



2 December 2020

Peter Lamps
Secretary, South Australian Branch
The Australian Workers' Union

Dear Peter Lamps,

Re: – Financial reporting – The Australian Workers' Union, South Australian Branch – for year ending 30 June 2020 (FR2020/108)

I refer to the financial report of the South Australian Branch of The Australian Workers' Union in respect of the year ending 30 June 2020. The documents were lodged with the Registered Organisations Commission ('the ROC') on 9 November 2020.

The financial report has been filed. The financial report was filed based on a primary review. This involved confirming whether the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements. Please note the report for year ending 30 June 2021 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. I make the following comments to assist when preparing the next report.

Registered auditor's details

The auditor's statement omitted to specify the auditor's registration number (i.e. under the RO Act) as required by reporting guideline 29(b). Our records show that this number is AA2017/23. The registration number must be included in future auditor's statements.

General fund – meaning

The officer's declaration statement included a nil activity disclosure with respect to 'have a balance within the general fund'. Having regard to the definition of 'general fund' in the Glossary on page 11/13 of the reporting guidelines, it would appear that the retained earnings figure of \$2,208,827 is the balance of the general fund and no nil activity disclosure in respect of this item was applicable for the 2020 report.

Yours faithfully

A handwritten signature in black ink that reads "Stephen Kellett".

Stephen Kellett
Financial Reporting
Registered Organisations Commission

Australian Workers' Union SA Branch

ABN: 55 863 353 525

FINANCIAL STATEMENTS

2020

Financial Statements 2019–20

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Independent Auditor's Report to the Members of The Australian Workers Union South Australian Branch

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

I have audited the financial report of The Australian Workers Union South Australian Branch ("the reporting unit") which comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, the committee of management statement, the subsection 255(2A) report and the officer declaration statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects the financial position of The Australian Workers Union South Australian Branch as at 30 June 2020, and its financial performance and its cash flows for the year ended on that date in accordance with: including:

- (a) the Australian Accounting Standards; and
- (b) any other requirements imposed by the reporting guidelines of Part 3 of Chapter 8 of the *Fair Work (Registered Organisation) Act 2009*.

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

Basis for Opinion

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

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

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

The committee of management is responsible for the other information. The other information obtained at the date of this auditor's report is in the operating report accompanying the financial report.

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

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

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Responsibilities of Committee of Management for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the reporting unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.
- Conclude on the appropriateness of the committee of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the reporting unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the reporting unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the reporting unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the reporting unit audit. I remain solely responsible for my audit opinion.

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I communicate with the committee of management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

HLB Mann Judd

HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants

Adelaide, South Australia
7 October 2020

A handwritten signature in black ink, appearing to read 'C. McGowan'.

Corey McGowan
Director

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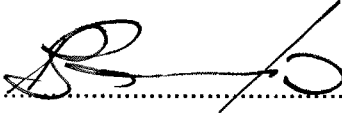
s.268 Fair Work (Registered Organisations) Act 2009

Certificate by Prescribed Designated Officer

Certificate for the year ended 30th June 2020

I Peter Lamps being the Branch Secretary of the Australian Workers' Union South Australian Branch certify:

- that the documents lodged herewith are copies of the full report for the Australian Workers' Union South Australian Branch for the period ended 30th June 2020 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of the Australian Workers' Union South Australian Branch on 7th OCTOBER 2020 and
- that the full report was presented to a meeting of the committee of management of the Australian Workers' Union South Australian Branch on 6th NOVEMBER 2020 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer: 

Name of prescribed designated officer: PETER LAMPS

Title of prescribed designated officer: BRANCH SECRETARY

Dated: 6th NOVEMBER 2020

Expenditure report required under subsection 255(2A)

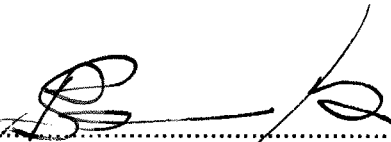
for the year ended 30th June 2020

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

Descriptive form

Categories of expenditures	2019	2020
Remuneration and other employment-related costs and expenses – employees	1,280,970	1,276,112
Advertising	6,287	4,215
Operating costs	935,965	1,001,732
Donations to political parties	–	–
Legal costs	51,923	43,576

Signature of designated officer:



Name and title of designated officer:

BRANCH SECRETARY - PETER LAMPS

Dated:

18th SEPTEMBER 2020

Operating Report

for the year ended 30th June 2020

The committee of management presents its operating report on the Australian Workers' Union South Australian Branch for the year ended 30th June 2020.

