



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

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22 August 2018

Mr Michael O'Connor  
National Secretary  
Construction, Forestry, Maritime, Mining and Energy Union

By e-mail: [moconnor@cfmeu.org](mailto:moconnor@cfmeu.org)

Dear Mr O'Connor

**Textile, Clothing and Footwear Union of Australia,  
Victorian Queensland Western Australian Branch  
Financial Report for the year ended 31 December 2017 - FR2017/337**

I acknowledge receipt of the financial report for the year ended 31 December 2017 for the Textile, Clothing and Footwear Union of Australia, Victorian Queensland Western Australian Branch (TCFUA-VIC). The financial report was lodged with the Registered Organisations Commission (ROC) on 29 June 2018.

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) 9603 0707 or by email at [ken.morgan@roc.gov.au](mailto:ken.morgan@roc.gov.au)

Yours faithfully

A handwritten signature in black ink, appearing to read 'K. Morgan'.

**KEN MORGAN**  
**Financial Reporting Advisor**  
**Registered Organisations Commission**

**Certificate of the prescribed designated officer for the period ended 31 December 2017  
- s.268 Fair Work (Registered Organisations) Act 2009**

I, Michael O'Connor, being the Divisional Secretary of the Construction, Forestry, Maritime, Mining and Energy Union – Manufacturing Division certify:

- that the documents lodged herewith are copies of the full report for the TCFUA VIC/QLD/WA Branch for the period ended 31 December 2017 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 5 March 2018; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 29 June 2018 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:

Name of prescribed designated officer:

**MICHAEL O'CONNOR**

Title of prescribed designated officer:

**DIVISIONAL SECRETARY, CONSTRUCTION FORESTRY MARITIME MINING & ENERGY UNION  
MANUFACTURING DIVISION**

Dated:

**29 JUNE 2018**

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA  
(VICTORIAN QUEENSLAND WESTERN AUSTRALIA  
BRANCH) AND CONTROLLED ENTITY**

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**ABN 45 839 589 441**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
31 DECEMBER 2017**

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA**  
**(VICTORIAN QUEENSLAND WESTERN AUSTRALIA BRANCH) AND CONTROLLED ENTITY**  
**ABN 45 839 589 441**

**OPERATING REPORT**

In accordance with Section 254 of the Fair Work (Registered Organisations) Act 2009 ("Act") the Committee of Management present their Operating Report on Textile Clothing Footwear Union of Australia (Victorian Queensland Western Australia Branch) ("the Union"), the relevant Reporting Unit for the financial year ended 31 December 2017.

**Principal Activities**

The principal activities of the Union during the financial year were to represent the industrial, professional and political interests of textile, clothing and footwear ("TCF") workers in the State of Victoria, Queensland and Western Australia.

**Operating Result**

The results of the principal activities of the Union during the financial year was to further the interests of TCF workers through improvements in wages and conditions, health and safety, legal rights and company compliance with Australian labour standards.

The total operating profit of the Union for the financial year was \$2,628,759 (parent) and a loss of \$474,325 (consolidated)(2016: \$277,426 loss parent and consolidated).

No provision for tax was necessary as the Union is exempt from income tax.

**Significant changes**

There were no significant changes in the principal activities or financial affairs of the Union during the financial year.

**Rights of Members to Resign**

Pursuant to the Reporting Unit Rule 21 and Section 174 of the Fair Work (Registered Organisations) Act 2009, members have the right to resign from membership by providing written notice addressed to and delivered to the Secretary of the Reporting Unit.

A notice of resignation from membership of the Union takes effect:

- (a) where the member ceases to be eligible to become a member of the Union
  - (i) on the day on which the notice is received by the Union
  - (ii) on the day specified in the notice which is a day not earlier than the day when the member ceases to be eligible to become a member;whichever is the later, or
- (b) in any other case:
  - (i) at the end of two weeks after the notice is received by the Union, or
  - (ii) on the day specified in the noticewhichever is the later.

**Superannuation Officeholders**

Michele O'Neil is an officer of the Union and also holds Alternate Directorship of Australian Super.

No other officer or member of the Union is:

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

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA  
(VICTORIAN QUEENSLAND WESTERN AUSTRALIA BRANCH) AND CONTROLLED ENTITY  
ABN 45 839 589 441**

**OPERATING REPORT continued**

**Other Prescribed Information**

In accordance with Regulation 159 of the Fair Work (Registered Organisations) Regulations 2009 ("Regulations"):

- (a) the number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for Section 230 of the Act and who are taken to be members of the Union under section 244 of the Act was 1,673 (2016: 1,827)
- (b) the number of persons who were, at the end of the financial year to which the report relates, employees of the Union, where the number of employees includes both full-time and part-time employees, measured on a full-time equivalent basis was 9.
- (c) the names of each person who have been a member of the Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position were:

**Name**

Elizabeth Macpherson  
Reginald Carmody  
Michele O'Neil  
Jenny Kruschel  
Warren Smith  
Katie Morgan  
Sharon Dillon  
Hunt Jan  
Nguyet Thi Nguyen

Branch President\*  
Branch Vice President\*  
Branch Secretary  
Branch Assistant Secretary  
Branch Trustee\*  
Branch Trustee\* (resigned 11 December 2017)  
Branch Committee Member – Victoria\*  
Branch Committee Member – Victoria\*  
Branch Committee Member – Victoria\* (resigned 11 December 2017 appointed Branch trustee 12 December 2017)  
Branch Committee Member – Queensland\*  
Branch Committee Member – Western Australia\*

Scott Martin  
Karyn Constable

\*honorary

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

**NOTE**


In 2017 the TCFUA, MUA and CFMEU made an application to approve the submission of the amalgamation of the TCFUA, MUA and CFMEU to ballot. The Australian Electoral Commission declared a successful ballot on the 28th November 2017. As at 23rd February 2018 the matter remained before the Fair Work Commission and the amalgamation date had not been declared.

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

For Committee of Management: Michele O'Neil  
Title of Office held: Branch Secretary

Signature:

Dated:

  
23 / 2 / 18

Melbourne

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA  
(VICTORIAN QUEENSLAND WESTERN AUSTRALIA BRANCH) AND CONTROLLED ENTITY  
ABN 45 839 589 441**

**COMMITTEE OF MANAGEMENT STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

On the 23 February 2018 the Committee of Management of the Textile Clothing & Footwear Union of Australia (Victorian Queensland Western Australia Branch) and controlled entity ("Union/Reporting Unit") passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 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 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) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

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

Signature of designated officer: 

Name and title of designated officer: Michele O'Neil Branch Secretary

Dated: 23 / 2 / 18

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA  
(VICTORIAN QUEENSLAND WESTERN AUSTRALIA BRANCH) AND CONTROLLED ENTITY**

ABN 45 839 589 441

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	Consolidated		Parent	
		2017	2016	2017	2016
		\$	\$	\$	\$
<b>Revenue</b>					
Membership subscription		646,835	634,563	646,835	634,563
Capitation fees	3A	-	-	-	-
Levies	3B	-	-	-	-
Interest	3C	41,044	205	65	64
Rental revenue	3D	20,000	40,000	-	-
Legal settlements		-	-	-	-
Other revenue		96,699	677,446	85,040	62,229
<b>Total revenue</b>		<b>804,578</b>	<b>1,352,214</b>	<b>731,940</b>	<b>696,856</b>
<b>Other Income</b>					
Grants and/or donations	3E	181,818	155,992	181,818	155,992
Share of net profit from associate	6E	-	-	-	-
Net gains from sale of assets	3F	6,786	-	6,786	-
Distribution From Trust		-	-	3,620,862	416,251
<b>Total other income</b>		<b>188,604</b>	<b>155,992</b>	<b>3,809,466</b>	<b>572,243</b>
<b>Total income</b>		<b>993,182</b>	<b>1,508,206</b>	<b>4,541,406</b>	<b>1,269,099</b>
<b>Expenses</b>					
Employee expenses	4A	(989,719)	(1,007,761)	(989,719)	(1,007,761)
Capitation fees	4B	(96,466)	(87,519)	(96,466)	(87,519)
Affiliation fees	4C	(47,594)	(110,957)	(47,594)	(110,957)
Administration expenses	4D	(89,090)	(122,246)	(89,090)	(121,070)
Grants or donations	4E	(300)	(950)	(300)	(950)
Depreciation and amortisation	4F	(21,905)	(24,641)	(10,048)	(11,532)
Finance costs	4G	-	(34,315)	-	(34,315)
Legal costs	4H	(14,684)	(80,929)	(3,522)	(23,470)
Audit fees	14	(37,640)	(27,750)	(37,640)	(23,150)
Share of net loss from associate	6E	-	-	-	-
Write-down and impairment of assets	4I	-	-	(500,968)	-
Net losses from sale of assets	4J	-	(44,118)	-	(39,258)
Occupancy expense		(139,480)	(64,541)	(120,647)	-
Other expenses	4K	(31,239)	(179,905)	(16,653)	(86,933)
<b>Total expenses</b>		<b>(1,468,117)</b>	<b>(1,785,632)</b>	<b>(1,912,647)</b>	<b>(1,546,915)</b>
<b>Profit (loss) for the year</b>		<b>(474,325)</b>	<b>(277,426)</b>	<b>2,628,759</b>	<b>(277,816)</b>
<b>Other comprehensive income</b>					
Items that will not be subsequently reclassified to profit or loss		-	-	-	-
(Loss)/Gain on revaluation of land & buildings		-	(1,159,920)	-	-
<b>Total comprehensive income for the year</b>		<b>(474,325)</b>	<b>(1,437,736)</b>	<b>2,628,759</b>	<b>(277,816)</b>

