



10 June 2016

Mr John Owen  
Branch Secretary  
Textile, Clothing and Footwear Union of Australia,  
New South Wales, South Australian and Tasmanian Branch  
1<sup>st</sup> Floor, 28 Anglo Road  
Campsie NSW 2194

By e-mail: [john@tcfua.org.au](mailto:john@tcfua.org.au)

Dear Mr Owen

**Textile, Clothing and Footwear Union of Australia,  
New South Wales, South Australian and Tasmanian Branch  
Financial Report for the year ended 31 December 2015 - FR2015/453**

I acknowledge receipt of the amended financial report for the year ended 31 December 2015 for the Textile, Clothing and Footwear Union of Australia, New South Wales, South Australian and Tasmanian Branch. The financial report was lodged with the Fair Work Commission (FWC) on 9 June 2016.

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

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8656 4685 or by email at [ken.morgan@fwc.gov.au](mailto:ken.morgan@fwc.gov.au)

Yours sincerely

Ken Morgan  
Financial Reporting Advisor  
Regulatory Compliance Branch

## **Textile Clothing & Footwear Union of Australia New South Wales/ South Australia/Tasmania Branch**

### **FINANCIAL STATEMENTS 2015**

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**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NEW SOUTH WALES/  
SOUTH AUSTRALIA/TASMANIA BRANCH**

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

**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER<sup>1</sup>**

Certificate for the period ended 31 December 2015

I, John Owen being the State Secretary of the Textile, Clothing & Footwear Union of Australia New South Wales/South Australia/Tasmania Branch certify:

- that the documents lodged herewith are copies of the full report for the Textile, Clothing & Footwear Union of Australia New South Wales/South Australia/Tasmania Branch for the period ended 31 December 2015 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 7<sup>th</sup> June 2016 and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 6<sup>th</sup> June 2016 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.



John Owen

Secretary

Dated: 9 - 06 - 2016

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NEW SOUTH  
WALES/SOUTH AUSTRALIA/TASMANIA BRANCH**

**INDEPENDENT AUDIT REPORT**

To the members of the Textile Clothing & Footwear Union of Australia, New South Wales/  
South Australia/Tasmania Branch.

**Scope**

*The Financial Report is the responsibility of the Committee of Management and Secretary of the Union.*

The financial report comprises, Operating Report, Statement of Comprehensive Income, Statement of Financial Position, Statement of Change in Equity, Cash Flow Statement, Recovery of Wages Activity, accompanying notes to the financial statements and the Committee of Management's statement for Textile Clothing & Footwear Union of Australia New South Wales/South Australia/Tasmania Branch for the year ended 31 December 2015.

The Committee of Management and the Secretary of the Branch are responsible for the preparation and true and fair presentation of the financial report in accordance with the Fair Work (Registered Organisations) Act 2009. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

**Audit Approach**

We have conducted an independent audit of the financial report (page 5 – page 37) in order to express as opinion on it to the members of the Branch. Our audit has been conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal controls, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Fair Work (Registered Organisations) Act 2009, including compliance with Accounting Standards and other mandatory professional reporting requirements in Australia a view which is consistent with our understanding of the Branch's financial position and its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Committee of Management and the Secretary of the Branch.

While we considered the effectiveness of management's internal controls over financial reporting when

determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

### **Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Fair Work (Registered Organisations) Act 2009.

### **Audit Opinion**

We state that the financial report has been audited and in our opinion the financial report complies with relevant Australian Accounting Standards.

We report that we have inspected and audited the accounting records of the Textile Clothing & Footwear Union of Australia New South Wales/South Australia/Tasmania Branch in relation to the financial year ending 31 December 2015 and report that in our opinion satisfactory accounting records were kept by the Branch in relation to the period, including:

- (i) records of the sources and nature of the income of the Branch (including income from members);
- (ii) records of the nature and purposes of the expenditure of the Branch;
- (iii) all information, being information which was reasonably wanted for the purpose of this audit, which was required and sought by us or by any person authorised by us for the purpose of the audit, was provided;
- (iv) in relation to recovery of wages activity; no recovery of wages activity occurred in the year ended 31 December 2015.

In our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009:

- (i) The financial affairs of the Branch as at the end of the financial year,
- (ii) The income and expenditure, and any surplus or deficit of the Branch for the year, and
- (iii) The management's use of the going concern basis of accounting in the preparation of the financial statement is appropriate.

We also understand that to the extent that there was any deficiency, failure or short coming in relation to the matters referred above, we must report particulars and that those particulars, if any, which form part of this report, are attached.

