch's exposure to market risk is limited to cash on deposit with Australian banks. Cash is deposited in floating rate, at-call accounts, where the risk of changes in interest rates affecting future cash flows is not considered material.

### **Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Branch

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

## Notes to the Financial Statements

### For the Year Ended 30 June 2016

#### 9. Remuneration of Auditors

##### Value of the services provided

Audit services – financial statements	5,000	5,000
Other services	-	
<b>Total remuneration of auditors</b>	<b>5,000</b>	<b>5,000</b>

#### 10. 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 the Commissioner of the Registered Organisations Commission:

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

#### 11. Events Occurring After the Reporting Date

The financial report was authorised for issue on 11 March 2019 by the Committee.

The Branch has ceased undertaking the activities referred to in the Operating Report subsequent to balance date.

Apart from the above no other matters have come to our attention that would significantly affect the operations of the Branch.

**Notes to the Financial Statements  
For the Year Ended 30 June 2016**

2016  
\$                      2015  
\$

**12. Cash Flow Information**

**(a) Reconciliation of result for the year to cash flows from operating activities**

**Reconciliation of net income to net cash provided by operating activities**

Profit (loss) for the year	22,762	(9,948)
Cash flows excluded from profit (loss) attributable to operating activities	-	-
<b>Non-cash flows in profit (loss)</b>		
- depreciation	-	-
- net gain on disposal of property, plant and equipment	-	-
<b>Changes in assets and liabilities</b>		
- (increase)/decrease in trade and other receivables	550	(1,130)
- (increase)/decrease in prepayments	-	-
- increase/(decrease) in income in advance	-	-
- increase/(decrease) in trade and other payables	(4,286)	4,286
- increase/(decrease) in other creditors/accruals	(1,977)	-
<b>Cash flows from operations</b>	<b>17,049</b>	<b>(6,792)</b>

The Branch has not received or paid any capitation fees to another reporting unit.

The Branch has not received any financial support from a reporting unit or controlled entity and has not provided any financial support to any reporting unit or controlled entity.

**13 General Funds**

Compulsory levy / voluntary contribution	-	-
--	---	---

There were no funds held during the financial year. Furthermore, there were no transfers to and/or withdrawals from any fund or account. No monies from a fund or account have been invested in assets during the financial year.

**14 Branch Details**

The principal places of business is Level 12, 333 Adelaide Street, Brisbane, Queensland, 4000.

**15 Segment Information**

The Branch operates solely in one reporting business segment being the provision of trade union services. The Branch operates from one reportable geographical segment being Australia.



## **Independent Audit Report to the members of The Australian Workers' Union, Queensland Branch**

### **Report on the Financial Report**

We have audited the accompanying financial report of The Australian Workers' Union, Queensland Branch, which comprises the statement of financial position as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the Committee of Management.

### **Management's Responsibility for the Financial Report**

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and *Fair Work (Registered Organisations) Act 2009*, and for such internal control as management determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

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

### **Matters Relating to the Electronic Presentation of the Audited Financial Report**

This auditor's report relates to the financial report of the Branch for the year ended 30 June 2016 included on the State Union's website. The Branch's Committee of Management is responsible for the integrity of the State Union's website. We have not been engaged to report on the integrity of this website.

The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

### **Declarations**

I declare that I am an approved auditor as defined in the *Fair Work (Registered Organisations) Act 2009*.

I declare that I am a member of the Chartered Accountants in Australia and New Zealand and hold a Current Public Practice Certificate.

**Independent Audit Report to the members of The Australian Workers' Union, Queensland Branch (continued)****Opinion**

In our opinion, the financial report presents fairly, in all material respects, the financial position of The Australian Workers' Union, Queensland Branch, as at 30 June 2016, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and *Fair Work (Registered Organisations) Act 2009*.

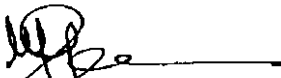
- (a) The financial statements of The Australian Workers' Union, Queensland Branch are in accordance with the *Fair Work (Registered Organisations) Act 2009* including:
  - (i) giving a true and fair view of the Union's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards.
- (b) The financial report also complies with International Financial Reporting Standards as detailed in Note 1.
- (c) The Branch has kept satisfactory accounting records for the financial year including records of:
  - (i) the sources and nature of the Union's income, including membership subscriptions and other income from members; and
  - (ii) the nature of and reasons for the Union's expenditure.
- (d) All the information and explanations that officers or employees of the Branch were required to provide have been provided;
- (e) There was no deficiency, failure or shortcoming in any matters referred to;
- (f) No recovery of wages activity occurred during the reporting period; and
- (g) The Branch's use of the going concern basis of accounting used in their preparation of the Branch's financial statements is appropriate.

**Emphasis of Matter – Reissued Auditor's Report**

Without modifying our opinion, we draw attention to this matter. We previously issued an audit opinion in relation to this financial report, dated 23 November 2017. Subsequent to the issue of our audit report, management have been instructed to amend and relodge this report with the Registered Organisations Commission. This audit report supersedes the previously issued audit report.

MAZARS AUDIT (QLD)

Mazars Audit (QLD) Pty Limited  
Authorised Audit Company: 338599

  
M. J. Green  
Director

Brisbane, 2 April 2019

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/147



28 February 2019

Mr Steven Baker  
Secretary  
The Australian Workers' Union, Queensland Branch  
333 Adelaide Street  
BRISBANE QLD 4000

via email: [secretary@awu.org.au](mailto:secretary@awu.org.au)  
[michael.georghiou@hanrickcurran.com.au](mailto:michael.georghiou@hanrickcurran.com.au)  
[mark.goodey@awu.org.au](mailto:mark.goodey@awu.org.au)

Dear Mr Baker,

**The Australian Workers' Union Queensland Branch Financial Report for the year ended 30 June 2018 - [FR2018/203]**

The Australian Workers' Union Queensland Branch (**the reporting unit**) provided the Registered Organisations Commission (**the ROC**) on 13 November 2018, with revised draft financial reports for the reporting unit for the financial years ended 30 June 2014, 30 June 2015, 30 June 2016 and 30 June 2017.

On 16 October 2018 the reporting unit also lodged with the ROC amended loans, grants and donations statement for the financial years ended 30 June 2014, 30 June 2016 and 30 June 2017. An amended loans, grants and donations statement for the financial year ended 30 June 2015 was lodged with the ROC on 11 September 2018. These amended statements replaced the documents previously lodged with the ROC.

I have examined the above mentioned documents and identified a number of matters, the details of which are set out below (see Attachments A – D), that you are required to address. Once these required amendments have been made, please arrange for each financial report to be:

- approved by the committee of management;
- audited;
- provided to members; and
- lodged with the ROC.

If you have any queries regarding this letter, please contact me on 03) 9603 0731 or by email at [joanne.fenwick@roc.gov.au](mailto:joanne.fenwick@roc.gov.au).

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Joanne Fenwick', with a long horizontal flourish extending to the right.

**Joanne Fenwick**  
**Financial Reporting Specialist**  
**Registered Organisations Commission**

**FR2014/217 – financial report for the year ended 30 June 2014**Signing of reports

On 25 July 2018, the ROC received a notification of change from the Australian Workers' Union stating that on 20 July 2018 Mr Stephen Baker was appointed to the position of Branch Secretary of the reporting unit.

Please ensure that the designated officer's certificate, the operating report and the committee of management statement are signed under your correct title.

Committee of management statement

Please amend the opening paragraph of the committee of management statement to include the wording 'Executive Committee', i.e. '*..., the Executive Committee of the Australian Workers' Union, Queensland Branch....*'

I also note that the numbering of item (e) in the committee of management statement is incorrect. Please amend accordingly.

Auditor's report – title of statements

As required under the Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report* paragraph 24(c), the auditor's statement lists the elements of the general purpose financial report that were included in the audit scope. I note however, that the auditor's statement makes reference to the 'statement of profit and loss and other comprehensive income' instead of the 'statement of comprehensive income'.

Please have the auditor amend the auditor's statement accordingly.

Note 2(e) and 3(a) – incorrect titles

Note 2(e) *Contribution received* and Note 3(a) *Employee expenses* are incorrectly labelled in the 'total' title i.e. Note 2(e) identifies the total as *donations and grants* instead of *contribution received* and Note 3(a) identifies the total as *capitation fees* instead of *employee expenses*.

Please amend accordingly.

Disclosure of grants and donations

Note 3(f) discloses a donation to Free Viet Labour Federation for \$1,795 and to the Cancer Council Queensland for \$1,000. These donations however are not listed in the loans, grants and donations statement lodged with the ROC on 16 October 2018. It appears that these donations relate to transactions that occurred within the financial year that ended 30 June 2016.

Please amend the Notes to the financial statements accordingly.

Activities under reporting guidelines not disclosed

Item 23 of the 4<sup>th</sup> edition reporting guidelines for the purposes of section 253 states that if any of the activities identified within items 23 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the notes to the general purpose financial report.

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

- Item 23(a) – have a fund or account for compulsory levies or voluntary contributions;
- Item 23(b) – have moneys from a fund or account been invested in assets;
- Item 23(c) – have a fund or account that is required by the rules of the organisation or branch; and
- Item 23(d) - transfer to or withdraw from a fund (other than the general fund), asset or controlled entity.

**FR2015/343 – financial report for the year ended 30 June 2015**Signing of reports

On 25 July 2018, the ROC received a notification of change from the Australian Workers' Union stating that on 20 July 2018 Mr Stephen Baker was appointed to the position of Branch Secretary of the reporting unit.

Please ensure that the designated officer's certificate, the operating report and the committee of management statement are signed under your correct title.

Committee of management statement

Please amend the opening paragraph of the committee of management statement to include the wording 'Executive Committee', i.e. '..., *the Executive Committee of the Australian Workers' Union, Queensland Branch...*'

Prescribed information in Operating report

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

I note that the names of Mr T Sullivan and Ms M Williams appeared in the previous year's operating report but did not appear in this year's operating report. There was no indication that Mr T Sullivan or Ms M Williams had resigned during, or at the end of, the previous year, and without any such indication the question arises whether their names have been inadvertently omitted.

I also note that the names of Ms M Chambers and Mr D Liston appear in this year's operating report but did not appear in the previous year's operating report. There is no indication of when Ms M Chambers or Mr D Liston commenced as members of the Committee and whether they held these positions for the entire or part of the reporting period.

Please amend the operating report to include the period for which the above mentioned committee members held their position.

Appointment dates – superannuation fund trustee(s)

The reporting unit has provided information as required under section 254(2)(d) of the *Fair Work (Registered Organisations) Act 2009* in relation to officers and/or employees who are superannuation fund trustee(s) or directors of a company that is a Superannuation fund trustee. I note however that the appointment dates provided in this year's operating report for Mr B Swan, Ms C Mullen, Ms T Sharpe and Mr T Spence differ from the appointment date provided in the previous year's operating report.

Please amend accordingly.

Auditor's report – title of statements

As required under the Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report* paragraph 24(c), the auditor's statement lists the elements of the general purpose financial report that were included in the audit scope. I note however that the auditor's statement makes reference to the 'statement of profit and loss and other comprehensive income' instead of the 'statement of comprehensive income'.

Please have the auditor amend the auditor's statement accordingly.

Note 2(e) and 3(a) – incorrect titles

Note 2(e) *Contribution received* and Note 3(a) *Employee expenses* are incorrectly labelled in the 'total;' title i.e. Note 2(e) identifies the total as *donations and grants* instead of *contribution received* and Note 3(a) identifies the total as *capitation fees* instead of *employee expenses*.

Please amend accordingly.

### Disclosure of donation expenditure

Based on the loans, grants and donations statement that was lodged with the ROC on 11 September 2018, the disclosure of donations in Note 3(f) for the financial year ended 30 June 2015 should be as follows:

Total paid that were \$1,000 or less	\$1,000
Total paid that exceeded \$1,000	\$2,500

Note 3(f) also discloses a donation to Free Viet Labour Federation for \$1,795 and to the Cancer Council Queensland for \$1,000. These donations however are not listed in the loans, grants and donations statement lodged with the ROC on 11 September 2018. It appears that these donations relate to transactions that occurred within the financial year that ended 30 June 2016.

Please amend the Notes to the financial statements accordingly.

### Activities under reporting guidelines not disclosed

Item 23 of the 4<sup>th</sup> edition reporting guidelines for the purposes of section 253 states that if any of the activities identified within items 23 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the notes to the general purpose financial report.

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

- Item 23(a) – have a fund or account for compulsory levies or voluntary contributions;
- Item 23(b) – have moneys from a fund or account been invested in assets;
- Item 23(c) – have a fund or account that is required by the rules of the organisation or branch; and
- Item 23(d) - transfer to or withdraw from a fund (other than the general fund), asset or controlled entity.

**FR2016/261 – financial report for the year ended 30 June 2016**Signing of reports

On 25 July 2018, the ROC received a notification of change from the Australian Workers' Union stating that on 20 July 2018 Mr Stephen Baker was appointed to the position of Branch Secretary of the reporting unit.

Please ensure that the designated officer's certificate, the operating report and the committee of management statement are signed under your correct title.

Committee of management statement

Please amend the opening paragraph of the committee of management statement to include the wording 'Executive Committee', i.e. '*..., the Executive Committee of the Australian Workers' Union, Queensland Branch....*'

Auditor's report – title of statements

As required under the Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report* paragraph 24(c), the auditor's statement lists the elements of the general purpose financial report that were included in the audit scope. I note however, that the auditor's statement makes reference to the 'statement of profit and loss and other comprehensive income' instead of the 'statement of comprehensive income'.

Please have the auditor amend the auditor's statement accordingly.

Note 2(e) and 3(a) – incorrect titles

Note 2(e) *Contribution received* and Note 3(a) *Employee expenses* are incorrectly labelled in the 'total' title i.e. Note 2(e) identifies the total as *interest* instead of *contribution received* and Note 3(a) identifies the total as *capitation fees* instead of *employee expenses*.

Please amend accordingly.

Disclosure of contributions received

I note that Note 2(e) discloses the value of contributions received for the financial year ended 30 June 2015 as \$225,000. This figure should be reported as \$227,896.

Disclosure of donation expenditure

Based on the loans, grants and donations statement that was lodged with the ROC on 11 September 2018, the disclosure of donations in Note 3(f) for the financial year ended 30 June 2015 should be as follows:

Total paid that were \$1,000 or less	\$1,000
Total paid that exceeded \$1,000	\$2,500

Please amend Note 3(f) accordingly.

Activities under reporting guidelines not disclosed

Item 23 of the 4<sup>th</sup> edition reporting guidelines for the purposes of section 253 states that if any of the activities identified within items 23 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the notes to the general purpose financial report.

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

- Item 23(a) – have a fund or account for compulsory levies or voluntary contributions;
- Item 23(b) – have moneys from a fund or account been invested in assets;
- Item 23(c) – have a fund or account that is required by the rules of the organisation or branch; and
- Item 23(d) - transfer to or withdraw from a fund (other than the general fund), asset or controlled entity.

**FR2017/207 – financial report for the year ended 30 June 2017**Signing of reports

On 25 July 2018, the ROC received a notification of change from the Australian Workers' Union stating that on 20 July 2018 Mr Stephen Baker was appointed to the position of Branch Secretary of the reporting unit.

Please ensure that the designated officer's certificate, the operating report and the committee of management statement are signed under your correct title.

Committee of management statement

Please amend the opening paragraph of the committee of management statement to include the wording 'Executive Committee', i.e. '*..., the Executive Committee of the Australian Workers' Union, Queensland Branch....*'

Auditor's report – title of statements

As required under the Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report* paragraph 24(c), the auditor's statement lists the elements of the general purpose financial report that were included in the audit scope. I note however, that the auditor's statement makes reference to the 'statement of profit and loss and other comprehensive income' instead of the 'statement of comprehensive income'.

Please have the auditor amend the auditor's statement accordingly.

Note 2(e) and 3(a) – incorrect titles

Note 2(e) *Contribution received* and Note 3(a) *Employee expenses* are incorrectly labelled in the 'total' title i.e. Note 2(e) identifies the total as *interest* instead of *contribution received* and Note 3(a) identifies the total as *capitation fees* instead of *employee expenses*.

Please amend accordingly.

Activities under reporting guidelines not disclosed

Item 23 of the 4<sup>th</sup> edition reporting guidelines for the purposes of section 253 states that if any of the activities identified within items 23 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the notes to the general purpose financial report.

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

- Item 23(a) – have a fund or account for compulsory levies or voluntary contributions;
- Item 23(b) – have moneys from a fund or account been invested in assets;
- Item 23(c) – have a fund or account that is required by the rules of the organisation or branch; and
- Item 23(d) - transfer to or withdraw from a fund (other than the general fund), asset or controlled entity.



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E: secretary@awu.org.au



ABN 54942536069

8 November 2018

Mr Chris Enright  
Executive Director  
Registered Organisations Commission  
GPO Box 2983  
Melbourne VIC 3001

Dear Sir,

**Draft AWU QLD Branch -Financial reports (FR2014/217,FR2015/243, FR2016/261,FR2017/207)  
and AWU OLD BRANCH Draft reports for the year ended 30<sup>th</sup> June 2018.**

Further to Mr Enright's letter of 18 July 2018, we enclose revised draft accounts for the above branch for the years ended 30 June 2014, 30 June 2015, 30 June 2016, and 30 June 2017 reflecting the amendments as requested in Appendix A.

After we have received your comments, we would envisage arranging for the accounts to be duly re-authorised by the Committee of Management and the Branch Secretary. We also enclose a draft copy of the 2018 accounts for the branch.

We look forward to hearing from you in due course.

Yours sincerely

Steve Baker  
Secretary (Qld Branch)

Secretary: Steve Baker

# TOGETHER

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E: secretary@awu.org.au



ABN 54942536069

2 October 2018

Mr Chris Enright  
Executive Director  
Registered Organisations Commission  
GPO Box 2983  
Melbourne VIC 3001

Dear Mr Enright,

## **AWU QLD Branch - Financial reports (FR2014/217, FR2015/243, FR2016/261, FR2017/207)**

We refer to your letter of 18<sup>th</sup> July 2018 in connection with the points raised in Appendix A, as the other points were dealt with in previous letters.

### **Context**

We note that in August 2017, we forwarded ROC draft accounts for FY16. The ROC then suggested some amendments. Those accounts and the FY14, FY15 and FY17 accounts were then audited and endorsed by the Committee of Management in good faith. The accounts were then lodged in December 2017.

We note that in your letter dated 18 July 2018, the ROC has identified matters to be rectified in the accounts that were lodged. We appreciate from your letter that this is as a consequence of the ROC's detailed review of the accounts, despite the resourcing limitation referred to in your letter.

We also wish to note that a different audit partner at Hanrick Curran has been appointed as the auditor for the Branch. We are presently working with the new audit partner to prepare further audited accounts which rectify the matters raised by ROC. With the new reporting auditor we look forward to a proper rectification of the errors.