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

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA**  
**(VICTORIAN QUEENSLAND WESTERN AUSTRALIA BRANCH) AND CONTROLLED ENTITY**  
**ABN 45 839 589 441**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2017**

	Notes	Consolidated		Parent	
		2017	2016	2017	2016
		\$	\$	\$	\$
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents	5A	2,922,313	1,024,693	262,097	433,316
Trade and other receivables	5B	221,599	56,092	2,881,815	1,952,183
Other current assets	5C	38,030	38,157	38,030	38,157
Land and buildings	5D	-	3,886,366	-	-
<b>Total current assets</b>		<b>3,181,942</b>	<b>5,005,308</b>	<b>3,181,942</b>	<b>2,423,656</b>
<b>Non-Current Assets</b>					
Land and buildings	6A	-	-	-	-
Plant and equipment	6B	199,268	41,232	199,268	29,375
Investment Property	6C	-	-	-	-
Intangibles	6D	-	-	-	-
Investments in associates	6E	-	-	-	-
Other investments	6F	-	-	-	-
Other non-current assets	6G	1,369	1,369	1,369	502,457
<b>Total non-current assets</b>		<b>200,637</b>	<b>42,601</b>	<b>200,637</b>	<b>531,832</b>
<b>Total assets</b>		<b>3,382,579</b>	<b>5,047,909</b>	<b>3,382,579</b>	<b>2,955,488</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Trade payables	7A	137,794	196,862	137,794	401,702
Other payables	7B	-	1,200,000	-	1,200,000
Employee provisions	8A	834,130	766,675	834,130	766,675
<b>Total current liabilities</b>		<b>971,924</b>	<b>2,163,537</b>	<b>971,924</b>	<b>2,368,377</b>
<b>Non-Current Liabilities</b>					
Trade payables		-	-	-	-
Employee provisions	8A	-	-	-	-
Other non-current liabilities	9A	-	-	-	805,216
<b>Total non-current liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>805,216</b>
<b>Total liabilities</b>		<b>971,924</b>	<b>2,163,537</b>	<b>971,924</b>	<b>3,173,593</b>
<b>Net assets</b>		<b>2,410,655</b>	<b>2,884,372</b>	<b>2,410,655</b>	<b>(218,104)</b>



**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA  
(VICTORIAN QUEENSLAND WESTERN AUSTRALIA BRANCH) AND CONTROLLED ENTITY  
ABN 45 839 589 441**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2017 continued**

	Notes	Consolidated		Parent	
		2017	2016	2017	2016
		\$	\$	\$	\$
<b>EQUITY</b>					
Asset Revaluation Reserve		-	3,603,443	-	-
General funds	10A	-	-	-	-
Retained earnings (accumulated deficit)		<u>2,410,655</u>	<u>(719,071)</u>	<u>2,410,655</u>	<u>(218,104)</u>
<b>Total equity</b>		<u>2,410,655</u>	<u>2,884,372</u>	<u>2,410,655</u>	<u>(218,104)</u>

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

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA  
(VICTORIAN QUEENSLAND WESTERN AUSTRALIA BRANCH) AND CONTROLLED ENTITY  
ABN 45 839 589 441**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2017**

<b>Consolidated</b>		<b>Asset Realisation Reserve</b>	<b>Asset Revaluation Reserve</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>Notes</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance as at 1 January 2016</b>		1,362,321	3,401,042	(441,645)	4,321,718
Revaluation of land and buildings		-	(1,159,920)	-	(1,159,920)
Adjustment for errors		-	-	-	-
Adjustment for changes in accounting policies		-	-	-	-
Profit /(loss) for the year		-	-	(277,426)	(277,426)
Other comprehensive income for the year		-	-	-	-
Transfer to/from	10A	-	-	-	-
Transfer from retained earnings		-	-	-	-
<b>Closing balance as at 31 December 2016</b>		1,362,321	2,241,122	(719,071)	2,884,372
Revaluation of land and buildings		-	-	-	-
Adjustment for errors		-	-	-	-
Adjustment for changes in accounting policies		-	-	-	-
Profit /(loss) for the year		-	-	(474,325)	(474,325)
Other comprehensive income for the year		-	-	-	-
Transfer to/from Reserves	10A	-	-	-	-
Transfer from retained earnings		(1,362,321)	(2,241,122)	3,603,443	-
<b>Closing balance as at 31 December 2017</b>		-	-	2,410,655	2,410,655

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

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA  
(VICTORIAN QUEENSLAND WESTERN AUSTRALIA BRANCH) AND CONTROLLED ENTITY  
ABN 45 839 589 441**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2017 continued**

Parent		Asset Realisation Reserve	Asset Revaluation Reserve	Retained earnings	Total equity
	Notes	\$	\$	\$	\$
<b>Balance as at 1 January 2016</b>		-	-	59,710	59,710
Adjustment for errors		-	-	-	-
Adjustment for changes in accounting policies		-	-	-	-
Profit/(loss) for the year		-	-	(277,816)	(277,816)
Other comprehensive income for the year		-	-	-	-
Transfer to/from	10A	-	-	-	-
Transfer from retained earnings		-	-	-	-
<b>Closing balance as at 31 December 2016</b>		-	-	(218,104)	(218,104)
Adjustment for errors		-	-	-	-
Adjustment for changes in accounting policies		-	-	-	-
Profit/(loss) for the year		-	-	2,628,759	2,628,759
Other comprehensive income for the year		-	-	-	-
Transfer to/from	10A	-	-	-	-
Transfer from retained earnings		-	-	-	-
<b>Closing balance as at 31 December 2017</b>		-	-	2,410,655	2,410,655

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

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA**  
**(VICTORIAN QUEENSLAND WESTERN AUSTRALIA BRANCH) AND CONTROLLED ENTITY**  
**ABN 45 839 589 441**

**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	Consolidated		Parent	
		2017	2016	2017	2016
		\$	\$	\$	\$
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Receipts from other reporting units/controlled entity(s)	11B	58,650	191,137	58,650	159,143
Grant and other income		34,620	759,464	34,620	91,062
Membership contributions		715,954	634,563	715,954	701,511
		41,044			
Interest			205	65	64
Other		65,445	-	32,566	-
		915,713	1,585,369	841,855	951,780
<b>Cash used</b>					
Suppliers and employees		(1,333,121)	(1,553,007)	(1,280,283)	(1,333,652)
Payment to other reporting units/controlled entity(s)	11B	(168,673)	(98,939)	(168,673)	(113,282)
<b>Net cash from (used by) operating activities</b>	11A	<b>(586,082)</b>	<b>(66,577)</b>	<b>(607,101)</b>	<b>(495,154)</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sale of plant and equipment		-	-	-	-
Proceeds from sale of land and buildings		3,886,366	-	-	-
Other		-	-	-	-
<b>Cash used</b>					
Purchase of plant and equipment		(202,664)	(3,110)	(203,116)	(3,110)
Purchase of land and buildings		-	-	-	-
Other		-	-	-	-
<b>Net cash from (used by) investing activities</b>		<b>3,683,702</b>	<b>(3,110)</b>	<b>(203,116)</b>	<b>(3,110)</b>

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

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA  
(VICTORIAN QUEENSLAND WESTERN AUSTRALIA BRANCH) AND CONTROLLED ENTITY  
ABN 45 839 589 441**

**STATEMENT OF CASH FLOW  
FOR THE PERIOD ENDED 31 DECEMBER 2017 continued**

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>FINANCING ACTIVITIES</b>				
<b>Cash received</b>				
Loan from Apparel Trades Unit Trust	-	-	1,838,998	-
Loan from TCFUA NSW/SA/TAS Branch	-	-	-	-
Loan from ME Bank	-	1,200,000	-	1,200,000
Contributed equity	-	-	-	-
Other	-	-	-	-
<b>Cash used</b>				
Repayment of borrowings	(1,200,000)	(250,000)	(1,200,000)	(408,238)
Other	-	-	-	-
<b>Net cash from (used by) financing activities</b>	<b>(1,200,000)</b>	<b>950,000</b>	<b>638,998</b>	<b>791,762</b>
<b>Net increase (decrease) in cash held</b>	<b>1,897,620</b>	<b>880,313</b>	<b>(171,219)</b>	<b>293,498</b>
Cash & cash equivalents at the beginning of the reporting period	72,537	144,380	433,316	139,818
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	<b>2,922,313</b>	<b>1,024,693</b>	<b>262,097</b>	<b>433,316</b>

5A

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

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA  
(VICTORIAN QUEENSLAND WESTERN AUSTRALIA BRANCH) AND CONTROLLED ENTITY  
ABN 45 839 589 441**

**CONSOLIDATED RECOVERY OF WAGES ACTIVITY  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>Cash assets in respect of recovered money at beginning of year</b>	-	-	-	-
<b>Receipts</b>				
Amounts recovered from employers in respect of wages etc.	-	-	-	-
Interest received on recovered money	-	-	-	-
<b>Total receipts</b>	-	-	-	-
<b>Payments</b>				
Deductions of amounts due in respect of membership for:				
12 months or less	-	-	-	-
Greater than 12 months	-	-	-	-
Deductions of donations or other contributions to accounts or funds of:				
The reporting unit:				
name of account	-	-	-	-
name of fund	-	-	-	-
Name of other reporting unit of the organisation:				
name of account	-	-	-	-
name of fund	-	-	-	-
Name of other entity:				
name of account	-	-	-	-
name of fund	-	-	-	-
Deductions of fees or reimbursement of expenses	-	-	-	-
Payments to workers in respect of recovered money	-	-	-	-
<b>Total payments</b>	-	-	-	-
<b>Cash asset's in respect of recovered money at end of year</b>	-	-	-	-
Number of workers to which the monies recovered relates	-	-	-	-
<b>Aggregate payables to workers attributable to recovered monies but not yet distributed</b>				
Payable balance	-	-	-	-
Number of workers the payable relates to	-	-	-	-
<b>Fund or account operated for recovery of wages</b>	-	-	-	-

No revenue has been derived from undertaking recovery of wages activity during the reporting period

The above statement should be read in conjunction with the notes

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA  
(VICTORIAN QUEENSLAND WESTERN AUSTRALIA BRANCH) AND CONTROLLED ENTITY  
ABN 45 839 589 441**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

Note 1	Summary of significant accounting policies
Note 2	Events after the reporting period
Note 3	Income
Note 4	Expenses
Note 5	Current assets
Note 6	Non-current assets
Note 7	Current liabilities
Note 8	Provisions
Note 9	Non-current liabilities
Note 10	Equity
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Note 12	Contingent liabilities, assets and commitments
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**NOTES TO THE FINANCIAL STATEMENTS  
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**Note 1 Summary of significant accounting policies**

**1.1 Basis of preparation of the financial statements**

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

No 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.

