



14 May 2019

Mr Peter Biagini
Secretary, Queensland Branch
Transport Workers' Union of Australia

Dear Mr Biagini

Re: – Transport Workers' Union of Australia, Queensland Branch - financial report for year ending 31 December 2018 (FR2018/369)

I refer to the financial report of the Queensland Branch of the Transport Workers' Union of Australia. The documents were lodged with the Registered Organisations Commission (**ROC**) on 2 April 2019.

The financial report has been filed. The financial report was filed based on a primary review. This involved confirming whether the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009 (RO Act)* have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements. Please note the report for year ending 31 December 2019 may be subject to an advanced compliance review.

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

Audit scope to include officer's declaration statement

Where nil activity disclosures are contained in an officer's declaration statement, in accordance with reporting guideline 21, the officer's declaration statement also forms part of a general purpose financial report prepared under section 253 of the RO Act (see subsection 253(2)(c) of the RO Act.)

Please also note that an officer's declaration statement must, where one is prepared, be identified by title in the auditor's statement in accordance with paragraph 24(c) of Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report*.

An officer's declaration statement was included in the copy of the documents lodged with the ROC but the auditor did not refer to the statement in the auditor's report.

Auditor declaration

Reporting guideline 29(a) sets out a new form of auditor declaration (see copy of 5th edition Reporting Guidelines attached).

Officer's declaration statement – to include all nil activity disclosures not elsewhere disclosed.

Item 21 of the reporting guidelines states that if any of the activities identified within items 10-20 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes *or* in an officer's declaration statement.

The officer's declaration statement included the following nil activity disclosures for which there was already an equivalent form of disclosure in the body of the notes (as indicated):

- RG13(b) - receive capitation fees from another reporting unit (note 3A)
- RG13(c) - receive revenue via compulsory levies (note 3B)
- RG13(d) - receive donations or grants (note 3E)
- RG14(a) - incur fees as consideration for employers making payroll deductions of membership subscriptions (note 4D)
- RG14(d) - pay compulsory levies (note 4D)
- RG14(e)(i) - pay a grant that was \$1,000 or less (note 4E)
- RG14(e)(ii) - pay a grant that exceeded \$1,000 (note 4E)
- RG14(k) - pay a penalty imposed under the RO Act or the Fair Work Act 2009 (note 4K)
- RG16(a) - have a payable to an employer for that employer making payroll deductions of membership subscriptions (note 7B)
- RG16(b)(i) - have payable in respect of legal costs relating to litigation (note 7B)
- RG16(b)(ii) - have payable in respect of legal costs relating to other legal matters (note 7B)
- RG17(a) - have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch (note 10B)
- RG17(b) - transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity (note 10B)

Please note that nil activities only have to be disclosed once.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any questions about the above or the reporting requirements, please do not hesitate to contact me by email at stephen.kellett@roc.gov.au.

Yours faithfully



Stephen Kellett
Financial Reporting
Registered Organisations Commission

Transport Workers Union of Australia (QLD Branch)

s.268 Fair Work (Registered Organisations) Act 2009

Certificate By Prescribed Designated Officer

Certificate for the year ended 31 December 2018

I *Peter Biagini* being the *Secretary* of the *Transport Workers Union of Australia (QLD Branch)* certify:

- that the documents lodged herewith are copies of the full report for the *Transport Workers Union of Australia (QLD Branch)* for the period ended 31 December 2018 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 *22 March 2019*; and
- that the full report was presented to a *meeting of the committee of management* of the reporting unit on *26 March 2019* in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:

Name of prescribed designated officer:

Title of prescribed designated officer:

Dated:

Biagini

Peter Biagini

Branch Secretary QLD

1/4/2019

TRANSPORT WORKERS UNION OF AUSTRALIA (QUEENSLAND BRANCH)

FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

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INDEPENDENT AUDITOR'S REPORT

To the members of Transport Workers Union of Australia (QLD Branch)

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Transport Workers Union of Australia (QLD Branch) (the reporting unit), which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, the Committee of Management Statement and the subsection 255(2A) report.

In our opinion the accompanying financial report of Transport Workers Union of Australia (QLD Branch), presents fairly, in all material respects the reporting unit's financial position as at 31 December 2018 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and any other requirement imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

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 unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical 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 are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the reporting unit's operating report, but does not include the financial report and our auditor's report thereon.

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 on the other information obtained prior to the date of this auditor's report, 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.

Responsibilities of the Committee of Management for the Financial Report

The Committee of Management of the reporting unit are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*, and for such internal control as the Committee of Management determine 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 are responsible for assessing the registered 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 responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

- As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.



- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Reporting Unit audit. We remain solely responsible for our audit opinion.

We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during our audit.

This description forms part of our auditor's report.

Declaration by the auditor

I, P A Gallaher, declare that I am an approved auditor, a member of the Chartered Accountants Australia New Zealand and hold a current Public Practice Certificate.