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

The Australian Workers' Union South Australian Branch's principal activities during the year were to:

- provide guidance on employment terms and conditions;
- Secure improved conditions of employment for the members;
- Assist members in dispute resolution;
- Assist members who may have become injured in the course of their employment;
- Assist dependants of members through financial benefits; and
- Assist members in unfair dismissal matters before relevant tribunals.

There have been no significant changes in the nature of these activities

Significant changes in financial affairs

There has been a decline in membership due to redundancies and closures which occurred during the financial year, predominately in Manufacturing and Defence Industries.

Right of members 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 act.

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

Ian Steel was appointed to the Statewide Super Board on January 2019.

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 is **4371** (2019:4532)

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, casuals and part time employees measured on a full-time basis is 12 (2019:13).

Names of committee of management members and period positions held during the financial year

Name	Position	Date
Gary Henderson	President	01/07/19 – 30/06/20
Peter Lamps	Secretary	01/07/19 – 30/06/20
Terry Bails	Vice President	01/07/19 – 30/06/20
Stacy Lopresto	Vice President	01/11/19 – 30/06/20
Frank Mateos	Assistant Secretary	01/07/19 – 30/06/20
Ian Ashmore(deceased position vacant)	Committee Member	01/07/19 – 29/11/19
Grant Petagna	Committee Member	01/07/19 – 30/06/20
Nathan Crack	Committee Member	01/07/19 – 30/06/20
Scott Martin	Committee Member	01/07/19 – 30/06/20
James Phelan	Committee Member	01/07/19 – 30/06/20
Trish Stringer	Committee Member	01/07/19 – 30/06/20
Stacy Lopresto	Committee Member	01/07/19 – 31/10/19
Michael Hoggood	Committee Member	01/07/19 – 30/06/20
Martin Hilton	Committee Member	01/07/19 – 30/06/20
Cleofe Vinas-Wilson	Committee Member	01/07/19 – 30/06/20
Russell Webb	Committee Member	01/07/19 – 30/06/20
Kenneth Gregory	Committee Member	01/11/19 - 30/06/20
Shane Karger	Committee Member	01/07/19 - 30/06/20

Signature of designated officer: 

Name and title of designated officer: BRANCH SECRETARY - PETER LAMPS

Dated: 18th SEPTEMBER 2020

Committee of Management Statement

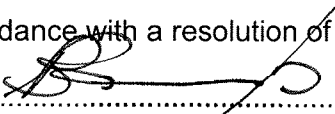
for the year ended 30th June 2020

On **2 / 10 / 2020** the Committee of Management of the Australian Workers' Union South Australian Branch passed the following resolution in relation to the general purpose financial report (**GPFR**) for the year ended 30th June 2020:

The Committee of Management declares that in its opinion:

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

This declaration is made in accordance with a resolution of the committee of management.

Signature of designated officer: 

Name and title of designated officer: **PETER LAMIPS - BRANCH SECRETARY**

Dated: **7th OCTOBER 2020**

Statement of Comprehensive Income

for the year ended 30 June 2020

	Notes	2020 \$	2019 \$
Revenue from contracts with customers			
Membership subscriptions*		2,168,179	2,167,388
Capitation fees and other revenue from another reporting unit* ¹	3A	-	-
Levies*	3B	-	-
Total revenue from contracts with customers		2,168,179	2,167,388
Income for furthering objectives			
Grants and/or donations*	3C	-	-
Total income for furthering objectives		-	-
Other Income			
Revenue from recovery of wages activity*	3D	-	-
Investment income	3E	51,547	67,538
Other income	3F	324,926	290,258
Total other income		376,473	357,796
Total income		2,544,652	2,525,184
Expenses			
Employee expenses	4A	1,280,970	1,276,112
Capitation fees and other expense to another reporting unit*	4B	233,863	233,718
Affiliation fees	4C	26,777	32,945
Administration expenses	4D	650,044	702,524
Grants or donations	4E	12,000	21,200
Finance costs	4F	5,091	5,138
Legal costs	4G	51,923	43,576
Audit fees	11	14,477	15,422
Total expenses		2,275,145	2,330,635
Surplus for the year		269,507	194,549

other comprehensive income

for the year ended 30 June 2020

Other comprehensive income			
Items that will be subsequently reclassified to profit or loss			
Gain/(loss) on debt instruments at fair value through other comprehensive income (FVTOCI)		-	-
Items that will not be subsequently reclassified to profit or loss			
Gain/(loss) on revaluation of land & buildings		-	-
Gain/(loss) on equity instruments designated at FVTOCI		-	-
Total comprehensive income for the year		269,507	194,549

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

*As required by the reporting guidelines. Item to remain even if 'nil' unless the reporting unit opts to disclose it in the officer declaration statement.