### **Proposal**

As indicated on the attached sheet we are in agreement with your comments in virtually all of the 39 points. As a result we will be making amendments to the accounts. There are a few issues in respect of which we seek further guidance from ROC. These matters are identified at paragraphs 7,8,14, 19, 23,33 and 34 of the attachment.

Based on our discussion with our auditors, we would anticipate submitting draft amended accounts for the Branch for the years ended 30<sup>th</sup> June 2014, 30<sup>th</sup> June 2015, 30<sup>th</sup> June 2016 and 30<sup>th</sup> June 2017 for your further feedback by 31<sup>st</sup> October 2018. Those draft accounts will specifically note the matters that we seek further guidance from ROC. We are prepared to obtain that guidance by way of a short teleconference. Once those draft documents are approved by ROC we will then arrange for the requisite confirmatory meetings to authorise the accounts and then duly file them with ROC in a final form.

We trust you find this approach acceptable.

Secretary: Steve Baker

The Australian Workers' Union of Employees, Queensland.  
The Australian Workers' Union, Queensland Branch.

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Moving forward we refer to our August 2018 letter, where we indicated the minimal transactions within the branch in the year ended 30<sup>th</sup> June 2018. We await your preliminary indication whether or not the minimal nature of the transactions is such that ROC is prepared to accept that the financial affairs of the Branch after 30<sup>th</sup> June 2017 is sufficiently encompassed in the affairs of the state registered body. If we receive that preliminary indication, we then propose to file a formal application for a s 269 Certificate.

We look forward to hearing from you in due course.

Yours sincerely

A handwritten signature in cursive script that reads "Steve Baker".

Steve Baker  
**Secretary**

---

Secretary: Steve Baker

The Australian Workers' Union of Employees, Queensland.  
The Australian Workers' Union, Queensland Branch.

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## Replies to Appendix A

### Points

- 1) We agree your points and an amendment will be made in the revised accounts.
- 2) Original loan, grants and donations statement submitted July 2014 was based on consolidated accounts. (Branch + AWUEQ)
- 3) Agreed will amend in revised financial statements.
- 4) Noted
- 5) Agreed, there is no payroll registered with the ATO for the branch it will be reclassified in the revised accounts.
- 6) Noted, will be amended.
- 7) Will be revised with a mutually agreed wording.
- 8) We will need to consult with you as to what wording meets your requirements
- 9) Agreed will be amended in revised accounts.
- 10) Noted.
- 11) There were no changes in the Committee of Management in the year.
- 12) Agreed, re-issued accounts will resolve this problem.
- 13) Reissued accounts will correct this error
- 14) We remain unsure what you are referring to.
- 15) Amended accounts will correct the error.
- 16) Noted Your point is accepted and will be cleared up in new accounts.
- 17) We acknowledge the error and will amend it in revised financial statements.
- 18) Will be amended by auditors in reissued accounts
- 19) See point 8,
- 20) There were no changes in the year 2
  - 21) See point 12 similar situation. Will be amended.
  - 22) Accounts to be reissued
  - 23) See point 14 for reply
  - 24) Will be corrected in re-issued accounts
  - 25) Will be corrected for in re-issued accounts
  - 26) See point 8 we should agree wording
  - 27) Accounts to be reissued
  - 28) Accounts to be re-issued
- (29) Inconsistencies noted and will be revised in new accounts
- 30) Noted, being investigated and be amended if appropriate
- 31) Noted
- 32) Noted
- 33) New wording in reissued accounts
- 34) Wording to be mutually agreed
- 35) Noted
- 36) There were no changes in the membership of the Committee of Management in the year
- 37) Noted reissued accounts will solve the issue.
- 38) Will be resolved by re-issuing accounts
- 39) Noted Will be resolved by reissuing accounts



28 August 2018

Mr Steve Baker  
Branch Secretary  
The Australian Workers' Union  
Queensland Branch  
333 Adelaide Street  
BRISBANE QLD 4000

By email: [steve.baker@awu.org.au](mailto:steve.baker@awu.org.au)  
[secretary@awu.org.au](mailto:secretary@awu.org.au)

Dear Mr Baker,

**AWU Qld Branch - Financial Reports (FR2014/217, FR2015/343, FR2016/261, FR2017/207)**

I acknowledge receipt of your letter dated 15 August 2018. Thank you for responding to a number of the issues that were raised in my correspondence of 18 July 2018. I note from your letter, that the original registered auditor for the Queensland Branch of The Australian Worker's Union (**the Branch**) is currently on leave and is expected back by the end of this month. It would appear that this circumstance led to your advice that you proposed to respond to my request at a later time than requested. We look forward to that response which may be sooner than 28 September 2018.

I appreciate that in what you described as '*the spirit of cooperation*' you were able to respond to a number of points and that you would gladly forward other documents in the event an appropriate address was provided. Those documents can be sent to the following physical postal address:

Registered Organisations Commission  
c/o Fair Work Ombudsman  
Level 12, 414 La Trobe Street  
Melbourne Victoria 3000

In the meantime, I have requested that staff of the Registered Organisations Commission (**ROC**) review and consider the points you made, including those relating to the statement of loans, grants and donations.

As a matter of general compliance with the Branch's obligations under the *Fair Work (Registered Organisations) Act 2009 (the RO Act)*, I advise that this statement, when lodged with the ROC or its predecessor, should only identify the transactions relevant to the federal Branch. When we have had the opportunity to properly consider your response, it is possible that we will be advising that if previously lodged statements of loans, grants and donations contain transactions which relate to the Branch's state association, regardless that the statement may have been previously filed, the Branch lodge amended loans, grants and donations statements reflecting only the transactions relevant to the Branch.

Should you have any questions regarding the above I can be contacted on (03) 9603 0711 or via [chris.enright@roc.gov.au](mailto:chris.enright@roc.gov.au).

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'CE', with a small dash to the right.

**Chris Enright**  
**Executive Director**

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T: (07) 3221 8844 F: (07) 3221 8700  
E: secretary@awu.org.au



ABN 54942536069

15<sup>th</sup> August 2018

Registered Organisations Commission  
GPO Box 2983  
Melbourne VIC 3001  
Email [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au)

Dear Mr Enright

**RE: AWU OLD Branch (Financial reports 2014/217, FR2015/343, FR2016/261  
FR2017/207)**

Thank you for your letter of 2<sup>nd</sup> August 2018. The original registered auditor Mr A Fraser is now a consultant with Hanrick Curran and is currently on holiday in the USA. Although we have referred the letters to his fellow partners. Before we can give a definite answer to Appendix A, it is professional protocol and courtesy to await on his comments as he was directly involved in the issues raised in Appendix A. We understand that he will have returned by the end of the month and we will reply to you on Appendix A as soon as he returns.

However in the spirit of cooperation we will reply to your points in your July letter contained in the heading Information by Wednesday 8<sup>th</sup> August 2018..

- 1) As mentioned earlier the matters in Appendix A will be clarified when the audit partner returns from holiday.
- 2) The request for a new card was duly lodged with Commonwealth Bank on 30<sup>th</sup> January 2014 and the MasterCard arrived on 10<sup>th</sup> February 2014. The authorisation to cancel the card was made on 17<sup>th</sup> March 2017 and the statement of 30<sup>th</sup> March 2017 confirms its closure. We can confirm that the AWU Queensland Branch had no other credit cards.
- 3) The CBA bank account in the name of AWU Queensland was opened on 26<sup>th</sup> July 2013. The branch account was closed on 4<sup>th</sup> December 2017 as indicated on the statements. There have been no other bank accounts held by the Branch.
- 4) We will gladly forward the general ledger and bank and credit card statements to you. However given the large number of boxes containing the records we need a true

Secretary: Steve Baker

The Australian Workers' Union of Employees, Queensland.  
The Australian Workers' Union, Queensland Branch.

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delivery address rather than a Post Office Box as the records will need to be sent by secure courier.

- 5) We note your request and will provide a complete answer once the auditor returns from holiday.

Finally in connection with the points raised in your letter of 2<sup>nd</sup> August, we note the contents and respective legislation references. However we are puzzled by your comments re statement of loans and donation. We would draw your attention to the fact that the statement was filed on 18<sup>th</sup> October 2014. The return covered both entities as S269 applications were in force (even though one of them was not a reporting unit). The \$52500 donation relates to the branch only, thus the two figures are never going to be directly comparable.

We look forward to hearing from you promptly so we can duly deliver the accounting records requested to a clear physical address.

Yours faithfully

A handwritten signature in blue ink that reads "Steve Baker". The signature is written in a cursive style.

Steve Baker  
**Secretary**

Secretary: Steve Baker





2 August 2018

Mr Steve Baker  
Branch Secretary  
The Australian Workers' Union  
Queensland Branch  
333 Adelaide Street  
BRISBANE QLD 4000

By email: [steve.baker@awu.org.au](mailto:steve.baker@awu.org.au)  
[secretary@awu.org.au](mailto:secretary@awu.org.au)

Dear Mr Baker,

**AWU Qld Branch - Financial Reports (FR2014/217, FR2015/343, FR2016/261, FR2017/207)**

I acknowledge receipt of your letter dated 30 July 2018 in response to requests for further information contained in my correspondence of 18 July 2018. I note that while a response to the financial and other issues in my letter was requested by Wednesday 8 August 2018, you advise that instead you propose to provide a response approximately two (2) months after that date and by 28 September 2018.

You have invited me not to hesitate with any follow up inquiries I might have and the purpose of this letter is to take up that invitation to address a number of points regarding the Branch's financial reporting under the *Fair Work (Registered Organisations) Act 2009* (the **RO Act**).

One of the lenses through which the Registered Organisations Commission (**ROC**) views its statutory role is through the eyes of members of registered organisations<sup>1</sup> and in that context, it seems likely that members of the Queensland Branch (**the Branch**) of The Australian Workers' Union (**AWU**) might benefit from at least some understanding of the reasons it will take at least two further months to respond to the financial and other issues which have been raised.

Your letter simply indicates that you are seeking advice from your auditors. The circumstances which require a further two months to respond are not readily apparent to the ROC given that the Branch has all of the information and documents which have either been referred to or are relevant to the issues raised.

For example, it does not appear to be a complex task for the Branch to examine and explain the inconsistencies between:

- the Statement of Loans Grants and Donations lodged by the Branch for the year ended 30 June 2014 which contains a statement by the former Branch Secretary, Ben Swan, that the Branch made donations of \$176,500<sup>2</sup> in that year; and

---

<sup>1</sup> Refer s5(3) of the RO Act which states that the standards in the RO Act seek to 'encourage ... high standards of accountability of organisations to their members'.

<sup>2</sup> This total pertains to donations over \$1,000 – refer s237 of the RO Act.

- the Financial Report lodged by the Branch for the same year which states that the Branch expended only \$52,500 on 'grants and donations'.

As I have previously indicated, the outcome of the ROC's simple comparison is that there is a discrepancy of \$124,000 regarding donations reported in those documents for the same reporting period. If the ROC's assessment is correct, then at least one of the documents must be inaccurate and there may be potential contraventions of one or more of the following:

- s237(1) which requires an organisation or branch to lodge a statement showing the relevant particulars for each loan, grant or donation made over \$1,000 at the end of each financial year;
- s237(3) which provides that a statement lodged under s237(1) must not include a statement that a person knows is (or is reckless as to whether it is) false or misleading;
- s253(2)(b)(ii) which requires, together with the Reporting Guidelines, the financial report prepared by a reporting each year to state the total expended on donations over \$1,000 and the total expended on donations that are less than \$1,000;<sup>3</sup>
- s253(3) which states that the information in the financial report 'must give a true and fair view of the financial position and performance of the reporting unit' for the relevant year.

I note that each of the above provisions is a civil penalty provision that can lead to a maximum penalty (for conduct that occurred in 2014) of \$10,200 for an individual and \$51,000 for an organisation.<sup>4</sup> I further note that such penalties have now increased (for conduct that occurs after 30 June 2017) to \$21,000 for an individual and \$105,000 for an organisation.<sup>5</sup>

An underlying issue to the above matters is that the Branch applied for and was granted certificates under s269 for the financial years ended 30 June 2014 and 2015 on the grounds that its financial affairs were 'encompassed by' the associated State body (The Australian Workers' Union of Employees, Queensland (**AWEUQ**)) and therefore the Branch would not be expected to have had any financial affairs in those financial years. However, following communications with the Fair Work Commission and the ROC regarding apparent financial activity by the Queensland Branch of the *federal* AWU, the Branch prepared revised financial reports for those years for the Queensland Branch of the federal AWU. My comments in this letter and my letter of 18 July 2018 refer to those revised financial reports (and also financial reports for the years ended 30 June 2016 and 2017).

### **Appointment to Secretary**

I am aware that the previous Secretary, Mr Swan, has recently resigned and I congratulate you on your appointment to the role of Branch Secretary. The ROC looks forward to working with you and your leadership team as a reporting unit.

While you have recently been appointed to the Secretary role, I am advised that these matters are not unfamiliar to you because the ROC corresponded with you regarding these matters while you were the Acting Branch Secretary in 2017.

### **Request**

In response to your invitation to make follow up inquiries, it would assist if you were able to provide some understanding of the circumstances which require a further two months for the Branch to respond to the issues raised in my correspondence of 18 July 2018.

---

<sup>3</sup> Refer item 16(e) of the s253 Reporting Guidelines (Fourth edition) issued under s255 on 13 June 2014.

<sup>4</sup> Based on the penalties being 60 penalty units for an individual and 300 penalty units for an organisation and the Commonwealth penalty unit being \$170 at that time (refer also former s306(1) of the RO Act).

<sup>5</sup> Based on the penalties being 100 penalty units for an individual and 500 penalty units for an organisation from 2 May 2017 and the Cth penalty unit being \$210 from 1 July 2017 (refer also s306(1)).

For example, you might consider whether it would be possible to respond to any or some of the issues which have been raised prior to 28 September 2018. In any event, your advice would be appreciated to assist in the ROC's assessment of what, if any action, the ROC might consider taking during the next two months.

Your further response is requested by **COB Wednesday 15 August 2018**.

Should you have any questions regarding the above I can be contacted on (03) 9603 0711 or via [chris.enright@roc.gov.au](mailto:chris.enright@roc.gov.au).

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'CE', with a small dash to the right.

**Chris Enright**  
**Executive Director**

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E: secretary@awu.org.au



ABN 54942536069

30 July 2018

Mr Chris Enright  
Delegate of the Commissioner  
Registered Organisations Commission

Sent via email: [chris.enright@roc.gov.au](mailto:chris.enright@roc.gov.au)

Cc. Ms Joanne Fenwick - [joanne.fenwick@roc.gov.au](mailto:joanne.fenwick@roc.gov.au)  
Mr Michael Georghiou, Hanrick Curran - [Michael.Georghiou@hanrickcurran.com.au](mailto:Michael.Georghiou@hanrickcurran.com.au)

Dear Mr Enright,

We refer to your letter dated 18 July 2018.

We are currently seeking advice from our auditors regarding a number of issues raised in your correspondence.

We propose to provide you with a response by 28 September 2018.

In the interim, if you have any further queries relating to this matter please do not hesitate to contact me on (07) 3221 8844.

Yours faithfully

Steve Baker  
Branch Secretary

Secretary: Steve Baker



18 July 2018

Mr Ben Swan  
Branch Secretary  
The Australian Workers' Union  
Queensland Branch  
333 Adelaide Street  
BRISBANE QLD 4000

By email: [ben.swan@awu.org.au](mailto:ben.swan@awu.org.au)

Dear Mr Swan,

### **AWU Qld Branch - Financial Reports (FR2014/217, FR2015/343, FR2016/261, FR2017/207)**

#### **Purpose**

I refer to previous correspondence dated 9 February 2018 from the Financial Reporting Specialist of the Registered Organisations Commission (**ROC**) relating to financial reports of the Queensland Branch (**the Branch**) of the Australian Workers' Union (**AWU**) for the years ending 30 June 2014 to 2017 which were lodged with the ROC on 15 December 2017 under s 268 of the *Fair Work (Registered Organisations) Act 2009 (RO Act)*.

I also refer to related applications for s 269 certificates under the RO Act regarding the financial affairs of the branch for a number of years up to 2016.

The ROC's correspondence of 9 February 2018 acknowledged, among other things, receipt of a range of financial reports, advised that a range of relevant matters were the subject of review and indicated that further clarification would be sought about a number of issues of concern. The purpose of this correspondence is to set out the issues of concern and request additional information which might clarify those concerns.

As you will be aware, the ROC has a total of seventeen (17) staff to perform a broad and extensive range of functions relating to approximately four hundred (400) reporting units. With only two financial reporting specialists responsible for the 400 reporting units, undertaking this type of complex analysis for one reporting unit has been challenging.

Regardless of the challenges, I take the opportunity to apologise for not providing this correspondence closer in proximity to the ROC's earlier letter dated 9 February 2018.

#### **Overview of financial reporting - AWU Qld Branch**

In accordance with s 242 of the RO Act, the Queensland Branch is a reporting unit of the federally registered AWU. In its capacity as a reporting unit, the Branch applied for s 269 certificates for the years ended 30 June 2004 to 2016 on the grounds that the financial affairs of the reporting unit were 'encompassed by' the financial affairs of an associated State body (The Australian Workers' Union of Employees, Queensland (**AWUEQ**)). The applications included in each year:

- the AWUEQ's financial report prepared under the *Industrial Relations Act 1999* (Qld);
- Operating Reports specifically for the reporting unit prepared under s 269(2)(e) and s 254 of the RO Act (**original Operating Reports**).

In response to applications made by the Branch, certificates were issued under s 269 for years ended 30 June 2004 to 2015. However a certificate was not issued for 2016 (or thereafter) when it became apparent that the reporting unit may have had its own credit card, bank account and expenditure since at least the year ended 30 June 2014 – because this raised concerns as to whether the financial affairs of the reporting unit were in fact encompassed by the financial affairs of the AWUEQ under s 269.

To address these concerns, the reporting unit agreed to prepare, audit, provide to members and lodge with the ROC its own financial reports under the RO Act for years ended 30 June 2014 to 2017 (**new Financial Reports**). The new Financial Reports for 2014 to 2016 include new Operating Reports (**new Operating Reports**) under s 254 which appear to replace those previously lodged with the s 269 applications for the years 2014 to 2016.

On 20 September 2017 I requested copies of the documents 'considered by the auditor for the purposes of the 2016 report'. The reporting unit then provided:

- a copy of the reporting unit's general ledger for the year ended 30 June 2016;
- a '*Transaction History*' report from the Commonwealth Bank of Australia (CBA) for a bank account in the name of '*AWU QLD Branch*' for the year ended 30 June 2016;
- monthly credit card statements for a CBA corporate charge card (credit card) for the '*AWU QLD BRANCH*' with the cardholder name of '*Ben Swan*' covering the period from 30 June 2015 to 28 June 2016;
- receipts and invoices for the monthly credit card statements from June 2015 to June 2016 (with the exception of the period 30 October to 27 November 2015 which have not yet been provided and which are requested further below).<sup>1</sup>

### **Issues that arise**

Having regard to the circumstances I have described above, a number of issues arise.

