



Australian Government
Registered Organisations Commission

18 December 2017

Mr Ian Wakefield
Secretary, Tasmania Branch
The Australian Workers Union

Dear Mr Wakefield

Re: – The Australian Workers Union, Tasmania Branch - financial report for year ending 30 June 2017 (FR2017/179)

I refer to the financial report of the Tasmania Branch of The Australian Workers Union. The documents were lodged with the Registered Organisations Commission ('the RO Commission') on 1 December 2017.

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.

You are not required to take any further action in respect of the report lodged. Please note the report for year ending 30 June 2018 may be subject to an advanced compliance review.

Reporting Requirements

On the RO Commission website is a number of factsheets in relation to the financial reporting process and associated timelines. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The RO Commission recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Please note that new Reporting Guidelines will apply to organisations and branches with financial years *commencing* on or after 1 July 2017. Updates and information on the new guidelines will be provided through the RO Commission website and the [subscription service](#).

Yours faithfully

A handwritten signature in black ink, appearing to read 'Stephen Kellett'.

Stephen Kellett
Financial Reporting
Registered Organisations Commission

From: Lyn Padman - AWU ADMIN [<mailto:admin@awutas.org.au>]
Sent: Friday, 1 December 2017 1:43 PM
To: ROC - Registered Org Commission
Cc: 'Warren Kensett-Smith'
Subject: HPRM: ON CMS FR2017/179 AWU Financial Statements 2016-2017

[FR2017/179](#)

Hi

Please find attached the AWU Tasmania Branch financial statements 2016/2017.

Also attached in the designated officers certificate.

Regards
Lyn Padman
Admin/Accounts
The Australian Workers Union

admin@awutas.org.au

Phone 03 6234 6744

Mobile 0417 114 198



Designated Officer



ROC Financial

Certificate 1 Dec 201:Statements 2017.pdf

The Australian Workers Union, Tasmania Branch

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

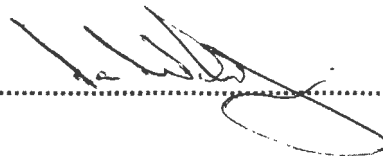
Certificate By Prescribed Designated Officer

Certificate for the year ended 30th June 2017

I Ian Wakefield being the *Branch Secretary* of the *The Australian Workers Union, Tasmania Branch* certify:

- that the documents lodged herewith are copies of the full report for *The Australian Workers' Union, Tasmania Branch* for the period ended 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 *30th October 2017*; and
- that the full report was presented to *a meeting of the committee of management* of the reporting unit on *29th November 2017* in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer



Name of prescribed designated officer Ian Wakefield

Title of prescribed designated officer: Branch Secretary

Dated: 1st December 2017

John Harrison Accountants



ACCOUNTANTS, CORPORATE SECRETARIES,
REGISTERED TAX AGENTS AND AUDITORS,
MANAGEMENT, MARKETING AND TECHNOLOGY
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Independent Audit Report to the Members of Australian Workers' Union - Tasmania Branch

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of the Australian Workers' Union - Tasmania Branch which comprises the Statement of Financial Position as at 30 June 2017, Statement of Financial Performance, Statement of Changes in Equity and Statement of Cash Flows for the year ended 30 June 2017, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement.

I have conducted the independent audit of the financial statements in order to express an opinion on them to the members of the Australian Workers' Union – Tasmania Branch.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Australian Workers' Union - Tasmania Branch as at 30 June 2017, and its financial performance and its cash flows for the year ended on that date in accordance with:

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

I declare that management's use of the going concern basis in the preparation of the financial statements of the 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 *Auditors Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Report

My objective is 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 the 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.


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 approved auditor, a member of Australian Society of Certified Practising Accountants and hold a current Public Practice Certificate.

Report on the Recovery of Wages Activity financial report

Opinion on the recovery of wages activity financial report

I express no opinion in relation to the recovery of wages as in conducting the audit I did not come across any evidence that there was any recovery of wages occurring in either the 2016 or 2017 financial periods and according to the Committee of Management Statement (page 30) and the Fair Work (Registered Organisations) Act 2009 declarations (page 26) no recovery of wages activity occurred in either the 2016 or 2017 financial periods.



John Harrison Accountants
John Harrison

GLENORCHY

30/10/2017

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/64

AUSTRALIAN WORKERS' UNION – TASMANIA BRANCH
STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30 June 2017

	2016		2017		Notes
	\$	\$	\$	\$	
INCOME					
Membership Contributions	1,125,902.31		1,143,933.95		10.2
Capitation Fees	0.00		0.00		10.2
Compulsory Levies	0.00		0.00		10.2
Interest	24,639.70		19,575.52		
Rental Income	73,079.88		73,585.50		
Board Sitting Fees	545.46		818.19		
Government Grants Received	0.00		0.00		
Other Grants and Donations	0.00		0.00		
Other Financial Support	0.00		0.00		
Profit on Asset Disposal (Other than Motor Vehicle)	0.00		0.00		1.9
Land & Building Revaluation - (6-6A Lefroy Street)	0.00		97,704.55		1.19,4
Other Income	22,063.71		19,607.03		
TOTAL INCOME		1,246,231.06		1,355,224.74	
EXPENSES					
DIRECT MEMBERSHIP EXPENSES					
AWU Subsidy Transfers	124,417.72		133,075.56		
Contact Centre	1,332.00		6,660.00		
OHS Officer	14,953.61		18,064.41		
Doubtful Memberships	-1,997.25		28,335.55		10.2
Commission Paid	6,398.55		2,944.15		10.3
Affiliation Fees	11,424.09		8,044.23		10.3
Capitation Fees	0.00		0.00		10.3
Membership Computer Software	9,433.71		11,983.93		
Donations	0.00		0.00		
TOTAL DIRECT MEMBERSHIP EXPENSES		165,962.43		209,107.83	
MERCHANDISE COSTS					
Other	13,222.09		0.00		
TOTAL MERCHANDISE COSTS		13,222.09		0.00	
SHOP STEWARDS & DELEGATES					
Delegates Commission	830.00		490.00		
Delegates Conference	0.00		0.00		
Meeting Expenses	513.64		108.68		
Lost Time & Other Expenses Other	1,364.10		3,097.33		
TOTAL SHOP STEWARDS & DELEGATES		2,707.74		3,696.01	
PAYROLL EXPENSES					
Salaries & Wages	554,143.49		579,233.17		
Superannuation - Employer	73,353.31		81,485.51		
Payroll Tax	36,632.18		44,006.82		
Overnight Expenses - Organisers	12,675.71		11,583.86		
Overnight Expenses – Staff	0.00		0.00		
Workers Compensation Insurance	5,349.13		6,180.24		
Entitlements Transfer	10,275.00		0.00		
Annual Leave Accrual	-43,670.77		-1,936.15		
Long Service Leave Accrual	-8,233.67		15,760.60		
TOTAL PAYROLL EXPENSES		640,524.38		736,314.05	
TRAINING & TUITION					
Delegates & Shop Stewards	4,117.99		3,134.24		
Training Exp	3,290.90		2,800.00		
TOTAL TRAINING & TUITION		7,408.89		5,934.24	

These accounts should be read in conjunction with the notes to the accounts, and the auditor's report.