**SUTHERLAND & COMPANY**

G/F 4 Railway Parade

Burwood NSW 2134



Douglas W Sutherland, AM, BA, FCA, FGIA

Chartered Accountant

Registered Company Auditor No. 3835

Date: 6<sup>th</sup> June 2016

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NEW SOUTH WALES/  
SOUTH AUSTRALIA/TASMANIA BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT**

for the period ended 31 December 2015

On **04 April 2016** the Committee of Management of the Textile Clothing & Footwear Union of Australia New South Wales/South Australia/Tasmania Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2015:

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 the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the 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 General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
  - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) in relation to recovery of wages activity, no revenue has been derived from undertaking recovery of wages activity during the year ended 31 December 2015.

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



John Owen  
Secretary

Dated: 6-06-2016



Mark Edwards  
Assistant Secretary

Dated: 6-06-2016

## **TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NEW SOUTH WALES/ SOUTH AUSTRALIA/TASMANIA BRANCH**

### **OPERATING REPORT**

The committee presents its report on the reporting unit for the financial year ended 31 December 2015.

#### **Principal activities**

The principal activities of the Branch during the year were:

- i) The provision of services to members.
- ii) The representation of members on award matters and disputes.
- iii) The provision of education in relation to workplace safety and industrial training.

The results of those activities were reviewed and achieved to the satisfaction of the members. There is no significant change in the nature of these activities during the financial year.

#### **Operating results**

There were no significant changes in the financial affairs of the Branch. The operating loss of the Branch was \$259,889.82 (2014: \$788,559). The Branch is exempt from income tax and no provision for income tax was necessary.

#### **Event subsequent to report date**

No matters or circumstances have been arisen since the end of the financial year which significantly affected or may significantly affect the operation of the Branch, the results of those operations, or the state of affairs of the Branch in subsequent financial years.

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

Members retain the right to resign from the Branch in accordance to section 174 of the Fair Work (Registered Organisation) Act 2009 and Rule 12 of the Branch Rule.

#### **Superannuation fund trustee(s)**

No officer, employee or member of the Branch holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer, employee or member of the Branch.

#### **Number of members**

The number of persons who were at the end of the financial year to which the report relates, recorded in the register of the members for section 230 of the Act and who are taken to be members of the Branch under section 244 of the Act was 1,439 (2014: 1,913)

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**Number of employees**

The number of full time equivalent persons, who were, at the end of the financial reporting year to which the report relates, employees of the Branch, was

Officers –6

Administration clerk -1

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

<b>Name</b>	<b>Position</b>
Hung Nguyen	President
James Dylan Mausolf	Vice President
John Owen	Secretary
Mark Edwards	Assistant Secretary
Eric Lam	Trustee
Christine Sutanto	Trustee
James Coventry	Committee member
Michael Scott Rutherford	Committee member
Mathew Hueppauff	Committee member

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

**Officers & employees who are directors of a company or a member of a board**

No officer or employee of the Branch is a director of a company. John Owen is a Committee member for the board of Ethical Clothing Australia. Hung Nguyen is a Committee member for the board of Ethical Clothing Australia. Ethical Clothing Australia is an organisation set up to protect the well being of Out Workers in the TCF Supply Chain and is registered with the approval of the ACCC. Both officers hold their honorary positions because they are an officer or employee of the reporting unit.

Signed in accordance with a resolution of the Committee of Management.



**John Owen**

Secretary

Dated: 6-06-2016



**Mark Edwards**

Assistant Secretary

Dated: 6-06-2016



**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NEW SOUTH WALES/  
SOUTH AUSTRALIA/TASMANIA BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME  
for the period ended 31December 2015**

	Notes	2015 \$	2014 \$
<b>Revenue</b>			
Membership subscription*		655,774	748,761
Capitation fees	3A	-	-
Levies	3B	-	-
Interest	3C	9,903	33,465
Other revenue		15,000	-
<b>Total revenue</b>		<b>680,677</b>	<b>782,226</b>
<b>Other Income</b>			
Grants and/service agreement fees	3D	223,303	220,073
<b>Total other income</b>		<b>223,303</b>	<b>220,073</b>
<b>Total income</b>		<b>903,980</b>	<b>1,002,299</b>
<b>Expenses</b>			
Employee expenses	4A	541,547	848,846
Capitation fees	4B	67,906	152,682
Affiliation fees	4C	18,135	20,526
Administration expenses	4D	351,554	415,768
Grants or donations	4E	1,100	1,600
Depreciation and amortisation	4F	58,567	73,762
Legal costs	4G	70,508	197,913
Audit fees	13	26,074	31,400
Net losses from sale of assets	4H	28,479	48,361
Other expenses	4I	-	-
<b>Total expenses</b>		<b>1,163,869</b>	<b>1,790,858</b>
<b>Operating Surplus (Deficit) for the year</b>		<b>(259,889)</b>	<b>(788,559)</b>
<b>Other comprehensive income</b>			
Gain on revaluation of land & buildings		1,488,991	-
Gain on investment		1,990	-
<b>Total comprehensive income for the year</b>		<b>1,490,981</b>	<b>-</b>
<b>Net Surplus/(Deficit) for the year</b>		<b>1,231,092</b>	<b>(788,559)</b>