BDO Audit Pty Ltd

BDO

P A Gallaher
Director

Brisbane, 22 March 2019

Registration number (as registered by the RO Commissioner under the Act): AA2017/48

Transport Workers Union of Australia (QLD Branch)

REPORT REQUIRED UNDER SUBSECTION 255(2A)

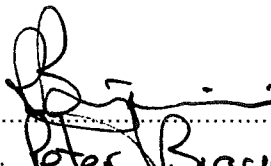
for the year ended 31 December 2018

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 December 2018.

Categories of expenditures	2018 \$	2017 \$
Remuneration and other employment-related costs and expenses - employees	2,745,247	2,732,162
Advertising	32,427	42,365
Operating costs	2,259,809	2,177,048
Donations to political parties	13,607	44,629
Legal costs	35,339	91,116

Signature of designated officer:

Name and title of designated officer:


Peter Biagini Branch Secretary

Transport Workers Union of Australia (QLD Branch)

Operating Report

for the year ended 31 December 2018

The Committee of Management presents its operating report on the Reporting Unit for the year ended 31 December 2018.

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

The principal activities of the Union during the financial year were the provision of industrial, professional and managerial services to the members consistent with the objects and rules of the Union and in particular, protecting and improving the interests of members. The Branch produced a range of publications for its members.

There were no significant changes in the nature of the Union's principal activities during the financial year.

Significant changes in financial affairs

No significant changes in the Union's financial state of affairs occurred during the financial year.

Right of members to resign

Pursuant to section 174 of the Fair Work (Registered Organisations) Act 2009, members could resign from the Branch by written notice addressed and delivered to the Secretary-Treasurer in accordance with rule 11 of the Branch.

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

The following officers of the Transport Workers Union of Australia (QLD Branch) were officeholders of TWU Nominees Pty Ltd, which is trustee of the TWU Superannuation Fund:

Mr Peter Biagini appointed 10/01/2011

To the best of the knowledge of the Committee, no other officer or member of the Union has held any position as Trustee or Director of Trustee Company of a Superannuation Entity or an Exempt Public Sector Superannuation Scheme at any time during the financial year. There has been no criterion for any other officer or member of the Union to hold such a position during the financial year.

Number of members

Total membership of the Branch as at 31 December 2018 was 8,875 of which 7,939 were financial members. (This translates into 8,709 effective members for 2018. In 2017 there were 8,928 effective members).

Persons eligible to do so under the rules of the Branch were actively encouraged to join the Branch.

Number of employees

At 31 December 2018, there were 25 persons employed by the Branch.

Affiliations & Directorships

The Branch is affiliated with the Australian Labor Party ("ALP"). Delegates were credentialed to the State meetings of the ALP. The Branch secretary is a member of the ALP State Administrative Committee.

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

The persons who held office as members of the Committee of Management at any time during the financial year were:

Name	Position	Period in Office this year
Peter Biagini	Secretary	1 January 2018- 31 December 2018
Adam Carter	Assistant Secretary	1 January 2018- 31 December 2018
Brad Wyatt	President	1 January 2018- 31 December 2018
Grant Mitchell	Vice-President	1 January 2018- 27 February 2018
Neil Conway	Vice-President	17 April 2018- 31 December 2018
Darren White	Trustee	1 January 2018- 31 December 2018
Michael Cardile	Trustee	1 January 2018- 31 December 2018
Henry Adsett	Committee Member	1 January 2018- 31 December 2018
Gary Dickfos	Committee Member	1 January 2018- 31 December 2018
Brett Perry	Committee Member	1 January 2018- 31 December 2018
Ken Suesee	Committee Member	1 January 2018- 31 December 2018
Peter Ferguson	Committee Member	1 January 2018- 31 December 2018
Craig Williams	Committee Member	1 January 2018- 31 December 2018
Agnes Green	Committee Member	1 January 2018- 31 December 2018
Greg Delamotte	Committee Member	1 January 2018- 31 December 2018
Adam Winters	Committee Member	1 January 2018- 31 December 2018
Neil Conway	Committee Member	1 January 2018- 16 April 2018
Neville Wheeler	Committee Member	17 April 2018- 31 December 2018

Signature of designated officer: 

Name and title of designated officer: Peter Biagini Branch Secretary

Dated: 5/3/2019

Transport Workers Union of Australia (QLD Branch)

Committee of Management Statement

for the year ended 31 December 2018

On 5 March 2019 the Branch Committee of Management of the *Transport Workers Union of Australia (QLD Branch)* passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2018:

The Branch Committee of Management declares that in its opinion:

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

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

Signature of designated officer: 

Name and title of designated officer: Peter Biagun, Branch Secretary

Dated: 5/3/2019

Transport Workers Union of Australia (QLD Branch)