OFFICIALS			
Travel Expenses	3,109.94	3,863.74	
Branch Executive	<u>7,674.43</u>	<u>6,159.22</u>	
TOTAL OFFICIALS		10,784.37	10,022.96
MOTOR VEHICLE EXPENSES			
Motor Vehicle Running Costs	35,472.01	45,597.90	
Loss On Disposal	12,143.27	21,257.52	1.9
Depreciation - Motor Vehicles	27,226.00	24,207.00	1.19
Fringe Benefits Tax	<u>20,195.67</u>	<u>22,348.56</u>	
TOTAL MOTOR VEHICLE EXPENSES		95,036.95	113,410.98
TELEPHONE EXPENSES			
Telephone Expense	20,474.78	23,212.66	
Depreciation - Telephone	<u>2,559.81</u>	<u>1,991.00</u>	1.19
TOTAL TELEPHONE EXPENSES		23,034.59	25,203.66
PROPERTY EXPENSES			
Property Land Tax	4,537.50	4,935.00	
Property Rates	9,406.91	9,751.15	
Property Water Services	3,483.45	3,718.61	
Depreciation - Office Furniture & Equip	<u>10,018.18</u>	<u>9,184.64</u>	1.19
TOTAL PROPERTY EXPENSES		27,446.04	27,589.40
GENERAL EXPENSES			
Advertising	424.32	209.85	
Audit	4,800.00	5,075.00	8
Accounting	1,267.50	1,180.00	8
Bank Fees & Charges	2,709.82	2,387.36	
Cab Charge Admin Fee	17.45	5.45	
Commission re Real-estate Agent	7,487.32	5,857.75	
Donations/Sponsorships \$1,000 and under	2,495.46	745.46	10.3
Donations/Sponsorships over \$1,000	2,500.00	20,000.00	10.3
Hall Hire	215.46	45.45	
Heating & Lighting	2,516.85	2,457.35	
Industrial Campaigns	525.00	25,207.73	
Legal Expenses	26,179.96	1,828.30	10.3
General Insurance	1,358.78	1,381.68	
Miscellaneous Expenses	25,894.19	6,119.92	
Office Rent	6,600.91	6,362.63	
Realised Loss re Asset Disposal	1,008.82	0.00	1.9
Repairs & Maintenance	8,370.62	9,918.63	
Staff Fares & Expenses	0.00	95.04	
Subscriptions & Registrations	<u>5,214.29</u>	<u>6,271.99</u>	
TOTAL GENERAL EXPENSES		99,586.75	95,149.59
OFFICE EXPENSES			
Printing & Stationery	12,910.97	14,400.04	
Postage	<u>4,232.26</u>	<u>4,814.26</u>	
TOTAL OFFICE EXPENSES		17,143.23	19,214.30
TOTAL EXPENSES		1,102,857.46	1,245,643.02
NET PROFIT/(LOSS)		<u>143,373.60</u>	<u>109,581.72</u>

These accounts should be read in conjunction with the notes to the accounts, and the auditor's report.

AUSTRALIAN WORKERS' UNION – TASMANIA BRANCH
STATEMENT OF FINANCIAL POSITION
As at 30 June 2017

	2016		2017		Notes
	\$	\$	\$	\$	
CAPITAL					
Opening Accumulated Funds		1,340,034.00		1,483,407.60	1.2
Add Current Year Surplus/(Loss)		143,373.60		11,877.17	
Total Accumulated Funds		<u>1,483,407.60</u>		<u>1,495,284.77</u>	1.2
Revaluation Reserve - Land & Buildings		517,877.00		615,581.55	1.19, 4.1
TOTAL CAPITAL		<u>2,001,284.60</u>		<u>2,110,866.32</u>	1.2
REPRESENTED BY:					
ASSETS					
CURRENT ASSETS					
Cash On Hand		250.00		250.00	
Un-deposited Funds		0.00		0.00	
Commonwealth Bank		14,934.97		7,982.98	
Commonwealth Bank No 2		252,860.66		247,118.61	
Commonwealth Bank No 3 (LSL)		23,298.41		44,994.21	
Commonwealth Bank No 4 (GST)		14,157.62		16,805.04	
Commonwealth Bank No 5 (Car)		19,124.76		30,492.81	
Commonwealth Bank No 6 (Training)		1,547.50		239.98	
Commonwealth Bank Term Deposit		0.00		0.00	
Members Equity No 1		178,780.43		219,286.11	
Members Equity No 5		160,920.06		84,805.72	
Members Equity No 6		109,352.21		124,935.22	
Members Equity Term Deposit		317,380.84		323,242.39	
Un-paid Memberships	138,850.19		170,019.29		1.3
LESS Provision for Doubtful Membership	28,850.19		60,019.29		1.3
Collectable Memberships		110,000.00		110,000.00	1.3
Accounts Receivable		6,646.84		7,196.13	
TOTAL CURRENT ASSETS		<u>1,209,254.30</u>		<u>1,217,349.20</u>	
NON-CURRENT ASSETS					
AWU National Loan		149,249.89		149,249.89	7.3
Branch Land & Buildings @ Valuation		687,295.45		785,000.00	1.3, 4.1
Motor Vehicles @ Cost	195,137.31		196,633.33	0.00	4.2
LESS Accumulated Depreciation	63,559.00		23,456.00	0.00	1.19, 4.2
Motor Vehicles @ WDV		131,578.31		173,177.33	4.2
Office Furniture & Equipment @ Cost	185,962.85		187,461.03		4.2
LESS Accumulated Depreciation	156,471.49		165,656.13		1.19, 4.2
Office Equipment @ WDV		29,491.36		21,804.90	4.2
Phones @ Cost	12,321.49		17,395.13		4.2
LESS Accumulated Depreciation	9,835.86		11,826.86		1.19, 4.2
Phones @ WDV		2,485.63		5,568.27	4.2
TOTAL NON CURRENT ASSETS		<u>1,000,100.64</u>		<u>1,134,800.39</u>	
TOTAL ASSETS		<u>2,209,354.94</u>		<u>2,352,149.59</u>	
LESS LIABILITIES					
CURRENT LIABILITIES					
Net GST Payable		29,878.77		31,715.91	
PAYG Withholding		11,456.00		14,015.00	
Payroll Liability		0.00		0.00	
Superannuation Payable		0.00		0.00	
CBA Business Card		589.99		5,102.50	
Sundry Creditors		7,126.56		17,606.39	
TOTAL CURRENT LIABILITIES		<u>49,051.32</u>		<u>68,439.80</u>	

These accounts should be read in conjunction with the notes to the accounts, and the auditor's report.

PROVISIONS					
Separation/Redundancy - Office Holder	0.00		0.00		6
Separation/Redundancy - Other	<u>0.00</u>		<u>0.00</u>		6
Separation/Redundancy – TOTAL		0.00		0.00	6
Other Employee Expenses- Office Holder	0.00		0.00		
Other Employee Expenses - Other	<u>0.00</u>		<u>0.00</u>		
Other Employee Expenses – TOTAL		0.00		0.00	
Annual Leave- Office Holder	43,941.92		45,776.54		6
Annual Leave - Other	<u>17,388.46</u>		<u>13,617.69</u>		6
Annual Leave – TOTAL		61,330.38		59,394.23	6
LSL – Office Holder	90,189.47		99,435.99	0.00	1.3, 6
LSL - Other	<u>7,499.17</u>		<u>14,013.25</u>	0.00	1.3, 6
Long Service Leave - TOTAL		97,688.64		113,449.24	6
TOTAL PROVISIONS		<u>159,019.02</u>		<u>172,843.47</u>	
TOTAL LIABILITIES		<u>208,070.34</u>		<u>241,283.27</u>	
 NET ASSETS		 <u>2,001,284.60</u>		 <u>2,110,866.32</u>	

These accounts should be read in conjunction with the notes to the accounts, and the auditor's report.