Statement of Financial Position

as at 30 June 2020

	Notes	2020 \$	2019 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	3,165,659	2,853,358
Trade and other receivables*	5B	182,236	175,357
Other current assets	5C	12,372	23,410
Total current assets		3,360,267	3,052,125
Non-current Assets			
Total non-current assets		-	-
Total assets		3,360,267	3,052,125
LIABILITIES			
Current Liabilities			
Trade payables*	6A	75,593	63,902
Other payables*	6B	73,835	73,510
Employee provisions	7A	1,002,012	975,394
Total current liabilities		1,151,440	1,112,806
Non-current Liabilities			
Total non-current liabilities		-	-
Total liabilities		-	-
Net assets		2,208,827	1,939,319

Equity

as at 30 June 2020

	Notes	2020 \$	2019 \$
EQUITY			
Retained earnings		2,208,827	1,939,319
Total equity		2,208,827	1,939,319

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

*As required by the reporting guidelines. Item to remain even if 'nil' unless the reporting unit opts to disclose it in the officer declaration statement.

Statement of Changes in Equity

for the year ended 30 June 2020

	Notes	Retained earnings \$	Total equity \$
Balance as at 1 July 2018		1,744,770	1,744,770
Surplus		194,459	194,459
Closing balance as at 30 June 2019		1,939,329	1,939,329
Surplus		269,508	269,508
Transfer from retained earnings		-	-
Closing balance as at 30 June 2020		2,208,837	2,208,837

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

Statement of Cash Flows

for the year ended 30 June 2020

	Notes	2020 \$	2019 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting unit/controlled entity(s)	8B	200,000	200,000
Interest		67,892	66,668
Membership Fees		2,309,507	2,317,336
Other		192,062	145,550
Total Cash Received		<u>2,769,461</u>	<u>2,729,554</u>
Cash used			
Employees		1,254,353	1,262,941
Suppliers		876,443	1,123,299
Payment to other reporting units/controlled entity(s)	8B	321,273	177,273
Finance Costs		5,091	5,138
Total Cash Used		<u>2,457,159</u>	<u>2,568,651</u>
Net cash from (used by) operating activities	8A	<u>312,301</u>	<u>160,903</u>
INVESTING ACTIVITIES			
Net cash from (used by) investing activities		<u>-</u>	<u>-</u>
FINANCING ACTIVITIES			
Net cash from (used by) financing activities		<u>-</u>	<u>-</u>
Net increase (decrease) in cash held		<u>312,301</u>	<u>160,903</u>
Cash & cash equivalents at the beginning of the reporting period		2,853,358	2,692,455
Cash & cash equivalents at the end of the reporting period	5A	<u>3,165,659</u>	<u>2,853,358</u>

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

Index to the notes of the financial statements

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Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

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

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

1.2 Comparative amounts

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

1.3 Significant accounting judgements and estimates

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

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

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

The accounting policies adopted are consistent with those of the previous financial year except for the following standards and amendments, which have been adopted for the first time this financial year:

- AASB 15 Revenue from Contracts with Customers, which replaces AASB 118 Revenue, and AASB 1058 Income of Not-for-Profit-Entities, which replaces in the income recognition requirements of AASB 1004 Contributions

[Application of these standards are discussed further below]

- AASB 16 Leases and amending standards, which replaces AASB117 Leases.

[Application of this standard is discussed further below]

Impact on adoption of AASB 15 Revenue from Contracts with Customers (AASB 15) and AASB 1058 Income of Not-for-Profit Entities (AASB 1058)

AASB 15 Revenue from Contracts with Customers supersedes AASB 111 Construction Contracts, AASB 118 Revenue and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers.

AASB 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. AASB 15 also includes implementation guidance to assist not-for-profit entities to determine whether particular transactions, or components thereof, are contracts with customers. If a transaction is outside the scope of AASB 15, the recognition and measurement of income arising from the transaction may instead be specified by another Standard, for example AASB 1058 Income of Not-for-Profit Entities.

AASB 1058 replaces the income recognition requirements in AASB 1004 Contributions that had previously applied to The Australian Workers' Union South Australian Branch. AASB 1058 provides a more comprehensive model for accounting for income of not-for-profit entities and specifies that:

- the timing of revenue or income recognition will depend on whether a performance obligation is identified or a liability is recognised;
- not-for-profit lessees can elect to recognise assets, including leases provided at significantly less than fair value, at their fair value; and
- all not-for-profit entities can elect to recognise volunteer services at fair value if the fair value of those services can be reliably measured.