Statement of Comprehensive Income

for the year ended 31 December 2018

	Notes	2018 \$	2017 \$
Revenue			
Membership subscription*		4,646,588	4,625,075
Capitation fees	3A	-	-
Levies	3B	-	-
Interest	3C	14	14
Rental revenue	3D	43,168	45,527
Training Income		-	-
Reimbursement & Sponsorship		113,953	160,458
Directors Fees		30,000	30,000
Advertising		12,650	15,950
Other revenue		7,097	115,524
Total revenue		4,853,470	4,992,548
Other Income			
Grants and/or donations	3E	-	-
Share of net profit from associate	6E	-	-
Investment Income		396,908	394,294
Realised Gain / (Loss) on investments		255,810	635,722
Unrealised Gain / (Loss) on investments		(661,559)	82,006
Net gains from sale of assets	3F	3,628	3,131
Total other income		(5,213)	1,115,153
Total income		4,848,257	6,107,701
Expenses			
Employee expenses	4A	2,745,247	2,732,162
Capitation fees	4B	841,981	838,881
Affiliation fees	4C	100,675	65,378
Administration expenses	4D	486,600	302,663
Grants or donations	4E	20,245	78,629
Depreciation and amortisation	4F	235,692	354,838
Finance costs	4G	-	-
Legal costs	4H	35,339	91,116
Audit fees	14	28,469	25,989
Accounting fees		1,053	982
Share of net loss from associate	6E	-	-
Write-down and impairment of assets	4I	-	-
Net losses from sale of assets	4J	-	-
Advertising		45,985	95,243
Bank & Direct Debit processing charges		69,909	77,762
Campaign expenses		3,826	7,009
Insurance		55,274	54,667
Fringe Benefits		24,183	36,164
Motor Vehicle expenses		130,356	122,299
Electricity		40,583	48,340

Transport Workers Union of Australia (QLD Branch)

Statement of Comprehensive Income

for the year ended 31 December 2018

Payroll tax		102,642	99,454
Telephone		73,304	92,897
Travelling expenses		70,816	84,332
Fees and permits		84,684	85,647
Staff training and welfare		8,564	11,561
Printing and stationery		42,861	43,456
Postage		36,929	35,524
Rent		33,334	38,727
Subscriptions		2,452	5,461
Uniforms		1,117	12,978
Other expenses	4K	-	-
Total expenses		5,322,120	5,442,159
Surplus (deficit) for the year		(473,863)	665,542
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss		-	-
Gain on revaluation of land & buildings		-	-
Net transfers in/ (out) of Fund Reserves		50,996	84,898
Total comprehensive income for the year		(422,867)	750,440

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

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

Transport Workers Union of Australia (QLD Branch)

Statement of Financial Position

as at 31 December 2018

	Notes	2018 \$	2017 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	498,700	494,305
Trade and other receivables	5B	45,422	98,814
Other current assets	5C	156,288	154,834
Total current assets		700,410	747,953
Non-Current Assets			
Land and buildings	6A	3,052,878	2,942,239
Plant and equipment	6B	306,107	355,507
Investment Property	6C	-	-
Intangibles	6D	18,831	90,882
Investments in associates	6E	-	-
Other investments	6F	8,419,594	8,751,069
Other non-current assets	6G	1,750	1,650
Total non-current assets		11,799,160	12,141,347
Total assets		12,499,570	12,889,300
LIABILITIES			
Current Liabilities			
Trade payables	7A	449,005	413,149
Other payables	7B	120,619	108,762
Employee provisions	8A	696,884	707,127
Total current liabilities		1,266,508	1,229,038
Non-Current Liabilities			
Employee provisions	8A	-	-
Other non-current liabilities	9A	-	4,333
Total non-current liabilities		-	4,333
Total liabilities		1,266,508	1,233,371
Net assets		11,233,062	11,655,929
EQUITY			
General funds	10A	2,384,358	2,333,362
Retained earnings (accumulated deficit)		8,848,704	9,322,567
Total equity		11,233,062	11,655,929

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

Transport Workers Union of Australia (QLD Branch)

Statement of Changes in Equity

for the year ended 31 December 2018

	Notes	General funds \$	Retained earnings \$	Total equity \$
Balance as at 1 January 2017		2,248,464	8,657,025	10,905,489
Adjustment for errors		-	-	-
Adjustment for changes in accounting policies		-	-	-
Surplus / (deficit)		-	665,542	665,542
<i>Other comprehensive income</i>				
Transfer to/from reserves	10A	84,898	-	84,898
Transfer from retained earnings		-	-	-
Closing balance as at 31 December 2017		2,333,362	9,322,567	11,655,929
Adjustment for errors		-	-	-
Adjustment for changes in accounting policies		-	-	-
Surplus / (deficit)		-	(473,863)	(473,863)
<i>Other comprehensive income</i>				
Transfer to/from reserves	10A	50,996	-	50,996
Transfer from retained earnings		-	-	-
Closing balance as at 31 December 2018		2,384,358	8,848,704	11,233,062

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

Transport Workers Union of Australia (QLD Branch)