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

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NEW SOUTH WALES/  
SOUTH AUSTRALIA/TASMANIA BRANCH**

**STATEMENT OF FINANCIAL POSITION  
as at 31December 2015**

	Notes	2015 \$	2014 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5A	457,447	1,067,967
Trade and other receivables	5B	375,827	175,472
Other current assets	5C	22,620	21,742
<b>Total current assets</b>		<b>855,894</b>	<b>1,265,181</b>
<b>Non-Current Assets</b>			
Land and buildings	6A	4,000,000	2,475,000
Plant and equipment	6B	162,235	184,761
<b>Total non-financial assets</b>		<b>4,162,235</b>	<b>2,659,761</b>
<b>Total assets</b>		<b>5,018,129</b>	<b>3,924,942</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	7A	47,802	138,349
Other payables	7B	72,697	53,568
Employee provisions	8A	41,086	102,558
<b>Total current liabilities</b>		<b>161,585</b>	<b>294,475</b>
<b>Non-Current Liabilities</b>			
Employee provisions	8A	135,434	140,449
<b>Total non-current liabilities</b>		<b>135,434</b>	<b>140,449</b>
<b>Total liabilities</b>		<b>297,019</b>	<b>434,924</b>
<b>Net assets</b>		<b>4,721,110</b>	<b>3,490,018</b>
<b>EQUITY</b>			
Asset Revaluation Reserve	9A	3,783,449	2,294,458
Retained earnings (accumulated deficit)		937,661	1,195,560
<b>Total equity</b>		<b>4,721,110</b>	<b>3,490,018</b>

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

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NEW SOUTH WALES/ SOUTH AUSTRALIA/TASMANIA BRANCH**

**STATEMENT OF CHANGES IN EQUITY** for the period ended 31December 2015

	Notes	Asset Revaluation Reserve \$	Retained earnings \$	Total equity \$
<b>Balance as at 1 January 2014</b>		<b>2,294,458</b>	<b>1,984,119</b>	<b>4,278,577</b>
Profit for the year		-	(788,559)	(788,559)
Other comprehensive income for the year		-	-	-
Transfer to/from	9A	-	-	-
Transfer from retained earnings		<b>2,294,458</b>	<b>1,195,560</b>	<b>3,490,018</b>
<b>Closing balance as at 31December 2014</b>		<b>2,294,458</b>	<b>1,195,560</b>	<b>3,490,018</b>
Profit for the year		-	(259,890)	(259,890)
Other comprehensive income for the year		-	1,490,981	1,490,981
Transfer to/from Asset revaluation Reserve	9A	-	(1,488,991)	(1,488,991)
Transfer from retained earnings		<b>1,488,991</b>	-	<b>1,488,891</b>
<b>Closing balance as at 31December 2015</b>		<b>3,783,449</b>	<b>937,661</b>	<b>4,721,110</b>

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

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NEW SOUTH WALES/ SOUTH AUSTRALIA/TASMANIA BRANCH**

**CASH FLOW STATEMENT for the period ended 31December 2015**

	Notes	2015 \$	2014 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from other reporting units/controlled entity(s)	10B	6,752	66,496
Interest		9,903	33,465
Other		918,532	1750,895
<b>Cash used</b>			
Employees		(541,546)	(1,111,323)
Suppliers		(507,663)	(855,462)
Payment to other reporting units/controlled entity(s)	10B	(146,042)	(191,877)
<b>Net cash from (used by) operating activities</b>	10A	<b>(260,605)</b>	<b>(307,806)</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sale of plant and equipment		76,364	9,725
Redemption/(increase) of investments		-	29,097
<b>Cash used</b>			
Purchase of plant and equipment		(176,820)	(538)
Purchase of land and buildings		-	-
Other		-	-
<b>Net cash from (used by) investing activities</b>		<b>(100,456)</b>	<b>38,284</b>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
<b>Cash used</b>			
Other		(250,000)	-
<b>Net cash from (used by) financing activities</b>		<b>(250,000)</b>	<b>-</b>
<b>Net increase (decrease) in cash held</b>		<b>(610,520)</b>	<b>(269,522)</b>
Cash & cash equivalents at the beginning of the reporting period		1,067,967	1,337,489
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	5A	<b>457,447</b>	<b>1,067,967</b>

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

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## **Note 1    Summary of Significant Accounting Policies**

### **1.1    Basis of Preparation of the Financial Statements**

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Textile Clothing & Footwear Union of Australia New South Wales/South Australia/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 at measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

### **1.2    Comparative amounts**

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

### **1.3    Significant Accounting Judgements and Estimates**

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

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

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, which have been adopted for the first time this financial year:

- AASB 10 *Consolidated Financial Statements* redefines the concept of control. AASB 10 replaces the consolidation requirements of SIC-12 Consolidation—Special Purpose Entities and AASB 127 Consolidated and Separate Financial Statements and is effective for not-for-profit entities with annual periods beginning on or after 1 January 2014 – this standard has no impact on the reporting unit.
- AASB 11 *Joint Arrangement* assets out a new framework for the accounting for joint ventures, including removal of the option to use proportionate consolidation, this standard has no impact on the reporting unit.
- AASB 12 *Disclosures of Interests in Other Entities* is a disclosure standard that includes all of the disclosure requirements for subsidiaries, joint arrangements, associates and consolidated and unconsolidated structured entities. The reporting unit has no investment in associates.