AUSTRALIAN WORKERS' UNION – TASMANIA BRANCH
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2017

	2016		2017	
	\$	\$	\$	\$
RESERVES				
Asset Revaluation Reserve				
Balance at start of period	517,877.00		517,877.00	
Gain from Asset Revaluation	<u>0.00</u>		<u>97,704.55</u>	
Balance at end of period		517,877.00		615,581.55
ACCUMULATED EARNINGS				
Balance at start of period	1,340,034.00		1,483,407.60	
Net Profit/(Loss) for the period	143,373.60		109,581.72	
Transfer to Asset Revaluation Reserve	<u>0.00</u>		<u>97,704.55</u>	
Balance at end of period		1,483,407.60		1,495,284.77
TOTAL		<u>2,001,284.60</u>		<u>2,110,866.32</u>

These accounts should be read in conjunction with the notes to the accounts, and the auditor's report.

AUSTRALIAN WORKERS' UNION – TASMANIA BRANCH
STATEMENT OF CASHFLOWS
For the year ended 30 June 2017

	2016	2017
	\$	\$
CASH FLOWS FROM OPERATIONS		
Cash Inflows From Operations		
Membership Contributions	1,240,689.52	1,227,158.24
Other	104,187.56	102,253.92
	<u>1,344,877.08</u>	<u>1,329,412.16</u>
Cash Outflows From Operations		
Subsidy To National Office	136,859.49	134,775.18
Payments To Employees	565,915.20	588,258.03
Payments of GST re operations	90,797.89	85,800.17
Other	445,066.55	443,540.17
	<u>1,238,639.13</u>	<u>1,252,373.55</u>
NET CASH RE OPERATING ACTIVITIES	106,237.95	77,038.60
CASH FLOWS FROM INVESTING		
Inflows From Investing Activities		
Claim For GST in Asset Purchases	5,348.52	15,745.63
Interest	24,639.75	19,591.22
Proceeds from Sale of Equipment	0.00	0.00
Proceeds from Sale of Motor Vehicles	37,000.00	69,777.99
Insurance Proceeds	0.00	0.00
	<u>66,988.27</u>	<u>105,114.84</u>
Outflows From Investing Activities		
Purchase of Equipment	8,085.01	1,648.00
Purchase of Telephones	0.00	5,581.00
Purchase of Motor Vehicles	50,748.76	165,547.89
Purchase of Building Improvements	0.00	0.00
Payment of GST re Asset Sales	3,363.64	6,343.45
	<u>62,197.41</u>	<u>179,120.34</u>
NET CASH RE INVESTING ACTIVITIES	4,790.86	-74,005.50
CASH FLOWS FROM FINANCING		
Inflows From Financing Activities		
Mobile Phone Purchase Contract	0.00	0.00
	<u>0.00</u>	<u>0.00</u>
Outflows From Financing Activities		
Repayment of Hire Purchase Debt	0.00	0.00
	<u>0.00</u>	<u>0.00</u>
NET CASH RE FINANCING ACTIVITIES	0.00	0.00
NET CASH CHANGE FOR YEAR	111,028.81	3,033.10
CASH AT BEGINNING OF FINANCIAL YEAR	980,988.66	1,092,017.47
CASH AT END OF FINANCIAL YEAR	1,092,017.47	1,095,050.57

These accounts should be read in conjunction with the notes to the accounts, and the auditor's report.

AUSTRALIAN WORKERS' UNION – TASMANIA BRANCH

NOTES TO THE STATEMENT OF CASH FLOW

For the year ended 30 June 2017

1. Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows:

	2016 \$	2017 \$
Cash and cash equivalents as per Balance Sheet to Cash Flow Statement		
Cash & Cash Equivalents as per:		
Cash Flow Statement	1,092,017.47	1,095,050.57
Balance Sheet	<u>1,092,017.47</u>	<u>1,095,050.57</u>
DIFFERENCE	<u><u>0.00</u></u>	<u><u>0.00</u></u>

2. Reconciliation of net cash provided by operating activities to operating profit after Income tax

Operating profit after income tax	143,373.60	109,581.72
ADJUSTMENTS FOR NON OPERATING INCOMES/EXPENSES		
Less Interest Received	24,639.70	19,575.52
ADJUSTMENTS FOR NON-CASH ITEMS		
Add Depreciation	39,803.99	35,382.64
Add Loss on Sale of Assets	13,152.09	21,257.52
Less Gain on Sale of Assets	0.00	0.00
Less Land & Building Revaluation	0.00	97,704.55
Less Building Depreciation Recouped	0.00	0.00
Less Debt Forgiveness	0.00	0.00
CHANGES IN ASSETS/LIABILITIES		
Add Decrease in trade debtors	-609.96	-549.29
Add Increase in trade creditors	-3,315.87	10,479.83
Add GST re Operations	-2,376.55	1,782.80
Add Increase in Amounts Withheld from wages	0.00	0.00
Add Increase in Superannuation Payable	-8,149.21	0.00
Add Increase in PAYG	904.00	2,559.00
Add Provision for Annual Leave	-43,670.77	-1,936.15
Add Provision for Long Service Leave	-8,233.67	15,760.60
NET CASH FLOW FROM OPERATIONS	<u><u>106,237.95</u></u>	<u><u>77,038.60</u></u>
CASH FLOW INFORMATION		
CASH INFLOWS		
Australian Workers Union – Tasmania Branch	1,411,865.35	1,434,527.00
TOTAL CASH INFLOWS	<u><u>1,411,865.35</u></u>	<u><u>1,434,527.00</u></u>
CASH OUTFLOWS		
Australian Workers Union – Tasmania Branch	1,300,836.54	1,431,493.90
TOTAL CASH OUTFLOWS	<u><u>1,300,836.54</u></u>	<u><u>1,431,493.90</u></u>

These accounts should be read in conjunction with the notes to the accounts, and the auditor's report.

AUSTRALIAN WORKERS' UNION – TASMANIA BRANCH
RECOVERY OF WAGES ACTIVITY
For the year ended 30 June 2017

	2016	2017 \$
CASH ASSETS IN RESPECT OF RECOVERED MONEY AT BEGINNING OF YEAR	0.00	0.00
RECEIPTS		
Amounts recovered from employers in respect of wages etc.	0.00	0.00
Interest received on recovered money	0.00	0.00
TOTAL RECEIPTS	<u>0.00</u>	<u>0.00</u>
PAYMENTS		
Deductions of amounts due in respect of membership for:		
12 months or less	0.00	0.00
Greater than 12 months	0.00	0.00
Deductions of donations or other contributions to accounts to accounts or fund s of:		
Australian Workers' Union - Tasmania Branch	0.00	0.00
Other reporting unit of the organisation	0.00	0.00
Other entity	0.00	0.00
Deductions of fees or reimbursement of expenses	0.00	0.00
Payments to workers in respect of recovered money	0.00	0.00
TOTAL PAYMENTS	<u>0.00</u>	<u>0.00</u>
CASH ASSETS IN RESPECT OF RECOVERED MONEY AT END OF YEAR	<u>0.00</u>	<u>0.00</u>
Number of workers to which the monies recovered relates to	0	0
AGGREGATE PAYABLES TO WORKERS ATTRIBUTABLE TO RECOVERED MONIES BUT NOT YET DISTRIBUTED		
Payable balance	0.00	0.00
Number of workers the payables relates to	0	0
FUND OR ACCOUNT OPERATED FOR RECOVERY OF WAGES		
No Account Operated	0.00	0.00

These accounts should be read in conjunction with the notes to the accounts, and the auditor's report.

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AUSTRALIAN WORKERS' UNION - TASMANIA BRANCH

NOTES TO AND FORMING PART OF THE 2017 ACCOUNTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Australian Worker' Union – Tasmania 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

The following accounting judgements have been identified that have the most significant effect on the amounts recognised in the financial statements.