The Australian Workers' Union South Australian Branch adopted AASB 15 and AASB 1058 using the modified retrospective² method of adoption, with the date of initial application of 1 July 2019. In accordance with the transition approach, The Australian Workers' Union South Australian Branch recognised the cumulative effect of applying these new standards as an adjustment to opening retained earnings at the date of initial application, i.e., 1 July 2019. Consequently, the comparative information presented has not been restated and continues to be reported under the previous standards on revenue and income recognition. In addition, The Australian Workers' Union South Australian Branch has applied the practical expedient and elected to apply these standards retrospectively only to contracts and transactions that were not completed contracts at the date of initial application, i.e., as at 1 July 2019.

The adoption of AASB15 and AASB 1058 did not have impact on the Australian Workers Union's South Australian Branch 2020 financial statements.

² The reporting unit may elect to transition to AASB 15 by adopting either a full retrospective or modified retrospective transition method. This financial report illustrates the modified retrospective method only.

Impact on adoption of AASB 16 Leases

AASB 16 Leases supersedes AASB 117 Leases, Interpretation 4 Determining whether an Arrangement contains a Lease, Interpretation 115 Operating Leases—Incentives and Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under AASB 16 is substantially unchanged from AASB 117. Lessors will continue to classify leases as either operating or finance leases using similar principles as in AASB 117. Therefore, AASB 16 does not have an impact for leases where The Australian Workers' Union South Australian Branch is the lessor.

The Australian Workers' Union South Australian Branch has adopted AASB 16 using the modified retrospective method of transition, with the date of initial application of 1 July 2019.³ Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Australian Workers' Union South Australian Branch elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at 1 July 2019.

Instead, The Australian Workers' Union South Australian Branch applied the standard only to contracts that were previously identified as leases applying AASB 117 and Interpretation 4 at the date of initial application.

The Australian Workers' Union South Australian Branch has lease contracts for various items of plant, machinery, vehicles and other equipment. Before the adoption of AASB 16, The Australian Workers' Union South Australian Branch classified each of its leases (as lessee) at the inception date as an operating lease.

Upon adoption of AASB 16, The Australian Workers Union South Australian Branch applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. Refer to Note 1.9 Leases for the accounting policy beginning 1 July 2019. The standard provides specific transition requirements and practical expedients, which have been applied by The Australian Workers' Union South Australian Branch.

Leases previously accounted for as operating leases

The Australian Workers' recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value

³ The reporting unit may elect to transition to AASB 16 by adopting either a full retrospective or modified retrospective transition method. This financial report illustrates the modified retrospective method with the selection of transitional practical expedients.

of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Australian Workers' Union South Australian Branch also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

Future Australian Accounting Standards Requirements

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected to have a future financial impact on The Australian Workers' Union South Australian Branch include:

AASB 2020-1 – Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. This Standard applies to annual reporting periods beginning on or after 1 January 2022. Earlier application is permitted

1.5 Revenue

The Australian Workers' Union South Australia Branch enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, levies, grants, and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Membership subscriptions

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

If there is only one distinct membership service promised in the arrangement, The Australian Workers' Union South Australian Branch recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect The Australian Workers' Union South Australian Branch promise to stand ready to provide assistance and support to the member as required.

Interest income

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

1.6 Employee benefits

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

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

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

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

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

1.7 Leases

The Australian Workers' Union South Australian Branch assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Short-term leases and leases of low-value assets

The Australian Worker's Union South Australian Branch short-term leases are those that have a lease term of 12 months or less from the commencement. It also applies the lease of low-value assets recognition exemption to leases that are below \$10,000. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

1.8 Borrowing costs

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

1.9 Cash

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

1.10 Financial instruments

Financial assets and financial liabilities are recognised when the Australian Workers' Union South Australian Branch becomes a party to the contractual provisions of the instrument.

1.11 Financial assets

Contract assets and receivables

A contract asset is recognised when the Australian Workers' Union South Australian Branch right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Australian Workers' Union South Australian Branch future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and The Australian Workers' Union South Australian Branch business model for managing them. With the exception of trade receivables that do not contain a significant financing component, The Australian Workers' Union South Australian Branch initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

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

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

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

Subsequent measurement

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

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

Financial assets at amortised cost

The Australian Workers' Union South Australian Branch measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (**EIR**) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Australian Workers' Union South Australian Branch financial assets at amortised cost includes trade receivables and loans to related parties.