**1.4 New Australian Accounting Standards**

**Adoption of New Australian Accounting Standard requirements**

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 2014-1 Amendments to Australian Accounting Standards.**

Effective 31 December 2016

The amendments clarify that if the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction in the service cost in the period in which the related service is rendered, instead of attributing the contributions to the periods of service. In contrast, if the amount of the contributions is dependent on the number of years of service, an entity is required to attribute those contributions to periods of service using the same attribution method required by paragraph 70 of AASB 119 for the gross benefit.

There is no impact as the entity does not have a defined benefit plan.

AASB 2014 -1 makes amendments to particular Australian Accounting Standards to delete their references to AASB 1031 Materiality as each standard is amended for another purpose.

There are no changes to the reported financial position, performance or cash flows of the entity.



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**1.4 New Australian Accounting Standards continued**

**Adoption of New Australian Accounting Standard requirements**

**AASB 2014-1 Amendments to Australian Accounting Standards (2010 – 2012 cycle).**  
Effective 31 December 2016

The following standards and changes are made under AASB 2014-1:

AASB 3 Business Combinations – clarification that contingent consideration that is classified as an asset or a liability shall be measured at fair value at each reporting date.

AASB 8 Operating Segments – amendments to disclosures

AASB 3 Business Combinations – references to contingent consideration

AASB 13 Fair value measurement – minor clarification re: measurement of short-term receivables and payables

AASB 116 Property, plant and equipment – clarifies that when an item of property, plant and equipment is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount.

AASB 124 Related Party Disclosures – clarifies that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a related party of the reporting entity.

There are no changes to reported financial position or performance arising from the adoption of part A of AASB 2014-1.

**AASB 2014-1 Amendments to Australian Accounting Standards (2011 – 2013 cycle).**

31 December 2016

The following standards and changes are made under AASB 2014-1:

AASB 1 First-time Adoption of Australian Accounting Standards – clarification in the basis of conclusion

AASB 3 Business Combinations - Clarifies that AASB 3 excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself.

AASB 13 Fair Value Measurement - Clarifies that the scope of the portfolio exception defined in paragraph 52 of AASB 13 includes all contracts accounted for within the scope of AASB 139 Financial Instruments: Recognition and Measurement or AASB 9 Financial Instruments, regardless of whether they meet the definition of financial assets or financial liabilities as defined in AASB 132 Financial Instruments: Presentation.

There are no changes to reported financial position or performance arising from the adoption of part A of AASB 2014-1.

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**1.4 New Australian Accounting Standards continued**

**Adoption of New Australian Accounting Standard requirements**

**Equity method in separate financial statements (Amendments to IAS 27)**

31 December 2016

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This standard will allow entities to use the equity method to account for its interest in subsidiaries, joint venture and associates in separate financial statements.

There is no impact as the entity does not prepare separate financial statements.

**Future Australian Accounting Standards Requirements**

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on reporting unit include:

**IFRS 15 Revenue from contracts with customers.**

Effective 31 December 2018

IFRS 15 introduces a five step process for revenue recognition with the core principle of the new Standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.

IFRS 15 will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.

Impacts on the reported financial position and performance have not yet been determined.

**IFRS 9 Financial Instruments**

31 December 2018

Significant revisions to the classification and measurement of financial assets, reducing the number of categories and simplifying the measurement choices, including the removal of impairment testing of assets measured at fair value. The amortised cost model is available for debt assets meeting both business model and cash flow characteristics tests. All investments in equity instruments using IFRS 9 are to be measured at fair value.

Amends measurement rules for financial liabilities that the entity elects to measure at fair value through profit and loss. Changes in fair value attributable to changes in the entity's own credit risk are presented in other comprehensive income.

**NOTES TO THE FINANCIAL STATEMENTS  
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**1.4 New Australian Accounting Standards continued**

**Future Australian Accounting Standards Requirements**

Impairment of assets is now based on expected losses in IFRS 9 which requires entities to measure:

- the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

**1.5 Basis of consolidation**

The consolidated financial statements comprise the financial statements of the reporting unit and entities (including special purpose entities) controlled by the reporting unit. Control is achieved where the reporting unit is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the reporting unit.

Specifically, the reporting unit controls an investee if and only if the reporting unit has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

When the reporting unit has less than a majority of the voting or similar rights of an investee, the reporting unit considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- Relevant activities of the investee and who has control over them
- Existing or future administrative or statutory arrangements that may give rise to rights/control (or change the previous control assessment)
- Whether rights are substantive or protective in nature and whether rights presently exercisable or will be exercisable when decisions about relevant activities are being made
- Exposure or rights to financial and non-financial returns (direct or indirect) and the ability to influence those returns
- Whether the investor is exercising its decision-making abilities as a principal or agent
- Rights arising from other contractual arrangements

The reporting unit re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the reporting unit obtains control over the subsidiary and ceases when the reporting unit loses control of the subsidiary.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the reporting unit gains control until the date the reporting unit ceases to control the subsidiary.

Income and expense of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the reporting unit and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the reporting unit.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

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**1.5 Basis of consolidation continued**

Changes in the reporting unit ownership interests in subsidiaries that do not result in the reporting unit losing control are accounted for as equity transactions. The carrying amounts of the reporting unit interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the reporting unit.

When the reporting unit loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the reporting unit had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under AASB 139 'Financial Instruments: Recognition and Measurement' or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Financial Statements were prepared as at 7 December 2017 for the controlled entity Apparel Trades of Australia Unit Trust ahead of its deregistration and winding up.

**1.6 Investment in associates and joint arrangements**

An associate is an entity over which the reporting unit has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

A joint operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the individual assets and obligations for the liabilities of the joint operation.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with AASB 5 'Non-current Asset Held for Sale and Discontinued Operations'. Under the equity method, an investment in an associate is initially recognised in the statement of financial position at cost and adjusted thereafter to recognise the share of the profit or loss and other comprehensive income of the associate. When the share of losses of an associate exceeds the interest in that associate, the reporting unit discontinues recognising its share of further losses. Additional losses are recognised only to the extent that it has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

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

The net book value of assets and or liabilities transferred to [reporting unit] 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 [reporting unit]/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.

**1.8 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.

**1.9 Government grants**

Government grants are not recognised until there is reasonable assurance that the reporting unit 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 reporting unit recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the reporting unit should purchase, construct otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the reporting unit with no future related costs are recognised in profit or loss in the period in which they become receivable.

**1.10 Gains**

**Sale of assets**

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

**1.11 Capitation fees and levies**

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

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**1.12 Employee benefits**

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

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

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

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

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.

**1.13 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.

**1.14 Borrowing costs**

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

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**1.15 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.

**1.16 Financial instruments**

Financial assets and financial liabilities are recognised when a [reporting unit] entity becomes a party to the contractual provisions of the instrument.

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

**1.17 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.

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**1.17 Financial assets (continued)**

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.

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**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.

**Available-for-sale continued**

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.

**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.



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**1.17 Financial assets (continued)**

**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.

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**1.18 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.

**Fair value through profit or loss continued**

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.

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**1.19 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.

**1.20 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.

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:

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Buildings	2.5%
Buildings Improvements	2.5%
Furniture and Fittings	7.5 - 40%
Motor Vehicles	22.5%

**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.

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**1.21 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.

**1.22 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.

**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.

**1.23 Impairment for non-financial assets**

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

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to 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 reporting unit were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

**1.24 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.

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**1.25 Taxation**

Reporting unit 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.

**1.26 Fair value measurement**

The reporting unit measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 16A.

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 reporting unit. 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.

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**1.26 Fair value measurement continued**

The reporting unit 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 [reporting unit] determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

**1.27 Going concern**

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

**Note 2 Events after the reporting period**

There have been no events that have occurred since the reporting date.