- i) Land & Buildings
While parts of 6 Lefroy Street are rented out to other entities, as the parts that are rented out cannot be sold separately and the area used by Australian Workers Union – Tasmania Branch is not insignificant the property is not an Investment Property for the purposes of AASB 140.
That the buildings have a residual value at least equivalent to the amount that the building were worth at the last revaluation.
- ii) Leave Entitlements
That employees are likely to remain with the organisation, and so provision is made for long service leave entitlements each year from when an employee commences employment, rather than from when an employee becomes eligible to receive long service entitlements.

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

- i) Motor Vehicle Written Down Value
All motor vehicles have been estimated to have a useful effective life of 8 years with an estimated recoverable amount of \$0 at the end of the 8 years.
- ii) Doubtful Debts.
It has been estimated that \$110,000 of the \$170,019.29 of memberships receivable will be received. This amount is the approximate amount received from employers in a month for amounts withheld from employee wages in the previous month. It is considered to be highly likely that any other memberships receivable will not be received and so provision has been made in the accounts for doubtful debts being the difference between memberships receivable and the memberships likely to be received.

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 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments which contains 3 main parts and makes amendments to a number of Standards and Interpretations.
Part A makes consequential amendments arising from the issuance AASB CF 2013-1
Part B makes amendments to particular Australian Accounting Standards to delete references to AASB 1031 and also makes minor editorial amendments to various other standards.
Part C makes amendments to a number of Australian Accounting Standards, including incorporating Chapter 6 Hedge Accounting into AASB 9 Financial Instruments.
AASB 2013-9 has not impacted upon on Australian Workers' Union – Tasmania Branch as it does not have any Hedges, and although AASB 1031 – Materiality has been withdrawn the International Standards now provide guidance on materiality.

AUSTRALIAN WORKERS' UNION - TASMANIA BRANCH

NOTES TO AND FORMING PART OF THE 2017 ACCOUNTS

- AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 – Materiality completes the AASB's project to remove Australian Guidance on materiality from Australian Accounting Standards.
AASB 2015-3 has not had any impact upon the Australian Workers' Union – Tasmania Branch as the International Standards now provide guidance on materiality.
- AASB 2015-4 Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent aligns the relief available in AASB 10 Consolidated Financial Statements and AASB 128 Investments in Associates and Joint Ventures in respect of the financial reporting requirements for Australian groups with a foreign parent.
AASB 2015-4 has not had any impact upon the Australian Workers' Union – Tasmania Branch as there is no foreign parent.

Future Australian Accounting Standards Requirements

There are no new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on Australian Workers' Union – Tasmania Branch.

1.5 Basis of consolidation

The financial statements are not consolidated financial statements as the Australian Workers' Union – Tasmania Branch does not have any entities controlled by the Australian Workers' Union – Tasmania Branch. Control is achieved where the Australian Workers' Union – Tasmania Branch has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

1.6 Acquisition of assets and or liabilities that do not constitute a business combination

The net book value of assets and or liabilities transferred to Australian Workers' Union – Tasmania Branch for no consideration is used to account for an amalgamation under Part 2 of Chapter 3 of the *Fair Work (Registered Organisations) Act 2009/a* restructure of the branches of the Australian Workers' Union – Tasmania Branch/a determination by the General Manager under subsections 245(1) of the *Fair Work (Registered Organisations) Act 2009/* a revocation by the General Manager under subsection 249(1) of the *Fair Work (Registered Organisations) Act 2009*.

The assets and liabilities are recognised as at the date of transfer.

There was no amalgamations in the 2015 or 2016 financial years.

1.7 Revenue

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

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

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

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

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

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

1.8 Government grants

Government grants are not recognised until there is reasonable assurance that the Australian Workers' Union – Tasmania Branch will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Australian Workers' Union – Tasmania Branch recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Australian Workers' Union – Tasmania Branch should purchase, construct otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

AUSTRALIAN WORKERS' UNION - TASMANIA BRANCH

NOTES TO AND FORMING PART OF THE 2017 ACCOUNTS

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Australian Workers' Union – Tasmania Branch with no future related costs are recognised in profit or loss in the period in which they become receivable.

1.9 Gains

Sale of assets

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

1.10 Capitation fees and levies

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

1.11 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 current wage and salary rates.

Other long-term employee benefits which are expected to be settled beyond twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the current wage and salary rates.

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. Reporting Unit 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.

1.12 Leases

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

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

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

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

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

1.13 Borrowing costs

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

1.14 Cash

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

1.15 Financial instruments

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

AUSTRALIAN WORKERS' UNION - TASMANIA BRANCH

NOTES TO AND FORMING PART OF THE 2017 ACCOUNTS

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

1.16 Financial assets

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

Fair value through profit or loss

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

A financial asset is classified as held for trading if:

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

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

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

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

Held-to-maturity investments

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

Available-for-sale

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

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

AUSTRALIAN WORKERS' UNION - TASMANIA BRANCH NOTES TO AND FORMING PART OF THE 2017 ACCOUNTS

Loan and receivables

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

Effective interest method

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

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

Impairment of financial assets

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

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

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

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

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

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

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

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

Derecognition of financial assets

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

AUSTRALIAN WORKERS' UNION - TASMANIA BRANCH

NOTES TO AND FORMING PART OF THE 2017 ACCOUNTS

1.17 Financial liabilities

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

Fair value through profit or loss

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

A financial liability is classified as held for trading if:

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

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

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

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

Other financial liabilities

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

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

Derecognition of financial liabilities

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

1.18 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.

1.19 Land, buildings, plant and equipment

Asset recognition threshold

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

Revaluations—land and buildings

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

AUSTRALIAN WORKERS' UNION - TASMANIA BRANCH NOTES TO AND FORMING PART OF THE 2017 ACCOUNTS

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to profit or loss and then to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss and then to asset revaluation reserve to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation

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

Based upon past revaluations and the current real estate market and the condition of the buildings it has been determined that appropriate residual value of Land & Buildings is at least equivalent to the revaluation amount, and so there is no amount of depreciation for building, which is consistent with the prior period accounting policy.

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

	2016	2017
Buildings	100 years	100 years
Motor Vehicles	8 years	8 years
Office Furniture & Equipment	3 to 13.33 years	3 to 13.33 years
Telephones	3 to 10 years	3 to 10 years

Derecognition

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

1.20 Investment property

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

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

1.21 Intangibles

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The Australian Workers' Union – Tasmania Branch does not have any intangible assets that are recognizable in the Statement of Financial Position in accordance with AASB 138.

Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit and loss when the asset is derecognised.

1.22 Impairment for non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

AUSTRALIAN WORKERS' UNION - TASMANIA BRANCH NOTES TO AND FORMING PART OF THE 2017 ACCOUNTS

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Australian Workers' Union – Tasmania Branch were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.23 Non-current assets held for sale

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

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

1.24 Taxation

Australian Workers' Union – Tasmania 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, assets and liabilities are recognised net of GST except:

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

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

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within investing or financing cash flows as appropriate.

1.25 Fair value measurement

The Australian Workers' Union – Tasmania Branch measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost, if there are any, are disclosed in Note 11.1.

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 Workers' Union – Tasmania 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 – Tasmania 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

AUSTRALIAN WORKERS' UNION - TASMANIA BRANCH

NOTES TO AND FORMING PART OF THE 2017 ACCOUNTS

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Australian Workers' Union – Tasmania 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 Workers' Union – Tasmania 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.

1.26 Going concern

Australian Workers' Union – Tasmania Branch is not reliant on the agreed financial support of any other entity to continue on a going concern basis.