In relation to the years ended 30 June 2014 and 2015:

- whether the s 269 applications were accurate and sufficiently disclosed all relevant information regarding the financial affairs of the reporting unit;
- whether the new Financial Reports for 2014 and 2015 should be filed by the ROC (once a number of issues have been addressed as set out further below) and if so, whether the s 269 certificates for those years should be revoked;
- whether the reporting unit or any of its officers may have breached any of the civil penalty provisions of the RO Act regarding financial reporting in relation to these years;
- whether the ROC should commence an inquiry or investigation under ss 330 or 331 regarding any of the above matters.

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<sup>1</sup> It is also noted that alterations to the AWU Rules were certified on 3 June 2016 to confirm that the AWEUQ may receive membership fees for the AWU in Queensland and pay capitation fees to the National Office of the federal AWU (AWU Rules 8(12), 54(3), 55(4), 56(3) - refer R2016/93.

In relation to the years ended 30 June 2004 to 2013:

- whether the s 269 applications were accurate and sufficiently disclosed all relevant information - or whether similar issues may arise as to those in the 2014 and 2015 financial years set out above.

In relation to the years ended 30 June 2016 and 2017:

- whether the new Financial Reports for 2016 and 2017 should be filed by the ROC (once a number of issues have been addressed as set out below).

### **Inconsistencies in new Financial Reports**

The ROC's Financial Reporting Specialist, Ms Joanne Fenwick, has assessed the new Financial Reports and a number of matters have been identified, as set out in Annexure A, that are required to be addressed.

A number of these matters are significant - for example:

- a discrepancy of \$124,000 between the donations disclosed in a statement under s 237 for year ended 30 June 2014 (\$176,500) and the donations disclosed in the new Financial Report for that year (\$52,500);
- a discrepancy of \$227,896 between the financial result in the new Operating Report for year ended 30 June 2015 (\$237,844 loss) and the new Financial Report (\$9,948 loss);
- the new Financial Reports for 2014 to 2017 that were lodged were signed and dated but the comparable documents on the reporting unit's website (<https://qld.awu.net.au/>) are unsigned and mostly undated - hence the provision of those incomplete documents on the website would not constitute provision of the documents to members under s 265.

These issues require clarification to ensure that accurate information has been provided to members and lodged with the ROC.

I also note that a number of the inconsistencies pertain to statutory provisions (such as ss 237, 254 and 265) which attract civil penalties. For example:

- s 237(1) provides that a reporting unit must lodge each year a statement providing relevant particulars regarding each loan, grant or donation over \$1,000 - a contravention of this provision by an organisation may attract a penalty of up to 500 penalty units;<sup>2</sup>
- s 237(3) provides that a statement that is lodged under s237(1) must not be false or misleading (or reckless as to whether it is false or misleading) - a contravention of this provision by an organisation may attract a penalty of up to 500 penalty units.<sup>3</sup>

At this point a written response regarding the above issues is required. Once this has been received we will further advise what other documents or action may be required.

### **Credit card expenditure - duration**

In a telephone discussion with Ms Fenwick, on 3 January 2017 (and in subsequent discussions with the ROC) you have indicated that:

- the reporting unit's expenditure from year ended 30 June 2014 onwards pertained to a credit card of the reporting unit and a related bank account; and
- the credit card, bank account and expenditure were funded by the AWUEQ .

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<sup>2</sup> The maximum penalty that can be imposed on an organisation is five times higher than that which may be imposed on an individual (refer s306(1)).

<sup>3</sup> Ibid.

This may suggest that the financial affairs disclosed in the reporting unit's new Financial Reports for years ended 30 June 2014 to 2017 pertain to that credit card and bank account.

However at this point it remains unclear:

- when the credit card and bank account commenced;
- whether there were any other credit cards or bank accounts;
- whether all credit card(s) and bank account(s) have been closed (although the cancellation of a credit card is discussed further below); and thus
- in which years the financial affairs of the reporting unit were encompassed by the AWUEQ and in which years they were not.

### **Credit card expenditure - purpose**

It is also unclear whether the expenditure on the credit card pertained to the reporting unit.

For example, the credit card documents that have been provided for year ended 30 June 2016 suggest that:

- some expenditure pertains to the activities of the reporting unit (such as interstate flights for officers to attend meetings of the National Executive of the federal AWU); however
- some expenditure may pertain to the AWUEQ - for example:
  - monthly invoices addressed to the '*Australian Workers Union of Employees Queensland*' from AST (Applied Satellite Technology Australia Pty Ltd) of about \$64.00 (incl GST) each month;
  - an Australia Post invoice for a post office box renewal for '*THE AUST WORKERS UNION OF EMPLOYEES QLD [located at] PO Box 1430 INGHAM QLD 4850*' for \$186.00 and related receipt information for \$211.00.

### **Credit card - cancellation**

In the telephone discussion with Ms Fenwick on 3 January 2017 you indicated that the credit card had been cancelled due to unauthorised expenditure - but a new credit card had subsequently been obtained although not yet activated.

In subsequent correspondence of 20 October 2017 you provided further information regarding the unauthorised expenditure as follows:

...The two relevant unauthorised transactions were recorded in the December 2016 credit card statement. In December 2016, the Branch reported the unauthorised transactions to the Commonwealth Bank. In February 2017, the Commonwealth Bank re-credited the Branch account the funds previously debited from the unauthorised transactions. ... It was apparent that the two unauthorised transactions [had been] debited by a dental business in Spain...

You also advised that:

In March 2017, the credit card was cancelled and no replacement card was sought by the Branch or issued by the Bank.

### **Further information requested by Wednesday 8 August 2018**

Please respond to the following points:

1. Please clarify each of the inconsistencies in Annexure A.
2. Please:



- a. advise when the reporting unit first obtained the abovementioned CBA corporate charge card (credit card) in the name of 'AWU QLD BRANCH';
  - b. provide confirmation from the CBA that the corporate charge card has been cancelled and the date that occurred;
  - c. advise whether the reporting unit has (or previously had) any other credit cards in the name of the reporting unit (or any of its officers) and if so please provide:
    - i. details of the relevant card(s);
    - ii. the date(s) when the card(s) were obtained;
    - iii. the date(s) when any such cards were cancelled.
3. Please advise:
- a. when the reporting unit first opened the abovementioned CBA bank account in the name of 'AWU QLD Branch';
  - b. whether the bank account has been closed and, if so, confirmation from the CBA of this and the date when it occurred;
  - c. whether the reporting unit has (or previously had) any other bank accounts in the name of the reporting unit (or any of its officers) and if so please provide:
    - i. details of the bank account(s);
    - ii. the date(s) when the bank accounts were opened;
    - iii. the date(s) when any such accounts were closed.
4. Please provide a copy of the general ledger, bank statements, credit card statements (and related invoices and receipts) for:
- a. year ended 30 June 2017;
  - b. year ended 30 June 2015;
  - c. year ended 30 June 2014;
  - d. any earlier years in which the reporting unit had such accounts or credit cards (in relation to the period 1 July 2003 to 30 June 2013).
5. Regarding the credit card expenditure for year ended 30 June 2016 please:
- a. address whether all the expenditure in that year pertained to the reporting unit having regard to a number of expenditure items that appear to pertain to the AWUEQ as set out further above;
  - b. provide the receipts and invoices for the credit card statement for 30 October to 27 November 2015.<sup>4</sup>

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<sup>4</sup> The reporting unit appears to have inadvertently forwarded the financial documents for September 2015 twice and has not yet provided the financial documents for November 2015.

Your responses to these matters is requested by **COB Wednesday 8 August 2018.**

Should you have any questions regarding the above I can be contacted on (03) 9603 0711 or via [chris.enright@roc.gov.au](mailto:chris.enright@roc.gov.au).

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'CE', with a small dash at the end.

**Chris Enright**  
**Executive Director**

## Annexure A - Inconsistencies in new Financial Reports for 2014 to 2017

Year ended	Issue	Inconsistent information	
30 June 2014	1. Result for the year (ss253, 254).	The new Financial Report states there was a profit of \$10,764.	The new Operating Report states there was a loss of \$105,562.
	2. Grants and donations (ss253, 237 & Reporting Guidelines).	The new Financial Report states that expenditure on grants and donations was \$52,500.	The Statement of Loans, Grants and Donations lodged under s237 listed \$176,500 of donations.
	3. Donation to Free Viet[nam] Labour Federation (ss253, 237 & Reporting Guidelines).	Note 3(f) of the new Financial Report refers to a donation of \$1,795 to the Free Viet[nam] Labour Federation).	The Statement of Loans, Grants and Donations lodged under s237 does not refer to this donation (however the s237 Statement for another year (2016) does refer to such a donation).
	4. Donation to Cancer Council Qld (ss253, 237 & Reporting Guidelines).	Note 3(f) of the new Financial Report refers to a donation of \$1,000 to the Cancer Council Queensland.	The Statement of Loans, Grants and Donations lodged under s237 does not refer to this donation (however the s237 Statement for another year (2016) does refer to such a donation).
	5. Disclosure of employee expenses to office holders and other employees (ss253 & Reporting Guidelines)	Note 3(a) of the new Financial Report refers to Employee expenses of \$7,800.	Items 16(g) and 16(f) of the 4 <sup>th</sup> edition Reporting Guidelines requires employee expenses to be distinguished between office holders and other employees. It also requires the separate disclosure of employee expenses by wages and salaries, superannuation, leave and other entitlements, separation and redundancies and other employee expenses. This is a mandatory disclosure as per item 17 of the 4 <sup>th</sup> edition Reporting Guidelines.
	6. Disclosure of audit fees (ss253 & AASB 1054)	Note 9 of the new Financial Report discloses a figure for audit services under the 2013 financial year.  Note 9 of the new Financial Report refers to audit services of \$5,000 for the 2014 financial year.	Note 1(a) states that <i>'the activities only commenced in the financial year ended 30 June 2014. As a result, there are no comparatives'</i> .  Note 3(h) discloses sundry expenses (including audit fees) of \$1,531 for the 2014 financial year.
	7. New and Future Australian Accounting Standards (ss253 &	<i>AASB 108 Accounting Policies, Changes in Accounting estimates and Errors</i> paragraphs 28 and 30	This information has not been provided in the new Financial Report.

Year ended	Issue	Inconsistent information	
	AASB 108)	require that entities disclose Australian Accounting Standards adopted during the period and Australian Accounting Standards issued by not yet effective with an assessment of the future impact of the standard on the entity.	
	8. Review of principal activities (s254).	Subsection 254(2)(a) of the RO Act requires an operating report to contain a review of the principal activities of the reporting unit, the results of those activities and any significant changes in the nature of those activities.	The new Operating Report provides a review of the principal activities but does not explain the results of these activities.
	9. Change in financial affairs (s254).	Sections s254(2)(b) of the RO Act state that the Operating Report must give details of any significant changes in the financial affairs of the reporting unit.	The reporting unit did not lodge its own financial report under s253 from 2004 to 2013. It then started doing so from the year ended 30 June 2014. This suggests there was a significant change in the financial affairs in that year that should be disclosed under s254(2)(b).
	10. Trustee of superannuation entity (s254)	Subsection 254(2)(d) of the RO Act requires details of any officer or member of the reporting unit who is a trustee, or a director of a company that is a trustee, of a superannuation entity or an exempt public sector superannuation scheme.	In the new Operating Report, information is provided on an individual who ceased their appointment as Director of Aust (Q) Super in June 2013. As they did not hold the position of Director Aust (Q) Super during the reporting period ended 30 June 2014, they are not required to be included in the operating report.
	11. Period of Membership of Committee of Management (s.254 & Regulation 159(c)).	Regulation 159(c) of the <i>Fair Work (Registered Organisations) Regulations 2009 (RO Regs)</i> requires the operating report to disclose the period each listed officer serviced on the committee of management during the reporting period.	The new Operating Report states ' <i>the following were members of the Committee as at 30 June 2014</i> '. To satisfy the regulation the reporting unit should disclose the dates of membership during the <u>reporting period</u> for each member or state ' <i>that members of the committee of management held positions for the entire reporting period unless indicated otherwise</i> '.
	12. Unclear whether signed and dated	The lodged financial documents are signed and	The financial documents posted on the AWU Qld website are unsigned and mostly

Year ended	Issue	Inconsistent information	
	documents provided to members (s265).	dated. The Designated Officers Certificate also states they have been provided to members.	undated. Accordingly those document as posted on the AWU Qld website do not constitute provision of the financial documents to members under s265.
	13. Designated Officer's Certificate (s268)	Section 268(c) requires the reporting unit to lodge with the ROC a certificate by a prescribed designated officer that states that the documents lodged are copies of the documents provided to members and presented to a general meeting, or presented to a meeting of the committee of management, as the case requires, in accordance with section 266.	Two (2) designated officer's certificates were included with the new Financial Report lodged on 15 December 2017 with the ROC. The first certificate indicates that the Branch report was present to a meeting of the committee of management on 23 November 2017 in accordance with section 266 of the RO Act however, the second certificate indicates that this meeting occurred on 15 December 2017.
	14. Content of the second designated officer's certificate (s268)	The second designated officer's certificate appears to cover the new Financial Reports lodged for the year ended 30 June 2014, 30 June 2015, 30 June 2016 and 30 June 2017. It states that <i>'the documents lodged herewith are copies of the full report for The Australian Workers' Union, Queensland Branch for the periods ending 30 June 2014-2017 and the full combined report for The Australian Workers' Union, Queensland Branch and The Australian Workers' Union of Employees, Queensland referred to in s.268 of the Fair Work (Registered Organisations) Act 2009.'</i>	A 'full combined report' for the reporting unit and the AWUEQ was not included with the lodged documents. The financial reporting obligations under Part 3 of Chapter 8 of the RO Act only relate to the federally registered entity and a 'full combined report' of the reporting unit and the AWUEQ is not required and would not satisfy the requirements under the RO Act.
<b>30 June 2015</b>	15. Result for the year (ss253, 254).	The new Financial Report states the result for the 2015 year was a loss of \$9,948 and for the 2014 year, a loss of \$10,764.	The new Operating Report states the result for the 2015 year was a loss of \$237,844.  The new Financial Report should state a result for the 2014 year as a <u>profit</u> of \$10,764.
	16. Donation to Free Viet[nam] Labour	Note 3(f) of the new Financial Report refers to a	The Statement of Loans, Grants and Donations lodged under s237 does not

Year ended	Issue	Inconsistent information	
	Federation (ss253, 237 & Reporting Guidelines).	donation of \$1,795 to the Free Viet[nam] Labour Federation).	refer to this donation (however the s237 Statement for another year (2016) does refer to such a donation).
	17. New and Future Australian Accounting Standards (ss253 & AASB 108)	AASB 108 Accounting Policies, Changes in Accounting estimates and Errors paragraphs 28 and 30 require that entities disclose Australian Accounting Standards adopted during the period and Australian Accounting Standards issued by not yet effective with an assessment of the future impact of the standard on the entity.	This information has not been provided in the new Financial Report.
	18. Cash Flow Statement (ss253)	<p>The new Financial Report states that the <i>net cash used by operating activities</i> for the 2015 year is (\$6,792).</p> <p>The figure reported as the <i>net cash used by operating activities</i> for the 2014 year is (\$6,792).</p>	<p>When calculating the figures provided in the Cash flow statement, the <i>net cash used by operating activities</i> for the 2015 year is (\$5,026).</p> <p>The figure for the 2014 financial year should be reported as the <i>net cash from operating activities</i> i.e. \$6,792.</p>
	19. Review of principal activities (s254).	Subsection 254(2)(a) of the RO Act requires an operating report to contain a review of the principal activities of the reporting unit, the results of those activities and any significant changes in the nature of those activities.	The new Operating Report provides a review of the principal activities but does not explain the results of these activities.
	20. Period of Membership of Committee of Management (s.254 & Regulation 159(c)).	Regulation 159(c) of the RO Regs requires the operating report to disclose the period each listed officer serviced on the committee of management during the reporting period.	The new Operating Report states ' <i>the following were members of the Committee as at 30 June 2015</i> '. To satisfy the regulation the reporting unit should disclose the dates of membership during the <u>reporting period</u> for each member or state ' <i>that members of the committee of management held positions for the entire <u>reporting period</u> unless indicated otherwise</i> '.
	21. Unclear whether signed and dated	The lodged financial documents are signed and	The financial documents posted on the AWU Qld website are unsigned and mostly

Year ended	Issue	Inconsistent information	
	documents provided to members (s265).	dated. The Designated Officers Certificate also states that the documents have been provided to members.	undated. Accordingly those document as posted on the AWU Qld website do not constitute provision of the financial documents to members under s265.
	22. Designated Officer's Certificate (s268)	Section 268(c) requires the reporting unit to lodge with the ROC a certificate by a prescribed designated officer that states that the documents lodged are copies of the documents provided to members and presented to a general meeting, or presented to a meeting of the committee of management, as the case requires, in accordance with section 266.	Two (2) designated officer's certificates were included with the new Financial Report lodged on 15 December 2017 with the ROC. The first certificate indicates that the Branch report was present to a meeting of the committee of management on 23 November 2017 in accordance with section 266 of the RO Act however, the second certificate indicates that this meeting occurred on 15 December 2017.
	23. Content of the second designated officer's certificate (s268)	The second designated officer's certificate appears to cover the new Financial Reports lodged for the year ended 30 June 2014, 30 June 2015, 30 June 2016 and 30 June 2017. It states that <i>'the documents lodged herewith are copies of the full report for The Australian Workers' Union, Queensland Branch for the periods ending 30 June 2014-2017 and the full combined report for The Australian Workers' Union, Queensland Branch and The Australian Workers' Union of Employees, Queensland referred to in s.268 of the Fair Work (Registered Organisations) Act 2009.'</i>	A 'full combined report' for the reporting unit and the AWUEQ was not included with the lodged documents. The financial reporting obligations under Part 3 of Chapter 8 of the RO Act only relate to the federally registered entity and a 'full combined report' of the reporting unit and the AWUEQ is not required and would not satisfy the requirements under the RO Act.
30 June 2016	24. Cash Flow Statement (ss253)	The new Financial Report states that the <i>net cash used by operating activities</i> for the 2015 year is (\$6,792).	When calculating the figures provided in the Cash flow statement, the <i>net cash used by operating activities</i> for the 2015 year is (\$5,026).