Statement of Cash Flows

for the year ended 31 December 2018

	Notes	2018 \$	2017 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units/controlled entity(s)	11B	110,814	83,367
Interest		3,925	(599)
Investment Income		396,908	394,294
Other		4,747,724	4,821,684
Rent Received		43,168	45,527
Cash used			
Employees		(2,761,507)	(2,644,590)
Suppliers		(1,444,044)	(1,456,739)
Payment to other reporting units/controlled entity(s)	11B	(848,066)	(879,731)
Net cash from (used by) operating activities	11A	248,922	363,213
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		18,373	64,869
Proceeds from sale of land and buildings		-	-
Proceeds from members for Funeral, Support & Activist Funds		54,278	84,898
Proceeds from investments		22,445	-
Payment for investments		-	-
Cash used			
Purchase of plant and equipment		(239,623)	(267,890)
Purchase of land and buildings		-	-
Payment for investments – Funeral Fund		(100,000)	-
Payment for investments		-	(199,759)
Net cash from (used by) investing activities		(244,527)	(317,882)
FINANCING ACTIVITIES			
Cash received			
Contributed equity		-	-
Other		-	-
Cash used			
Repayment of borrowings		-	-
Other		-	-
Net cash from (used by) financing activities		-	-
Net increase (decrease) in cash held		4,395	45,331
Cash & cash equivalents at the beginning of the reporting period		494,305	448,974
Cash & cash equivalents at the end of the reporting period	5A	498,700	494,305

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

Transport Workers Union of Australia (QLD Branch)

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Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

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 Transport Workers Union of Australia (QLD Branch) is a not-for-profit entity.

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

1.2 Comparative amounts

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

1.3 Significant accounting judgements and estimates

The following accounting 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. Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 1.3 – Management’s assessment of the impact of new accounting standards issued and not yet effective
- Note 1.4 – Financial Instruments: classification and measurement of financial assets and financial liabilities including assumptions about the impairment of non-financial assets
- Note 1.19 – Property is held at fair value based on an independent valuation, plant and equipment is carried at cost less, where applicable, any accumulated depreciation or impairment losses. Key assumptions about fair value, depreciation and amortisation rates, impairment.
- Note 1.11 – Provisions: whether the Union has a present obligation to settle certain liabilities in the future and a reliable estimate can be made.

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

The union has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting year. In the current reporting year, the Union has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to its operations and effective for the current reporting year. The adoption of the following new and revised Standards and Interpretations which became effective on 1 January 2018 has not resulted in a significant or material change to the Union's accounting policies.

- AASB 9 Financial Instruments – Accounting policies applied from 1 July, 2018

The following explains the impact of the adoption of AASB 9 Financial Instruments on the Union's financial statement and discloses the new accounting policies that have been applied from January 1, 2018, where they are different to those applied in prior reporting years.

As a result of the changes in the Union's accounting policies, there was no material impact on the statement of financial position as at 31 December 2018.

AASB 9 replaces the provisions of AASB 139 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

Investments and other financial assets

Classification

From 1 January, 2018, the Union classifies its financial assets in the following measurement categories:

- those measured subsequently at fair value (either through OCI, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the union's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Union has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Trade and other receivables that were classified as loans and receivables under AASB 139 are now classified as amortised cost. There were no changes in the measurement of these assets.

The Union reclassifies debt investments when and only when its business model for managing those assets changes.

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

Adoption of New Australian Accounting Standard requirements

Measurement

At initial recognition, the Union measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments: Subsequent measurement of debt instruments depends on the Union's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Union classifies its debt instruments:

- Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line items in the statement of profit or loss.

- FVPL:

Assets that do not meet the criteria for amortised cost are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the year in which it arises.

Equity instruments: The Union subsequently measures all equity investments at fair value. Where the Union's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Union's right to receive payments is established. Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value

Impairment

From 1 January 2018, the Union assesses on a forward-looking basis the expected credit loss associated with its financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Union applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. There was no material impact of the change in impairment methodology on the Union's retained earnings and equity.

While cash and cash equivalents are also subject to the impairment requirements of AASB9, there was no material impairment loss identified.

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

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 Transport Workers Union of Australia (QLD Branch) include:

AASB 16 Leases

The standard is mandatory for first interim years within annual reporting years beginning on or after 1 January 2019. The Union does not intend to adopt the standard before its effective date.

When effective, this standard will replace the current accounting requirements applicable to leases in AASB 117 Leases and related interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases. This means that for all leases, a right-to-use asset and a liability will be recognised, with the right-to-use asset being depreciated and the liability being unwound in principal and interest components over the life of the lease. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change.

The union is yet to undertake a detailed assessment of the impact of AASB 16. However, based on the union's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 31 December 2019.

1.5 Investment in associates and joint arrangements

There was no investment in associates or joint arrangements during the financial year ending 31 December 2018.

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

The Transport Workers Union of Australia (QLD Branch) did not acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

1.7 Revenue

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

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

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

Donation income is recognised when it is received.

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

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

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

1.8 Government grants

Government grants are not recognised until there is reasonable assurance that the Transport Workers Union of Australia (QLD Branch) will comply with the conditions attaching to them and that the grants will be received.

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

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

The Transport Workers Union of Australia (QLD Branch) did not receive any Government Grants during the financial year ending 31 December 2018.

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

1.9 Gains

Sale of assets

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

1.10 Capitation fees and levies

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

1.11 Employee benefits

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

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

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

1.12 Leases

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

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

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

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

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

1.13 Borrowing costs

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

1.14 Cash

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

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

1.15 Derecognition of financial assets

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

1.16 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'.

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.