### Future Australian Accounting Standards Requirements

At the date of authorisation of the financial statements, the Standards and Interpretation listed below were in issue but not yet effective and that any impact on the initial application is not known or cannot be reasonably estimated:

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 2014-1 'Amendments to Australian Accounting Standards' - Part D: 'Consequential Amendments arising from AASB 14	1 January 2016	30 June 2017
AASB 2014-1 'Amendments to Australian Accounting Standards' - Part E: 'Financial Instrument'	1 January 2015	30 June 2016
AASB 14 'Regulatory Deferral Accounts'	1 January 2016	30 June 2017
AASB 2014-3 'Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations	1 January 2016	30 June 2017
AASB 2014-4 'Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation'	1 January 2016	30 June 2017

### 1.5 Investment in associates

Textile Clothing & Footwear Union of Australia New South Wales/South Australia/Tasmania Branch does not have significant influence over an entity and there is no investment in associate entity.

### 1.6 Revenue

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

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

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be

reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Receivables for goods and services are recognised at the nominal amounts. 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.

### **1.7 Government grants**

Government grants are not recognised until there is reasonable assurance that the Textile Clothing & Footwear Union of Australia New South Wales/South Australia/Tasmania Branch will comply with the conditions attached to them and that the grants will be received. Government grants are recognised in profit or loss when received or the right to receive has been established.

### **1.8 Capitation fees and levies**

Capitation fees and levies are to be recognised on an accrual basis and record as an expense in the year to which it relates.

### **1.9 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 employee benefits are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

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

### **1.10 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.

### **1.11 Cash**

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



## 1.12 Financial instruments

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.

## 1.13 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.

### ***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.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement 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.

### ***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. The management of the Branch review the financial assets and determines there is no evidence that will affect the cash flow of these financial assets. No impairment losses have been made in this financial year.

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.

### ***De-recognition 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 assets'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.

## **1.14 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 re-measurement 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.

#### ***De-recognition 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.

### **1.15 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.

### **1.16 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.

#### ***Revaluations—Land and Buildings***

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

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. 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, in all cases, the straight line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are:

	2015	2014
Buildings and improvement	4-10%	2.5%
Plant and equipment	10-50%	13-50%
Furniture and fittings	10-25%	10-25%
Motor vehicles	25-30%	25-30%

### ***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.

## **1.17 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 de-recognition 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.

## **1.18 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. To determine the recoverable amount, management review the expected useful lives of depreciable assets with the Branch and estimate the future cash flow from these assets. No impairment losses have been made in this financial year.



### 1.19 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 to sell.

### 1.20 Taxation

Textile Clothing & Footwear Union of Australia New South Wales/South Australia/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 and assets are recognised net of GST except:

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

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

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

### 1.21 Fair Value Measurement

The Union 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 are disclosed in Note 15A.

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 TCFUA –NST. The fair value of an asset or a liability is measured using the assumptions that market

participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the TCFUA-NST 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 Union 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.

## 1.28 Going concern

The Textile Clothing & Footwear Union of Australia New South Wales/ South Australia/ Tasmania Branch is not reliant on any agreed financial support of another reporting unit to continue on as a going concern basis and has no agreement to provide financial support to ensure another reporting unit(s) so that they can continue on a going concern basis. There has been no financial support during the period from another reporting unit.

**Note 2 Events after the reporting period**

There were no events that occurred after 31 December 2015, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities.

<b>2015</b>	<b>2014</b>
<b>\$</b>	<b>\$</b>

**Note 3 Income****Note 3A: Capitation fees\*****Total capitation fees**

-	-
-	-

**Note 3B: Levies\*****Total levies**

-	-
-	-

**Note 3C: Interest****Deposits****Total interest**

<b>9,903</b>	<b>33,465</b>
<b>9,903</b>	<b>33,465</b>

**Note 3D: Grants or donations\*****Grants and service agreement fees****Donations****Total grants or donations**

<b>223,303</b>	<b>220,073</b>
-	-
<b>223,303</b>	<b>220,073</b>

**Note 4 Expenses****Note 4A: Employee expenses\*****Holders of office:****Wages and salaries****Superannuation****Leave and other entitlements****Separation and redundancies****Other employee expenses****Subtotal employee expenses holders of office**