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	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Note 3 Income</b>				
<b>Note 3A: Capitation fees</b>				
	-	-	-	-
<b>Total capitation fees</b>	-	-	-	-
<b>Note 3B: Levies</b>				
	-	-	-	-
<b>Total levies</b>	-	-	-	-
<b>Note 3C: Interest</b>				
Deposits	41,044	205	65	64
Loans	-	-	-	-
<b>Total interest</b>	41,044	205	65	64
<b>Note 3D: Rental revenue</b>				
Properties	20,000	40,000	-	-
Other	-	-	-	-
<b>Total rental revenue</b>	20,000	40,000	-	-
<b>Note 3E: Grants or donations</b>				
Grants	181,818	155,992	181,818	155,992
Donations	-	-	-	-
<b>Total grants or donations</b>	181,818	155,992	181,818	155,992
<b>Note 3F: Net gains from sale of assets</b>				
Land and buildings	-	-	-	-
Plant and equipment	6,786	-	6,786	-
Intangibles	-	-	-	-
<b>Total net gain from sale of assets</b>	6,786	-	6,786	-

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	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Note 4 Expenses</b>				
<b>Note 4A: Employee expenses</b>				
<b>Employee expenses</b>				
Salaries and allowances				
- elected officials	207,236	198,652	207,236	198,652
- employees	522,006	516,009	522,006	516,009
Superannuation contributions				
- elected officials	38,720	37,361	38,720	37,361
- employees	94,968	92,800	94,968	92,800
Provision for annual leave				
- elected officials	31,096	12,250	31,096	12,250
- employees	23,850	3,809	23,850	3,809
Provision for long service leave				
- elected officials	16,730	11,450	16,730	11,450
- employees	10,500	28,227	10,500	28,227
Provision for sick leave				
- elected officials	(9,745)	1,791	(9,745)	1,791
- employees	-	-	-	-
Provision for RDO				
- elected officials	(5,450)	(46)	(5,450)	(46)
- employees	475	1,877	475	1,877
Separation and redundancies				
- elected officials	-	-	-	-
- employees	23,432	71,146	23,432	71,146
Other				
- Fringe benefit tax	4,433	813	4,433	813
- Payroll tax	14,408	17,186	14,408	17,186
- Workcover levy	17,061	14,436	17,061	14,436
<b>Total employee expenses</b>	<b>989,719</b>	<b>1,007,761</b>	<b>989,719</b>	<b>1,007,761</b>

**Note 4B: Capitation fees**

TCFUA National Office	96,466	87,519	96,466	87,519
<b>Total capitation fees</b>	<b>96,466</b>	<b>87,519</b>	<b>96,466</b>	<b>87,519</b>



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**Note 4C: Affiliation fees**

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Affiliation fees:				
Australian Labor party	<b>9,549</b>	9,498	<b>9,549</b>	9,498
Trades and Labor councils:				
Ballarat	<b>435</b>	450	<b>435</b>	450
Bendigo	<b>880</b>	858	<b>880</b>	858
Geelong	<b>4,434</b>	4,426	<b>4,434</b>	4,426
Gippsland	-	180	-	180
Goulburn Valley	-	-	-	-
North East and Border	<b>270</b>	873	<b>270</b>	873
Queensland Council Unions	<b>5,235</b>	4,821	<b>5,235</b>	4,821
South West	-	-	-	-
Victorian Trades Hall	<b>26,791</b>	15,161	<b>26,791</b>	15,161
Compulsory levies:	-	-	-	-
Mortality fund levy*	-	1,910	-	1,910
Victorian Trades Hall Council levies**	-	1,871	-	1,871
ACTU levy***	-	-	-	-
TCFUA National Office special levy****	-	70,909	-	70,909
<b>Total affiliation fees/subscriptions</b>	<b>47,594</b>	<b>110,957</b>	<b>47,594</b>	<b>110,957</b>

\* Mortality fund Levy relates to TCFUA national levy for contribution to Mortality fund to assist members/next of kin.

\*\* Victoria Trades Hall Council Levy relates to Campaigns, Women workers and the Young Unionist Network.

\*\*\* ACTU Levy relates to Industrial Relations Campaign.

\*\*\*\* TCFUA National levy relates to a contribution for monetary assistance for legal matters undertaken by the national office.

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	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Note 4D: Administration expenses</b>				
<b>Included in administration expense</b>				
Advertising	-	411	-	288
Bank fees	13,886	13,659	13,886	3,691
Grants – program expenses	-	-	-	-
Accounting fees	32,900	6,800	32,900	-
Consideration to employers for payroll deductions	3,462	2,422	3,462	3,950
Fees/allowances - meeting and conferences	-	-	-	-
Conference and meeting expenses	-	-	-	-
Contractors/consultants	-	-	-	-
Commissions	-	6,080	-	4,760
Property expenses	-	-	-	-
Insurance	(3,399)	15,333	(3,399)	10,403
Office expenses	2,987	29,665	2,987	29,415
Information communications technology	26,482	47,876	26,482	47,338
Other	12,772	-	12,772	-
<b>Subtotal administration expense</b>	<b>89,090</b>	<b>122,246</b>	<b>89,090</b>	<b>121,070</b>
Operating lease rentals:				
Minimum lease payments	-	-	-	-
<b>Total administration expenses</b>	<b>89,090</b>	<b>122,246</b>	<b>89,090</b>	<b>121,070</b>

**Note 4E: Grants or donations\***

Grants:

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

Donations:

Total paid that were \$1,000 or less	300	950	300	950
Total paid that exceeded \$1,000	-	-	-	-

<b>Total grants or donations</b>	<b>300</b>	<b>950</b>	<b>300</b>	<b>950</b>
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	2017	2016	2017	2016
	\$	\$	\$	\$
<b>Note 4F: Depreciation and amortisation</b>				
Depreciation				
Land & buildings	-	10,899	-	-
Property, plant and equipment	<b>21,905</b>	13,742	<b>10,048</b>	11,532
<b>Total depreciation</b>	<b>21,905</b>	24,641	<b>10,048</b>	11,532
Amortisation				
Intangibles	-	-	-	-
<b>Total amortisation</b>	-	-	-	-
<b>Total depreciation and amortisation</b>	<b>21,905</b>	24,641	<b>10,048</b>	11,532

**Note 4G: Finance costs**

Finance leases	-	-	-	-
Overdrafts/loans	-	34,315	-	34,315
Unwinding of discount	-	-	-	-
<b>Total finance costs</b>	-	34,315	-	34,315

**Note 4H: Legal costs\***

Litigation	-	-	-	-
Other legal matters	<b>14,684</b>	80,929	<b>3,522</b>	23,470
<b>Total legal costs</b>	<b>14,684</b>	80,929	<b>3,522</b>	23,470

**Note 4I: Write-down and impairment of assets**

Asset write-downs and impairments of:

Land and buildings	-	-	<b>500,968</b>	-
Plant and equipment	-	-	-	-
Intangible assets	-	-	-	-
Other	-	-	-	-
<b>Total write-down and impairment of assets</b>	-	-	<b>500,968</b>	-

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	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>Note 4J: Net losses from sale of assets</b>				
Land and buildings	-	-	-	-
Plant and equipment	-	44,118	-	39,258
Intangibles	-	-	-	-
<b>Total net losses from asset sales</b>	<b>-</b>	<b>44,118</b>	<b>-</b>	<b>39,258</b>

**Note 4K: Other expenses**

Penalties - via RO Act or RO Regulations	-	-	-	-
Loss of wages	-	-	-	-
Bad debts	-	-	-	-
Campaign expenses	-	-	-	-
Other expenses	31,239	179,905	16,653	86,933
<b>Total other expenses</b>	<b>31,239</b>	<b>179,905</b>	<b>16,653</b>	<b>86,933</b>

**Note 5 Current Assets**

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

Cash at bank	-	-	-	-
Cash on hand	2,922,313	1,024,693	262,097	433,316
Cash on deposits	-	-	-	-
<b>Total cash and cash equivalents</b>	<b>2,922,313</b>	<b>1,024,693</b>	<b>262,097</b>	<b>433,316</b>

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	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>Note 5B: Trade and other receivables</b>				
<b>Receivables from other reporting unit[s]</b>				
Trade Debtors	-	2,732	-	2,732
Sundry Debtors	27,490	20,255	27,490	20,255
Accrued Grant income	-	-	-	-
Apparel Trades of Australia Unit Trust	-	-	2,660,216	1,479,840
Trust Distribution Receivable (Apparel Trades of Australia Unit Trust)	-	-	-	416,251
Owing from TCFUA National Office	188,166	33,105	188,166	33,105
Accrued Income	5,943	-	5,943	-
<b>Total receivables from other reporting unit[s]</b>	<b>221,599</b>	<b>56,092</b>	<b>2,881,815</b>	<b>1,952,183</b>
<b>Less provision for doubtful debts</b>				
Provision for doubtful debts	-	-	-	-
<b>Total provision for doubtful debts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Receivable from other reporting unit[s] (net)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other receivables:</b>				
GST receivable from the Australian Taxation Office	-	-	-	-
Other trade receivables	-	-	-	-
<b>Total other receivables</b>	<b>221,599</b>	<b>56,092</b>	<b>221,599</b>	<b>772,343</b>
<b>Total trade and other receivables (net)</b>	<b>221,599</b>	<b>56,092</b>	<b>221,599</b>	<b>772,343</b>
<b>Note 5C: Other current assets</b>				
Prepayments	38,030	38,157	38,030	38,157
<b>Total other current assets</b>	<b>38,030</b>	<b>38,157</b>	<b>38,030</b>	<b>38,157</b>

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	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Note 5D: Land and buildings</b>				
Land and buildings:				
Fair value (as per sales price 2017)	-	4,500,000	-	-
Less Deposit Received on Sale	-	(613,634)	-	-
<b>Total land and buildings</b>	<b>-</b>	<b>3,886,366</b>	<b>-</b>	<b>-</b>

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

<b>As at 1 January</b>				
Gross book value	3,886,366	5,100,000	-	-
Accumulated depreciation and impairment	-	(42,815)	-	-
<b>Net book value 1 January</b>	<b>3,886,366</b>	<b>5,057,185</b>	<b>-</b>	<b>-</b>
Additions:				
By purchase	-	-	-	-
From acquisition of entities (including restructuring)	-	-	-	-
Revaluations	-	(1,159,920)	-	-
Impairments	-	-	-	-
Depreciation expense	-	10,899	-	-
Other movement	-	-	-	-
Disposals:	(3,886,366)			
From disposal of entities (including restructuring)	-	-	-	-
Other	-	-	-	-
<b>Net book value 31-December</b>	<b>-</b>	<b>3,886,366</b>	<b>-</b>	<b>-</b>
<b>Net book value as of 31 December represented by:</b>				
Gross book value	-	3,886,366	-	-
Accumulated depreciation and impairment	-	-	-	-
<b>Net book value 31 December</b>	<b>-</b>	<b>3,886,366</b>	<b>-</b>	<b>-</b>