Derecognition

A financial asset is derecognised when:

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

When the Australian Workers' Union South Australian Branch has transferred its rights to receive cash flows from an asset or has entered into a pass-through

The Australian Workers' Union South Australian Branch

arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

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

Offsetting

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

Impairment

Expected credit losses

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

(i) Trade receivables

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

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

1.12 Financial Liabilities

Initial recognition and measurement

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

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

The Australian Workers' Union South Australian Branch financial liabilities include trade and other payables.

Subsequent measurement

Financial liabilities at amortised cost

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

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

Derecognition

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

1.13 Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Australian Workers' Union South Australian Branch transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when The Australian Workers' Union South Australian Branch performs under the contract (i.e., transfers control of the related goods or services to the customer).

1.14 Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.15 Taxation

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

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

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

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

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is

recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

1.16 Fair value measurement

The Australian Worker's Union South Australian Branch measures financial instruments, such as, financial assets as at fair value through the profit and loss, financial assets at fair value through OCI, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 12A.

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

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

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

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

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, The Australian Workers' Union South Australian Branch determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Australian Worker's Union South Australian Branch has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

1.17 Going concern

The Australian Workers' Union South Australian branch is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

The Australian Workers' Union South Australian Branch has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

Note 2 Events after the reporting period

As a result of the evolving nature of the COVID-19 outbreak and the rapidly evolving government policies of restrictive measures put in place to contain it, as at the date of these financial statements, the Australian Workers' Union South Australian Branch is not in a position to reasonably estimate the financial effects of the COVID-19 outbreak on the future financial performance and financial position of the Australian Workers' Union South Australian Branch. Other than the current disclosures, there has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Australian Workers' Union South Australian Branch the results of those operations, or the state of affairs of the Australian Workers' Union South Australian Branch in subsequent financial periods.

Note 3 Revenue and income

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

Capitation fees:

The Branch did not receive any capitation fees from another reporting unit of the organisation.

- -

Subtotal capitation fees

- -

Other revenue from another reporting unit:

The Branch did not receive any other revenue from another reporting unit of the organisation.

- -

Subtotal other revenue from another reporting unit

- -

Total capitation fees and other revenue from another reporting unit

- -

Note 3B: Levies*

2020 2019

\$ \$

The Branch did not receive any levies from another reporting unit of the organisation.

- -

Total levies

- -

Note 3C: Grants and/or donations*

Grants

- -

Donations

- -

Total grants and donations

- -

Note 3D: Revenue from recovery of wages activity*

Amounts recovered from employers in respect of wages

- -

Interest received on recovered money

- -

Total revenue from recovery of wages activity

- -

* As required by the reporting guidelines. Item to remain even if 'nil' unless the reporting unit opts to disclose it in the officer declaration statement.

Note 3E: Investment income

	2020	2019
	\$	\$
Interest		
Deposits	51,547	67,538
Total investment income	51,547	67,538

Note 3F: Other income

Centrelink Paid Parental Leave	-	2,877
Members Annual Dinner	62,323	78,800
Workcover Levy Refund	-	1,055
Sundry Income	103	-
Management Fee Income	200,000	200,000
Other Revenue	-	7,526
Covid 19 Cashflow Boost	62,500	-
Total revenue from other income	324,926	290,258

	2020	2019
	\$	\$

Note 4 Expenses**Note 4A: Employee expenses*****Holders of office:**

Wages and salaries	756,168	795,099
Superannuation	124,382	135,456
Leave and other entitlements	119,057	65,416
LSL Provision	73,481	18,036
Annual Leave Provision	(46,864)	(4,867)
Payroll Tax	-	17,665
Separation and redundancies	-	-
Other employee expense	10,949	9,552
Fringe Benefits Tax	29,648	33,449
Subtotal employee expenses holders of office	1,066,821	1,069,806

Employees other than office holders:

Wages and salaries	181,892	183,155
Superannuation	26,202	18,579
Leave and other entitlements	3,749	2,630
Separation and redundancies	-	-
Other employee expenses	2,306	1,942
Subtotal employee expenses employees other than office holders	214,149	206,306
Total employee expenses	1,280,970	1,276,112

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

AWU National Head Office	233,863	233,718
Subtotal capitation fees	233,863	233,718

Other expense to another reporting unit

[list name and amount for each reporting unit]	-	-
Subtotal other expense to another reporting unit	-	-
Total capitation fees and other expense to another reporting unit	-	-

[Provide description for each item above. Capitation fees includes equivalent terminology referred to in the organisations rules e.g. sustentation fees)

* As required by the reporting guidelines. Item to remain even if 'nil' unless the reporting unit opts to disclose it in the officer declaration statement.