<b>251,411</b>	<b>300,155</b>
<b>72,523</b>	<b>111,003</b>
-	-
-	<b>110,246</b>
-	-
<b>323,934</b>	<b>521,404</b>



**Employees other than office holders:**

Wages and salaries	167,294	244,510
Superannuation	50,319	82,932
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
<b>Subtotal employee expenses employees other than office holders</b>	<b>217,613</b>	<b>327,442</b>
<b>Total employee expenses</b>	<b>541,547</b>	<b>848,846</b>

**Note 4B: Capitation fees\***

Textile Clothing & Footwear Union of Australia – National Council	67,906	152,682
<b>Total capitation fees</b>	<b>67,906</b>	<b>152,682</b>

**Note 4C: Affiliation fees\***

Australia Labour Party	8,384	10,289
Labour Council	9,210	9,718
Workers Health Centre	541	520
<b>Total affiliation fees/subscriptions</b>	<b>18,135</b>	<b>20,526</b>

**Note 4D: Administration expenses**

Consideration to employers for payroll deductions*	1,563	1,181
Compulsory levies*		
Textile Clothing & Footwear Union of Australia – National Council charge	60,000	68,079
Fees/allowances - meeting and conferences*	16,216	14,824
Conference and meeting expenses*	45,644	41,897
Property expenses	7,920	-
Office expenses	21,120	18,821
Information communications technology	27,703	31,621
Other	163,560	239,345
<b>Subtotal administration expense</b>	<b>343,726</b>	<b>415,768</b>
Operating lease rentals:		
Minimum lease payments	7,828	-
<b>Total administration expenses</b>	<b>351,554</b>	<b>415,768</b>

	2015 \$	2014 \$
<b>Note 4E: Grants or donations*</b>		
<b>Grants</b>		
Total paid that were \$1000 or less	-	-
Total paid that exceeded \$ 1000	-	-
<b>Donations</b>		
Total paid that were \$1000 or less	1,100	1,600
Total paid that exceeded \$ 1000	-	-
<b>Total grants or donations</b>	<u>1,100</u>	<u>1,600</u>

**Note 4F: Depreciation and amortisation**

Depreciation		
Land & buildings	2,771	-
Property, plant and equipment	55,796	73,762
<b>Total depreciation</b>	<u>58,567</u>	<u>73,762</u>

**Note 4G: Legal costs\***

Litigation	70,508	197,913
Other legal matters	-	-
<b>Total legal costs</b>	<u>70,508</u>	<u>197,913</u>

**Note 4H: Net losses from sale of assets**

Land and buildings	-	-
Plant and equipment	28,479	48,361
<b>Total net losses from asset sales</b>	<u>28,479</u>	<u>48,361</u>

**Note 4I: Other expenses**

Penalties - via RO Act or RO Regulations*	-	-
<b>Total other expenses</b>	<u>-</u>	<u>-</u>

**Note 5 Current Assets****Note 5A: Cash and Cash Equivalents**

Cash at bank	455,924	67,606
Cash on hand	1,523	361
Short term deposits	-	1,000,000
<b>Total cash and cash equivalents</b>	<u>457,447</u>	<u>1,067,967</u>

	2015 \$	2014 \$
<b>Note 5B: Trade and Other Receivables</b>		
<b>Receivables from other reporting unit[s]*</b>		
TCFUA VIC/QU/WA Branch -short term Loan	250,000	-
Transport Workers Union NSW Branch	-	30,030
<b>Total receivables from other reporting unit[s]</b>	<b>250,000</b>	<b>30,030</b>
<b>Less provision for doubtful debts*</b>		
<b>Total provision for doubtful debts</b>	<b>-</b>	<b>-</b>
<b>Receivable from other reporting unit[s] (net)</b>	<b>250,000</b>	<b>30,030</b>
<b>Other receivables:</b>		
GST receivable from the Australian Taxation Office	64,189	62,192
Other trade receivables	61,638	83,250
<b>Total other receivables</b>	<b>125,827</b>	<b>145,442</b>
<b>Total trade and other receivables (net)</b>	<b>375,827</b>	<b>175,472</b>

**Note 5C: Other Current Assets**

Shares investment – listed	20,615	19,736
Shares investment – unlisted	2,006	2,006
<b>Total other current assets</b>	<b>22,621</b>	<b>21,742</b>

**Note 6 Non-current Assets****Note 6A: Land and buildings**

Land and buildings:		
fair value	4,000,000	2,475,000
accumulated depreciation	-	-
<b>Total land and buildings</b>	<b>4,000,000</b>	<b>2,475,000</b>

**Reconciliation of the Opening and Closing Balances of Land and Buildings**

	2015 \$	2014 \$
<b>As at 1 January</b>		
Gross book value	2,475,000	2,475,000
Accumulated depreciation and impairment	-	-
<b>Net book value 1 January</b>	<b>2,475,000</b>	<b>-</b>
Additions:		

By purchase	-	-
Building Improvements(reclassification)	109,362	-
Revaluations	1,488,991	-
Impairments	-	-
Depreciation expense	(73,353)	-
Disposals:		
<b>Net book value 31December</b>	<b>4,000,000</b>	<b>2,475,000</b>
<b>Net book value as of 31December represented by:</b>		
Gross book value	4,000,000	2,475,000
Accumulated depreciation and impairment	-	-
<b>Net book value 31December</b>	<b>4,000,000</b>	<b>2,475,000</b>

The office building of the Branch in Sydney, New South Wales was revalued in December 2015 by an independent valuer appointed by TCFUA -NST.