The revalued land and buildings consist of premises and land occupied at 359 Exhibition Street Melbourne. Management determined that these constitute one class of asset under AASB 13, based on the nature, characteristics and risks of the property

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**Note 6 Non-current Assets**

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Note 6A: Land and buildings</b>				
Land and buildings:				
Fair value (as per valuation 2017)	-	-	-	-
accumulated depreciation	-	-	-	-
<b>Total land and buildings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

<b>As at 1 January</b>				
Gross book value	3,886,366	-	-	-
Accumulated depreciation and impairment	-	-	-	-
<b>Net book value 1 January</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Additions:				
By purchase	-	-	-	-
From acquisition of entities (including restructuring)	-	-	-	-
Revaluations	-	-	-	-
Impairments	-	-	-	-
Depreciation expense	-	-	-	-
Other movement [give details below]	-	-	-	-
Disposals:				
From disposal of entities (including restructuring)	-	-	-	-
Other	(3,886,366)	-	-	-
<b>Net book value 31 December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net book value as of 31 December represented by:</b>				
Gross book value	-	-	-	-
Accumulated depreciation and impairment	-	-	-	-
<b>Net book value 31 December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The revalued land and buildings consist of premises and land occupied at 359 Exhibition Street Melbourne. Management determined that these constitute one class of asset under AASB 13, based on the nature, characteristics and risks of the property.

Sale of the premises and land during the year had changed the valuation of the property to its agreed selling price as per Note 5D.

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	<b>Consolidated</b>		<b>Parent</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Note 6B: Plant and equipment</b>				
Plant and equipment:				
Furniture and fittings at cost	<b>182,215</b>	199,455	<b>170,358</b>	165,218
Accumulated depreciation of furniture and fittings	<b>(173,802)</b>	(182,418)	<b>(161,945)</b>	(160,038)
Motor vehicles at cost	<b>202,832</b>	158,130	<b>202,832</b>	158,130
Accumulated depreciation of motor vehicles	<b>(11,977)</b>	(133,935)	<b>(11,977)</b>	(133,935)
<b>Total plant and equipment</b>	<b>199,268</b>	41,232	<b>199,268</b>	29,375

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

<b>As at 1 January</b>				
Gross book value	<b>357,585</b>	502,964	<b>323,348</b>	440,921
Accumulated depreciation and impairment	<b>(316,353)</b>	(405,743)	<b>(293,973)</b>	(362,627)
<b>Net book value 1 January</b>	<b>41,232</b>	97,221	<b>29,375</b>	78,294
Additions:				
By purchase	<b>202,664</b>	3,110	<b>203,116</b>	3,110
From acquisition of entities (including restructuring)	-	-	-	-
Impairments	-	-	-	-
Depreciation expense	<b>(21,905)</b>	(24,641)	<b>(10,048)</b>	(11,532)
Other movement	-	-	-	-
Disposals:	<b>(166,027)</b>	(34,458)	<b>(154,622)</b>	(40,497)
From disposal of entities (including restructuring)	-	-	-	-
Reversal of Accumulated Depreciation	<b>143,304</b>	-	<b>131,447</b>	-
<b>Net book value 31 December</b>	<b>199,268</b>	41,232	<b>199,268</b>	29,375
<b>Net book value as of 31 December represented by:</b>				
Gross book value	<b>373,190</b>	357,585	<b>373,190</b>	323,348
Accumulated depreciation and impairment	<b>(173,922)</b>	(316,353)	<b>(173,922)</b>	(293,973)
<b>Net book value 31 December</b>	<b>199,268</b>	41,232	<b>199,268</b>	29,375



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	<b>Consolidated</b>		<b>Parent</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

**Note 6C: Investment Property**

<b>Opening balance as at 1 January 2017</b>	-	-	-	-
Additions	-	-	-	-
Net gain from fair value adjustment	-	-	-	-
<b>Closing balance as at 31 December 2017</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Note 6D: Intangibles**

Computer software at cost:

internally developed	-	-	-	-
Purchased	-	-	-	-
accumulated amortisation	-	-	-	-
<b>Total intangibles</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Reconciliation of the Opening and Closing Balances of Intangibles**

<b>As at 1 January</b>				
Gross book value	-	-	-	-
Accumulated amortisation and impairment	-	-	-	-
<b>Net book value 1 January</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Additions:				
By purchase	-	-	-	-
From acquisition of entities (including restructuring)	-	-	-	-
Impairments	-	-	-	-
Amortisation	-	-	-	-
Other movements [give details below]	-	-	-	-
Disposals:				
From disposal of entities (including restructuring)	-	-	-	-
Other	-	-	-	-
<b>Net book value 31 December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net book value as of 31 December represented by:</b>				
Gross book value	-	-	-	-
Accumulated amortisation and impairment	-	-	-	-
<b>Net book value 31 December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**Note 6E: Investments in Associates**

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Investments in Associates</b>	-	-	-	-
<b>Total investments</b>	-	-	-	-

**Details of investments in associates**

<b>Name of entity</b>	<b>Principal activity</b>	<b>Ownership</b>	
		<b>2017</b>	<b>2016</b>
		<b>%</b>	<b>%</b>
<b>Associates</b>			
[list] <sup>(i)</sup>	-	-	-

(i) The published fair value for the investment in [name of associates] is \$x (2016: \$x).

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>

**Summary financial information of associates**

<b>Statement of financial position:</b>		
Assets	-	-
Liabilities	-	-
Net assets	-	-
<b>Statement of comprehensive income:</b>		
Income	-	-
Expenses	-	-
Net surplus/(deficit)	-	-
<b>Share of net surplus/(deficit):</b>		
Share of net surplus/(deficit) before tax	-	-
Income tax expense	-	-
<b>Share of net surplus/(deficit) after tax</b>	-	-

[AASB 12.21(c) – AASB 12.B16 requires separate disclosure of the aggregated information of *associates and joint ventures* that are not individually material, otherwise separate disclosures by investment are required.]

[AASB 12.B26 requires disclosure of the nature and extent of interests in and risks associated with *structured entities that have not been consolidated* and any liquidity arrangements, guarantees or other commitments with third parties that may affect the entity's interests in unconsolidated structured entities. Additional disclosures relating to unconsolidated structured entities are contained in AASB 12.24-31.]

Dividends received from associates \$x (2016:\$x).

Associates had contingent liabilities and capital commitments as at 31 December 2017 of \$x (2016: \$x) and \$x (2016: \$x), respectively.

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	<b>Consolidated</b>		<b>Parent</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<hr/>				
<b>Note 6F: Other Investments</b>				
Deposits	-	-	-	-
Other	-	-	-	-
<b>Total other investments</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Note 6G: Other Non-current Assets</b>				
Shares in unlisted company at cost				
- Apparel Trades of Australia Pty Ltd	-	-	-	-
- South West Trades	2,500	2,500	2,508	2,508
Units in Unit Trust at cost	-	-	-	-
- Apparel Trades of Australia Unit Trust	-	-	-	501,088
Shares in unlisted company at cost	-	-	-	-
Prepayments	-	-	-	-
Other	(1,139)	(1,139)	(1,139)	(1,139)
<b>Total other non-financial assets</b>	<u>1,369</u>	<u>1,369</u>	<u>1,369</u>	<u>502,457</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**Note 7 Current Liabilities**

**Note 7A: Trade payables**

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Trade creditors and accruals	<b>137,794</b>	192,871	<b>137,794</b>	185,068
Creditor – Apparel Trades of Australia Unit Trust	-	-	-	212,643
Income in advance	-	361	-	361
Operating lease rentals	-	-	-	-
<b>Subtotal trade creditors</b>	<b>137,794</b>	<b>193,232</b>	<b>137,794</b>	<b>398,072</b>
<b>Payables to other reporting unit[s]*</b>				
TCFUA National Office - reimbursements	-	3,630	-	3,630
<b>Subtotal payables to other reporting unit[s]</b>	<b>-</b>	<b>3,630</b>	<b>-</b>	<b>3,630</b>
<b>Total trade payables</b>	<b>137,794</b>	<b>196,862</b>	<b>137,794</b>	<b>401,702</b>

Settlement is usually made within 30 days.