Year ended	Issue	Inconsistent information	
	25. Disclosure of cash flow information (ss253)	<p>Note 12 <i>Cash Flow Information</i> for the 2016 year reports a loss of (\$22,762) and the cash flow from operations as a loss of (\$17,049).</p> <p>Note 12 <i>Cash Flow Information</i> for the 2015 year reports a loss of (\$237,844) and the cash flow from operations as a loss of (\$234,688).</p>	<p>The Statement of Comprehensive Income reports a <u>profit</u> for the year of \$22,762 therefore the cash flow from operations should be a <u>profit</u> of \$17,049.</p> <p>The Statement of Comprehensive Income reports a loss for the year of (\$9,948) therefore the cash flow from operations should be a loss of (\$6,792).</p>
	26. Review of principal activities (s254).	Subsection 254(2)(a) of the RO Act requires an operating report to contain a review of the principal activities of the reporting unit, the results of those activities and any significant changes in the nature of those activities.	The new Operating Report provides a review of the principal activities but does not explain the results of these activities.
	27. Unclear whether signed and dated documents provided to members (s265).	The lodged financial documents are signed and dated. The Designated Officers Certificate also states that the documents have been provided to members.	<p>The financial documents posted on the AWU Qld website are unsigned and mostly undated. Accordingly those document as posted on the AWU Qld website do not constitute provision of the financial documents to members under s265.</p> <p>Also, the <i>Committee of Management Statement</i> on the website is in the name of Ben Swan (and is unsigned) however the Statement that was lodged was in the name of Stephen Baker and is signed.</p>
	28. Designated Officer's Certificate (s268)	Section 268(c) requires the reporting unit to lodge with the ROC a certificate by a prescribed designated officer that states that the documents lodged are copies of the documents provided to members and presented to a general meeting, or presented to a meeting of the committee of management, as the case requires, in accordance with section 266.	Two (2) designated officer's certificates were included with the new Financial Report lodged on 15 December 2017 with the ROC. The first certificate indicates that the Branch report was present to a meeting of the committee of management on 23 November 2017 in accordance with section 266 of the RO Act however, the second certificate indicates that this meeting occurred on 15 December 2017.



Year ended	Issue	Inconsistent information	
	29. Content of the second designated officer's certificate (s268)	The second designated officer's certificate appears to cover the new Financial Reports lodged for the year ended 30 June 2014, 30 June 2015, 30 June 2016 and 30 June 2017. It states that <i>'the documents lodged herewith are copies of the full report for The Australian Workers' Union, Queensland Branch for the periods ending 30 June 2014-2017 and the full combined report for The Australian Workers' Union, Queensland Branch and The Australian Workers' Union of Employees, Queensland referred to in s.268 of the Fair Work (Registered Organisations) Act 2009.'</i>	A 'full combined report' for the reporting unit and the AWUEQ was not included with the lodged documents. The financial reporting obligations under Part 3 of Chapter 8 of the RO Act only relate to the federally registered entity and a 'full combined report' of the reporting unit and the AWUEQ is not required and would not satisfy the requirements under the RO Act.
30 June 2017	30. Grants and donations (ss253, 237 & Reporting Guidelines).	The new Financial Report states that expenditure on grants and donations was zero.	The Statement of Loans, Grants and Donations lodged under s237 listed \$30,000 of donations.
	31. Donation to Free Viet[nam] Labour Federation (ss253, 237 & Reporting Guidelines).	Note 3(f) of the new Financial Report refers to a donation of \$1,795 to the Free Viet[nam] Labour Federation).	The Statement of Loans, Grants and Donations lodged under s237 does not refer to this donation (however the s237 Statement for a different year (2016) does refer to it).
	32. Donation to Cancer Council Qld (ss253, 237 & Reporting Guidelines).	Note 3(f) of the new Financial Report refers to a donation of \$1,000 to the Cancer Council Queensland.	The Statement of Loans, Grants and Donations lodged under s237 does not refer to this donation (however the s237 Statement for another year (2016) does refer to such a donation).
	33. Future Australian Accounting Standards (ss253 & AASB 108)	AASB 108 Accounting Policies, Changes in Accounting estimates and Errors paragraphs 30 requires that entities disclose Australian Accounting Standards adopted during the period and Australian Accounting Standards issued by not yet effective with an assessment of the	Not all the relevant information relating to this requirement has been provided in the new Financial Report.

Year ended	Issue	Inconsistent information	
		future impact of the standard on the entity.	
	34. Review of principal activities (s254).	Subsection 254(2)(a) of the RO Act requires an operating report to contain a review of the principal activities of the reporting unit, the results of those activities and any significant changes in the nature of those activities.	The new Operating Report provides a review of the principal activities but does not explain the results of these activities.
	35. Trustee of superannuation entity (s254)	Subsection 254(2)(d) of the RO Act requires details of any officer or member of the reporting unit who is a trustee, or a director of a company that is a trustee, of a superannuation entity or an exempt public sector superannuation scheme.	In the new Operating Report, information is provided on an individual who ceased their appointment as Director of AustSafe Pty Ltd in December 2015. As they did not hold the position of Director AustSafe Pty Ltd during the reporting period ended 30 June 2017, they are not required to be included in the operating report.
	36. Period of Membership of Committee of Management (s.254 & Regulation 159(c)).	Regulation 159(c) of the RO Regs requires the operating report to disclose the period each listed officer serviced on the committee of management during the reporting period.	<p>The new Operating Report states <i>'the following were members of the Committee as at 30 June 2017'</i>. To satisfy the regulation the reporting unit should disclose the dates of membership during the <u>reporting period</u> for each member or state <i>'that members of the committee of management held positions for the entire reporting period unless indicated otherwise'</i>.</p> <p>The new Operating Report also lists information on members who ceased to be on the Committee and who were appointed to the Committee however it relates to events that happened in the previous reporting period.</p>
	37. Unclear whether signed and dated documents provided to members (s265).	The lodged financial documents are signed and dated. The Designated Officers Certificate also states that the documents have been provided to members.	The financial documents posted on the AWU Qld website are unsigned and mostly undated. Accordingly those document as posted on the AWU Qld website do not constitute provision of the financial documents to members under s265.
	38. Designated Officer's Certificate	Section 268(c) requires the reporting unit to lodge with	Two (2) designated officer's certificates were included with the new Financial

Year ended	Issue	Inconsistent information	
	(s268)	<p>the ROC a certificate by a prescribed designated officer that states that the documents lodged are copies of the documents provided to members and presented to a general meeting, or presented to a meeting of the committee of management, as the case requires, in accordance with section 266.</p>	<p>Report lodged on 15 December 2017 with the ROC. The first certificate indicates that the Branch report was present to a meeting of the committee of management on 23 November 2017 in accordance with section 266 of the RO Act however, the second certificate indicates that this meeting occurred on 15 December 2017.</p>
	39. Content of the second designated officer's certificate (s268)	<p>The second designated officer's certificate appears to cover the new Financial Reports lodged for the year ended 30 June 2014, 30 June 2015, 30 June 2016 and 30 June 2017. It states that <i>'the documents lodged herewith are copies of the full report for The Australian Workers' Union, Queensland Branch for the periods ending 30 June 2014-2017 and the full combined report for The Australian Workers' Union, Queensland Branch and The Australian Workers' Union of Employees, Queensland referred to in s.268 of the Fair Work (Registered Organisations) Act 2009.'</i></p>	<p>A 'full combined report' for the reporting unit and the AWUEQ was not included with the lodged documents. The financial reporting obligations under Part 3 of Chapter 8 of the RO Act only relate to the federally registered entity and a 'full combined report' of the reporting unit and the AWUEQ is not required and would not satisfy the requirements under the RO Act.</p>



**Australian Government**  
**Registered Organisations Commission**

9 February 2018

Mr Ben Swan  
Branch Secretary  
The Australian Workers' Union, Queensland Branch  
333 Adelaide Street  
BRISBANE QLD 4000

By email: [ben.swan@awu.org.au](mailto:ben.swan@awu.org.au)  
[daniel.walton@nat.awu.net.au](mailto:daniel.walton@nat.awu.net.au)

Dear Mr Swan

**The Australian Workers' Union Queensland Branch Financial Reports for the years ended 30 June 2014, 30 June 2015, 30 June 2016 and 30 June 2017 – [FR2014/217, FR2015/343, FR2016/261, FR2017/207]**

I acknowledge receipt of the financial reports of the Queensland Branch of the Australian Workers' Union (**the Branch**) for the years ended 30 June 2014 to 2017. These documents were lodged with the Registered Organisations Commission on 15 December 2017 under s 268 of the *Fair Work (Registered Organisations) Act 2009*.

I also refer to related applications for s 269 certificates regarding the financial affairs of the Branch for a range of years and in particular between 2004 to 2016.

The purpose of this correspondence is to update you that these matters are currently the subject of review and that in the coming weeks further clarification will be sought about a number of issues of concern.

If you have any queries regarding this letter, please contact on (03) 9603 0731 or via email at [joanne.fenwick@roc.gov.au](mailto:joanne.fenwick@roc.gov.au).

Yours sincerely

A blue ink handwritten signature, appearing to be 'Joanne Fenwick', written in a cursive style.

Joanne Fenwick  
Financial Reporting Specialist  
Registered Organisations Commission

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ABN 54942536069

6 December 2017

Ms Joanne Fenwick  
Financial Reporting Specialist  
Registered Organisations Commission  
GPO Box 2983  
MELBOURNE VICTORIA 3001

Via email: [ben.swan@awu.org.au](mailto:ben.swan@awu.org.au)  
[steve.baker@awu.org.au](mailto:steve.baker@awu.org.au)  
[cliff.kaye@awu.org.au](mailto:cliff.kaye@awu.org.au)  
[alex.fraser@hanrickcurran.com.au](mailto:alex.fraser@hanrickcurran.com.au)

Dear Ms Fenwick

**The Australian Workers' Union Queensland Branch Financial Report for the year ended 30 June 2016**

In response to your letter dated 16 November 2017 with regards to the draft financial report of the Australian Workers' Union Queensland Branch (Branch) for the year ended 30 June 2016, please note the following.

**Plant and equipment**

The initial draft Branch financial report contained plant and equipment at cost of \$8,647 (2015: \$8,174) at note 5 of the notes to the financial statements. These items were incorrectly coded to the Branch 'company' code in the general ledger but relate to training assets acquired by another entity owned by the Australian Workers' Union of Employees Queensland (State Union). This error was rectified in the version dated 20 October 2017.

**Borrowing from the Australian Workers' Union of Employees Queensland**

The initial draft Branch financial report showed the borrowings from the State Union as being \$448,000 (2015: \$227,895) at note 6 of the notes to the financial statements. On separating the Branch financial results from the State Union financial results since the opening of the Branch bank account, there was an additional year of 'trading' as a Branch not previously captured in the Branch financial report. As a result, the borrowings for each of the two years disclosed were adjusted to reflect the expenses and accumulated losses incurred by the Branch in the 2013-2014 financial year.

Secretary: Ben Swan

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ABN 54942536069

Our auditor Hanrick Curran, have since requested that the funds provided by the State Union to Branch during the relevant years be treated as contributions and therefore income rather than borrowings, in accordance with their letter of advice (attached). The 2016 financial statements for the branch will therefore be amended to reflect this treatment.

### **Other issues**

Your suggestions regarding Note 3(h) 'other expenses' and Note 5 (b) 'current liabilities' have been noted with the draft report being updated to reflect these changes.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Ben Swan", is positioned below the "Yours sincerely" text. The signature is fluid and cursive.

BEN SWAN  
SECRETARY

Secretary: Ben Swan



16 November 2017

Mr Steve Baker  
Acting Secretary  
The Australian Workers' Union, Queensland Branch  
333 Adelaide Street  
BRISBANE QLD 4000

via email: [steve.baker@awu.org.au](mailto:steve.baker@awu.org.au)  
[ben.swan@awu.org.au](mailto:ben.swan@awu.org.au)  
[cliff.kaye@awu.org.au](mailto:cliff.kaye@awu.org.au)  
[alex.fraser@hanrickcurran.com.au](mailto:alex.fraser@hanrickcurran.com.au)

Dear Mr Baker,

### **The Australian Workers' Union Queensland Branch Financial Report for the year ended 30 June 2016 - [FR2016/261]**

I acknowledge receipt of the amended draft financial report of the Australian Workers' Union Queensland Branch (**the reporting unit**) for the year ended 30 June 2016 on 20 October 2017. This draft financial report was in response to the letter I sent you on 11 September 2017. It appears that most of the issues identified in that correspondence have been address however I am seeking further clarification on a few matters the details of which are set out below.

#### **Plant and equipment**

In my previous correspondence, issues relating to plant and equipment were identified namely the disclosure of depreciation expense and the reconciliation of this item. In the draft financial report provided on 20 October 2017 the non-current asset relating to plant and equipment no longer appears within the Statement of Financial Position.

Please explain why this item was removed and the rationale behind this decision.

#### **Borrowing from the Australian Workers' Union of Employees Queensland**

The figure reported as borrowing from the Australian Workers' Union of Employees Queensland (previously title loan from the Australian Workers' Union of Employees Queensland) within the Statement of Financial Position has significantly increase from the figure reported in the previous financial report provided on 9 August 2017. The current liability has changed for the reporting period ended 30 June 2016 from \$448,000 to \$563,853 (an increase of \$115,853 or 26%) and for the reporting period ended 30 June 2015 from \$227,895 to \$344,222 (an increase of \$122,591 or 54%).

Please provide justification to support the movement in this current liability and the policies and procedures relating to the calculation and management of this item.

#### **Other issues**

Please see below some items that require amendment:

- Note 3(h) 'other expenses' – against the item 'penalties' it should state the *Fair Work (Registered Organisations) Act 2009*.
- Note 5(b) 'current liabilities' – within the second paragraph the correct terminology is 'other reporting unit' not 'other reporting entities'.

Please provide a response to this letter by COB Friday 1 December 2017.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contact on 03) 9603 0731 or via email at [joanne.fenwick@roc.gov.au](mailto:joanne.fenwick@roc.gov.au).

Yours sincerely

A handwritten signature in blue ink, consisting of a stylized 'J' followed by a horizontal line that tapers to the right.

**Joanne Fenwick**  
**Financial Reporting Specialist**  
**Registered Organisations Commission**



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ABN 54942536069

20 October 2017

Mr Chris Enright  
Delegate of the Commissioner  
Registered Organisations Commission

Sent via email: [chris.enright@roc.gov.au](mailto:chris.enright@roc.gov.au)

Cc. Ms Joanne Fenwick [joanne.fenwick@roc.gov.au](mailto:joanne.fenwick@roc.gov.au)  
Mr Alexander Fraser, Hanrick Curran

Dear Mr Enright,

We refer to your letter dated 20 September 2017.

As you will be aware from the previous steps the Branch has taken in providing the FWC draft financial reporting FY15/16, the Branch is taking proactive remedial steps regarding separate financial reporting for the Branch.

In that regard, and in response to your request, we attach the financial documentation presently considered by the auditors. There is some limited redaction of the documents to protect some irrelevant personal information.

You have raised two matters in your letter dated 20 September 2017, in respect of which we consider it appropriate to provide some clarification.

Firstly, you noted advice provided by the Branch to FWC that a credit card was cancelled due to unauthorised transactions. The two relevant unauthorised transactions were recorded in the December 2016 credit card statement. In December 2016, the Branch reported the unauthorised transactions to the Commonwealth Bank. In February 2017, the Commonwealth Bank re-credited the Branch account the funds previously debited from the unauthorised transactions. In March 2017, the credit card was cancelled and no replacement card was sought by the Branch or issued by the Bank. It was apparent that the two unauthorised transactions debited by a dental business in Spain. We note that on 3 January 2017, the Branch by way of email to Ms Fenwick, provided FWC a copy of its customer investigation request to the Commonwealth Bank.

Secondly, you have made reference to the notation of a loan between the Branch and the AWUEQ in the draft Branch financial report FY15/16 and noted that the loan was not previously noted in the consolidated reports.

Secretary: Ben Swan

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ABN 54942536069

The consolidated reports reported the financial affairs of the Branch and the AWUEQ as a consolidated entity. In the preparation of the separate draft Branch financial report FY15/16, it was considered appropriate, based on audit advice, to characterise the funds received from the AWUEQ as a loan.

We have prepared a further draft Branch financial report for FY15/16 having regard to the comments of Ms Fenwick, noted in her letter of 11 September 2017. We attach that further draft together with the following documents presently considered by the auditors for the purpose of the attached draft:

- The general ledger transaction details – 1 July 2015–30 June 2016
- The bank statements for the 12 months ending 30 June 2016
- The credit card statements for the 12 months ending 30 June 2016
- The source documents provided to the external auditors in completing their audit review.

We anticipate also preparing separate Branch financial reports for FY13/14 and FY 14/15. These draft reports will be forwarded to the ROC upon completion.

If you have any further queries relating to this matter, please do not hesitate to contact me on (07) 3221 8844.

Yours faithfully

Steve Baker  
Acting Branch Secretary

Secretary: Ben Swan

Archived: Thursday, 23 April 2020 3:23:47 PM

From: [Steve Baker](#)

Sent: Thu, 12 Oct 2017 21:47:49

To: [KELLETT,Stephen](#)

Cc: 'alex.fraser@hanrickcurran.com.au'; 'daniel.walton@nat.awu.net.au'; Ben Swan; Jacki Power; Cliff Kaye

Subject: RE: Financial reporting - further information requested [SEC=UNCLASSIFIED] [Legal Professional Privilege].

Sensitivity: Normal

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Dear Stephen

I refer to my email of 6 October regarding the Delegate's request for further information in this matter.

We are in the process of compiling a substantial number of documents to ensure that all relevant information is forwarded to Mr Enright as requested. We will not be in a position to provide the entirety of the requested information on 13 October as previously indicated. I do however undertake to ensure that all information is provided no later than 20 October 2017.

Kind regards

**Steve Baker**

**Queensland Vice President**

**Acting Queensland Branch Secretary**

**The Australian Workers' Union**

Level 11, 333 Adelaide Street

Brisbane Qld 4000

Ph. 07 3221 8855 | Fax. 07 3221 8600 | Mob. 0419 765 938

[steve.baker@awu.org.au](mailto:steve.baker@awu.org.au)

[www.qld.awu.net.au](http://www.qld.awu.net.au)



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Ben Swan

Secretary, Queensland AWU

GPO Box 88

BRISBANE QLD 4001

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From: Steve Baker

Sent: Friday, 6 October 2017 2:31 PM

To: 'KELLETT,Stephen'

Cc: 'alex.fraser@hanrickcurran.com.au'; 'daniel.walton@nat.awu.net.au'; ben.swan@awu.org.au; Jacki Power

Subject: RE: Financial reporting - further information requested [SEC=UNCLASSIFIED] [Legal Professional Privilege].

Dear Mr Kellett,

Thank you for your email dated Thursday 5<sup>th</sup> October. We have been working through the changes as requested by Ms Joanne Fenwick with our auditors Hanrick Curran, and we will provide a revised draft 2016 Branch Financial Report to you by 13 October 2017.

In addition, we will provide you with relevant audited information used to support the financial information included in the report. Please note it is our intention to have the final 2016 Branch Financial Report reviewed and approved by the Committee of Management, and this will occur following any further feedback from the Registered Organisation Commission.