1.17 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.

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

1.18 Contingent Liabilities and Contingent Assets

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

1.19 Land, Buildings, Plant and Equipment

Asset Recognition Threshold

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

Revaluations—Land and Buildings

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

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 the straight line and diminishing value methods 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.

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

Depreciation rates applying to each class of depreciable asset are:

	2018
Buildings	2.5%
Motor Vehicles	25%
Office Equipment	20%- 66.67%
Computer Software	40%-80%
Furniture Fixtures & Equipment	2.50%-66.67%

Derecognition

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

1.20 Investment property

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

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

1.21 Intangibles

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

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

Derecognition

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

1.22 Impairment of 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 Transport Workers Union of Australia (QLD Branch) were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.23 Non-current assets held for sale

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

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

1.24 Taxation

The Transport Workers Union of Australia (QLD Branch) is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligations 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.

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

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

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

1.25 Fair value measurement

The Transport Workers Union of Australia (QLD Branch) measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost 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 Transport Workers Union of Australia (QLD Branch). The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

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 Transport Workers Union of Australia (QLD Branch) determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the [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.

1.26 Working Capital

The financial statements show a working capital deficiency of \$566,098 (2017: \$481,085). The Union will be able to meet its working capital deficiency through the cash and equity portion held with Macquarie Investment Portfolio. As at 31st December 2018 the cash portion is \$528,934 (2017: \$536,361) and investment in equities of \$7,793,942 (2017: \$8,214,709). As and when needed TWU has the ability to withdraw this cash and equity portion to cover any working capital deficiencies in less than 5 days.

1.27 Going concern

The Transport Workers Union of Australia (QLD Branch) is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

The Transport Workers Union of Australia (QLD Branch) has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

Note 2 Events after the reporting period

There were no events that occurred after 31 December 2018, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Transport Workers Union of Australia (QLD Branch).

	2018	2017
	\$	\$

Note 3 Income

Note 3A: Capitation fees*

Total capitation fees	-	-
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Note 3B: Levies*

Total levies	-	-
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Note 3C: Interest

Deposits	14	14
Loans	-	-
Total interest	14	14

Note 3D: Rental revenue

Properties	43,168	45,527
Other	-	-
Total rental revenue	43,168	45,527

Note 3E: Grants or donations*

Grants	-	-
Donations	-	-
Total grants or donations	-	-

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

2018	2017
\$	\$

Note 3F: Net gains from sale of assets

Land and buildings	-	-
Plant and equipment	3,628	3,131
Intangibles	-	-
Total net gain from sale of assets	3,628	3,131

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

2018	2017
\$	\$

Note 4 Expenses

Note 4A: Employee expenses*

Holders of office:

Wages and salaries	310,414	332,939
Superannuation	39,844	42,389
Leave and other entitlements	16,731	(4,035)
Separation and redundancies	-	-
Other employee expenses	-	-

Subtotal employee expenses holders of office	366,989	371,293
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Employees other than office holders:

Wages and salaries	2,144,522	2,013,235
Superannuation	260,710	256,028
Leave and other entitlements	(26,974)	91,606
Separation and redundancies	-	-
Other employee expenses	-	-

Subtotal employee expenses employees other than office holders	2,378,258	2,360,869
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Total employee expenses	2,745,247	2,732,162
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Note 4B: Capitation fees*

<i>Transport Workers Union of Australia</i>	841,981	838,881
Total capitation fees	841,981	838,881

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

2018	2017
\$	\$

Note 4C: Affiliation fees*

ALP QLD	42,730	42,224
Union Shopper	19,988	23,154
QCU	33,471	-
Other	4,486	-
Total affiliation fees/subscriptions	100,675	65,378

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

Note 4D: Administration expenses

Consideration to employers for payroll deductions*	-	-
Compulsory levies*	-	-
Fees/allowances - meeting and conferences*	14,060	14,908
Conference and meeting expenses*	153,911	49,506
Contractors/consultants	3,361	-
Property expenses	58,103	34,404
Office expenses	40,175	38,193
Information communications technology	97,413	83,442
Other	119,577	82,210
Subtotal administration expense	486,600	302,663
Operating lease rentals:		
Minimum lease payments	-	-
Total administration expenses	486,600	302,663

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	6,145	18,986
Total paid that exceeded \$1,000	14,100	59,643
Total grants or donations	20,245	78,629

Transport Workers Union of Australia (QLD Branch)**Notes to the Financial Statements***for the year ended 31 December 2018*

	2018	2017
	\$	\$

Note 4F: Depreciation and amortisation

Depreciation		
Land & buildings	60,306	53,250
Property, plant and equipment	103,335	116,718
Total depreciation	163,641	169,968
Amortisation		
Intangibles	72,051	184,870
Total amortisation	72,051	184,870
Total depreciation and amortisation	235,692	354,838

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

	2018	2017
	\$	\$

Note 4G: Finance costs

Finance leases	-	-
Overdrafts/loans	-	-
Unwinding of discount	-	-
Total finance costs	-	-

Note 4H: Legal costs*

Litigation	4,499	65,830
Other legal matters	30,840	25,286
Total legal costs	35,339	91,116