**Note 7B: Other payables**

Wages and salaries	-	-	-	-
Superannuation	-	-	-	-
Consideration to employers for payroll deductions*	-	-	-	-
Legal costs*				
Litigation	-	-	-	-
Other legal matters	-	-	-	-
Prepayments received/unearned revenue	-	-	-	-
GST payable	-	-	-	-
ME Bank Loan	-	1,200,000	-	1,200,000
<b>Total other payables</b>	<b>-</b>	<b>1,200,000</b>	<b>-</b>	<b>1,200,000</b>

Total other payables are expected to be settled in:

No more than 12 months	-	-	-	-
More than 12 months	-	-	-	-
<b>Total other payables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**Note 8 Provisions**

**Note 8A: Employee Provisions\***

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Employee provisions</b>				
Provision for annual leave				
- elected officials	<b>317,367</b>	286,271	<b>317,367</b>	286,271
- employees	<b>109,735</b>	85,885	<b>109,735</b>	85,885
	<b>427,102</b>	372,156	<b>427,102</b>	372,156
Provision for long service leave				
- elected officials	<b>202,538</b>	185,808	<b>202,538</b>	185,808
- employees	<b>168,822</b>	158,322	<b>168,822</b>	158,322
	<b>371,360</b>	344,130	<b>371,360</b>	344,130
Provision for RDO				
- elected officials	<b>1,933</b>	7,383	<b>1,933</b>	7,383
- employees	<b>12,778</b>	12,302	<b>12,778</b>	12,302
	<b>14,711</b>	19,685	<b>14,711</b>	19,685
Provision for Sick leave				
- elected officials	<b>20,957</b>	30,702	<b>20,957</b>	30,702
- employees	-	-	-	-
	<b>20,957</b>	30,702	<b>20,957</b>	30,702
<b>Total employee provisions</b>	<b>834,130</b>	766,675	<b>834,130</b>	766,675
Current	<b>834,130</b>	766,675	<b>834,130</b>	766,675
Non-Current	-	-	-	-
<b>Total employee provisions</b>	<b>834,130</b>	766,675	<b>834,130</b>	766,675

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	<b>Consolidated</b>		<b>Parent</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Note 9 Non-current Liabilities</b>				
<b>Note 9A: Other non-current liabilities</b>				
Owing to Apparel Trades Unit Trust	-	-	-	805,216
<b>Total other non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>805,216</b>
<b>Note 10 Equity</b>				
<b>Note 10A: Funds</b>				
General Funds				
<b>Balance as at start of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Transferred to reserve	-	-	-	-
Transferred out of reserve	-	-	-	-
<b>Balance as at end of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund/reserve				
<b>Balance as at start of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Transferred to reserve	-	-	-	-
Transferred out of reserve	-	-	-	-
<b>Balance as at end of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Reserves</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Note 10B: Other Specific disclosures - Funds*</b>				
Compulsory levy/voluntary contribution fund – if invested in assets	-	-	-	-
<b>Other fund(s) required by rules</b>				
<b>Balance as at start of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Transferred to reserve	-	-	-	-
Transferred out of reserve	-	-	-	-
<b>Balance as at end of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*As required by Reporting Guidelines. Items to be disclosed even if nil.

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	<b>Consolidated</b>		<b>Parent</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Note 11      Cash Flow</b>				
<b>Note 11A: Cash Flow Reconciliation</b>				
<b>Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:</b>				
<b>Cash and cash equivalents as per:</b>				
Cash flow statement	2,922,313	1,024,693	262,097	433,316
Balance sheet	2,922,313	1,024,693	262,097	433,316
<b>Difference</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Reconciliation of profit/(deficit) to net cash from operating activities:</b>				
Profit/(deficit) for the year	(474,325)	(277,426)	2,628,759	(277,816)
<b>Adjustments for non-cash items</b>				
Depreciation/amortisation	21,905	24,641	10,048	11,532
Net write-down of non-financial assets	-	-	500,968	-
Distribution received from Apparel Trades	-	-	(3,620,862)	-
Gain/(loss) on disposal of assets	22,723	44,118	23,175	40,497
<b>Changes in assets/liabilities</b>				
(Increase)/decrease in net receivables	(165,507)	(33,889)	(165,507)	(449,051)
(Increase)/decrease in inventory	-	-	-	-
(Increase)/decrease in prepayments	127	23,708	127	24,690
(Increase)/decrease in fixed assets	-	-	-	-
Increase/(decrease) in supplier payables	-	-	-	-
Increase/(decrease) in other payables	(59,068)	96,667	(51,265)	99,390
Increase/(decrease) in employee provisions	67,455	55,604	67,455	55,604
Increase/(decrease) in other provisions	-	-	-	-
<b>Net cash from (used by) operating activities</b>	<b>(586,082)</b>	<b>(66,577)</b>	<b>(607,101)</b>	<b>(495,154)</b>

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	<b>Consolidated</b>		<b>Parent</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Note 11B: Cash flow information*</b>				
Cash inflows				
TCFUA National Office	58,650	191,137	58,650	159,143
<b>Total cash inflows</b>	<b>58,650</b>	<b>191,137</b>	<b>58,650</b>	<b>159,143</b>
Cash outflows				
TCFUA National Office	(168,673)	(98,939)	(168,673)	(84,247)
<b>Total cash outflows</b>	<b>(168,673)</b>	<b>(98,939)</b>	<b>(168,673)</b>	<b>(84,247)</b>

\*As required by the Reporting Guidelines. Item to remain even if 'nil'.

**Note 12 Contingent Liabilities, Assets and Commitments**

**Note 12A: Commitments and Contingencies**

**Operating lease commitments—as lessee**

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

Within one year	-	-	-	-
After one year but not more than five years	-	-	-	-
More than five years	-	-	-	-
	-	-	-	-

**Operating lease commitments—as lessor**

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

Within one year	-	-	-	-
After one year but not more than five years	-	-	-	-
After five years	-	-	-	-
	-	-	-	-

**Capital commitments**

At 31 December 2017 the entity has commitments of \$Nil (2016: \$Nil).



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	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Note 12A: Commitments and Contingencies continued</b>				
<b>Finance lease commitments—as lessee</b>				
Within one year	-	-	-	-
After one year but not more than five years	-	-	-	-
More than five years	-	-	-	-
<b>Total minimum lease payments</b>	-	-	-	-
Less amounts representing finance charges	-	-	-	-
<b>Present value of minimum lease payments</b>	-	-	-	-
Included in the financial statements as:	-	-	-	-
Current interest-bearing loans and borrowings	-	-	-	-
Non-current interest-bearing loans and borrowings	-	-	-	-
<b>Total included in interest-bearing loans and borrowings</b>	-	-	-	-
<b>Finance leases—lessor</b>				
[Insert general description of lease arrangements]				
Minimum lease payments	-	-	-	-
Unguaranteed residual value	-	-	-	-
Gross investment	-	-	-	-
Unearned finance income	-	-	-	-
<b>Net investment (present value of the minimum lease payments)</b>	-	-	-	-
Gross amount of minimum lease payments:				
Within one year	-	-	-	-
After one year but not more than five years	-	-	-	-
More than five years	-	-	-	-
<b>Total gross amount of minimum lease payments</b>	-	-	-	-
Present value of minimum lease payments:				
Within one year	-	-	-	-
After one year but not more than five years	-	-	-	-
More than five years	-	-	-	-
<b>Total present value of minimum lease payments</b>	-	-	-	-

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	Consolidated		Parent	
	2017	2016	2017	2016
	\$	\$	\$	\$

**Note 12A: Commitments and Contingencies continued**

**Other contingent assets or liabilities (i.e. legal claims)**

[Insert details including an estimate of the financial effect of contingent assets or liabilities. With respect to contingent liabilities, uncertainties around the outflow of resources required to settle the contingent obligation should be disclosed and any possible reimbursement. Contingencies may be aggregated only if they relate to a similar class.]

**Note 13 Related Party Disclosures**

**Note 13A: Related Party Transactions for the Reporting Period**

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

**Revenue received from TCFUA National Office includes the following:**

Revenue received for work performed on grant projects and use of staff	<b>181,818</b>	155,992	<b>181,818</b>	155,992
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**Expenses paid to TCFUA National Office includes the following:**

Capitation Fees and Levies	<b>96,466</b>	87,519	<b>96,466</b>	87,519
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**Amounts owed by TCFUA National Office include the following:**

Amounts owed for work performed	<b>188,818</b>	7,977	<b>188,818</b>	7,977
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**Loans from/to TCFUA NSW/SA/TAS Branch includes the following:**

Loans from/to TCFUA NSW/SA/TAS Branch	-	-	-	-
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**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA  
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**Note 13A: Related Party Transactions for the Reporting Period continued**

**Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2017, the reporting unit has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2016: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The loan provided to the Apparel Trades of Australia Unit Trust is interest free.

No property was transferred to related parties during the financial year ended 31 December 2017.

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

**Note 13B: Key Management Personnel Remuneration for the Reporting Period**

**Short-term employee benefits**

Salary (including annual leave taken)	<b>207,236</b>	198,652	<b>207,236</b>	198,652
Annual leave accrued	<b>32,711</b>	12,250	<b>32,711</b>	12,250
Performance bonus	-	-	-	-
Other	-	-	-	-
<b>Total short-term employee benefits</b>	<b>239,947</b>	210,902	<b>239,947</b>	210,902

**Post-employment benefits:**

Superannuation	<b>38,720</b>	37,361	<b>38,720</b>	37,361
<b>Total post-employment benefits</b>	<b>38,720</b>	37,361	<b>38,720</b>	37,361

**Other long-term benefits:**

Long-service leave	-	-	-	-
<b>Total other long-term benefits</b>	-	-	-	-

**Termination benefits**

<b>Total</b>	-	-	-	-
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Consolidated		Parent	
2017	2016	2017	2016
\$	\$	\$	\$

**Note 13C: Transactions with key management personnel and their close family members**

**Loans to/from key management personnel**

- - - -

**Other transactions with key management personnel**

- - - -

**Note 14 Remuneration of Auditors**

**Value of the services provided**

Financial statement audit services	37,640	27,750	37,640	23,150
Other services	-	-	-	-
<b>Total remuneration of auditors</b>	<b>37,640</b>	<b>27,750</b>	<b>37,640</b>	<b>23,150</b>

During the financial year the auditors of the financial services provided services including preparation of grant acquittals, assistance with preparation of tax statements, preparation of financial reports and other accounting services.

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	<b>Consolidated</b>		<b>Parent</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

**Note 15 Financial Instruments**

The consolidated group's financial instruments consist mainly of deposits with banks, accounts receivable and payable and loans to and from related unions.