Please advise if you have any further questions or concerns in this regard.

Regards

**Steve Baker**

**Queensland Vice President**

**Acting Queensland Branch Secretary**

**The Australian Workers' Union**

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Brisbane Qld 4000

Ph. 07 3221 8855 | Fax. 07 3221 8600 | Mob. 0419 765 938

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Ben Swan

Secretary, Queensland AWU

GPO Box 88

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**From:** KELLETT, Stephen [<mailto:Stephen.Kellett@roc.gov.au>]  
**Sent:** Thursday, 5 October 2017 2:47 PM  
**To:** Steve Baker  
**Cc:** 'alex.fraser@hanrickcurran.com.au'; 'daniel.walton@nat.awu.net.au'  
**Subject:** FW: Financial reporting - further information requested [SEC=UNCLASSIFIED]

Dear Mr Baker,

I refer to the letter of the Delegate sent to you on 20 September 2017 (copy attached).

Can you advise me when we might expect a response?

Yours faithfully

**STEPHEN KELLETT**

Financial Reporting

Registered Organisations Commission

GPO Box 2983 Melbourne VIC 3001

(ph) (02) 6746 3283

(email) [stephen.kellett@roc.gov.au](mailto:stephen.kellett@roc.gov.au)



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20 September 2017

Mr Stephen Baker  
Acting Secretary, Queensland Branch  
The Australian Workers' Union

Sent via email: [steve.baker@awu.org.au](mailto:steve.baker@awu.org.au)

cc. Mr Alexander Fraser, Hanrick Curran  
cc. Mr Daniel Walton, National Secretary

Dear Mr Baker

**Re: – The Australian Workers' Union, Queensland Branch – draft financial report for year ending 30 June 2016 (FR2016/261)**

I refer to the draft financial report of the Queensland Branch of the Australian Workers Union (the Branch) which was provided to the Registered Organisations Commission ('the Commission') on 1 September 2017.

I understand that Ms Joanne Fenwick provided correspondence to you on 11 September 2017 which outlined various issues of non-compliance which will need to be addressed in preparing a final version of the report. The purpose of my letter is to advise that I am considering whether I should initiate a formal inquiry or investigation under section 330 or 331 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act) as a result of issues arising from the draft documents and other advice provided by the Branch. One of those issues is that the figures reported as 2015 comparatives in the principal statements and a commencing equity balance as at 1 July 2014 in the statement of changes in equity indicate a continuous history of significant separate financial affairs for the Branch that calls into question its previous applications under section 269 of the RO Act.

The section 269 certificate provided the Branch with an exemption from the requirements under Part 3 of Chapter 8 of the RO Act based on the application made by the Branch which stated that the financial affairs of the Branch were encompassed by the financial affairs of the associated State body, the Australian Workers' Union of Employees, Queensland.

The following draft disclosures appear to be significant:

- (1) The items listed as "Other expenses" at Note 3(h);
- (2) The loan from the state-counterpart union at Note 6(b).

In relation to (1), I note that on 3 January 2017, the Secretary, Mr Ben Swan, advised Ms Fenwick that a credit card used for various purposes had been cancelled due to unauthorised transactions. Additional information about this would appear appropriate as well as disclosure concerning whether a replacement credit card was issued and is currently in use by the Branch.

In relation to (2), an examination of the financial reports in 2016 and 2015 prepared for the purposes of the state-counterpart union shows no reference to the loan to the federal Branch and

the question as to what additional information would be required for adequate disclosure in the federal Branch's report arises.

In view of the above, and in order to form a more accurate picture of the affairs of the Branch as they were during 2016 and 2015, it would be helpful, to begin with, if the Branch provides the Commission with copies of all the financial documentation that was considered by the auditor for the purpose of the 2016 report.

The documentation should be forwarded to Ms Fenwick at [joanne.fenwick@roc.gov.au](mailto:joanne.fenwick@roc.gov.au). If you have any queries regarding this letter, please contact me via email at [chris.enright@roc.gov.au](mailto:chris.enright@roc.gov.au).

Yours faithfully

A handwritten signature in blue ink, appearing to be 'CE', with a small horizontal line extending to the right.

Chris Enright  
Delegate of the Commissioner  
Registered Organisations Commission



11 September 2017

Mr Steve Baker  
Acting Secretary  
The Australian Workers' Union, Queensland Branch  
333 Adelaide Street  
BRISBANE QLD 4000

via email: [steve.baker@awu.org.au](mailto:steve.baker@awu.org.au)  
[ben.swan@awu.org.au](mailto:ben.swan@awu.org.au)  
[cliff.kaye@awu.org.au](mailto:cliff.kaye@awu.org.au)

Dear Mr Baker,

**The Australian Workers' Union Queensland Branch Financial Report for the year ended 30 June 2016 - [FR2016/261]**

On 22 August 2016 the Australian Workers' Union Queensland Branch (the **reporting unit**) lodged with the Fair Work Commission (the **FWC**) a statement of loans, grants and donations in accordance with section 237 of the *Fair Work (Registered Organisations) Act 2009 (RO Act)*. This statement identified donations made by the reporting unit during the financial year ending 30 June 2016.

On 15 December 2016 the reporting unit made an application to the FWC under section 269(2)(a) of the RO Act for a certificate stating that the financial affairs of the reporting unit for the financial year ending 30 June 2016 were encompassed by the financial affairs of their associated State body, the Australian Workers' Union of Employees, Queensland. A similar application for a section 269 certificate has been lodged and granted to the reporting unit since 2004.

The section 269 application appeared to conflict with the previous information provided to the FWC on 22 August 2016 which stated that the reporting unit did have financial affairs relating to at least donations. The reporting unit confirmed in January 2017 that it did in fact have financial affairs during the reporting period and that a general purpose financial report as required under section 253 would be prepared and that the section 269 application was to be withdrawn.

On 1 May 2017 the Registered Organisations Commission (the **ROC**) commenced and some functions of the FWC were transferred to the ROC. Your matter FR2016/261 was transferred to the ROC on this date.

On 9 August 2017 audited financial statements for the reporting unit for the financial year ending 30 June 2016 were lodged with the ROC. On review of the lodged financial report a number of issues were identified and it was agreed a teleconference between the reporting unit and the ROC would take place on 23 August 2017 to discuss these issues further. Following that teleconference the reporting unit provided the ROC on 1 September 2017 with a draft copy of the financial report for the reporting unit which aimed to address the issues discussed.

I have examined the report and identified a number of matters, the details of which are set out below that you are required to address before the report is finalised and provided to members.

**Operating Report**

Number of members

In accordance with section 254(2)(f) of the RO Act, Regulation 159(a) of the *Fair Work (Registered Organisations) Regulations 2009* requires that the number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for section 230 of the

RO Act and who are taken to be members of the reporting unit under section 244 must be included in the Operating Report. I note that under the heading 'Number of members' within the draft Operating Report it states that 'the number of persons held in the register of members of the State Union...'. Section 230 of the RO Act requires the organisation to keep a register of its members and it is from this register, not the State Union register, that the information relating to section 254(2)(f) should be extracted from.

## **Notes to the financial statement**

### Accounting judgments and estimates

Australian Accounting Standard *AASB 101 Presentation of Financial Statements* paragraph 122 requires that the notes to the financial statements include a discussion on the significant accounting judgments and estimates applied.

No such discussion has been included in the Notes. Please amend accordingly.

### Future Australian Accounting Standards

Australian Accounting Standard *AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors* paragraph 30 requires that the entity disclose Australian Accounting Standards issued but not yet effective with an assessment of the future impact on the entity.

This information has not been provided.

### General purpose financial report to be prepared on accrual basis

Section 252 of the RO Act places obligations upon reporting units to keep financial records. Under section 252(4) an organisation may keep the financial records for its membership subscriptions on a cash basis.

This is distinct from the obligation under section 253 to *prepare* a General Purpose Financial Report (GPFR). Section 253 requires that:

...a reporting unit must cause a General Purpose Financial Report to be prepared, in accordance with the Australian Accounting Standards, from the financial records kept under subsection 252(1) in relation to the financial year...

Paragraph 27 of Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, states that 'an entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting'.

The notes to the financial statements state that '*revenue from membership subscriptions and fees are recognised on a cash basis only*'. The note also states that membership subscriptions and fees are not recorded in the Branch.

Please be aware that if this situation changes and the reporting unit does include in its financial report the collection of membership subscriptions and fees, this will need to be brought to account on an accruals basis in accordance with the Australian Accounting Standards.

## **Financial Risk Management**

### Financial instruments disclosures

Australian Accounting Standard *AASB 7 Financial Instruments: Disclosures* details the reporting disclosures required by an entity in relation to financial instruments.

This information has not been provided.

## **Statement of Comprehensive Income**

### Disclosure of depreciation expense

Note 1(f) in the draft financial report identifies the accounting policy relating to plant and equipment including the method of depreciating this type of asset. Note 5(a) identifies that the reporting unit does have plant and equipment. Australian Accounting Standard *AASB 116 Property, Plant and Equipment* paragraph 48 states that '*the depreciation charge for each period shall be recognised in*



*profit or loss unless it is included in the carry amount of another asset*'. I note however that the statement of comprehensive income does not include an expense item for depreciation.

Please review and include the appropriate depreciation expenses for the reporting period based on the reporting units accounting policy and AASB 116.

#### Disclosure of grants and donations

Reporting Guideline 16(e) requires that where grants or donations have been paid, the total amount paid is to be disclosed as follows:

- (i) grants that were \$1,000 or less;
- (ii) grants that exceeded \$1,000;
- (iii) donations that were \$1,000 or less;
- (iv) donations that exceeded \$1,000

Note 3(f) discloses that \$2,795 was paid in donations and records this under donations that were \$1,000 or less. The loans, grants and donations statement that was lodged on 22 August 2016 identifies that one of the donations exceeded \$1,000. The same information was also provided in Note 3(f).

Please amend Note 3(f) to ensure the correct figure is reported under donations that were \$1,000 or less and donations that exceeded \$1,000.

#### Disclosure of fees or allowances in respect of attendance at meetings

Reporting Guideline 16(h) requires separate disclosure of fees and/or allowances paid to persons in respect of their attendances as representatives of the reporting unit at conferences or other meetings. Reporting Guideline 17 states that if the activities identified in item 16 have not occurred in the reporting period, a statement to this effect must be included in the general purpose financial report. I note that for fees or allowances in respect of attendance at meetings no such disclosure has been made.

### **Statement of Financial Position**

#### Property, plant and equipment reconciliation

Australian Accounting Standard *AASB 116 Property, Plant and Equipment* paragraph 73(e) requires a reconciliation of the carrying amount at the beginning and end of the period for each class of property, plant and equipment.

The draft financial statement does not include this reconciliation for plant and equipment.

#### Receivable and/or payable with another reporting unit

Reporting Guideline 18 requires either the Statement of Financial Position or the notes to the Statement of Financial Position to disclose any receivables from and/or payables owed to other reporting unit(s), including the name of the other reporting unit(s). Reporting Guideline 19 states that if the activities identified in item 18 have not occurred in the reporting period, a statement to this effect must be included in the general purpose financial report.

Within the financial report the State Union is identified as 'another reporting unit'. Section 242 of the RO Act provides a definition of a reporting unit. As the Australian Workers' Union of Employees Queensland is not registered as an organisation under RO Act they are not considered to be 'another reporting unit'. Therefore the information required under Reporting Guideline 18 and 19 has not been appropriately disclosed.

#### Disclosure of payables in respect of payroll deductions of membership subscriptions

Reporting Guideline 20(a) requires the disclosure of a payable to employers as consideration for the employers making payroll deductions of membership subscriptions. Reporting Guideline 21 states that if the activities identified in item 20 have not occurred in the reporting period, a statement to this effect must be included in the general purpose financial report. I note that for payroll deductions of membership subscriptions no such disclosure has been made.

## Disclosure of payables in respect of legal costs

Reporting Guideline 20(b) requires a payable in relation to legal costs to be disclosed by litigation and by other legal matters. Reporting Guideline 21 states that if the activities identified in item 20 have not occurred in the reporting period, a statement to this effect must be included in the general purpose financial report. I note that for litigation and other legal matters no such disclosure has been made.

## Disclosure of employee provisions to office holders and other employees

The Reporting Guidelines also require either the Statement of Financial Position or the notes to disclose any liability for employee benefits in respect of office holders and other employees (items 20(c) and 20 (d)). Item 20(c) and 20(d) of the reporting guidelines also requires these provisions to be separately disclosed as follows:

- Annual leave;
- Long service leave;
- Separation and redundancies; and
- Other employee provisions.

Please note that Reporting Guideline 21 states that if the activities identified in item 20 have not occurred in the reporting period, a statement to this effect must be included in the general purpose financial report.

## **Cash Flow Statement**

### Notes to the Cash Flow Statement

Reporting Guideline 24 states:

Where another reporting unit and/or controlled entity of the organisation is the source of a cash inflow or the application of a cash outflow, such cash flow should be separately disclosed in the notes to the financial statements and show the name of the other reporting unit and/or controlled entity concerned.

This is in addition to the requirement to disclose capitation fees to/from another reporting unit (Reporting Guideline 14(b) and 16(b)) and receipt of, or provision of, any other financial support from another reporting unit (Reporting Guideline 10, 11 and 14(e)).

Please note that Reporting Guideline 25 states that if the activities identified in item 24 have not occurred in the reporting period, a statement to this effect must be included in the general purpose financial report.

## **Activities under Reporting Guidelines not disclosed**

### Activities under Reporting Guidelines not disclosed

Item 13 of the Reporting Guidelines state that if the activities identified in item(s) 10, 11 and 12 respectively have not occurred in the reporting period, a statement to this effect must be included in the notes to the general purpose financial report. I note that for the following Reporting Guideline items no such disclosure has been made:

- 10 - going concern financial support received from another reporting unit (refers to agreement regarding financial support not dollar amount)
- 11 - going concern financial support provided to another reporting unit (refers to agreement regarding financial support not dollar amount)
- 12 - acquired an asset or liability due to an amalgamation under Part 2 of Chapter 3, a restructure of the branches of an organisation, a determination or revocation by the Commissioner

## **Other issues**

Please note that the Delegate to the Commissioner will be contacting the reporting unit shortly to request further information in relation to the financial affairs of the reporting unit for previous financial years.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contact on 03) 9603 0731 or via email at [joanne.fenwick@roc.gov.au](mailto:joanne.fenwick@roc.gov.au).

Yours sincerely



**Joanne Fenwick**  
**Financial Reporting Specialist**  
**Registered Organisations Commission**

Archived: Thursday, 23 April 2020 3:09:06 PM

From: [Cliff Kaye](#)

Sent: Wed, 19 Jul 2017 15:10:02

To: [FENWICK,Joanne](#)

Cc: [Ben Swan](#)

Subject: RE: Update required - FR2016/261 [SEC=UNCLASSIFIED]

Sensitivity: Normal

---

Hi Jo

Thanks for your email. Yes we did spend time finalising this report two weeks ago and it has gone back to the Auditors for sign-off. I'll chase them up and see where they are.

Many thanks.

Regards

Cliff

---

From: FENWICK,Joanne [<mailto:Joanne.Fenwick@roc.gov.au>]

Sent: Wednesday, 19 July 2017 2:48 PM

To: Cliff Kaye

Cc: Ben Swan

Subject: RE: Update required - FR2016/261 [SEC=UNCLASSIFIED]

**UNCLASSIFIED**

Hi Cliff

Have you received a copy of the financial report from the auditors? In your email of 21 June 2017 you indicated that the Branch was assured by them that they will have it completed by the end of the month.

Regards

**JOANNE FENWICK**

Financial Reporting Specialist

**Registered Organisations Commission**

Tel: (03) 9603 0731

[joanne.fenwick@roc.gov.au](mailto:joanne.fenwick@roc.gov.au)

GPO Box 2983, MELBOURNE VIC 3001 | 414 La Trobe Street, Melbourne Victoria 3000

[www.roc.gov.au](http://www.roc.gov.au)



**Australian Government**

**Registered Organisations Commission**

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---

From: Cliff Kaye [<mailto:Cliff.Kaye@awu.org.au>]

Sent: Wednesday, 21 June 2017 3:07 PM

To: FENWICK,Joanne

Cc: Ben Swan

Subject: RE: Update required - FR2016/261 [SEC=UNCLASSIFIED]

Hi Joanne

Thanks for your email. Our auditors have been working on it. They have assured me that they will get them completed by the end of the month. There were a few administrative issues they were dealing with regarding their own certification, which I am led to believe they have now resolved.

I will keep posted in this regard. Thanks for your patience.

Regards

Cliff



Cliff Kaye | Chief Financial Officer | Australian Workers' Union

P 07 3221 0937 | F 07 3221 8700 | M 0467 748 187 | E [cliff.kaye@awu.org.au](mailto:cliff.kaye@awu.org.au)

GPO Box 88, Brisbane Qld 4001

[www.qld.awu.net.au](http://www.qld.awu.net.au)

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---

From: FENWICK,Joanne

Sent: Tuesday, 20 June 2017 4:28 PM

To: 'ben.swan@awu.org.au'

Cc: 'ckiff.kaye@awu.org.au'

Subject: Update required - FR2016/261 [SEC=UNCLASSIFIED]

UNCLASSIFIED

Good afternoon

Can you please provide me with an update on when we the Registered Organisations Commission can expect to receive a copy of the full report for the AWU Queensland Branch for the financial year ending 30 June 2016?

Regards

**JOANNE FENWICK**  
Financial Reporting Specialist  
**Registered Organisations Commission**

Tel: (03) 9603 0731  
[joanne.fenwick@roc.gov.au](mailto:joanne.fenwick@roc.gov.au)

GPO Box 2983, MELBOURNE VIC 3001 | 414 La Trobe Street, Melbourne Victoria 3000

[www.roc.gov.au](http://www.roc.gov.au)



**Australian Government**  
**Registered Organisations Commission**

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Archived: Thursday, 23 April 2020 3:05:13 PM

**From:**

**To:**

**Subject:** RE: s.269 application - AWU Queensland Branch

**Sensitivity:** Normal

---

Hi Ben

After discussing this issue with the Delegate at this stage please prepare and submit a set of separate audited financial accounts for the financial year ending 30 June 2016. Once these statements have been received and reviewed, the Delegate will make a decision whether separate audited financial accounts are required for previous years as well.

Regards

**JOANNE FENWICK**

Financial Reporting Specialist

Regulatory Compliance Branch

**Fair Work Commission**

Tel: (03) 8656 4681

Fax: (03) 9655 0410

[joanne.fenwick@fwc.gov.au](mailto:joanne.fenwick@fwc.gov.au)

11 Exhibition Street, Melbourne Victoria 3000

GPO Box 1994, Melbourne Victoria 3001

[www.fwc.gov.au](http://www.fwc.gov.au)

---

**From:** Ben Swan [mailto:Ben.Swan@awu.org.au]

**Sent:** Friday, 24 February 2017 9:17 AM

**To:** FENWICK, Joanne

**Subject:** RE: s.269 application - AWU Queensland Branch

Hi Joanne.