Note 4I: Write-down and impairment of assets

Asset write-downs and impairments of:

Land and buildings	-	-
Plant and equipment	-	-
Intangible assets	-	-
Other	-	-
Total write-down and impairment of assets	-	-

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

	2018	2017
	\$	\$

Note 4J: Net losses from sale of assets

Land and buildings	-	-
Plant and equipment	-	-
Intangibles	-	-
Total net losses from asset sales	<u>-</u>	<u>-</u>

Note 4K: Other expenses

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

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

Note 5 Current Assets

Note 5A: Cash and Cash Equivalents

Cash at bank	186,275	138,580
Cash on hand	600	600
Short term deposits	-	-
Cash held for specific purpose (reserves)	311,825	355,125
Other	-	-
Total cash and cash equivalents	<u>498,700</u>	<u>494,305</u>

Transport Workers Union of Australia (QLD Branch)**Notes to the Financial Statements***for the year ended 31 December 2018*

	2018	2017
	\$	\$
Note 5B: Trade and Other Receivables		
Receivables from other reporting unit[s]*		
TWU of Australia	-	-
TWU WA Branch	-	-
TWU VIC/TAS Branch	-	28,181
TWU SA Branch	-	35,138
Total receivables from other reporting unit[s]	-	63,319
Less provision for doubtful debts*		
	-	-
Total provision for doubtful debts	-	-
Receivable from other reporting unit[s] (net)	-	63,319
Other receivables:		
GST receivable	42,086	30,453
Other trade receivables	3,336	5,042
Total other receivables	45,422	35,495
Total trade and other receivables (net)	45,422	98,814

Note 5C: Other Current Assets

Prepayments	97,759	93,202
Accrued Revenue	58,529	57,720
Accrued Interest Receivable	-	3,912
Total other current assets	156,288	154,834

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

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

	2018	2017
	\$	\$
Note 6		
Non-current Assets		
Note 6A: Land and buildings		
Land and buildings:		
fair value	3,170,944	3,000,000
accumulated depreciation	(118,066)	(57,761)
Total land and buildings	3,052,878	2,942,239

Reconciliation of Opening and Closing Balances of Land and Buildings

As at 1 January		
Gross book value	3,000,000	3,000,000
Accumulated depreciation and impairment	(57,761)	(4,511)
Net book value 1 January	2,942,239	2,995,489
Additions:		
By purchase	170,945	-
From acquisition of entities (including restructuring)	-	-
Revaluations	-	-
Impairments	-	-
Depreciation expense	(60,306)	(53,250)
Other movement [give details below]	-	-
Disposals:		
From disposal of entities (including restructuring)	-	-
Other	-	-
Net book value 31 December	3,052,878	2,942,239
Net book value as of 31 December represented by:		
Gross book value	3,170,944	3,000,000
Accumulated depreciation and impairment	(118,066)	(57,761)
Net book value 30 June	3,052,878	2,942,239

The land and buildings consist of land and buildings at 11 Alexandra Place, Murarrie Qld. Management determined that these constitute one class of asset under AASB 13, based on the nature, characteristics and risks of the property.

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

Note 6A: Land and buildings (continued)

Land and Buildings were revalued by independent valuer CBRE on 15 November 2016.

Fair value of the properties was determined by using a combination of capitalisation approach and direct comparison approach. This means that valuations performed by the valuer are based on looking at rental income and rate per square metre, significantly adjusted for difference in the nature, location or condition of the specific property. As at the date of revaluation, 15 November 2016, the properties' fair values are based on valuations performed by CBRE, an accredited independent valuer.

Significant unobservable valuation input

Price per square metre

Range

\$3,200 - \$3,500

A significant increase (decrease) in estimated price per square metre in isolation would result in a significantly higher (lower) fair value.

	2018	2017
	\$	\$

Note 6B: Plant and equipment

Plant and equipment:

at cost

	1,065,933	1,052,010
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accumulated depreciation

	(759,826)	(696,503)
--	-----------	-----------

Total plant and equipment

	306,107	355,507
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Reconciliation of Opening and Closing Balances of Plant and Equipment

As at 1 January		
Gross book value	1,052,010	1,077,726
Accumulated depreciation and impairment	(696,503)	(690,925)
Net book value 1 January	355,507	386,801
Additions:		
By purchase	68,679	147,162
From acquisition of entities (including restructuring)	-	-
Impairments	-	-
Depreciation expense	(103,335)	(116,718)
Other movement [give details below]	-	-
Disposals:		
From disposal of entities (including restructuring)	-	-
Other	(14,744)	(61,738)
Net book value 31 December	306,107	355,507
Net book value as of 31 December represented by:		
Gross book value	1,065,933	1,052,010
Accumulated depreciation and impairment	(759,826)	(696,503)
Net book value 31 December	306,107	355,507

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

	2018	2017
	\$	\$
Note 6C: Investment Property		
No Investment properties were held		
Note 6D: Intangibles		
Computer software at cost:		
Internally developed	-	-
Purchased	581,524	581,524
accumulated amortisation	(562,693)	(490,642)
Total intangibles	18,831	90,882