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

NOTE 2 CONTINGENT LIABILITIES AND ASSETS

2.1 Commitments and Contingencies

2.1.1 Operating lease commitments – as lessee

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

	2016	2017
Within one year	3,605.00	0.00
After one year but no more than five years	0.00	0.00
More than five years	0.00	0.00
TOTAL	3,605.00	0.00

2.1.2 Operating lease commitments – as lessor

Rent of Warehouse in North Hobart. CPI increases on 1 February, Next renewal Feb 2018

Rent of Offices in North Hobart, CPI increase on 1 February, Monthly renewals/extensions

Rent of Offices in Glenorchy, CPI increase on 1 August, Next renewal Aug 2017

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

	2016	2017
Within one year	59,915.40	14,464.64
After one year but no more than five years	14,282.03	0.00
More than five years	0.00	0.00
TOTAL	74,197.43	14,464.64

2.1.3 Capital commitments

The amount of Capital Commitment still to be paid at 30th June 2017 on capital commitments entered into in prior financial periods is \$0.00. (2016: \$0.00)

2.1.4 Finance lease commitments – as lessee

Future Minimum lease payable under non-cancellable finance leases as at 30 June are:

	2016	2017
Within one year	0.00	0.00
After one year but no more than five years	0.00	0.00
More than five years	0.00	0.00
TOTAL	0.00	0.00

AUSTRALIAN WORKERS' UNION - TASMANIA BRANCH

NOTES TO AND FORMING PART OF THE 2017 ACCOUNTS

2.1.5 Finance lease commitments – as lessor

Future Minimum lease payments receivable under non-cancellable finance leases as at 30 June are:

	2016	2017
Within one year	0.00	0.00
After one year but no more than five years	0.00	0.00
More than five years	0.00	0.00
TOTAL	0.00	0.00

2.2 Other Contingent Assets or Liabilities (i.e. legal claims)

As at 30 June 2017 The Australian Workers' Union – Tasmania Branch does not have any contingent assets (2016: \$0.00) or contingent liabilities(2016: \$0.00).

NOTE 3 SUBSEQUENT EVENTS.

There were no events that occurred after 30 June 2017, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Australian Workers' Union – Tasmania Branch.

NOTE 4 NON CURRENT ASSETS

4.1 Land and buildings

	2016	2017
	\$	\$
Land and buildings:		
fair value	687,295.45	785,000.00
accumulated depreciation	0.00	0.00
Total land and buildings	687,295.45	785,000.00

Reconciliation of the opening and closing balances of land and buildings

As at 1 July

Gross book value	687,295.45	687,295.45
Accumulated depreciation and impairment	0.00	0.00
Net book value 1 July	687,295.45	687,295.45

Additions:

By purchase	0.00	0.00
From acquisition of entities (including restructuring)	0.00	0.00
Revaluations	0.00	97,704.55
Impairments	0.00	0.00
Depreciation expense	0.00	0.00
Other movement <i>[give details below]</i>	0.00	0.00
Disposals:	0.00	0.00
From disposal of entities (including restructuring)	0.00	0.00
Other	0.00	0.00

Net book value 30 June	687,295.45	785,000.00
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Net book value as of 30 June represented by:

Gross book value	687,295.45	785,000.00
Accumulated depreciation and impairment	0.00	0.00
Net book value 30 June	687,295.45	785,000.00

AUSTRALIAN WORKERS' UNION - TASMANIA BRANCH

NOTES TO AND FORMING PART OF THE 2017 ACCOUNTS

The revalued land and buildings consist of Non-Investment Property as a significant proportion of the property is used by the union for its own purposes. Management determined that the property constitutes one class of asset under AASB 13, based on the nature, characteristics and risks of the property.

Fair value of the property located in North Hobart was determined by Saunders & Pitt on 29 August 2016 to be \$785,000. Management has determined that having due consideration to the date of the last revaluation, the property market for North Hobart, and the condition of the property and buildings situated on the property that the valuation made by Saunders & Pitt on 29 August 2016 is a fair value of the property as it currently is.

If land and buildings were measured using the cost model, the carrying amounts would be as follows:

	2016	2017
	\$	\$
Cost	169,418.45	169,418.45
Accumulated depreciation and impairment	0.00	0.00
Net carrying amount	<u>169,418.45</u>	<u>169,418.45</u>

4.2 Plant and equipment

Motor Vehicles, Office Furniture & Equipment and Phones

at cost	393,421.65	401,489.49
accumulated depreciation	229,866.35	200,938.99
Total Plant and equipment	<u>163,555.30</u>	<u>200,550.50</u>

Reconciliation of the opening and closing balances of plant and equipment

As at 1 July		
Gross book value	464,131.66	393,421.65
Accumulated depreciation and impairment	267,469.17	229,866.35
Net book value 1 July	<u>196,662.49</u>	<u>163,555.30</u>
Additions:		
By purchase	53,485.25	157,069.90
From acquisition of entities (including restructuring)	0.00	0.00
Impairments	0.00	0.00
Depreciation expense	39,803.99	35,382.64
Other movement	13,152.09	21,257.52
Loss on Disposal		
Disposals:	33,636.36	63,434.54
From disposal of entities (including restructuring)	0.00	0.00
Other	0.00	0.00
Net book value 30 June	<u>163,555.30</u>	<u>200,550.50</u>
Net book value as of 30 June represented by:		
Gross book value	393,421.65	401,489.49
Accumulated depreciation and impairment	229,866.35	200,938.99
Net book value 30 June	<u>163,555.30</u>	<u>200,550.50</u>

4.3 Investment property

	2016	2017
	\$	\$
Opening balance as at 1 July	0.00	0.00
Additions	0.00	0.00
Net gain from fair value adjustment	0.00	0.00
Closing balance as at 30 June	<u>0.00</u>	<u>0.00</u>

AUSTRALIAN WORKERS' UNION - TASMANIA BRANCH

NOTES TO AND FORMING PART OF THE 2017 ACCOUNTS

As the land and buildings forming part of the Statement of Financial Position consist of areas that are rented to others and a significant area that is used by the Union for its own purposes, in accordance with AASB 114 (10) management does not account for the property as Investment Property.

4.4 Intangibles

	2016	2017
	\$	\$
Computer software at cost:		
internally developed	0.00	0.00
Purchased	0.00	0.00
accumulated amortisation	0.00	0.00
Total intangibles	<u>0.00</u>	<u>0.00</u>

Reconciliation of the opening and closing balances of intangibles

As at 1 July		
Gross book value	0.00	0.00
Accumulated amortisation and impairment	0.00	0.00
Net book value 1 July	<u>0.00</u>	<u>0.00</u>
Additions:		
By purchase	0.00	0.00
From acquisition of entities (including restructuring)	0.00	0.00
Impairments	0.00	0.00
Amortisation	0.00	0.00
Other movements <i>[give details below]</i>	0.00	0.00
Disposals:		
From disposal of entities (including restructuring)	0.00	0.00
Other	0.00	0.00
Net book value 30 June	<u>0.00</u>	<u>0.00</u>
Net book value as of 30 June represented by:		
Gross book value	0.00	0.00
Accumulated amortisation and impairment	0.00	0.00
Net book value 30 June	<u>0.00</u>	<u>0.00</u>

4.5 Investments in associates

The Australian Workers' Union – Tasmania Branch does not have any investments in associates.

4.6 Other investments

The Australian Workers' Union – Tasmania Branch does not have any investments in associates.