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

**Note 15A: Categories of Financial Instruments**

**Financial Assets**

Fair value through profit or loss:

	-	-	-	-
<b>Total</b>	-	-	-	-

Held-to-maturity investments:

Cash and cash equivalents	2,922,313	1,024,693	262,097	433,316
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<b>Total</b>	<b>2,922,313</b>	<b>1,024,693</b>	<b>262,097</b>	<b>433,316</b>
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Available-for-sale assets:

At cost	1,369	1,369	1,369	502,457
Unlisted investments				

<b>Total</b>	<b>1,369</b>	<b>1,369</b>	<b>1,369</b>	<b>502,457</b>
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Loans and receivables – refer to Note 5B	221,599	56,092	221,599	772,343
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<b>Total</b>	<b>221,599</b>	<b>56,092</b>	<b>221,599</b>	<b>772,343</b>
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<b>Carrying amount of financial assets</b>	<b>3,145,281</b>	<b>1,082,154</b>	<b>485,065</b>	<b>1,708,116</b>
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**Financial Liabilities**

Fair value through profit or loss:

	-	-	-	-
<b>Total</b>	-	-	-	-

Other financial liabilities:

Trade and other payables	137,794	1,396,862	137,794	1,601,702
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<b>Total</b>	<b>137,794</b>	<b>1,396,862</b>	<b>137,794</b>	<b>1,601,702</b>
--------------	----------------	------------------	----------------	------------------

<b>Carrying amount of financial liabilities</b>	<b>137,794</b>	<b>1,396,862</b>	<b>137,794</b>	<b>1,601,702</b>
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	<b>Consolidated</b>		<b>Parent</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Note 15B: Net Income and Expense from Financial Assets</b>				
<b>Held-to-maturity</b>				
Interest revenue	41,044	205	65	64
Exchange gains/(loss)	-	-	-	-
Impairment	-	-	-	-
Gain/loss on disposal	-	-	-	-
<b>Net gain/(loss) held-to-maturity</b>	-	-	-	-
<b>Loans and receivables</b>				
Interest revenue	-	-	-	-
Exchange gains/(loss)	-	-	-	-
Impairment	-	-	-	-
Gain/loss on disposal	-	-	-	-
<b>Net gain/(loss) from loans and receivables</b>	-	-	-	-
<b>Available for sale</b>				
Interest revenue	-	-	-	-
Dividend revenue	-	-	-	-
Exchange gains/(loss)	-	-	-	-
Gain/loss recognised in equity	-	-	-	-
Amounts reversed from equity:				
Impairment	-	-	-	-
Fair value changes reversed on disposal	-	-	-	-
Gain/loss on disposal	-	-	-	-
<b>Net gain/(loss) from available for sale</b>	-	-	-	-
<b>Fair value through profit and loss</b>				
Held for trading:				
Change in fair value	-	-	-	-
Interest revenue	-	-	-	-
Dividend revenue	-	-	-	-
Exchange gains/(loss)	-	-	-	-
<b>Total held for trading</b>	-	-	-	-
Designated as fair value through profit and loss:				
Change in fair value	-	-	-	-
Interest revenue	-	-	-	-
Dividend revenue	-	-	-	-
Exchange gains/(loss)	-	-	-	-
<b>Total designated as fair value through profit and loss</b>	-	-	-	-
<b>Net gain/(loss) at fair value through profit and loss</b>	-	-	-	-
<b>Net gain/(loss) from financial assets</b>	<b>41,044</b>	<b>205</b>	<b>65</b>	<b>64</b>

The net income/expense from financial assets not at fair value from profit and loss is \$Nil (2016:\$Nil).

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	<b>Consolidated</b>		<b>Parent</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Note 15C: Net Income and Expense from Financial Liabilities</b>				
<b>At amortised cost</b>				
Interest expense	-	(34,315)	-	(34,315)
Exchange gains/(loss)	-	-	-	-
Gain/loss on disposal	-	-	-	-
<b>Net gain/(loss) financial liabilities - at amortised cost</b>	-	-	-	-
<b>Fair value through profit and loss</b>				
<b>Held for trading:</b>				
Change in fair value	-	-	-	-
Interest expense	-	-	-	-
Exchange gains/(loss)	-	-	-	-
<b>Total held for trading</b>	-	-	-	-
<b>Designated as fair value through profit and loss:</b>				
Change in fair value	-	-	-	-
Interest expense	-	-	-	-
<b>Total designated as fair value through profit and loss</b>	-	-	-	-
<b>Net gain/(loss) at fair value through profit and loss</b>	-	-	-	-
<b>Net gain/(loss) from financial liabilities</b>	-	-	-	-

The net income/expense from financial liabilities not at fair value from profit and loss is \$ Nil (2016:\$Nil)

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**Note 15D: 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 consolidated group.

Credit risk is managed through maintaining procedures (such as the utilisation of systems for the approval, granting and removal of credit limits, regular monitoring of exposure against such limits and monitoring of the financial stability of significant customers and counterparties) ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the committee has otherwise cleared as being financially sound.

*Credit risk exposures*

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

There is no collateral held by the consolidated group securing trade and other receivables.

The consolidated group has no significant concentrations of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of trade and other receivables are provided in Note 5B.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 7A.

**The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements.**

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial assets</b>				
Cash and cash equivalents	2,922,313	1,024,693	262,097	433,316
Trade and other receivables	221,599	56,092	221,559	772,343
<b>Total</b>	<b>3,143,912</b>	<b>1,080,785</b>	<b>483,656</b>	<b>1,205,659</b>
<b>Financial liabilities</b>				
Trade and other payables	137,794	1,396,862	137,794	1,601,702
<b>Total</b>	<b>137,794</b>	<b>1,396,862</b>	<b>137,794</b>	<b>1,601,702</b>

In relation to the entity's gross credit risk the following collateral is held: \$Nil (2016: \$Nil)



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**Note 15D: Credit Risk (continued)**

**Credit quality of financial instruments not past due or individually determined as impaired – Consolidated**

	Not Past Due Nor Impaired 2017	Past due or impaired 2017	Not Past Due Nor Impaired 2016	Past due or impaired 2016
	\$	\$	\$	\$
Impaired financial instruments	-	-	-	-
<b>Total</b>	-	-	-	-

[provide relevant details regarding credit risk and quality of each class of financial asset that is either not past due nor impaired or past due or impaired]

**Credit quality of financial instruments not past due or individually determined as impaired - Parent**

	Not Past Due Nor Impaired 2017	Past due or impaired 2017	Not Past Due Nor Impaired 2016	Past due or impaired 2016
	\$	\$	\$	\$
Impaired financial instruments	-	-	-	-
<b>Total</b>	-	-	-	-

[provide relevant details regarding credit risk and quality of each class of financial asset that is either not past due nor impaired or past due or impaired]

**Ageing of financial assets that were past due but not impaired for 2017—Consolidated**

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	80,932	-	630	140,037	221,599
<b>Total</b>	80,932	-	630	140,037	221,599

**Ageing of financial assets that were past due but not impaired for 2016—Consolidated**

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	56,092	-	-	-	56,092
<b>Total</b>	56,092	-	-	-	56,092

The following list of assets have been individually assessed as impaired

[including factors that have been used in assessing the asset to be impaired]

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**Note 15D: Credit Risk (continued)**

**Ageing of financial assets that were past due but not impaired for 2017—Parent**

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	221,599	-	-	-	221,599
<b>Total</b>	<b>221,599</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>221,599</b>

**Ageing of financial assets that were past due but not impaired for 2016—Parent**

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	56,092	-	-	416,251	472,343
<b>Total</b>	<b>56,092</b>	<b>-</b>	<b>-</b>	<b>416,251</b>	<b>472,343</b>

The following list of assets have been individually assessed as impaired  
[including factors that have been used in assessing the asset to be impaired]

**Note 15E: Liquidity Risk**

Liquidity risk arises from the possibility that the consolidated group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The consolidated group manages this risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operational, investing and financing activities;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timings of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will be rolled forward.

**Contractual maturities for financial liabilities 2017 - Consolidated**

	On Demand	< 1 year	1– 2 years	2– 5 years	>5 years	Total
	\$	\$	\$	\$	\$	\$
Trade and other payables	-	137,794	-	-	-	137,794
<b>Total</b>	<b>-</b>	<b>137,794</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>137,794</b>

**Maturities for financial liabilities 2016 - Consolidated**

	On Demand	< 1 year	1– 2 years	2– 5 years	>5 years	Total
	\$	\$	\$	\$	\$	\$
Trade and other payables	-	196,862	-	-	-	196,862
<b>Total</b>	<b>-</b>	<b>196,862</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>196,862</b>

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**Note 15E: Liquidity Risk**

**Contractual maturities for financial liabilities 2017 - Parent**

	On Demand	< 1 year \$	1- 2 years \$	2- 5 years \$	>5 years \$	Total \$
Trade and other payables	-	137,794	-	-	-	137,794
<b>Total</b>	-	137,794	-	-	-	137,794

**Maturities for financial liabilities 2016 - Parent**

	On Demand	< 1 year \$	1- 2 years \$	2- 5 years \$	>5 years \$	Total \$
Trade and other payables	-	1,601,702	-	-	-	1,601,702
<b>Total</b>	-	1,601,702	-	-	-	1,601,702

**Note 15F: Market Risk**

**(i) Interest rate risk**

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows.

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

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity
			\$	\$
Interest rate risk	-	+ 2%	58,446	58,446
Interest rate risk	-	- 2%	-58,446	-58,446

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

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity
			\$	\$
Interest rate risk	-	+ 2%	5,241	5,241
Interest rate risk	-	- 2%	-5,241	-5,241

**(ii) Price risk**

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held.

The consolidated group is not exposed to securities price risk on available-for-sale investments

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

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

**Note 15G: Asset Pledged/or Held as Collateral**

There were no assets pledged or held as collateral as at 31 December 2017 (2016: \$Nil).