Reconciliation of Opening and Closing Balances of Intangibles

As at 1 January		
Gross book value	581,524	460,797
Accumulated amortisation and impairment	(490,642)	(305,771)
Net book value 1 January	90,882	155,026
Additions:		
By purchase	-	120,726
From acquisition of entities (including restructuring)	-	-
Impairments	-	-
Amortisation	(72,051)	(184,870)
Other movements [give details below]	-	-
Disposals:		
From disposal of entities (including restructuring)	-	-
Other	-	-
Net book value 31 December	18,831	90,882
Net book value as of 31 December represented by:		
Gross book value	581,524	581,524
Accumulated amortisation and impairment	(562,693)	(490,642)
Net book value 31 December	18,831	90,882

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

2018	2017
\$	\$

Note 6E: Investments in Associates

There were no investments in associates.

Note 6F: Other Investments

Macquarie Investment Portfolio – funeral fund	96,718	-
Macquarie Investment Portfolio	8,322,876	8,751,069
Total other investments	8,419,594	8,751,069

Note 6G: Other Non-current Assets

Prepayments	-	-
Rental Bond- Cairns Office	1,650	1,650
Security Deposit	100	-
Total other non-financial assets	1,750	1,650

Note 7 Current Liabilities

Note 7A: Trade payables

Trade creditors and accruals	218,717	269,604
Operating lease rentals	-	-
Subtotal trade creditors	218,717	269,604

Payables to other reporting unit[s]*

TWU of Australia	230,288	143,545
Subtotal payables to other reporting unit[s]	230,288	143,545

Total trade payables	449,005	413,149
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Settlement is usually made within 30 days.

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

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

	2018	2017
	\$	\$
Note 7B: Other payables		
Wages and salaries	-	-
Superannuation	34,231	31,078
Consideration to employers for payroll deductions*	-	-
Legal costs*		
Litigation	-	-
Other legal matters	-	-
Prepayments received/unearned revenue	28,341	28,629
GST payable	-	-
Credit Card	23,278	19,054
Other	34,769	30,001
Total other payables	120,619	108,762
Total other payables are expected to be settled in:		
No more than 12 months	120,619	108,762
More than 12 months	-	-
Total other payables	120,619	108,762
Note 8 Provisions		
Note 8A: Employee Provisions*		
Office Holders:		
Annual leave	79,859	72,023
Long service leave	76,489	67,594
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	156,348	139,617
Employees other than office holders:		
Annual leave	246,235	280,578
Long service leave	294,301	286,932
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	540,536	567,510
Total employee provisions	696,884	707,127
Current	696,884	707,127
Non Current	-	-
Total employee provisions	696,884	707,127

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

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

	2018 \$	2017 \$
Note 9 Non-current Liabilities		
Note 9A: Other non-current liabilities		
Rental Bond	-	4,333
Total other non-current liabilities	<u>-</u>	<u>4,333</u>
Note 10 Equity		
Note 10A: Funds		
<i>Funeral Fund</i>		
Balance as at start of year	198,820	152,267
Transferred to reserve	62,608	46,553
Transferred out of reserve	(52,282)	-
Balance as at end of year	209,146	198,820
<i>Support Fund</i>		
Balance as at start of year	164,136	127,394
Transferred to reserve	38,520	36,742
Transferred out of reserve	-	-
Balance as at end of year	202,656	164,136
<i>Political Activist Fund</i>		
Balance as at start of year	3,249	1,646
Transferred to reserve	2,150	1,603
Transferred out of reserve	-	-
Balance as at end of year	5,399	3,249
<i>Asset Revaluation Reserve</i>		
Balance as at start of year	1,967,157	1,967,157
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	1,967,157	1,967,157
Total Reserves	2,384,358	2,333,362

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

	2018 \$	2017 \$
Note 10B: Other Specific disclosures - Funds*		
Compulsory levy/voluntary contribution fund – if invested in assets	-	-
Other fund(s) required by rules	-	-
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	-	-

Note 11 Cash Flow

Note 11A: Cash Flow Reconciliation

Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:

Cash and cash equivalents as per:

Cash flow statement	498,700	494,305
Balance sheet	498,700	494,305
Difference	-	-

Profit/(deficit) for the year	(473,863)	665,542
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Adjustments for non-cash items

Depreciation/amortisation	235,692	354,838
Net write-down of non-financial assets	-	-
Fair value movements in investment property	-	-
Gain on disposal of assets	(3,628)	(3,131)

Changes in assets/liabilities

(Increase)/decrease in net receivables	53,392	(40,632)
(Increase)/decrease in prepayments	-	(6,268)
(Increase)/decrease in other assets	(1,555)	(1,937)
Increase/(decrease) in supplier payables	47,710	24,958
Increase/(decrease) in other payables	(4,333)	-
Increase/(decrease) in value of investments	405,749	(717,728)
Increase/(decrease) in employee provisions	(10,242)	87,571
Increase/(decrease) in other provisions	-	-
Net cash from (used by) operating activities	248,922	363,213