4.7 Other non-current assets

Prepayments	0.00	0.00
AWU – National Office Loan	149,249.89	149,249.89
Total other non-financial assets	<u>149,249.89</u>	<u>149,249.89</u>

NOTE 5 ABNORMAL OR EXTRAORDINARY EVENTS THAT HAVE HAD A MATERIAL EFFECT UPON THE FINANCIAL STATEMENTS

The only abnormal event that had a material effect upon the financial statements during the 2016 or 2017 Financial Periods was the revaluation of Land and Buildings to the market value determined by an independent valuer (Saunders & Pitt). The revaluation amount increased Income by \$97,704.55. If the revaluation had not occurred then the Operating Profit for the 2017 financial year would have been \$11,877.17

AUSTRALIAN WORKERS UNION - TASMANIA BRANCH

NOTES TO AND FORMING PART OF THE 2017 ACCOUNTS

NOTE 6 SALARY AND EMPLOYEE ENTITLEMENTS

The provision for separation and redundancy benefit payments is recognized when the reporting unit has developed a detailed formal plan for the termination of positions as part of a broader restructuring plan. As there is no current restructuring plan for termination of positions there is no balance in the provision.

The provision for employee entitlements to Annual Leave represents the amount which the Union has a present obligation to pay resulting from employees services provided up to the balance date. The provision has been calculated at nominal amounts based on the wage and salary rates plus any relevant loadings as at 30th June.

The provision for employee entitlements to Long Service Leave represents the prorated entitlement to long service leave. The entitlement has been calculated at nominal amounts based upon wage and salary rates as at 30th June.

The National Executive adopted a standard disclosure for the rates of pay of elected officials of the Union.

As at 1 July 2017 the following rates of pay apply to the full time elected officials of the Union:

Branch Secretary	\$111,400.00
Assistant Branch Secretary	\$94,500.00
Branch Organiser	\$84,300.00

NOTE 7 RELATED PARTY DISCLOSURES

7.1 Revenue

		2016 \$	2017 \$
Branch Executive Members	Union Membership Fees	5,730.00 (inclusive of GST)	5,845.00 (inclusive of GST)
AWU National Office	Interest re Sale of Murray Street	5,746.08	5,730.38

7.2 Expenses

Branch Executive Members	Salaries & Wages	336,914.09	312,642.27
	Overnight Allowances	3,020.00	4,400.00
	Superannuation Contributions	42,980.30	43,547.89
	Branch Executive Expenses	4,847.98	3,852.49
	Delegates Commissions	10.00	30.00
	Car Use	0.00	0.00
	Delegates Expenses	150.00	225.00
AWU National Office Level 10, 377-383 Sussex Street SYDNEY NSW 2000	Head Office Fees & Levies	174,455.40 (net of GST)	173,736.16 (net of GST)
AWU Victoria Branch 685 Spencer Street MELBOURNE VIC 3003	Fletches Insulation Donation	0.00 (net of GST)	5,000.00 (net of GST)
AWU W.A. Branch Level 3 / 25 Barrack Street PERTH WA 6000	Workplace Express Subscription	276.18 (net of GST)	0.00 (net of GST)
Midson for Franklin 6 / 21 Quarry Road MORNINGTON TAS 7018	Political Donation	0.00 (net of GST)	15,000.00 (net of GST)

AUSTRALIAN WORKERS UNION - TASMANIA BRANCH

NOTES TO AND FORMING PART OF THE 2017 ACCOUNTS

		2016 \$	2017 \$
7.3 Amounts receivable			
AWU National Office	Loan To AWU National Office re Sale of Murray Street From 1 Jul 2014 Interest Rate reduced to 3.85%	149,249.89	149,249.89
	Interest re Loan to AWU National Office	5,746.08	5,730.38
7.4 Amounts owed to Branch Executive Members	Long Service Entitlements	90,189.47	99,435.99
	Annual Leave Entitlements	43,941.92	45,776.54
AWU National Office	Head Office Fees & Levies	4,253.15 (inclusive of GST)	14,749.97 (inclusive of GST)
7.5 Terms and conditions of transactions with related parties.			
Sales to and purchases from related parties are made on terms and conditions equivalent to those that prevail in arm's length transactions.			
There have been no guarantees provided or received for any related party receivables or payables.			
7.6 Key management personnel remuneration for the reporting period			
Short-term employee benefits			
	Salary (including Annual Leave & Long Service Leave taken)	336,914.09	312,642.27
	Annual leave accrued during year	-14,900.77	1,834.62
	Performance bonus	0.00	0.00
	Non-monetary benefits		
	In each year 3 Motor Vehicles have been used by members of the branch executive.		
Total short-term employee benefits		322,013.32	314,476.89
Post-employment benefits:			
	Pension	0.00	0.00
Total post-employment benefits		0.00	0.00
Other long-term benefits:			
	Long-service leave accrued during year	14,349.20	9246.52
Total other long-term benefits		14,349.20	9246.52
	Termination benefits	0.00	0.00
Total Termination benefits		0.00	0.00
	Share-based payment	0.00	0.00
Total Share based payment		0.00	0.00
7.7 Transactions with key management personnel and their close family members			
	Loans to/from key management personnel	0.00	0.00
	Other transactions with key management personnel	0.00	0.00

**THE AUSTRALIAN WORKERS' UNION – TASMANIA BRANCH
FOR THE YEAR ENDED 30th JUNE 2017**

7.8 Remuneration of 2 highest paid officers of the branch

	\$	\$
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

NOTE 8 REMUNERATION OF AUDITORS

	2016	2017
Financial Statement Audit Services	4,800.00	5,075.00
Other Services -	1,267.50	1,180.00
• Quarterly Business Activity Statement Forms		
• Employee Final Pay Calculations		
• Annual Fringe Benefits Tax Return Form		
• Australian Electoral Commission Return Form		
• Annual Tasmanian Payroll Tax Form		
• Employee PAYG Summaries		
TOTAL REMUNERATION OF AUDITORS	6,067.50	6,255.00

NOTE 9 FINANCIAL INSTRUMENTS

9.1 General objectives, policies and processes

The Union is exposed to risks that arise from its use of financial instruments. This note describes the union's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the union's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The union's financial instruments consist mainly of deposits with banks, receivables and payables. The main risks the union is exposed to through its financial instruments are interest rate risk (see section (e) below), liquidity risk and credit risk.

The Branch Executive has overall responsibility for the determination of the union's risk management objectives and policies and whilst retaining ultimate responsibility for them, the Branch Executive makes investment decisions after considering appropriate advice.

9.2 Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Union.

The Union has no significant concentration of credit risk with any single counterparty or group of counterparties. Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed in the Statement of Financial Position.

THE AUSTRALIAN WORKERS' UNION - TASMANIA BRANCH FOR THE YEAR ENDED 30th JUNE 2017

9.3 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 the following mechanisms:-

- preparing forward looking cash flow, budget analysis in relation to its operational, investing and financing activities
- maintaining a reputable credit profile
- managing credit risk related to financial assets
- investing only in surplus cash with major financial institutions
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets

The union is not significantly exposed to this risk, as at 30 June it had;

	2016 \$	2017 \$
Cash & Term Deposits < 3 months to meet these obligations as they fall due	1,092,607.46	1,100,153.07
Total Current Liabilities <12 months to meet these obligations as they fall due	49,051.32	68,439.80

9.4 Market risk

Market risk arises from the use of interest bearing, tradable financial instruments. It is risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

9.5 Interest rate risk

The Union's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities are summarized below:

Sensitivity analysis of the risk that the entity is exposed to for 2017

Interest rate risk	Risk variable	Change in risk variable %	Effect on	
			Profit and loss \$	Equity \$
Cash & Cash Equivalents	1,099,903.07	+1%	10,999.03	10,999.03
Cash & Cash Equivalents	1,099,903.07	-1%	-10,999.03	-10,999.03

Sensitivity analysis of the risk that the entity is exposed to for 2016

Interest rate risk	Risk variable	Change in risk variable %	Effect on	
			Profit and loss \$	Equity \$
Cash & Cash Equivalents	1,092,357.46	+1%	10,923.57	10,923.57
Cash & Cash Equivalents	1,092,357.46	-1%	-10,923.57	-10,923.57

9.6 Other price risks

The Union does not have investments in other Financial Instruments such as company shares, puts, calls, derivatives and alike, and so has no direct exposure to other price risks in respect of Financial Instruments.