Note 4C: Affiliation fees*

Australian Labour party	26,459	32,854
UTLC Whyalla Affiliation	-	(227)
May Day Affiliation	318	318
Total affiliation fees/subscriptions	26,777	32,945

2020	2019
\$	\$

Note 4D: Administration expenses

Total paid to employers for payroll deductions of membership subscriptions*	-	-
Compulsory levies* [list each levy including purpose and name of entity]	-	-
Fees/allowances - meeting and conferences*	-	-
Conference and meeting expenses*	-	-
Contractors/consultants	30,238	35,246
Property expenses	224,331	245,277
Office expenses	51,872	61,275
Information communications technology	54,630	52,724
Other	274,831	291,755
Subtotal administration expense	635,902	686,277
Operating lease rentals:		
Minimum lease payments	14,142	16,247
Total administration expenses	650,044	702,524

Note 4E: Grants or donations*

Grants:		
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-
Donations:		
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	12,000	21,200
Total grants or donations	12,000	21,200

* As required by the reporting guidelines. Item to remain even if 'nil' unless the reporting unit opts to disclose it in the officer declaration statement.

	2020	2019
	\$	\$
Note 4F: Finance costs		
Overdrafts/loans	-	-
Bank Charges	5,091	5,138
Total finance costs	<u>5,091</u>	<u>5,138</u>

Note 4H: Legal costs*

Litigation	-	-
Other legal costs	51,923	43,576
Total legal costs	<u>51,923</u>	<u>43,576</u>

Note 4G: Other expenses

Penalties - via RO Act or the Fair Work Act 2009*	-	-
Total other expenses	<u>-</u>	<u>-</u>

* As required by the reporting guidelines. Item to remain even if 'nil' unless the reporting unit opts to disclose it in the officer declaration statement.

	2020	2019
	\$	\$

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

Cash at bank	512,667	343,179
Cash on hand	1,300	1,300
Short term deposits	2,651,692	2,508,880
Other	-	-
Total cash and cash equivalents	3,165,659	2,853,359

Note 5B: Trade and other receivables**Receivables from other reporting unit***

-	-
---	---

Total receivables from other reporting unit

-	-
---	---

Less allowance for expected credit losses*

-	-
---	---

Total allowance for expected credit losses

-	-
---	---

Receivable from other reporting unit (net)

-	-
---	---

Other receivables:

GST receivable	27,137	28,356
Other – Trade Receivables	155,099	147,002
Total other receivables	182,236	175,358
Total trade and other receivables (net)	182,236	175,358

Note 5C: Other current assets

Prepayments	12,372	23,410
Total other current assets	12,372	23,410

* As required by the reporting guidelines. Item to remain even if 'nil' unless the reporting unit opts to disclose it in the officer declaration statement.

2020	2019
\$	\$

Note 6 Current Liabilities**Note 6A: Trade payables**

Trade creditors and accruals	75,593	63,902
Operating lease rentals	-	-
Subtotal trade creditors	75,593	63,902
Payables to other reporting unit*		
[list name and amount for each reporting unit]	-	-
Subtotal payables to other reporting unit	-	-
Total trade payables	75,593	63,902

Settlement is usually made within 30 days.

Note 6B: Other payables

Payable to employers for making payroll deductions of membership subscriptions*	-	-
Legal costs*		
Litigation	-	-
Other legal costs	-	-
GST payable	73,835	73,510
Total other payables	73,835	73,510

Total other payables are expected to be settled in:

No more than 12 months	73,835	73,510
More than 12 months	-	-
Total other payables	73,835	73,510

* As required by the reporting guidelines. Item to remain even if 'nil' unless the reporting unit opts to disclose it in the officer declaration statement.

	2020	2019
	\$	\$
Note 7		
Provisions		
Note 7A: Employee provisions*		
Office holders:		
Annual leave	262,702	307,559
Long service leave	567,462	521,888
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	830,164	829,447
Employees other than office holders:		
Annual leave	87,798	89,805
Long service leave	84,050	56,142
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	171,848	145,947
Total employee provisions	1,002,012	975,394
Current	1,002,012	975,394
Non-current	-	-
Total employee provisions	1,002,012	975,394

* As required by the reporting guidelines. Item to remain even if 'nil' unless the reporting unit opts to disclose it in the officer declaration statement.