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

	2015	2014
	\$	\$
At cost	2,475,000	2,475,000
Building Improvement	109,362	-
Revaluation	1,488,991	-
accumulated depreciation	(73,353)	-
<b>Total Land and Buildings</b>	<b>4,000,000</b>	<b>2,475,000</b>

The revaluation of the Land and Buildings consisting of the office building of the Branch in Sydney, New South Wales was conducted by an independent valuer. Building improvements relate to expenses incurred in the previous years, but reclassified this year. Management determined that these constitute one class of asset under AASB 13, based on the nature, characteristics and risks of the property.

	2015	2014
	\$	\$

#### Note 6B: Plant and equipment

Plant and equipment:

at cost	306,413	450,918
accumulated depreciation	(144,178)	(266,157)
<b>Total plant and equipment</b>	<b>162,235</b>	<b>184,761</b>

#### Reconciliation of the Opening and Closing Balances of Plant and Equipment

	2015	2014
As at 1 January		
Gross book value	450,918	546,452
Accumulated depreciation and impairment	(266,157)	(231,152)
<b>Net book value 1 January</b>	<b>184,761</b>	<b>315,300</b>

Additions:		
By purchase	176,893	489
Impairments	-	-
Depreciation expense	(58,567)	(73,762)
Other movement [reclassification]	(36,009)	-
Disposals:	(76,364)	(57,266)
Other	(28,479)	-
<b>Net book value 31December</b>	<b>162,235</b>	<b>184,761</b>
<b>Net book value as of 31 December represented by:</b>		
Gross book value	306,413	450,918
Accumulated depreciation and impairment	(144,178)	(266,157)
<b>Net book value 31December</b>	<b>162,235</b>	<b>184,761</b>

## Note 7 Current Liabilities

### Note 7A: Trade payables

Trade creditors and accruals	14,850	101,091
Operating lease rentals	-	-
<b>Subtotal trade creditors</b>	<b>14,850</b>	<b>101,091</b>

### Payables to other reporting unit[s]\*

Textile Clothing & Footwear Union of Australia – National Council	32,952	37,258
<b>Subtotal payables to other reporting unit[s]</b>	<b>32,952</b>	<b>37,258</b>

<b>Total trade payables</b>	<b>47,802</b>	<b>138,349</b>
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Settlement is usually made within 30 days.

### Note 7B: Other payables

Wages and salaries	-	-
Superannuation	-	16,988
Consideration to employers for payroll deductions*	-	-
Legal costs*	-	-
Prepayments received/unearned revenue	-	-
GST payable	42,863	34,393
PAYG Tax payable	25,443	-
Other	4,391	2,187
<b>Total other payables</b>	<b>72,697</b>	<b>53,568</b>

Total other payables are expected to be settled in:

No more than 12 months	72,697	53,568
More than 12 months	-	-
<b>Total other payables</b>	<b>72,697</b>	<b>53,568</b>

	2015 \$	2014 \$
<b>Note 8 Provisions</b>		
<b>Note 8A: Employee Provisions*</b>		
<b>Office Holders:</b>		
Annual leave	30,267	92,925
Long service leave	61,890	100,612
Separations and redundancies	-	-
Other	25,263	-
<b>Subtotal employee provisions—office holders</b>	<b>117,420</b>	<b>193,537</b>
<b>Employees other than office holders:</b>		
Annual leave	10,820	9,633
Long service leave	48,281	39,837
Separations and redundancies	-	-
Other	-	-
<b>Subtotal employee provisions—employees other than office holders</b>	<b>59,101</b>	<b>49,470</b>
<b>Total employee provisions</b>	<b>176,521</b>	<b>243,007</b>
Current	41,086	102,558
Non-Current	135,435	140,449
<b>Total employee provisions</b>	<b>176,521</b>	<b>243,007</b>

**Note 9 Equity****Note 9A: Asset Revaluation Reserve**

Asset Revaluation Reserve		
<b>Balance as at start of year</b>	<b>2,294,458</b>	<b>2,294,458</b>
Transferred to reserve	1,488,991	-
Transferred out of reserve	-	-
<b>Balance as at end of year</b>	<b>3,783,449</b>	<b>2,294,458</b>
<b>Total Reserves</b>	<b>3,783,449</b>	<b>2,294,458</b>