9.7 Foreign exchange risks

The Union does not have direct exposure to any foreign exchange rate risk

THE AUSTRALIAN WORKERS' UNION - TASMANIA BRANCH FOR THE YEAR ENDED 30th JUNE 2017

NOTE 10 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009 DECLARATIONS.

10.1 Recovery of wages activity

During the 2016 and 2017 Financial Years the reporting unit has no recovery of wages activities.

10.2 Receipts

	2016	2017
	\$	\$
a Membership fees (Net of refunds and Doubtful Memberships)	1,127,899.56	1,115,598.40
b Compulsory levies or appeals for voluntary contributions	0.00	0.00
c Grants or donations received	8400.00	8400.00
d Gain on Disposal of Assets sold for more than \$1,000	0.00	0.00

During the 2016 and 2017 Financial Years the reporting unit has not:

- a received any Capitation Fees,
- b charged any compulsory levies or appealed for voluntary contributions
- c received any donations or grants, or
- d received any other financial support from another reporting unit of the organisation.

10.3 Payments

a Payments to employers as consideration for making payroll deductions of membership fees	6,398.55	2,944.15
b Contributions to AWU head office	124,417.72	133,075.56
c Affiliation fees		
Australian Labour Party	8,480.09	8,044.23
d Compulsory levies		
- AWU National – share of Royal Commission Legal Fees	9,792.76	0.00
- AWU National – ACTU Affiliation Levy	2,944.00	2,992.00
- AWU National – OHS Officer	14,953.61	18,064.41
- AWU National – Contact Centre	1,332.00	6,660.00
- AWU National – share Legal fees re FWC Investigations	0.00	779.83
- AWU National – share of Industrial Campaigns	0.00	3,140.65
e Donations of \$1,000 or less	2,495.46	745.46
Donations over \$1,000		
- AWU National – ALP Secretariat	2,500.00	0.00
- AWU Victoria – Fletches Insulation Donation	0.00	5,000.00
- Midson for Franklin – Political Donation	0.00	15,000.00
f Employee benefits to holders of office		
- Salaries & Wages including sick leave paid	255,364.14	278,469.21
- Salaries & Wages Annual Leave Paid	55,242.31	26,750.00
- Salaries & Wages Long Service Leave Paid	26,307.63	7,423.06
- Separation & Redundancies	0.00	0.00
- other Employee Expenses	0.00	0.00
- Superannuation	42,980.30	43,547.89
g Employee benefits to employees (other than holders of office)		
- Salaries/Wages including sick leave paid	195,067.03	246,269.95
- Salaries/Wages Annual Leave Paid	20,581.61	18,740.18
- Salaries/Wages Long Service Leave Paid	1,580.77	1,580.77
- Separation & Redundancies	0.00	0.00
- other Employee Expenses – Relocation expenses	15,000.00	0.00
- Superannuation	30,373.01	37,937.62
h Fees or Allowances of representatives in respect of attendances as representatives of the AWU Tasmanian Branch at conferences or other meetings, other than amounts included in e and f.	1,100.00	1,600.00
i Legal costs		
- Litigation	0.00	0.00
- Other	26,179.96	1,828.30
j Meeting and Conference costs that are either meetings of members or for which the reporting unit is wholly or partly responsible.	324.18	743.28
k Penalties imposed under Registered Organisations Act or Regulations	0.00	0.00
l Loss on Disposal of Assets sold for more than \$1,000	12,143.27	21,257.52
m Employee Out of Pocket Reimbursements over \$1,000		
- Relocation expenses	15,000.00	0.00
n Net Surplus/(Deficit) transferred to general fund	149,579.70	11,877.17

THE AUSTRALIAN WORKERS' UNION - TASMANIA BRANCH FOR THE YEAR ENDED 30th JUNE 2017

During the 2016 and 2017 Financial Years the reporting unit has not:

- a paid any Capitation Fees,
- b made any grants under or over \$1,000
- c had any penalties imposed on the organisation under the Registered Organisations Act in respect to the conduct of the reporting unit.

10.4 Statement of financial position

	2016 \$	2017 \$
a Amounts receivable or right to receive cash as a result of one or more transactions and/or past events with another reporting unit of the organisation Australian Workers' Union – National Office	5,746.08	5,730.38
b Amounts payable or other financial liability as a result of one or more transactions and/or past events with another reporting unit of the organisation Australian Workers' Union – National Office	4,253.15	14,749.97

10.5 Liabilities

a Amounts payable to Employers for making Payroll Deductions of Membership Contributions	0.00	0.00
b Amounts payable re legal costs		
Litigation	0.00	0.00
Other legal matters	0.00	0.00
c Amounts payable re employee benefits of office holders		
- Annual Leave	43,941.92	45,776.54
- Long Service Leave Entitlements	90,189.47	99,435.99
d Amounts payable re employee benefits of employees other than office holders		
- Annual Leave	17,388.46	13,617.69
- Long Service Leave Entitlements	7,499.17	14,013.25

10.6 Equity

a Balance of the General Fund	2,001,284.60	2,110,866.32
b During the 2016 and 2017 Financial Years the reporting unit has not:		
• operated any funds in respect of compulsory levies, compulsory levies raised by the reporting entity or voluntary contributions collected from members of the reporting unit.		
• invested any funds raised by the reporting entity or voluntary contributions collected from members of the reporting unit in any assets.		
• Been required to operate any funds other than the general fund, the operation of which is required by the rules of the organisation, including the rules of the branch.		
• Made transfers and/or withdrawals to a fund, account or controlled entity when any of these are kept for specific purpose(s) by the reporting unit.		

10.7 Cash flow with other reporting units and/or controlled entities

Inflows

Other Reporting Units

Australian Workers' Union – National Office - Interest	5,746.13	5,746.08
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Controlled Entities

There were no cash inflows from controlled entities in the reporting period.

Outflows

Other Reporting Units

Australian Workers' Union – National Office – Head Office Maintenance, Levies, Mailing Costs, Insurance Costs, Merchandise, Advertising & CCH subscription	184,630.75 (GST inclusive)	170,421.76 (GST inclusive)
Australian Workers Union – Victoria Branch-Fletches Insulation Donation	0.00 (GST inclusive)	\$5,000.0 (GST inclusive)

Australian Workers Union – WA Branch-Workplace Express Subscription

	303.80 (GST inclusive)	0.00 (GST inclusive)
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Controlled Entities

There were no cash outflows to controlled entities in the reporting period.

THE AUSTRALIAN WORKERS' UNION - TASMANIA BRANCH FOR THE YEAR ENDED 30th JUNE 2017

10.8 Going concern

- a Australian Workers' Union – Tasmania Branch is not reliant on the agreed financial support of any other entity to continue on a going concern basis.
- b Australian Workers' Union – Tasmania Branch has not agreed to provide any other entity with financial support to ensure they can continue on a going concern basis.

10.9 Other

- a The Australian Workers' Union – Tasmania Branch did not acquire any 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 by the General Manager under subsection 249(1) of the *Fair Work (Registered Organisations) Act 2009*.
- b The Australian Workers' Union – Tasmania Branch did not engage another entity to administer its financial affairs.