**Note 16 Fair Value Measurement**

## Note 16A: 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 2017 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 [year-end reporting date] 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:

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**Note 16A: Financial Assets and Liabilities continued**

<b>Consolidated</b>	<b>Carrying amount 2017 \$</b>	<b>Fair value 2017 \$</b>	<b>Carrying amount 2016 \$</b>	<b>Fair value 2016 \$</b>
<b>Financial Assets</b>				
Cash and cash equivalents	2,922,313	2,922,313	1,024,693	1,024,693
Trade and other receivables	221,599	221,599	56,092	56,092
Other current assets	38,030	38,030	38,157	38,157
<b>Total</b>	<b>3,181,942</b>	<b>3,181,942</b>	<b>1,121,942</b>	<b>1,121,942</b>
<b>Financial Liabilities</b>				
Trade and other payables	137,794	137,794	1,396,862	1,396,862
<b>Total</b>	<b>137,794</b>	<b>137,794</b>	<b>1,396,862</b>	<b>1,396,862</b>
 <b>Parent</b>				
	<b>Carrying amount 2017 \$</b>	<b>Fair value 2017 \$</b>	<b>Carrying amount 2016 \$</b>	<b>Fair value 2016 \$</b>
<b>Financial Assets</b>				
Cash and cash equivalents	262,097	262,097	433,316	433,316
Trade and other receivables	221,599	221,599	1,952,183	1,952,183
Other current assets	38,030	38,030	38,157	38,157
<b>Total</b>	<b>521,726</b>	<b>521,726</b>	<b>2,423,656</b>	<b>2,423,656</b>
<b>Financial Liabilities</b>				
Trade and other payables	137,794	137,794	1,601,702	1,601,702
<b>Total</b>	<b>137,794</b>	<b>137,794</b>	<b>1,601,702</b>	<b>1,601,702</b>

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**Note 16B: Fair Value Hierarchy**

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

Fair value hierarchy – Consolidated 31 December 2017

	Date of valuation	Level 1	Level 2	Level 3
<b>Assets measured at fair value</b>		\$	\$	\$
Land and Buildings	-	-	-	-
<b>Total</b>		-	-	-
<b>Liabilities measured at fair value</b>				
Finance lease obligations/borrowings		-	-	-
<b>Total</b>		-	-	-

[Class] was transferred from [Level 1/Level 2] to [Level 1/Level 2] due to [reasons for transfer].

Fair value hierarchy – Consolidated 31 December 2016

	Date of valuation	Level 1	Level 2	Level 3
<b>Assets measured at fair value</b>		\$	\$	\$
Land and Buildings	9 September 2016	-	3,886,366	-
<b>Total</b>		-	3,886,366	-
<b>Liabilities measured at fair value</b>				
Finance lease obligations/borrowings		-	-	-
<b>Total</b>		-	-	-

[Class] was transferred from [Level 1/Level 2] to [Level 1/Level 2] due to [reasons for transfer].

Fair value hierarchy – Parent 31 December 2017

	Date of valuation	Level 1	Level 2	Level 3
<b>Assets measured at fair value</b>		\$	\$	\$
[List each class]		-	-	-
<b>Total</b>		-	-	-
<b>Liabilities measured at fair value</b>				
[List each class]		-	-	-
<b>Total</b>		-	-	-

[Class] was transferred from [Level 1/Level 2] to [Level 1/Level 2] due to [reasons for transfer].

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**Note 16B: Fair Value Hierarchy (continued)**

Fair value hierarchy – Parent 31 December 2017

	Date of valuation	Level 1	Level 2	Level 3
<b>Assets measured at fair value</b>		\$	\$	\$
[List Category]				
[List each class]		-	-	-
<b>Total</b>		-	-	-

**Liabilities measured at fair value**

<b>[List Category]</b>				
[List each class]		-	-	-
<b>Total</b>		-	-	-

[Class] was transferred from [Level 1/Level 2] to [Level 1/Level 2] due to [reasons for transfer].

**Note 16C: Description of Significant Unobservable Inputs**

[AASB 13 Requires additional information on unobservable inputs for Level 3 assets and liabilities at fair value (i.e. investment property, financial assets / liabilities)]

	Valuation technique	Significant unobservable inputs	Range (weighted average)
[Example: Loans to an associate and director]	DCF method	• Constant prepayment rate	1.X% - 2.X% (\$1.5)
		• Discount for non-performance risk	0.X% (0.X%)
[Example: AFS assets in unquoted equity shares]	DCF method	• Long-term growth rate for cash flows for subsequent years <sup>(1)</sup>	3.X% - 5.X% (4.X%)
		• WACC <sup>(2)</sup>	5.X% - 9.X% (7.X%)
[Example: Office properties held as investment property]	DCF Method	• Estimated rental value per sqm per month <sup>(3)</sup>	\$1X - \$2X (\$2X)
		• Rent growth p.a. <sup>(3)</sup>	1.7% (1.7%)

(1) A [X%] increase (decrease) in the growth rate would result in an increase (decrease) in fair value by \$XX.

(2) A [X%] increase (decrease) in the WACC would result in a decrease (increase) in fair value by \$XX.

(3) Significant increases (decreases) in the estimated rental value and rent growth per annum in isolation would result in significantly higher (lower) fair value of the properties.

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**Note 17 Administration of financial affairs by a third party**

**Name of entity providing service:**

**Terms and conditions:**

**Nature of expenses/consultancy service:**

**Detailed breakdown of revenues collected and/or expenses incurred**

	2017	2016
	\$	\$
<b>Revenue</b>		
Membership subscription	-	-
Capitation fees	-	-
Levies	-	-
Interest	-	-
Rental revenue	-	-
Other revenue	-	-
Grants and/or donations	-	-
<b>Total revenue</b>	-	-
<b>Expenses</b>		
Employee expense	-	-
Capitation fees	-	-
Affiliation fees	-	-
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	-
Administration expenses	-	-
Grants or donations	-	-
Finance costs	-	-
Legal costs	-	-
Audit fees	-	-
Penalties - via RO Act or RO Regulations	-	-
Other expenses	-	-
<b>Total expenses</b>	-	-



**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA  
(VICTORIAN QUEENSLAND WESTERN AUSTRALIA BRANCH) AND CONTROLLED ENTITY  
ABN 45 839 589 441**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Note 18 Administration of financial affairs by a third party<sup>1</sup></b>				
<b>Name of entity providing service:</b>				
<b>Terms and conditions:</b>				
<b>Nature of expenses/consultancy service:</b>				
<b>Detailed breakdown of revenues collected and/or expenses incurred</b>				
<b>Revenue</b>				
Membership subscription	-	-	-	-
Capitation fees	-	-	-	-
Levies	-	-	-	-
Interest	-	-	-	-
Rental revenue	-	-	-	-
Other revenue	-	-	-	-
Grants and/or donations	-	-	-	-
<b>Total revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenses</b>				
Employee expense	-	-	-	-
Capitation fees	-	-	-	-
Affiliation fees	-	-	-	-
Consideration to employers for payroll deductions	-	-	-	-
Compulsory levies	-	-	-	-
Fees/allowances - meeting and conferences	-	-	-	-
Conference and meeting expenses	-	-	-	-
Administration expenses	-	-	-	-
Grants or donations	-	-	-	-
Finance costs	-	-	-	-
Legal costs	-	-	-	-
Audit fees	-	-	-	-
Penalties - via RO Act or RO Regulations	-	-	-	-
Other expenses	-	-	-	-
<b>Total expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>1</sup> Refer to item 31 in the Reporting Guidelines.

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA  
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FOR THE YEAR ENDED 31 DECEMBER 2017**

**Note 19      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 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).

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA  
(VICTORIAN QUEENSLAND AND WESTERN AUSTRALIA BRANCH)**

**Opinion**

We have audited the financial report of Textile Clothing & Footwear Union of Australia (Victorian Queensland and Western Australia Branch) (the Reporting Entity), which comprises the statement of financial position as at 31 December 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes and the committee of management's declaration of the reporting entity for the financial year.

In our opinion, the accompanying financial report:

- a.
  - (i) presented fairly, in all material respects, the financial position of the Reporting Entity as at , and its financial performance and its cash flows for the year then ended in accordance with the provisions of the Fair Work (Registered Organisations) Act 2009, other requirements imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the Act;
  - (ii) complied with the Australian Accounting Standards (including Australian Accounting Interpretations); and
  - (iii) indicates that management's use of the going concern basis of accounting in preparation of the financial statements is appropriate.
- b. properly and fairly report all information in relation to recovery of wages activity required by the reporting guidelines of the General Manager of the Fair Work Commission including;
  - (i) any fees charged to or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
  - (ii) any donations or other contributions deducted from recovered money

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Reporting Entity 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 our audit of the financial report in Australia. We have also fulfilled our other responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information**

The committee of management is responsible for the other information. The other information comprises the operating report.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

A member of



Independent legal & accounting firms

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA  
(VICTORIAN QUEENSLAND AND WESTERN AUSTRALIA BRANCH)**

**Committee of Management's Responsibility for the Financial Report**

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

In preparing the financial report, the committee of management is responsible for assessing the Reporting Entity'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 intends to liquidate the Reporting Entity or to cease operations, or has no realistic alternative but to do so.

The committee of management is responsible for overseeing the Reporting Entity's financial reporting process.

**Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

We communicate with the directors regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**MSI RAGG WEIR**  
Chartered Accountants



**L.S. WONG**

Partner

Approved Auditor and Member of Chartered Accountants in Australia New Zealand, current holder of a current public practice certificate and registered auditor under the Fair Work (Registered Organisations) Act 2009 (the Act) (AA2017/21).

Melbourne: **23 February 2018**