	2020	2019
	\$	\$

Note 7B: Other specific disclosures - funds*

Compulsory levy/voluntary contribution fund – if invested in assets

[list name of fund or account and the value of those asset(s)]	-	-
--	---	---

Other fund(s) required by rules

[insert name of individual fund and purpose]

Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	-	-

* As required by the reporting guidelines. Item to remain even if 'nil' unless the reporting unit opts to disclose it in the officer declaration statement.

	2020	2019
	\$	\$

Note 8 Cash Flow**Note 8A: Cash flow reconciliation****Reconciliation of cash and cash equivalents as per balance sheet to cash flow statement:****Cash and cash equivalents as per:**

Cash flow statement	3,165,659	2,853,358
Balance sheet	3,165,659	2,853,258
Difference	-	-

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

Profit for the year	269,507	194,549
---------------------	---------	---------

Adjustments for non-cash items**Changes in assets/liabilities**

(Increase) in net receivables	(35,234)	(8,198)
Decrease/(increase) in prepayments	11,038	(16,312)
Increase/(decrease) in supplier payables	40,372	(22,306)
Increase in employee provisions	26,618	13,169
Net cash from operating activities	312,301	160,902

Note 8B: Cash flow information*

Cash inflows

The Amalgamated AWU (SA) State Union	200,000	200,000
Total cash inflows	200,000	200,000

Cash outflows

The Amalgamated AWU (SA) State Union	177,272	177,272
Total cash outflows	177,272	177,272

* As required by the reporting guidelines. Item to remain even if 'nil' unless the reporting unit opts to disclose it in the officer declaration statement.

2020	2019
\$	\$

Note 9 Contingent Liabilities, Assets and Commitments

Note 9A: Commitments and contingencies

Operating lease commitments—as lessor

The Australian Workers' Union South Australian Branch has operating leases for office equipment with average remaining lease terms of 45 months.

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

Within one year	15,007	15,007
After one year but not more than two years	10,799	15,007
After two years but not more than three years	7,793	10,799
After three years but not more than four years	4,226	7,793
After four years but not more than five years	-	4,226
After five years	-	-
	37,825	52,832

Note 10 Related Party Disclosures**Note 10A: Related party transactions for the reporting period**

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

Officer	Related Party	Reason	Amount
Peter Lamps	Amalgamated AWU (SA) State Union	Wages	6,425
		Superannuation	642
	IRCC	Board Industrial Relations	440
	IRCC	Superannuation	44
	Mining & Quarry OHS Council	Attend Board Meetings (per Annum)	1,000
	Mining & Quarry OHS Council	Superannuation	100
	Stacey Lamps	Related Daughter	0
	Stacey Lamps	Wages	44,212
		Superannuation	4,421
Frank Mateos	Amalgamated AWU (SA) State Union	Wages & Superannuation	7,066
Gary Henderson	Amalgamated AWU (SA) State Union	Wages & Superannuation	7,066
	CITB	Board Fees & Superannuation	300
	Thoroughbred Racing SA	Industry entry pass per race	20
Leanne Ware	Stacy Lopresto	Related Daughter	0
Stacy Lopresto	Leanne Ware	Related Mother	0
Michael Hopgood	Amalgamated AWU (SA) State Union	Wages	6,425
		Superannuation	642
	Lynda Hopgood	Cleaner	5,200
Scott Martin	Amalgamated AWU (SA) State Union	Wages	6,425
		Superannuation	642
Nathan Crack	Amalgamated AWU (SA) State Union	Wages	6,425
		Superannuation	642
	Mining & Quarry OHS Council	Attend Board Meetings	500
Martin Hilton	Australian Super Steel Division	Accommodation and flights	2,352
Trish Stringer	Amalgamated AWU (SA) State Union	Wages & Superannuation	7,066
C Vinas-Wilson	Amalgamated AWU (SA) State Union	Wages & Superannuation	7,066

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2020, the Australian Workers' Union South Australian Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2020: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

During the year, the Australian Workers Union SA Branch received a management fee of \$200,000 from the Amalgamated AWU (SA) State Union, for services rendered during the year ended 30 June 2020 (2019: \$200,000).

The Australian Workers Union SA Branch has rented office space from Amalgamated AWU (SA) State Union at \$17,500 per month July 19 - June 20. A total of \$177,272 was paid during the year (2019 \$177,272). All motor vehicles are rented from the Amalgamated AWU (SA) State Union. A total of \$141,818 was paid during the year (2019 \$141,818).

All dealings are in the ordinary course of business.

As at 30 June 2020 the Australian Workers Union SA Branch is owed a balance of \$26,133 (30 June 2019 \$21,841) by the Amalgamated AWU (SA) State Union.