	2015	2014
	\$	\$

**Note 10 Cash Flow****Note 10A: Cash Flow Reconciliation****Cash and cash equivalents as per:**

Cash flow statement	457,441	1,067,967
Balance sheet	457,441	1,067,967
<b>Difference</b>	-	-

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

Profit/(deficit) for the year	(259,889)	(788,559)
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**Adjustments for non-cash items**

Depreciation/amortisation	58,567	73,762
Net write-down of non-financial assets	-	-
Gain on disposal of assets	28,479	48,361

**Changes in assets/liabilities**

(Increase)/decrease in net receivables	49,645	552,931
(Increase)/decrease in prepayments	-	-
Increase/(decrease) in supplier payables	(90,049)	57,756
Increase/(decrease) in other payables	19,129	(62,964)
Increase/(decrease) in employee provisions	(66,487)	(189,093)
<b>Net cash from (used by) operating activities</b>	<b>(260,605)</b>	<b>(307,806)</b>

**Note 10B: Cash flow information\*****Cash inflows**

Transport Workers Union – NSW Branch	6,752	66,496
<b>Total cash inflows</b>	<b>6,752</b>	<b>66,496</b>

**Cash outflows**

Textile Clothing & Footwear Union of Australia – National Council	(127,906)	(169,647)
Unions NSW	(8,326)	(11,432)
Unions Tasmania/SA	(765)	-
SA Labor Party	(538)	-
Australian Labor Party NSW	(7,965)	(10,798)
Workers Health Centre	(542)	-
<b>Total cash outflows</b>	<b>(146,042)</b>	<b>(191,877)</b>

**Note 11 Contingent Liabilities, Assets and Commitments**

<b>2015</b>	<b>2014</b>
<b>\$</b>	<b>\$</b>

**Note 11A: Commitments and Contingencies****Operating lease commitments—as lessee**

The Operating Lease pertains to the hire of photocopying machine from Konica Minolta Business Solutions Australia Pty Ltd and expires on 9<sup>th</sup> March 2019. The average remaining term on the lease is 3 years 2 months and 9 days.

Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:

Within one year	7,828	7,828
After one year but not more than five years	17,612	25,440
More than five years	-	-
	<b>25,440</b>	<b>33,268</b>

**Note 12 Related Party Disclosures****Note 12A: Related Party Transactions for the Reporting Period**

The short term loan of \$250,000.00 (see Note 5B) from TCFUA NSW/SA/TAS Branch to TCFUA VIC/QU/WA Branch is interest free, fully repayable within six months with part of the proceeds from the sale of TCFUA Vic office building at 359 Exhibition Street, Melbourne, Victoria.

**Note 12B: Key Management Personnel Remuneration for the Reporting Period****Short-term employee benefits**

Salary (including annual leave taken)	459,124	535,723
Annual leave accrued	38,804	40,436
Performance bonus	8,765	8,942
Car benefits	14,073	14,430
<b>Total short-term employee benefits</b>	<b>520,766</b>	<b>599,733</b>

**Post-employment benefits:**

Superannuation	110,471	193,935
<b>Total post-employment benefits</b>	<b>110,471</b>	<b>193,935</b>

**Other long-term benefits:**

Long-service leave	110,171	157,075
<b>Total other long-term benefits</b>	<b>110,171</b>	<b>157,075</b>

**Termination benefits**

	-	215,647
<b>Total</b>	<b>741,408</b>	<b>1,166,390</b>



These key management personnel receive the above remuneration as employees of the Branch.

**Note 12C: Transactions with key management personnel and their close family members**

There are no transactions with key management personnel and their close family members.

**Loans to/from key management personnel**

- -

**Other transactions with key management personnel**

- -

**Note 13 Remuneration of Auditors**

**Value of the services provided**

Financial statement audit services	24,074	27,400
Other services	2,000	4,000
<b>Total remuneration of auditors</b>	<b>26,074</b>	<b>31,400</b>

The auditor provides assistance in reconciliation of ledger accounts.

**Note 14 Financial Instruments**

The committee of management meets on a regular basis to analyse the financial risk exposure with respect to most recent economic conditions and forecasts and to minimise the potential adverse effects on the financial performance of the Branch. Risk management policies including credit risk, liquidity risk are reviewed regularly. Majority of the Branch's surplus fund is invested in term deposits in a bank with high credit rating. Term deposits held-to-maturity are re-invested upon maturity. The carrying amount of the financial assets is reviewed annually to identify any impairment of financial assets.