Once again, my apologies for the delay in getting back to you.

I had taken the opportunity to speak with our auditors shortly after our last telephone conversation in January to obtain some advice and to get some history behind this matter.

As discussed yesterday, we are prepared to submit sets of separate audited financial accounts for the AWU Queensland Branch (as distinct from the state registered AWUEQ) for past years, if that is deemed appropriate.

This will naturally include separate audited accounts for the 2015/16 financial year for the AWU Queensland Branch, which is the subject of the present s.269 application.

Having spoken to our auditors, the task of preparing separate accounts for the AWU Queensland Branch and the AWUEQ is not overly onerous, and I think we would rather take a belts-and-braces approach to all of this in order to avoid any potential issues into the future.

I understand that you will raise this matter directly with the Delegate to determine the most appropriate course of action.

I will await your advice as to those next steps.

Regards

**Ben Swan**

**Queensland Branch Secretary**

**The Australian Workers' Union**

Level 12, 333 Adelaide Street

Brisbane Qld 4000

Ph. 07 3221 8844 | Fax. 07 3221 8700

[secretary@awu.org.au](mailto:secretary@awu.org.au)

[www.awu.org.au](http://www.awu.org.au)

[www.standupfightback.com.au](http://www.standupfightback.com.au)



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Ben Swan  
Secretary, Queensland AWU  
GPO Box 88  
BRISBANE QLD 4001

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**From:** FENWICK, Joanne [<mailto:Joanne.FENWICK@fwc.gov.au>]  
**Sent:** Thursday, 23 February 2017 9:40 AM  
**To:** Ben Swan  
**Subject:** s.269 application - AWU Queensland Branch

Good morning Ben

I am just following up on the conversation we had in early January in relation to looking at getting 5 years' worth of credit card statement. Can you please provide me with an update on how you are progressing with this and whether your Auditor has provided you with any more information in relation to how the financial statements are prepared.

Regards

**JOANNE FENWICK**  
Financial Reporting Specialist  
Regulatory Compliance Branch

**Fair Work Commission**  
Tel: (03) 8656 4681  
Fax: (03) 9655 0410  
[joanne.fenwick@fwc.gov.au](mailto:joanne.fenwick@fwc.gov.au)

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GPO Box 1994, Melbourne Victoria 3001

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Archived: Thursday, 23 April 2020 2:59:08 PM

**From:**

**To:**

**Subject:** FW: Lodgement of Statement - The Australian Workers Union

**Sensitivity:** Normal

**Attachments:**

[DOC181116.pdf](#)

---

Please note that this form was initially lodged on 22 August 2016. The FWC received a s.269 application on 15 December 2016. Based on the loans, grants and donations statement lodged it would appear that potentially the financial affairs of the Federal Registered Entity are not encompassed by the financial affairs of the State Registered Entity. I am therefore seeking clarification on the loans, grants and donation statement lodged and whether it does relate to the Federally Registered Entity.

Regards

**JOANNE FENWICK**

Financial Reporting Specialist

Regulatory Compliance Branch

**Fair Work Commission**

Tel: (03) 8656 4681

Fax: (03) 9655 0410

[joanne.fenwick@fwc.gov.au](mailto:joanne.fenwick@fwc.gov.au)

11 Exhibition Street, Melbourne Victoria 3000

GPO Box 1994, Melbourne Victoria 3001

[www.fwc.gov.au](http://www.fwc.gov.au)

---

**From:** Riley Chisholm [mailto:[Riley.Chisholm@awu.org.au](mailto:Riley.Chisholm@awu.org.au)]

**Sent:** Friday, 18 November 2016 3:19 PM

**To:** Orgs

**Subject:** Lodgement of Statement - The Australian Workers Union

Please see attached FYI.

Regards,

**Riley Chisholm**

**The Australian Workers' Union**

Level 12, 333 Adelaide Street

Brisbane Qld 4000

Ph. 07 3221 8844 | Fax. 07 3221 8700

[www.qld.awu.net.au](http://www.qld.awu.net.au)



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Ben Swan  
Secretary, Queensland AWU  
GPO Box 88  
BRISBANE QLD 4001

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# STRONGER TOGETHER

**AWUEQ  
BRANCH OFFICE**  
Level 12, 333 Adelaide Street  
BRISBANE, QLD 4000  
GPO Box 88, BRISBANE, QLD, 4001  
Members Hotline 1800 671 449  
T: (07) 3221 8844 F: (07) 3221 8700  
E: secretary@awu.org.au  
Address all correspondence to the Secretary



ABN 54942536069

EK

15 December 2016

Deputy Industrial Registrar  
Level 8  
Terrace Towers  
80 William Street  
**EAST SYDNEY NSW 2011**

**Email: [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au)**

Dear Sir

**RE: APPLICATION PURSUANT TO S. 269 OF CHAPTER 8 OF FAIR WORK REGISTERED ORGANISATIONS) ACT 2009**

---

The Australian Workers' Union, Queensland Branch, makes application pursuant to s.269 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

#### **RELIEF SOUGHT**

- . That the Registrar issue a certificate stating that the financial affairs of the reporting unit are encompassed by the financial affairs of the associated State body.
- . That the Reporting Unit is taken to have satisfied s.269 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

#### **GROUNDINGS AND REASONS**

s.269 of Chapter 8 applies to The Australian Workers' Union, Queensland Branch (hereinafter referred to as the "Reporting Unit") on the following basis:-

1. The Australian Workers' Union of Employees, Queensland (hereinafter referred to as the "associated State body") is registered as an industrial organisation under the Industrial Relations Act 1999;
2. The associated State body is composed of substantially the same members as the Reporting Unit;
3. The officers of the associated State body are substantially the same as the officers of the Reporting Unit;

Secretary: Ben Swan

The Reporting Unit is taken to have satisfied s.269 of Chapter 8 on the following basis:-

- A. The associated State body has, in accordance with the Industrial Relations Act 1999, prepared accounts, had those accounts audited, provided a copy of the audited accounts to its members, and lodged the audited accounts with the Queensland Industrial Registry;
- B. A copy of the audited accounts are attached hereto;
- C. All members of the Reporting Unit and the associated State body, at substantially the same time, have been provided a copy of the Auditor's Report, Accounts and Operating Report, free of charge, in accordance with s.566 of the Industrial Relations Act 1999 and s.265 of the Fair Work (Registered Organisations) Act 2009, by publishing the Reports on the Reporting Unit and Associated State body's Website and also advising that a copy of the Reports can be obtained by contacting the local AWU office;
- D. As evidenced in paragraphs A to C above, all members of the Reporting Unit and the Associated State body have been provided with an Operating Report, as prepared in accordance with s.254 of Chapter 8.

The AWU submits that based on the grounds and reasons stated herein and the supporting documentation, The Australian Workers' Union, Queensland Branch satisfied s.269 of Chapter 8 and consequently seek the relief as sought in this application.

If you have any queries with regard to this application or seek further supporting evidence, please contact this office.

Yours faithfully



**BEN SWAN**  
**BRANCH SECRETARY**

**The Australian Workers' Union, Queensland Branch**

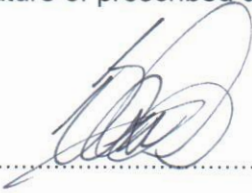
s.268 *Fair Work (Registered Organisations) Act 2009*

Certificate for the period ended 30 June 2016

I Benjamin Charles Swan being the Branch Secretary of the The Australian Workers' Union, Queensland Branch certify:

- that the documents lodged herewith are copies of the full report for the The Australian Workers' Union, Queensland Branch for the period ended 30 June 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 29 November 2016; and
- that the full report was presented to the committee of management of the reporting unit on 15 December 2016 in accordance with s.266(1) of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:



Name of prescribed designated officer:

BENJAMIN CHARLES SWAN

Title of prescribed designated officer:

BRANCH SECRETARY

Dated: 15 DECEMBER 2016

**THE AUSTRALIAN WORKERS' UNION, QUEENSLAND BRANCH 2015/2016**

**OFFICE HOLDERS AND EXECUTIVE AS AT 30/06/2016**

BRANCH SECRETARY	Ben Swan GPO Box 88 Brisbane 4001	Union Official
BRANCH PRESIDENT	Marina Chambers GPO Box 88 Brisbane 4001	Union Official
BRANCH VICE PRESIDENTS (Honorary) 3	Keith Ballin PO Box 1057 Bundaberg 4670	Union Official
	Steve Baker GPO Box 13 Brisbane 4001	Union Official
	Tracey Sharpe PO Box 508 Toowoomba 4035	Union Official
NATIONAL EXECUTIVE MEMBERS (Honorary)	Tracey Sharpe PO Box 508 Toowoomba 4035	Union Official
	Steve Baker GPO Box 13 Brisbane 4001	Union Official
	Troy Spence GPO Box 88 Brisbane 4001	Union Official
	Peter Gunsberger PO Box 854 Cairns 4870	Union Official
NATIONAL CONFERENCE DELEGATES (Honorary)	Steve Baker GPO Box 13 Brisbane 4001	Union Official
	Troy Spence GPO Box 88 Brisbane 4001	Union Official
	Tony Beers PO Box 5097 Gladstone 4680	Union Official
	Don Bulow C/- GPO Box 13 Brisbane 4001	Concrete Laborer
	Robert Carson PO Box 50 Mount Isa 4825	Union Official
	Peter Gunsberger PO Box 854 Cairns 4870	Union Official

	Daryl Harrison PO Box 50 Mount Isa 4825	Union Official
	Jim Wilson GPO Box 88 Brisbane 4001	Union Official
	Bede Harding GPO Box 88 Brisbane 4001	Union Official
	Paul Robertson PO Box 115 Mackay 4740	Union Official
	Tracey Sharpe PO Box 508 Toowoomba 4350	Union Official
	Gavin Duncan PO Box 1057 Bundaberg 4670	Union Official
	Zac Beers PO Box 5097 Gladstone 4680	Union Official
	Sharon Winn PO Box 854 Cairns 4870	Union Official
	Terry Cross PO Box 240 Longreach 4730	Union Official
	Luke Mangano PO Box 1035 Townsville 4810	Union Official
	Wally Boulton GPO Box 13 Brisbane 4001	Union Official
	Cathy Janetzki PO Box 508 Toowoomba 4350	Union Official
<b>CENTRAL DISTRICT</b>		
CENTRAL DISTRICT SECRETARY	Keith Ballin PO Box 1057 Bundaberg 4670	Union Official
BRANCH EXECUTIVE MEMBER (Honorary)	Tony Beers PO Box 5097 Gladstone 4680	Union Official
BRANCH ORGANISER	Tony Beers PO Box 5097 Gladstone 4680	Union Official
BRANCH ORGANISER	Zac Beers PO Box 5097 Gladstone 4680	Union Official
BRANCH ORGANISER	Craig Sell PO Box 289 Rockhampton 4700	Union Official



BRANCH ORGANISER	Gavin Duncan PO Box 1057 Bundaberg 4670	Union Official
<b>FAR NORTHERN DISTRICT</b>		
FAR NORTHERN DISTRICT SECRETARY	Peter Gunsberger PO Box 854 Cairns 4870	Union Official
BRANCH EXECUTIVE MEMBER (Honorary)	Peter Gunsberger PO Box 854 Cairns 4870	Union Official
	Kylie Cook PO Box 854 Cairns 4870	Union Official
BRANCH ORGANISER	Stephen Christian PO Box 854 Cairns 4870	Union Official
BRANCH ORGANISER	Sharon Winn PO Box 854 Cairns 4870	Union Official
BRANCH ORGANISER	David Fixter PO Box 854 Cairns 4870	Union Official
<b>NORTHERN DISTRICT</b>		
NORTHERN DISTRICT SECRETARY	Bede Harding PO Box 1035 Townsville 4810	Union Official
BRANCH EXECUTIVE MEMBERS (Honorary)	Paul Robertson PO Box 115 Mackay 4740	Union Official
BRANCH ORGANISER	Luke Mangano PO Box 1035 Townsville 4810	Union Official
BRANCH ORGANISER	Juli Mann PO Box 1035 Townsville 4810	Union Official
BRANCH ORGANISER	Daryl Harrison PO Box 50 Mount Isa 4825	Union Official
BRANCH ORGANISER	Robert Carson PO Box 50 Mount Isa 4825	Union Official
BRANCH ORGANISER	Paul Robertson PO Box 115 Mackay 4740	Union Official
	Gavin Lawrence PO Box 50 Mount Isa	Union Official
	Damian Hale GPO Box 3845 Darwin 0801	Union Official

<b>SOUTHERN DISTRICT</b>		
SOUTHERN DISTRICT SECRETARY	Steve Baker GPO Box 13 Brisbane 4001	Union Official
BRANCH EXECUTIVE MEMBER (Honorary)	Don Bulow C/- GPO Box 13 Brisbane 4001	Concrete Laborer
	Alan Bolton GPO Box 13 Brisbane 4001	Union Official
	Jason Shepherd GPO Box 13 Brisbane 4001	Union Official
BRANCH ORGANISER	Wally Boulton GPO Box 13 Brisbane 4001	Union Official
	Tom Harding GPO Box 13 Brisbane 4001	Union Official
	Kurt Neumann GPO Box 13 Brisbane 4001	Union Official
<b>SOUTH WESTERN DISTRICT</b>		
SOUTH WESTERN DISTRICT SECRETARY	Tracey Sharpe PO Box 508 Toowoomba 4350	Union Official
BRANCH EXECUTIVE MEMBER (Honorary)	Bede Harding PO Box 1035 Townsville 4810	Union Official
BRANCH ORGANISER	Cathy Janetzki PO Box 508 Toowoomba 4350	Union Official
<b>WESTERN DISTRICT</b>		
WESTERN DISTRICT SECRETARY	Terry Cross PO Box 240 Longreach 4730	Union Official
BRANCH EXECUTIVE MEMBER (Honorary)	Terry Cross PO Box 240 Longreach 4730	Union Official
<b>METALS AND CONSTRUCTION DIVISION</b>		
M&C DISTRICT SECRETARY	Troy Spence GPO Box 88 Brisbane 4001	Union Official
BRANCH EXECUTIVE MEMBER (Honorary)	Troy Spence GPO Box 88 Brisbane 4001	Union Official
BRANCH ORGANISER	Jim Wilson GPO Box 88 Brisbane 4001	Union Official

	Marina Chambers GPO Box 88 Brisbane 4001	Union Official
	Paul Cradden GPO Box 88 Brisbane 4011	Union Official
BRANCH DELEGATE TO DELEGATES MEETING	Wally Boulton GPO Box 13 Brisbane 4001	Union Official
	Terry Cross GPO Box 13 Brisbane 4001	Union Official
	Tony Beers PO Box 5097 Gladstone 4680	Union Official
	Jim Wilson GPO Box 13 Brisbane 4001	Union Official
	Robert Carson PO Box 50 Mount Isa 4825	Union Official
	Marina Chambers GPO Box 88 Brisbane 4001	Union Official
	Daryl Harrison PO Box 50 Mount Isa 4825	Union Official
	Julianne Mann PO Box 1035 Townsville 4870	Union Official
	Stephen Christian PO Box 854 Cairns 4870	Union Official
	Paul Robertson PO Box 115 Mackay 4740	Union Official
	Michael Kerley c/- PO Box 1035 Townsville 4810	Union Official
	Peter Ward c/- PO Box 1057 Gladstone 4670	Union Official
	Zac Beers PO Box 5097 Gladstone 4680	Union Official
	Sharon Winn PO Box 854 Cairns 4870	Union Official
	Kylie Cook PO Box 854 Cairns 4870	Union Official



	Luke Mangano PO Box 1035 Townsville 4810	Union Official
	David Fixter PO Box 854 Cairns 4870	Union Official
	Cathy Janetzki PO Box 508 Toowoomba 4350	Union Official
	Gavin Duncan PO Box 1057 Bundaberg 4670	Union Official
	Craig Sell PO Box 289 Rockhampton 4700	Union Official

**The Australian Workers' Union of  
Employees, Queensland and The  
Australian Workers' Union, Queensland  
Branch**

ABN: 54 942 536 069

**Financial Statements**

For the Year Ended 30 June 2016

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland Branch

ABN: 54 942 536 069

## Contents

For the Year Ended 30 June 2016

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# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

ABN: 54 942 536 069

## Accounting Officer's Certificate

30 June 2016

I, Ben Swan, being the Accounting Officer responsible for keeping the accounting records for The Australian Workers' Union Queensland Branch and The Australian Workers' Union Of Employees, Queensland ("Union" collectively), certify that as at 30 June 2016 the number of members of the Union was 34,488 (2015: 38,210), made up of 24,223 (2015: 26,091) financial members and 10,265 (2015:12,119) unfinancial members.

In my opinion,

- i) the attached financial statements show a true and fair view of the financial affairs of the Union as at 30 June 2016;
- ii) a record has been kept of all moneys paid by, or collected from, members and all moneys so paid or collected have been credited to the bank account to which those moneys are to be credited, in accordance with the rules of the Union;
- iii) before any expenditure was incurred by the Union, approval of the incurring of the expenditure was obtained in accordance with the rules of the Union;
- iv) with regard to funds of the Union raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules of the Union, no payments were made out of any such fund for a purpose other than the purpose for which the fund was operated, and if any such payment was so made, it was approved in accordance with the rules of the Union;
- v) no loan or other financial benefit, other than remuneration in respect of their full-time employment with the Union, was granted to employees or Officers holding office in the Union; and
- vi) the register of members of the Union was maintained in accordance with the *Industrial Relations Act 1999*.

**Ben Swan**  
**Branch Secretary**

Brisbane, 24 November 2016

# **The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland Branch**

ABN: 54 942 536 069

## **Independent Audit Report to the members of The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland Branch**

### **Scope**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements, being special purpose financial statements of The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union Queensland Branch ("Union"), which comprises the statement of financial position as at 30 June 2016, profit and loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, accounting officer's certificate and the committee of management's operating report and statement.

#### ***The Committee of Management's ("Committee") responsibility for the Financial Statements***

The Committee of the Union is responsible for the preparation of the financial statements and has determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the *Industrial Relations Act 1999 ("Act")*, the *Fair Work (Registered Organisations) Act 2009* and is appropriate to meet the needs of the members.

The Committee's responsibility also includes such internal control as the Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditors Responsibility***

Our responsibility is to express an opinion on the financial statements to the members of the Union based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Union's preparations of the financial statements that gives a true and fair view 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 Union's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee, as well as evaluating the overall presentation of the financial statements.