The management fee, rental and motor vehicle rental charges and various operating costs met by the Amalgamated AWU (SA) State Union during the year on behalf of the Australian Workers' Union SA Branch have been debited and charged to the loan balance respectively.

No expected credit losses have been raised in relation to any outstanding balances, and no expense has been recognised in respect of expected credit losses due from loan to a related party (See Note 5B).

	2020	2019
	\$	\$

Note 10B: Key management personnel remuneration for the reporting period**Short-term employee benefits**

Salary (including annual leave taken)	237,347	216,097
Annual leave accrued	20,768	19,252
Performance bonus	-	-
[other major categories]	-	-
Total short-term employee benefits	258,115	235,349

Post-employment benefits:

Superannuation	33,186	39,716
Total post-employment benefits	33,186	39,716

Other long-term benefits:

Long-service leave	10,545	10,011
Total other long-term benefits	10,545	10,011

Termination benefits

Total	-	-
	301,846	285,076

Note 11 Remuneration of Auditors**Value of the services provided**

Financial statement audit services	12,897	13,892
Other services	1,580	1,530
Total remuneration of auditors	14,477	15,422

Note 12 Financial Instruments

The Union's financial instruments consist mainly of deposit with banks, receivables and payables.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financials statements, are as follows:

	2020	2019
	\$	\$
Note 12A: Categories of Financial Instruments		
Financial assets		
Cash and Cash Equivalents	3,165,659	2,853,358
Trade and Other Receivables	155,908	198,768
Total	3,321,567	3,052,126
Carrying amount of financial assets	3,321,567	3,052,126
Financial liabilities		
Other financial liabilities:		
Trade and Other Payables	75,593	137,412
Total	75,593	137,412
Carrying amount of financial liabilities	75,593	137,412

Note 12B: Credit risk

The Committee of Management is responsible for monitoring and managing the Union's compliance with its risk management strategy and consists of senior management members. The committee's overall risk management strategy is to assist the Union in meeting its financial targets while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the finance committee on a regular basis. These include credit risk policies and future cash flow requirements. The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements.

Financial assets		
Cash and Cash Equivalents	3,165,659	2,853,358
Trade & Other Receivables	155,908	198,768
Total	3,321,567	3,052,126
Financial liabilities		
Trade & Other Payables	75,593	137,415
Total	75,593	137,415

In relation to the entity's gross credit risk the following collateral is held: Nil

The Australian Workers' Union South Australian Branch maximum exposure to credit risk for the components of the statement of financial position at 30 June 2020 and 2019 is the carrying amounts as illustrated in Note 12b.

Note 12C: Liquidity risk

Liquidity risk arises from the possibility that the Union might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Union manages this risk through regular reporting of financial position to the Committee of Management, maintaining a reputable credit profile and only investing surplus cash with major financial institutions.

Contractual maturities for financial liabilities 2020

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade & Other Payable	-	75,593	-	-	-	75,593
Total	-	75,593	-	-	-	75,593

Contractual maturities for financial liabilities 2019

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade & Other Payable	-	137,412	-	-	-	137,412
Total	-	137,412	-	-	-	137,412

Note 13 Fair Value Measurement

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

Note 14 Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or Commissioner:

- 1) A member of The Australian Worker's Union South Australian Branch, or the Commissioner, may apply to The Australian Worker's Union South Australian Branch for specified prescribed information in relation to the Australian Worker's Union South Australian Branch 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 Australian Worker's Union South Australian Branch.
- 3) The Australian Workers' Union South Australian Branch must comply with an application made under subsection (1).

Officer Declaration Statement

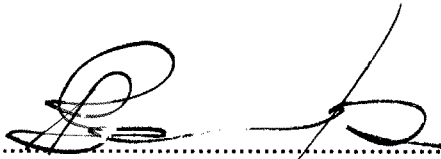
I, Peter Lamps, being the Branch Secretary of The Australian Workers' Union South Australian Branch, declare that the following activities did not occur during the reporting period ending 30th June 2020.

The Australian Workers' Union South Australian Branch did not:

(Note: delete items that appear elsewhere in the audited report)

- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- have another entity administer the financial affairs of the reporting unit
- have a balance within the general fund

Signed by the officer:



Dated: 18th SEPTEMBER 2020



AUDITOR'S INDEPENDENCE DECLARATION

I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit of the financial report of The Australian Workers Union South Australian Branch for the year ended 30 June 2020.

HLB Mann Judd

HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants

Adelaide, South Australia
7 October 2020

A handwritten signature in black ink, appearing to read 'C. McGowan'.

Corey McGowan
Director

hlb.com.au

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