**Note 14 A: Categories of Financial Instruments**

	2015	2014
	\$	\$
<b>Financial Assets</b>		
Held-to-maturity investments:		
Term deposits	-	1,000,000
Cash on hand	1,523	361
Cash at bank	455,924	67,606
<b>Total</b>	<b>457,447</b>	<b>1,067,967</b>
Available-for-sale assets:		
List shares:	20,614	19,736
Unlisted shares: at cost	2,006	2,006
<b>Total</b>	<b>22,620</b>	<b>21,742</b>
Loans and receivables:		
Other receivable	125,827	145,442
Trade receivables	250,000	30,030
<b>Total</b>	<b>375,827</b>	<b>175,472</b>
<b>Carrying amount of financial assets</b>	<b>855,894</b>	<b>1,265,181</b>

**Financial Liabilities****Other financial liabilities:**

Capitation fees	32,952	37,258
Trade creditors	14,850	101,091
Other payables	72,696	53,568
<b>Total</b>	<b>120,498</b>	<b>191,917</b>

<b>Carrying amount of financial liabilities</b>	<b>120,498</b>	<b>191,917</b>
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**Note 14B: Net Income and Expense from Financial Assets****Held-to-maturity**

Interest revenue	9,903	33,465
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The net income/expense from financial assets not at fair value from profit and loss is \$9,903 (2014 \$33,465).

**Note 14C: Credit Risk****Credit quality of financial instruments not past due or individually determined as impaired**

	Not Past Due Nor Impaired 2015 \$	Past due or impaired 2015 \$	Not Past Due Nor Impaired 2014 \$	Past due impaired 2014
Term Deposit	-	-	1,000,000	-
Share Investments	22,620	-	21,742	-
Interest receivable	-	-	22,270	-
<b>Total</b>	<b>22,620</b>	<b>-</b>	<b>1,044,012</b>	<b>-</b>

**Ageing of financial assets that were past due but not impaired for 2015**

	0 to 30 days \$	31 to 60 days \$	61 to 90 days \$	90+ days \$	Total
Share Investments	22,620	-	-	-	22,620
Interest receivable	-	-	-	-	-
Term Deposit	-	-	-	-	-
<b>Total</b>	<b>22,620</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,620</b>

**Ageing of financial assets that were past due but not impaired for 2014**

	0 to 30 days \$	31 to 60 days \$	61 to 90 days \$	90+ days \$	Total
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Share Investments	21,742	-	-	-	21,742
Interest receivable	22,270	-	-	-	22,270
Term Deposit	1,000,000	-	-	-	1,000,000
<b>Total</b>	<b>1,044,012</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,044,012</b>

#### Note 14D: Liquidity Risk

There is no liquidity risk for non-derivative financial liabilities.

#### Contractual maturities for financial liabilities 2015

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade Creditors & Accruals	-	14,850	-	-	-	14,850
Payable to other reporting units	-	32,952	-	-	-	32,952
<b>Total</b>	<b>-</b>	<b>47,802</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,802</b>

#### Maturities for financial liabilities 2014

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade Creditors & Accruals	-	101,091	-	-	-	101,091
Payable to other reporting units	-	37,258	-	-	-	37,258
<b>Total</b>	<b>-</b>	<b>138,349</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>138,349</b>

## Note 15 Fair Value Measurement

### Note 15A: Financial Assets and Liabilities

Management of the reporting unit assessed that [cash, trade receivables, 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 31 December 2015 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 31 December 2015 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 reporting unit's financial assets and liabilities:

	Carrying amount 2015 \$	Fair value 2015 \$	Carrying amount 2014 \$	Fair value 2014 \$
<b>Financial Assets</b>				
Term Deposit	-	-	1,000,000	1,000,000
Share investments	22,620	22,620	21,742	21,742
Interest receivable	-	-	22,270	22,270
<b>Total</b>	<b>22,620</b>	<b>22,620</b>	<b>1,029,434</b>	<b>1,029,434</b>
<b>Financial Liabilities</b>				
[List each class – i.e. finance lease obligations, borrowings]	-	-	-	-
<b>Total</b>				
<b>Non-Financial Assets</b>				
Land and Building	400,000	4,000,000	2,475,000	2,475,000

**Note 15B: Fair Value Hierarchy****Fair value hierarchy –2015**

	<b>Date of valuation</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Assets measured at fair value</b>		<b>\$</b>	<b>\$</b>	<b>\$</b>
Land and Buildings	31-12-2015	4,000,000	-	-
<b>Total</b>				
<b>Liabilities measured at fair value</b>		-	-	-
<b>Total</b>				

**Fair value hierarchy – 2014**

	<b>Date of valuation</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Assets measured at fair value</b>		<b>\$</b>	<b>\$</b>	<b>\$</b>
Land and Buildings	21-11-2013	2,475,000	-	-
<b>Total</b>				
<b>Liabilities measured at fair value</b>		-	-	-
<b>Total</b>				

**Note 16 Administration of financial affairs by a third party**

The Branch does not engage an external party to administer its financial affairs.

**Note 17 Section 272 Fair Work (Registered Organisations) Act 2009**

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

Information to be provided to members or the General Manager:

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