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

#### ***Independence***

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland Branch

ABN: 54 942 536 069

## Independent Audit Report to the members of The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland Branch

### ***Audit Opinion***

In our opinion:

1. The Union has kept satisfactory accounting records for the financial year including records of:
  - (i) the sources and nature of the Union's income, including membership subscriptions and other income from members; and
  - (ii) the nature of and reasons for the Union's expenditure.
2. The accounts for the year ended 30 June 2016 were properly drawn to give a true and fair view of the Union's
  - (i) financial affairs at the end of the year; and
  - (ii) income and expenditure and profit for the year.
3. The Union's accounts for the year ended 30 June 2016 were prepared under the *Industrial Relations Act 1999*.
4. The Union has prepared its financial disclosure statement and mid-year financial disclosure statement in accordance with the Act.
5. The Union has policies it is required to have under section 553A (1) of the *Industrial Relations Act 1999*.
6. Until deletion of this subsection on 4 July 2014, there was no contravention of S553F of the ACT, in respect of Australian Workers Union of Employees, Queensland and the Australian Workers' Union QLD Spending for Political Purposes.
7. There was no deficiency, failure or shortcoming in any matters referred to in (1) to (5) above.
8. All the information and explanations that officers or employees of the Union were required to provide have been provided

### ***Basis of Accounting***

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describe the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the Committee's financial reporting responsibilities under the Industrial Relations Act 1999. As a result, the financial statements may not be suitable for another purpose.

**Hanrick Curran Audit Pty Ltd**  
**Authorised Company Auditor: 338599**

**A D Fraser**  
**Director**  
Brisbane, 24 November 2016

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland Branch

ABN: 54 942 536 069

## Committee of Management Operating Report and Statement 30 June 2016

### 1. Operating Report

In accordance with section 254 of the Fair Work (Registered Organisations) Act 2009 ("Fair Work Act"), the Committee of Management presents its Operating Report on The Australian Workers' Union Of Employees, Queensland (including The Australian Workers' Union Queensland Branch) ("Union") for the year ended 30 June 2016.

#### Principal Activities

The principal activity of The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland Branch was to act on behalf of members in respect of:

- employment terms and conditions;
- to secure improved conditions of employment for the members;
- to assist members in dispute resolution;
- to assist members who may become injured in the course of their employment;
- to assist dependents of members through financial benefits; and
- to assist members in unfair dismissal matters before the relevant tribunals

#### Results

The surplus for the financial year amounted to \$ 4,286,671 (2015: Deficit \$1,629,852).

#### Significant Changes

The following significant changes in the state of affairs of the Company occurred during the financial year:

- (i) There has been a decrease in membership due to the former Governments legislative prohibition on public sector entities facilitating payroll deductions for membership dues. Particularly with regard to part time and casual employees.
- (ii) Membership has also decreased due to the demobilisation of significant civil construction projects in Queensland particularly those relating to road tunnel construction and the Curtis Island Gas projects in Gladstone.
- (iii) The Union has continued to provide resources for the expansion of Tree of Knowledge Training's registered scope of operation.
- (iv) The Union sold land and buildings (333 Adelaide Street) for \$16,000,000 on 16 June 2016.

#### Financial Affairs

The financial affairs of the Union were impacted both in respect of the Union's net equity and cash by the issues detailed in "significant changes" above.

#### Members Right to Resign

The right of AWU members to resign from the Branch is set out in Rule 14 of The Australian Workers' Union Rules as registered under the *Fair Work (Registered Organisations) Act 2009*.

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland Branch

ABN: 54 942 536 069

## Committee of Management Operating Report and Statement 30 June 2016

### 1. Operating Report continued

#### Membership of Superannuation Scheme

Those who hold a position or trustee or director of any entity, scheme or company as described in s.254 (2) (d) of the *Fair Work (Registered Organisations) Act 2009* where a criterion of such entity is that the holder of such position must be a member or official of a registered organisation are as follows:

Ben Swan	Director of Sunsuper	Appointed: 01/08/2013
Charis Mullen	Trustee of AustSafe Super	Appointed: 31/10/2013
Tracey Sharpe	Trustee of AustSafe Super	Appointed: 01/02/2014
Troy Spence	Chair of Australian Super Qld Advisory Board	Appointed: 01/07/2014
Keith Ballin	Trustee of AustSafe Super	Ceased: 11/12/2015
Craig Sell	Trustee of AustSafe Super	Appointed: 12/12/2015

#### Number of Members

The number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for s.230 and who are taken to be members of the Branch under s.244 is 34,488 (2015: 38,210), which is made up of 24,223 (2015: 26,091) financial members and 10,265 (2015: 12,119) unfinancial members.

#### Number of Employees

The number of persons who were, at the end of the financial year to which the report relates, employees of the Branch, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis was 73 (2015: 82).

#### Members of the Committee of Management

Each person has been a member of the Committee for the entire year unless otherwise stated. The name of each person who has been a member of the committee of management of the Branch at any time during the reporting period is as follows:

#### NAME

Donald Bulow	
Peter Gunsberger	
Troy Spence	
Keith Ballin	
Anthony Beers	
Marina Chambers	
Paul Robertson	
Rodney Stockham	Ceased 31/03/2016
Daniel Liston	Ceased 13/05/2016
Tracey Sharpe	
Benjamin Swan	
Stephen Baker	
Bede Harding	Appointed 06/04/2016
Terrence Cross	Appointed 27/05/2016



# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland Branch

ABN: 54 942 536 069

## Committee of Management Operating Report and Statement 30 June 2016

### Auditor's independence declaration

A copy of the auditor's independence declaration is set out on page 7.

### Statement

In accordance with Section 555 of the Industrial Relations Act 1999, the Committee of Management presents its certificate on the Union for the year ended 30 June 2016.

The Committee of Management of the Union declares that:

1. The financial statements and notes, as set out in pages 8 to 27, are in accordance with the *Industrial Relations Act 1999* and show a true and fair view of the financial affairs of the Union as at 30 June 2016.
2. In the Committee's opinion the Union was solvent for the whole financial year and there are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable.
3. From 1 July 2015 to the date of this report and in the Committee's opinion:
  - (i) meetings of the committee of management were held in accordance with the rules of the Union; and
  - (ii) the financial affairs of the Union have been managed in accordance with the rules of the Union.
4. To the knowledge of any Committee member there have been no instances during the financial year where records, rules or copies of these records or rules required by the *Industrial Relations Act 1999* or the rules to be provided to a member have not been so provided.
5. In respect of the financial statements for the year ended 30 June 2015 the Union has complied with sections 565 and 566 of the *Industrial Relations Act 1999* by presenting to an Annual General Meeting ("AGM") and providing to members the financial statements including auditor's report, of the Union. Members who did not attend the AGM were provided with the audited concise financial statements for the year ended 30 June 2016.

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

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**Ben Swan**

Branch Secretary

Brisbane, 24 November 2016

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**Stephen Kenneth Baker**

Branch Representative

Brisbane, 24 November 2016

# **The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland Branch**

ABN: 54 942 536 069

## **Auditors Independence Declaration To the Committee of Management The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland Branch**

As lead auditor for the audit of The Australian Workers' Union Of Employees, Queensland and The Australian Workers' Union Queensland Branch ("Union") for the year ended 30 June 2016, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016 there has been:

- no contraventions of any applicable code of professional conduct in relation to the audit.

**Hanrick Curran Audit Pty Ltd**  
Authorised Company Auditor: 338599

**A D Fraser**  
Director

Brisbane, 24 November 2016

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

ABN: 54 942 536 069

## Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2016

		2016	2015
	Note	\$	\$
Income	2	12,212,875	12,898,807
Employee benefits expense	3	(5,945,633)	(7,366,570)
Depreciation	3	(263,485)	(421,283)
Other operating expenses	3	(6,040,769)	(6,471,770)
Finance costs	3	(1,071,102)	(195,001)
<b>Profit/(Loss) from normal operations before income tax</b>		<b>(1,108,114)</b>	<b>(1,555,817)</b>
Income tax expense		-	-
<b>Profit/(Loss) from normal operations</b>		<b>(1,108,114)</b>	<b>(1,555,817)</b>
Gain on disposal of assets	3	8,163,537	14,576
Loss on disposal of assets	3	(8,228)	(7,682)
Impairment - discontinuing entity	3	(153,584)	-
Provision for doubtful debts	3	(2,606,940)	(80,929)
<b>Profit/(Loss) for the year</b>		<b>4,286,671</b>	<b>(1,629,852)</b>
<b>Other comprehensive income for the year, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss) attributable to members of the Union</b>		<b>4,286,671</b>	<b>(1,629,852)</b>

The accompanying notes form part of these financial statements.

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

ABN: 54 942 536 069

## Statement of Financial Position 30 June 2016

	Note	2016 \$	2015 (restated)* \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	3	6,214,090	377,536
Trade and other receivables	4	288,118	242,747
Other assets	7	173,133	201,751
<b>TOTAL CURRENT ASSETS</b>		<b>6,675,341</b>	<b>822,034</b>
NON-CURRENT ASSETS			
Trade and other receivables	4	-	1,552,654
Financial assets	5	1,007,285	590,000
Property, plant and equipment	6	7,993,813	15,801,548
<b>TOTAL NON-CURRENT ASSETS</b>		<b>9,001,098</b>	<b>17,944,202</b>
<b>TOTAL ASSETS</b>		<b>15,676,439</b>	<b>18,766,236</b>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	8	1,164,237	2,433,195
Borrowings	9	-	1,010,565
Employee benefits	11	2,079,982	2,815,557
Other financial liabilities	10	171,657	4,299,490
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,415,876</b>	<b>10,558,807</b>
NON-CURRENT LIABILITIES			
Other financial liabilities	10	484,763	718,300
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>484,763</b>	<b>718,300</b>
<b>TOTAL LIABILITIES</b>		<b>3,900,639</b>	<b>11,277,107</b>
<b>NET ASSETS</b>		<b>11,775,800</b>	<b>7,489,129</b>
<b>EQUITY</b>			
Retained earnings		11,775,800	7,489,129
<b>TOTAL EQUITY</b>		<b>11,775,800</b>	<b>7,489,129</b>

\* See Note 1(b)

The accompanying notes form part of these financial statements.

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

ABN: 54 942 536 069

## Statement of Changes in Equity For the Year Ended 30 June 2016

2016

	Retained Earnings	Total
	\$	\$
<b>Balance at 1 July 2015</b>	7,489,129	7,489,129
Surplus attributable to the Union	4,286,671	4,286,671
<b>Balance at 30 June 2016</b>	<u>11,775,800</u>	<u>11,775,800</u>

2015

	Retained Earnings	Total
	\$	\$
<b>Balance at 1 July 2014</b>	9,118,981	9,118,981
Surplus/(Loss) attributable to the Union	(1,629,852)	(1,629,852)
<b>Balance at 30 June 2015</b>	<u>7,489,129</u>	<u>7,489,129</u>

The accompanying notes form part of these financial statements.

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

ABN: 54 942 536 069

## Statement of Cash Flows For the Year Ended 30 June 2016

	2016	2015
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Membership Contributions	10,921,225	11,425,042
Interest Received	1,079	3,779
Rent Received	1,530,279	1,642,635
Other Receipts	893,059	1,581,148
Employee Benefit Payments	(7,270,335)	(8,125,733)
Interest and Costs of Finance Paid	(687,997)	(59,554)
Affiliation Fees	(378,218)	(291,673)
Payments to Head Office	(1,045,429)	(1,295,766)
Rental Property Expenses	(1,176,163)	(1,250,820)
Other Expenses	(5,653,414)	(3,460,405)
Net cash provided by (used in) operating activities	12(b) <u>(2,865,914)</u>	<u>168,653</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale of property, plant and equipment	15,712,826	52,728
Purchase of property, plant and equipment	-	(85,412)
Payment of Theodore Club expenses	(153,584)	(80,929)
Related party loans	(1,067,557)	(783,503)
Payment for acquisition of investments	(417,285)	-
Net cash used by investing activities	<u>14,074,400</u>	<u>(897,116)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Repayment of borrowings, lease & hire purchase	<u>(4,361,369)</u>	<u>(499,092)</u>
Net cash used by financing activities	<u>(4,361,369)</u>	<u>(499,092)</u>
Net increase (decrease) in cash and cash equivalents held	6,847,117	(1,227,555)
Cash and cash equivalents at beginning of year	<u>(633,027)</u>	594,528
Cash and cash equivalents at end of financial year	12(a) <u><u>6,214,090</u></u>	<u><u>(633,027)</u></u>

The accompanying notes form part of these financial statements.

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

ABN: 54 942 536 069

## Notes to the Financial Statements For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies

The financial statements cover the Australian Workers' Union Of Employees, Queensland and The Australian Workers' Union Queensland Branch ("Union"), as an individual entity on the basis that:

- essentially all operations are conducted through the State Union; and
- the State Union owns all fixed assets and has accepted responsibility for all liabilities including those which are attributable to Branch eg officials long service leave entitlements. On this basis the financial statements represent the combined operations and combined financial position of the State Union and Branch, effectively operating through the State Union.

The Union was established as a trade union which is incorporated and domiciled in Australia.

#### (a) Basis of Preparation

These financial statements are special purpose financial statements prepared in order to satisfy the reporting requirements of the *Industrial Relations Act 1999 (act)* and any additional requirements of the *Fair Work (Registered Organisations) Act 2009 (fair work act)*. The Union's executive has determined that the Union is not a reporting entity and that providing an operating report in addition to financial statements which comply with the act, also complies with the requirements of the fair work act..

Except for membership income and the statement of cash flows which is recorded on a cash basis, these special purpose financial statements have otherwise been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the Union in preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

#### (b) Prior year restatement

In order to effect the take up of the investment in Chifley and associated loan (repayable over 5 years) the comparative balances have been restated.

	2015 Previously stated	2015 Adjustments	2015 Restated
	\$	\$	\$
Cash and cash equivalents	377,536	-	377,536
Trade and other receivables	242,747	-	242,747
Other assets	201,751	-	201,751
Total Current Assets	822,034	-	822,034
Trade and other receivables	1,552,654	-	1,552,654
Financial assets	-	590,000	590,000
Property, plant and equipment	15,801,548	-	15,801,548
Total Non-Current Assets	17,354,202	590,000	17,944,202
Trade and other payables	2,433,195	-	2,433,195
Borrowings	1,010,565	-	1,010,565
Employee benefits	2,815,557	-	2,815,557
Other financial liabilities	4,299,490	-	4,299,490

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

ABN: 54 942 536 069

## Notes to the Financial Statements For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies continued

#### (b) Prior year restatement continued

	2015 Previously stated	2015 Adjustments	2015 Restated
	\$	\$	\$
Total Current Liabilities	10,558,807	-	10,558,807
Other financial liabilities	128,300	590,000	718,300
Total Non-Current Liabilities	128,300	590,000	718,300
Retained earnings	7,489,129	-	7,489,129
Total Equity	7,489,129	-	7,489,129

#### (c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

##### Property

Freehold land and buildings that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Freehold land and buildings are stated at the Committee of Management's assessment of "fair value", being an amount which is less than the amount which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. The property at 333 Adelaide Street was acquired by the Union on 10 January 1992. It was independently valued by a registered valuer in June 1994 at \$9M. As part of the company's capital management program, 333 Adelaide Street was sold above valuation for a profit of approximately \$8.16m on 16 June 2016. In addition the Union owns a number of properties throughout Queensland. After the sale of 333 Adelaide Street, the Committee considers that in aggregate these properties have a value in excess of their carrying value of \$7.0m.

Any revaluation of freehold land and buildings has not taken account of the capital gains tax on assets acquired after the introduction of capital gains tax as the Union is exempt from capital gains tax.

##### Plant and equipment

Plant and equipment is measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the Committee to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows, which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

##### Depreciation

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

The depreciable amount of all fixed assets excluding buildings and freehold land, is depreciated on a reducing balance method. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the



# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

ABN: 54 942 536 069

## Notes to the Financial Statements For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies continued

#### (c) Property, Plant and Equipment continued

##### Depreciation continued

estimated useful lives of the improvements.

The depreciation rates used for each class of assets are

Class of <i>Fixed Asset</i>	<i>Depreciation Rate</i>
Plant and equipment	5% - 40%
Other Assets	20%

Buildings are not depreciated, as there has been no determination of the separate components of land and buildings. However it is estimated that depreciation on buildings approximates \$80,000 per annum.

#### (d) Income Tax

The Union is exempt from income tax by virtue of s50-45 of the Income Tax Assessment Act 1997.

#### (e) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts but exclude monies held in Trust. Bank overdrafts are shown within financial liabilities in current liabilities on the Statement of Financial Position.

#### (f) Non-current assets held for sale

The cost method of accounting is used for all acquisitions of assets regardless of whether shares or other assets are acquired. Cost is determined as the fair value of the assets given up at the date of acquisition plus costs incidental to the acquisition.

#### (g) Employee benefits

Provision has been made in the financial statements for employees' annual leave, long service leave and sick leave entitlements on the following basis:

##### *Annual Leave and Sick Leave*

Annual Leave and Sick Leave have been provided for as the estimated accrued entitlements of all employees on the basis of each employee's terms of employment

##### *Long Service Leave*

Provision for employee benefits in the form of long service leave has been made for the estimated accrued entitlements of employees. Official's long service leave and the clerical employees' long service leave entitlements begin to accrue after 5 years of service and the calculation has been performed and entitlements accrued on the basis of each employee's terms of employment.

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

ABN: 54 942 536 069

## Notes to the Financial Statements For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies continued

#### (h) Leases and Hire Purchase

##### *Leases*

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the assets, but not the legal ownership, are transferred to the Union are classified as finance leases. Finance leases are capitalised, recording an asset and liability equal to the present value of the minimum lease payments including any guaranteed residual values. Leased assets are amortised on a straight line basis over their estimated useful lives where it is likely that the Union will obtain ownership of the asset over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

##### *Hire Purchase*

Assets acquired by hire purchase ("HP") are capitalised and depreciated over the life of the asset. Similarly the amount funded by hire purchase is treated as a liability, with finance charges prepaid treated as an asset. These charges are then written off over the term of the HP contract on the basis of estimated interest applicable to each financial year.

#### (i) Revenue and other income

Revenue from membership contributions is recognised on a cash basis.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue and other income are recognised when the right to receive a dividend or income has been established.

#### (j) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

#### (k) Adoption of new and revised accounting standards

During the current year, the Union has not adopted any new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

There have been no new and revised Australian Accounting Standards and Interpretations that have come into effect during the current year which have impacted the financial statements of the Union.

#### (l) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the Union has decided not to adopt.

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

ABN: 54 942 536 069

## Notes to the Financial Statements For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies continued

#### (m) Trust account

There are monies held in trust by the Union in respect of Longreach and South-western. As they do not form part of the Union's monies they have been excluded from the financial statements. These amounts are however shown at Note 18.

#### (n) Critical accounting estimates and judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgments made have been described below.