NOTE 11 FAIR VALUE MEASUREMENT

11.1 Financial assets and liabilities

Management of the reporting unit assessed that cash, trade receivables, other current assets, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- Fair values of the reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The own performance risk as at 30 June 2016 was assessed to be insignificant.
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 30 June 2016 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

The following table contains the carrying amounts and related fair values for the Australian Workers' Union – Tasmania Branch financial assets and liabilities:

	Carrying amount 2016 \$	Fair value 2016 \$	Carrying amount 2017 \$	Fair value 2017 \$
Financial Assets				
Cash	250.00	250.00	250.00	250.00
Funds for Deposit	0.00	0.00	0.00	0.00
Cash at Bank	1,092,357.46	1,092,357.46	1,099,903.07	1,099,903.07
Memberships Receivable	110,000.00	110,000.00	110,000.00	110,000.00
Accounts Receivable	6,646.84	6,646.84	7,196.13	7,196.13
Loan to AWU National	149,249.89	149,249.89	149,249.89	149,249.89
Total	1,358,504.19	1,358,504.19	1,366,599.09	1,366,599.09
Financial Liabilities				
Credit Card	589.99	589.99	5,102.50	5,102.50
GST Payable	29,878.77	29,878.77	31,715.91	31,715.91
PAYG Withholding	11,456.00	11,456.00	14,015.00	14,015.00
Payroll Liability	0.00	0.00	0.00	0.00
Superannuation Payable	0.00	0.00	0.00	0.00
Accounts Payable	7,126.56	7,126.56	17,606.39	17,606.39
Total	49,051.32	49,051.32	68,439.80	68,439.80

THE AUSTRALIAN WORKERS' UNION - TASMANIA BRANCH FOR THE YEAR ENDED 30th JUNE 2017

11.2 Fair value hierarchy

Note: The following tables provide an analysis of non-financial assets and non-financial liabilities that are measured at fair value, by fair value hierarchy.

Fair value hierarchy – 30 June 2017

	Date of valuation	Level 1	Level 2	Level 3
Assets measured at fair value		\$	\$	\$
Branch Land & Buildings	29 Aug 2016		785,000.00	
Total		0.00	785,000.00	0.00
Liabilities measured at fair value				
Total		0.00	0.00	0.00

No Assets or Liabilities fair values measurements were transferred from any level to another level.

Fair value hierarchy – 30 June 2016

	Date of valuation	Level 1	Level 2	Level 3
Assets measured at fair value		\$	\$	\$
Branch Land & Buildings	27 Feb 2009		687,295.45	
Total		0.00	687,295.45	0.00
Liabilities measured at fair value				
Total		0.00	0.00	0.00

No Assets or Liabilities fair values measurements were transferred from any level to another level.

NOTE 12 BUSINESS COMBINATIONS

There has not been any subsidiaries or investees either acquired or disposed of during the 2016 or 2017 financial years.

NOTE 13 ADMINISTRATION OF FINANCIAL AFFAIRS BY A THIRD PARTY

None of the financial affairs of The Australian Workers' Union – Tasmanian Branch during the 2016 or 2017 financial years were administered by a third party.

NOTE 14 SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

In accordance with subsection 272(5) of the FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009 the members' attention is drawn to subsections (1), (2) & (3) which are set out below.

SECTION 272

Information to be provided to members or Commissioner:

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

**THE AUSTRALIAN WORKERS' UNION - TASMANIA BRANCH
COMMITTEE OF MANAGEMENT STATEMENT
For the year ended 30 June 2017**

On 20 October 2017, the Committee of Management of Australian Workers' Union - Tasmania Branch passed the following resolution in relation to the General Purpose Financial Report (GPFR) for the year ended 30th June 2017.

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 Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Registered Organisations Commission under section 273 of the RO Act, there has been compliance.
 - (vii) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

Signature of designated officer: 

Name and title of designated officer: Ian Wakefield, Branch Secretary

Dated: 20/10/2017

THE AUSTRALIAN WORKERS' UNION - TASMANIA BRANCH

OPERATING REPORT

For the year ended 30 June 2017

The Committee of Management presents its operating report on the Reporting Unit for the year ended 30 June 2017.

(i) **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 during the year have been operation of a trade union, and the renting of property;

The Australian Workers' Union - Tasmania Branch made a net profit of \$109,582 as a result of its activities. (2016: \$143,373)

\$63,042 net profit was as a result of the rental of property activities. (2016: \$65,734)

\$97,705 net profit was as a result of property revaluation. (2016: \$0)

\$51,165 net loss was as a result of trade union activities. (2016: \$77,639 net profit)

There have been no significant changes in the nature of the principal activities;

(ii) **Significant changes in financial affairs**

There were no significant changes in the financial affairs of The Australian Workers' Union - Tasmania Branch during the year.

(iii) **Right of members to resign**

Under section 174 of the Fair Work (Registered Organisations) Act 2009 any member has the right to resign their membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the The Australian Workers' Union - Tasmania Branch.

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

The committee of management is unaware of any officer or member of the reporting unit who is:

- (i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

(v) **Number of members**

At the end of the financial year there were 2,789 members. (2016: 2,221)

(vi) **Number of employees**

At the end of the financial year there were 6 employees when measured on a full-time equivalent basis. (2016: 6)

(vii) **Names of Committee of Management members and period positions held during the financial year**

Name	Position	Period
Mr Laurie Gregson	President	1 July 2016 to 30 June 2017
Jill Reid	Vice President	1 July 2016 to 30 June 2017
Mr Ian Wakefield	Branch Secretary	1 July 2016 to 30 June 2017
Mr Robert Flanagan	Assistant Branch Secretary	1 July 2016 to 30 June 2017
Mr Kevin Midson	Committeeman	1 July 2016 to 30 June 2017
Mr Phillip Garth	Committeeman	1 July 2016 to 30 June 2017
Mr Bill Lowe	Committeeman	1 July 2016 to 30 June 2017
Mr Steve Dowling	Committeeman	1 July 2016 to 30 June 2017
Mr Ross Richardson	Committeeman	1 July 2016 to 30 June 2017
Alanah McLean	Committeeman	1 July 2016 to 30 June 2017
Mr Andrew Sutcliffe	Committeeman	1 July 2016 to 30 June 2017

Signature of designated officer: 

Name and title of designated officer: Ian Wakefield, Branch Secretary

Dated: 20/10/2017

John Harrison Accountants



ACCOUNTANTS, CORPORATE SECRETARIES,
REGISTERED TAX AGENTS AND AUDITORS,
MANAGEMENT, MARKETING AND TECHNOLOGY
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Australian Workers' Union – Tasmania Branch Members of Executive Committee Between 1 July 2016 and 30 June 2017

Mr Ian Wakefield
2 Monroe Court
AUSTINS FERRY TAS 7011
Branch Secretary

Mr Laurie Gregson
27464 Tasman Highway
GOULDS COUNTRY TAS 7216
President

Mr Robert Flanagan
7 Esplanade
MIDWAY POINT TAS 7171
Assistant Secretary

Jill Reid
6 Barclay Crescent
ROSETTA TAS 7010
Vice President

Mr Ross Richardson
31 White Street
GEORGE TOWN TAS 7253

Mr Steve Dowling
7 Cumming Street
SISTERS BEACH TAS 7321

Mr Phillip Garth
37 School Road
GEEVESTON TAS 7116

Mr Bill Lowe
13 Rouse Place
BURNIE TAS 7320

Mr Kevin Midson
6 / 21 Quarry Road
MORNINGTON TAS 7018

Alanah McLean
17 Centreway Ave
WAYATINAH TAS 7140

Mr Andrew Sutcliffe
109 Derwent Park Road
LUTANA TAS 7009

John Harrison
497 Main Road, GLENORCHY TAS 7010

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/64

Dated: 20/10 / 2017