#### Key estimates - provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes.

Non current receivables

Non-current receivables include loans to related parties:

- Tree of Knowledge
- 100% Training Pty Ltd

These entities are in "start up mode". The executives believe it prudent to recognise the uncertainty of the repayment of any or all of this debt in the short-medium term. Accordingly and as detailed in Note 5 provision has been made for the potential non-payment of these loans.

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

ABN: 54 942 536 069

## Notes to the Financial Statements For the Year Ended 30 June 2016

	2016	2015
	\$	\$
<b>2 Revenue from Operations</b>		
<b>General Funds</b>		
Membership fees	9,928,387	10,186,401
Rental income	1,378,190	1,494,943
Insurance refunds	9	1,569
Interest received	1,080	3,778
Grants	550	-
Chifley income	569,097	889,637
Sundry income including arbitration	335,562	322,479
	<b>12,212,875</b>	<b>12,898,807</b>
<b>3 Profit Before Income Tax Expense</b>		
(a) Operating		
Advertising	132,227	154,801
Affiliation fees	245,791	265,157
Arbitration expense	209,648	316,667
Delegates expenses	43,019	48,674
Depreciation	263,485	421,283
Donations & Grants	151,240	233,360
Employee entitlements - Annual leave	443,265	675,534
Employee entitlements - Long service leave	434,633	191,356
Employee entitlements - Sick leave	116,440	414,919
Employee training expense	101,504	49,930
Fringe benefits tax	46,176	41,604
Interest charges	1,071,102	195,001
Meeting expenses	199,812	222,281
Motor vehicle expenses	294,501	331,784
National office expenses	1,085,963	1,177,969
Other expenses	1,314,828	1,250,099
Payroll tax	292,196	323,136
Professional service fees	584,970	605,955
Property expenses	1,414,828	1,453,675
Reps & agents commission and expenses	39,594	69,358
Salaries and wages	3,216,435	4,318,912
Superannuation contributions	1,269,055	1,331,803
Telephone and internet	324,349	323,928
Work cover	25,928	19,375
Chifley expenses	-	18,063
	<b>13,320,989</b>	<b>14,454,624</b>

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

ABN: 54 942 536 069

## Notes to the Financial Statements For the Year Ended 30 June 2016

	2016	2015
	\$	\$
3 Profit Before Income Tax Expense continued		
(b) Other operating expenses		
1 Gain/(Loss on disposal of assets)		
Loss on disposal of assets	(8,228)	(7,682)
Gain on disposal of assets	8,163,537	14,576
	<u>8,155,309</u>	<u>6,894</u>
<p>During the year the Union sold 333 Adelaide Street for 16,000,000. 333 Adelaide Street was recorded in the financial statements at the committee members valuation of \$7,470,702. The profit of \$8,163,537 is net of selling and other transaction costs.</p>		
2 Related party expenses		
Provision for doubtful debts	2,606,940	-
Theodore Club	153,584	80,929
	<u>2,760,524</u>	<u>80,929</u>
3 <b>Cash and cash equivalents</b>		
Cash on hand	6,027	6,027
Cash at bank	6,208,063	371,509
	<u>6,214,090</u>	<u>377,536</u>
4 <b>Trade and other receivables</b>		
CURRENT		
Rental & other receivables	113,978	71,700
GST receivable	174,140	171,047
	<u>288,118</u>	<u>242,747</u>
NON-CURRENT		
Loan to related party - Tree of Knowledge Ltd	485,956	506,954
Loan to related party - 100% Training Pty Ltd	2,120,948	1,045,700
Provision for doubtful debts	(2,606,904)	-
	<u>-</u>	<u>1,552,654</u>

These loans are unsecured and at call. However, it is not certain that the Tree of Knowledge Ltd and 100% Training Pty Ltd loans will be able to repay the debt within a reasonable timeframe. Management therefore see it prudent to provide for these amounts in their entirety (i.e. \$2,606,904).

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

ABN: 54 942 536 069

## Notes to the Financial Statements For the Year Ended 30 June 2016

	2016	2015
	\$	\$
<b>5 Other Financial Assets</b>		
	<b>2016</b>	<b>2015</b>
		<b>(Restated)</b>
	\$	\$
Investments - shares	590,000	590,000
Bank guarantees	417,285	-
	<u>1,007,285</u>	<u>590,000</u>
<b>6 Property, plant and equipment</b>		
<b>LAND AND BUILDINGS</b>		
Land		
At cost	7,099,355	14,690,537
Total land and buildings	<u>7,099,355</u>	<u>14,690,537</u>
<b>PLANT AND EQUIPMENT</b>		
Plant and equipment		
At cost	745,454	713,007
Accumulated depreciation	(404,487)	(307,028)
Total plant and equipment	<u>340,967</u>	<u>405,979</u>
Furniture, fixtures and fittings		
At cost	1,918,631	2,664,822
Accumulated depreciation	(1,714,396)	(2,405,432)
Total furniture, fixtures and fittings	<u>204,235</u>	<u>259,390</u>
Motor vehicles		
At cost	1,389,004	1,410,785
Accumulated depreciation	(1,039,748)	(965,143)
Total motor vehicles	<u>349,256</u>	<u>445,642</u>
Total plant and equipment	<u>894,458</u>	<u>1,111,011</u>
<b>Total property, plant and equipment</b>	<u>7,993,813</u>	<u>15,801,548</u>

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

ABN: 54 942 536 069

## Notes to the Financial Statements For the Year Ended 30 June 2016

	2016	2015			
	\$	\$			
6 Property, plant and equipment continued					
(a) <b>Movements in Property Plant &amp; Equipment</b>					
	Land & Buildings	Equipment	Furniture & Fittings	Motor Vehicles	Total
	\$	\$	\$	\$	\$
Balance at the beginning of year	14,690,537	721,475	1,903,580	1,381,103	18,696,695
Non-cash adjustments	(120,480)	38,346	68,953	18,221	5,040
Disposals - written down value	(7,470,702)	(14,367)	(53,902)	(10,320)	(7,549,291)
<b>Closing cost balance</b>	<b>7,099,355</b>	<b>745,454</b>	<b>1,918,631</b>	<b>1,389,004</b>	<b>11,152,444</b>
Opening accumulated depreciation	-	315,496	1,644,191	935,460	2,895,147
Depreciation expense	-	88,991	70,205	104,288	263,484
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>404,487</b>	<b>1,714,396</b>	<b>1,039,748</b>	<b>3,158,631</b>
<b>Carrying amounts at the end of year</b>	<b>7,099,355</b>	<b>340,967</b>	<b>204,235</b>	<b>349,256</b>	<b>7,993,813</b>
7 <b>Other Current Assets</b>					
CURRENT					
Prepayments				173,133	201,751
8 <b>Trade and other payables</b>					
Trade payables and accruals				829,196	1,462,693
GST payable				311,983	581,677
Superannuation payable				-	327,240
Other payables and accruals				23,058	61,585
				<b>1,164,237</b>	<b>2,433,195</b>
9 <b>Borrowings</b>					
Bank overdraft				-	1,010,565
				<b>-</b>	<b>1,010,565</b>
10 <b>Other Financial Liabilities</b>					

The Commonwealth Bank of Australia provided finance facilities to:  
Assist in the purchase of 26 Golfview Drive, Boyne Island residential property;  
Assist in the construction of the new Longreach office building;  
Assist in the purchase of units (now sold) and car parks at Spring Hill;  
Assist in the purchase of a new computer and updated programs; and  
Assist with working capital.

All finance used at 30 June 2015 secured by a Registered First Mortgage over:  
- Land & Buildings at 333 Adelaide Street, Brisbane; and

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

ABN: 54 942 536 069

## Notes to the Financial Statements For the Year Ended 30 June 2016

	2016	2015
	\$	\$
10 Other Financial Liabilities continued		
- The carparks at Spring Hill Gardens, Brisbane.		
Commonwealth Bank of Australia		
Bill Facility	-	3,657,112
Investment Home Loan	-	33,857
Hire Purchase (unsecured)	137,898	249,247
Loan - ME Bank on behalf of Tree of Knowledge	-	485,956
Loan - Chifley Financial Services	518,523	-
<b>Total</b>	<b>656,421</b>	<b>4,426,172</b>
Current	171,658	4,299,490
Non - Current liabilities	484,763	718,300
<b>Total</b>	<b>656,421</b>	<b>5,017,790</b>
11 <b>Employee Benefits</b>		
Provision for Annual Leave	937,007	1,041,028
Provision for Long Service Leave - Clerical	280,450	349,188
Provision for Long Service Leave - Officials	862,525	1,329,126
Provision for Sick Leave	-	96,215
	<b>2,079,982</b>	<b>2,815,557</b>



# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

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## Notes to the Financial Statements For the Year Ended 30 June 2016

	2016	2015
	\$	\$
<b>12 Cash Flow Information</b>		
(a) Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash on hand	6,027	6,027
Bank balances	6,208,063	371,511
Bank overdraft	-	(1,010,565)
	<u>6,214,090</u>	<u>(633,027)</u>
(b) Reconciliation of the result for the year to cashflows from operating activities		
Reconciliation of net income to net cash provided by operating activities:		
Profit/ (Loss) for the year	(1,108,114)	(1,629,852)
Cash flows excluded from profit attributable to operating activities		
Non-cash/ non-operating cash flows in profit:		
- depreciation	263,484	421,283
- profit on disposal of property, plant & equipment	-	(6,894)
- interest paid on finance lease	-	135,447
- related party expenses	-	80,929
Changes in assets and liabilities		
- (increase)/decrease in trade and other receivables	(45,371)	(152,933)
- (increase)/decrease in prepayments	28,618	(24,552)
- increase/(decrease) in trade and other payables	(1,268,957)	1,432,777
- increase/(decrease) in employee benefits	(735,574)	(87,552)
Cashflow from (used in) operations	<u>(2,865,914)</u>	<u>168,653</u>
(c) Credit standby arrangements with banks		
Credit facility	715,000	715,000
The major facilities are summarised as follows:		
1.	Bank overdraft facility with a limit of \$700,000. The facility is subject to annual review with interest payable monthly at the variable rate. The facility is not utilised at 30 June 2016.	
2.	Finance lease agreements currently valued at \$137,898 facility terms are determined at the time of commencement of each contract which includes interest payable however the terms to maturity are generally 4 years.	
3.	Business card facility with a limit of \$15,000. This facility has a variable interest rate with the	

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

ABN: 54 942 536 069

## Notes to the Financial Statements For the Year Ended 30 June 2016

	2016	2015
	\$	\$
12 Cash Flow Information continued		
(c) Credit standby arrangements with banks continued balance required to be cleared monthly.		
13 <b>Capital and Leasing Commitments</b>		
<b>Finance Leases</b>		
Minimum lease payments:		
- not later than one year	96,284	122,564
- between one year and five years	41,613	128,300
	<u>137,897</u>	<u>250,864</u>
Operating Lease		
- not later than one year	866,281	108,968
- between one year and five years	1,725,752	347,141
	<u>2,592,033</u>	<u>456,109</u>
<p>The above obligations are predominately in respect of rent payable for 333 Adelaide Street. In addition there are operating leases for computer printers.</p>		
Rental receivable		
- not longer than one year	234,614	1,124,444
- greater than one year but not longer than five years	1,020,965	4,965,909
	<u>1,255,579</u>	<u>6,090,353</u>

### 14 Related Parties

The Company's main related parties (100% subsidiaries) are as follows:

- Tree of Knowledge Ltd

### 15 Contingent Liabilities

Contingent liabilities Nil

### 16 Other Commitments

No other commitments other than the ones listed above.

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

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## Notes to the Financial Statements For the Year Ended 30 June 2016

	2016	2015
	\$	\$
17 Trust Account		
<b>The following funds are held by the Union on behalf of:</b>		
Longreach District	305,228	296,649
South Western District	55,050	54,520
<b>Total</b>	<b>360,278</b>	<b>351,169</b>

### 18 Remuneration & Benefits for Highest Paid Officers

	Salary including Super payments	Board Fees Paid	Non-cash Benefits	Total
	\$	\$	\$	\$
Mr Benjamin Swan	128,723	21,768	-	150,491
Mr Bede Harding	105,918	-	-	105,918
Mr Troy Spence	110,032	-	-	110,032
Mr Rodney Stockham*	240,353	-	-	240,353
Mr Keith Ballin	111,601	-	-	111,601
Mrs Tracey Sharpe	108,499	-	-	108,499
Mr Stephen Baker	111,776	-	-	111,776
Mr Peter Gunsberger	108,723	-	-	108,723
Mr Daniel Liston*	143,784	-	-	143,784
Mr Robert Carson	95,824	-	-	95,824

\*includes termination payment

### 19 Political Party Affiliation Fees

During the 2016 financial year the Union paid affiliation fees to Australia Labor Party amounting to \$245,791.

### 20 Spending for Political Purposes

	Amount of Spending	Expenditure relates to
Nature of Spending	\$	
Benjamin Gowdie	5,249	Federal Election 2016 Campaign
Basma Asif	1,241	Federal Election 2016 Campaign
Brandon Sloan	2,333	Federal Election 2016 Campaign
Coen Harnischefeger	975	Federal Election 2016 Campaign
Georgia Boon	886	Federal Election 2016 Campaign
Harold Howard	1,506	Federal Election 2016 Campaign
Inez Penrose	1,152	Federal Election 2016 Campaign
Jacqueline Power	6,537	Federal Election 2016 Oxley Campaign
Liam O'Reagan	8,213	Federal Election 2016 Flynn Campaign
Lotte Scheel	1,152	Federal Election 2016 Campaign
Penelope Webster	709	Federal Election 2016 Campaign
Riley Williamson	4,513	Federal Election 2016 Petrie Campaign
Samual Killorn	9,781	Federal Election 2016 Rankin Campaign

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

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## Notes to the Financial Statements For the Year Ended 30 June 2016

		2016	2015
		\$	\$
20 Spending for Political Purposes continued			
	Nature of Spending	Amount of Spending \$	Expenditure relates to
Stephanie Serhan	Wages, fuel, mobile phone	4,324	Federal Election 2016 Petrie Campaign
Talbot Speechley	Wages	8,186	Federal Election 2016 Lilley Campaign
ALP QLD	Meeting expenses	3,400	Delegate fees - QLD state conference
AWU National	Meeting expenses	1,123	ALP National Conference Dinner
Labor Forum	Meeting expenses	500	Labour Forum National Conference Dinner
ALP NT	Functions & Events	291	110 Years Northern Territory Labor Function
ALP QLD	Donations	21,000	Brisbane City Council
The Theodore Club	Donations	50,000	The Theodore Club Inc
Bernice Allen	Donations	1,000	Council elections - Rockhampton Regional Council
Scott Colbran	Donations	1,000	Council elections - Fraser Coast Regional Council
Richie Bates	Donations	1,000	Council elections - Cairns Regional Council
Jonathan Raven	Donations	1,000	Council elections - Cairns Regional Council
Team Jenny Hill	Donations	1,000	Council elections - Logan Council
Winchester Campaign Committee	Donations	1,000	Council elections - Townsville Regional Council
Margaret Strelow	Donations	1,000	Council elections - Moreton Bay Regional Council
Team Jenny Hill	Donations	7,000	Council elections - Townsville Regional Council
ALP QLD	Donations	95,000	Federal Election Campaign
ALP NT	Donations	5,000	Federal Campaign - Solomon (NT)
ALP QLD	Donations	1,500	Federal Campaign - Maranoa
AWU National	Donations	5,000	Federal Campaign - ALP National

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

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## Notes to the Financial Statements For the Year Ended 30 June 2016

### 21 Officers' financial management training

	<b>Position</b>	<b>Date Completed</b>
Ben Swan	Secretary	17/02/2016
Erica Kurth	Personal Assistant	15/02/2016
Mark Raguse	Executive Officer	17/02/2016
Charis Mullen	Campaign Coordinator	17/02/2016
Jacki Power	Policy Coordinator	16/02/2016
Jack Harding	Advocate	17/02/2016
Troy McKernan	Advocate	17/02/2016
Barry Watson	Advocate	17/02/2016
Melinda Chisholm	Financial Controller	12/02/2016
Neta Tuitasi	Membership Officer	15/02/2016
Kerryn Paterson	Membership Officer	17/02/2016
David Fixter	Acting District Secretary	17/02/2016
Sharon Winn	Organiser	17/02/2016
Kylie Swales	Organiser	17/02/2016
Stephen Christian	Organiser	17/02/2016
Cowboy Stockham	District Secretary	17/02/2016
Juli Mann	Organiser	17/02/2016
Luke Mangano	Organiser	17/02/2016
Paul Robertson	Organiser	17/02/2016
Craig Barber	Organiser	17/02/2016
Bede Harding	Organiser	17/02/2016
Gavin Lawrence	Organiser	17/02/2016
Damian Hale	Organiser	17/02/2016
Keith Ballin	District Secretary	17/02/2016
Gavin Duncan	Organiser	17/02/2016
Tony Beers	Organiser	17/02/2016
Zac Beers	Organiser	17/02/2016
Craig Sell	Organiser	17/02/2016
Tracey Sharpe	District Secretary	17/02/2016
Cathy Janetzki	Organiser	17/02/2016
Jack Liston	Organiser	17/02/2016
Steve Baker	District Secretary	17/02/2016
Terry Cross	Organiser	17/02/2016
Wally Boulton	Organiser	17/02/2016
Alan Boulton	Organiser	17/02/2016
Jason Shepherd	Organiser	17/02/2016
Tom Harding	Organiser	17/02/2016
Kurt Neumann	Organiser	17/02/2016
Troy Spence	District Secretary	11/02/2015
Marina Williams	Organiser	17/02/2016
Paul Cradden	Organiser	17/02/2016
Jim Wilson	Organiser	17/02/2016
Noah Murphy	Call Centre	17/02/2016

# The Australian Workers' Union of Employees, Queensland and The Australian Workers' Union, Queensland

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## Notes to the Financial Statements For the Year Ended 30 June 2016

### 21 Officers' financial management training continued

	<b>Position</b>	<b>Date Completed</b>
Ben Gowdie	Call Centre	17/02/2016
Brandon Sloan	Call Centre	17/02/2016
Lotte Scheel	Call Centre	17/02/2016
Sam Killorn	Call Centre	17/02/2016
Georgia Boon	Call Centre	17/02/2016

### 22 Union Details

The principal places of business is:  
333 Adelaide Street  
Brisbane, QLD 4000

### 23 Information to be provided to Members or Registrar

In accordance with the requirements of the Industrial Relations Act 1999 the attention of members is drawn to the following provisions:

#### **Industrial Relations Act 1999 - Section 556**

**Sub-Section (1)** A member of an organisation may apply to the organisation for information that it must, under a regulation, give its members.

**Sub-Section (2)** An application may be made by the registrar for a member.

**Sub-Section (3)** The organisation must give the member or, if the registrar applied for a member, the registrar, the information applied for in a way prescribed under a regulation.

### 24 Financial Register

The financial register as required under section 557F of the ACT is published by the Union on its website at <http://qld.awu.net.au/notices-and-forms>.