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

Note 11B: Cash flow information*

	2018	2017
	\$	\$
Cash inflows		
Transport Workers Union of Australia	19,082	17,596
Transport Workers Union of Australia WA Branch	28,413	37,154
Transport Workers Union of Australia NSW Branch	-	28,181
Transport Workers Union of Australia SA Branch	35,138	436
Transport Workers Union of Australia VIC/TAS Branch	28,181	-
Total cash inflows	110,814	83,367
Cash outflows		
<i>Transport Workers Union of Australia</i>	(847,420)	(879,335)
<i>Transport Workers Union of Australia VIC/TAS Branch</i>	(62)	(285)
<i>Transport Workers Union of Australia NSW Branch</i>	(584)	(111)
Total cash outflows	(848,066)	(879,731)

Note 12 Contingent Liabilities, Assets and Commitments

Note 12A: Commitments and Contingencies

Operating lease commitments—as lessee

The branch has commitments payable related to tenancy agreements:

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

Within one year	7,800	7,800
After one year but not more than five years	18,850	26,650
More than five years	-	-
	26,650	34,450

Operating lease commitments for the 3 other branches are invoiced by the landlord on a monthly basis.

Operating lease commitments—as lessee

The branch has commitments payable related to leased equipment:

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

Within one year	45,384	45,384
After one year but not more than five years	83,529	136,227
More than five years	11,421	-
	140,334	181,611

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

Operating lease commitments—as lessor

The branch leases out a portion of its building to various tenants, of which it derives income.

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

	2018	2017
	\$	\$
Within one year	45,894	14,748
After one year but not more than five years	66,202	29,496
After five years	-	-
	<u>112,096</u>	<u>44,244</u>

Capital commitments

At 31 December 2018 the entity had no capital commitments.

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

Estimates of material amounts of contingent liabilities are not provided for in the accounts, arising from ongoing activities of the union, as its not practical to estimate/ quantify the liability.

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 TWU of Australia includes the following:

Reimbursement of expenses	17,347	16,669
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Revenue received from TWU WA Branch includes the following:

Share of software hosting expenses, SLA agreement, Software enhancements, purchase of software	25,830	30,615
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Expenses paid to TWU of Australia includes the following:

Sustentation/ Capitation fees	819,658	815,863
Other Federal Expenses	22,323	23,018
Share of legal fees/meeting fees/ research expenses	7,259	-

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

	2018	2017
	\$	\$
Amounts owed by TWU of Australia include the following:		
-	-	-
Amounts owed by TWU SA Branch include the following:		
Purchase of software	-	35,138
Amounts owed by TWU VIC Branch include the following:		
Purchase of software	-	28,181
Amounts owed to TWU of Australia include the following:		
Sustentation/ Capitation fees, Share of research & meeting expenses, Industrial relations levy	230,288	143,545
Loans from/to <i>[list related party]</i> includes the following:		
N/A	-	-
Assets transferred from/to <i>[list related party]</i> includes the following:		
N/A	-	-

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 2018, the Transport Workers Union of Australia (QLD Branch) has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2017: \$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.

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

2018 **2017**
\$ \$

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

Short-term employee benefits

Salary (including annual leave taken)	310,414	332,939
Annual leave accrued	7,836	(14,252)
Performance bonus	-	-
Other	-	-
Total short-term employee benefits	318,250	318,687

Post-employment benefits:

Superannuation	39,844	42,389
Total post-employment benefits	39,844	42,389

Other long-term benefits:

Long-service leave	8,895	10,217
Total other long-term benefits	8,895	10,217

Termination benefits

	-	-
Total	366,989	371,293

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

Loans to/from key management personnel

-	-	-
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Other transactions with key management personnel

-	-	-
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Note 14 Remuneration of Auditors

Value of the services provided

Financial statement audit services	28,469	25,989
Other services	-	-
Total remuneration of auditors	28,469	25,989

[No other services were provided by the auditors of the financial statements.]

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

Note 15 Financial Instruments

Financial Risk Management

The union is exposed to the following risks from their use of financial instruments:

- Market Risk
- Credit Risk
- Liquidity Risk

The Committee has overall responsibility for risk management. The Committee has established risk management policies designed to identify and monitor risks from financial instruments and ensure any adverse effects from these risks are minimised. The Committee meet on a regular basis to review compliance with risk management policy and to analyse financial risk exposure in the context of the current economic environment.

Market risk

Market risk is the risk that changes in market prices, such as interest rates, and equity prices will affect the entity's income or the value of its holdings of financial instruments.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

The entity does not have any material exposure to market risk other than price risk and interest rate risk.

Price risk

Equity price risk arises principally from available for sale financial assets where the company is exposed to fluctuations in price that are inherent in such a market. To limit the risk, the company holds a diverse portfolio and investment decisions are made in accordance with the stated policy above.

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. The entity does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the entity.

There are no material amounts of collateral held as security at 31 December 2018.

Credit risk is managed by the entity and reviewed regularly by the finance committee. It arises from exposures to customers as well as through deposits with financial institutions.

The entity monitors the credit risk by actively assessing the rating quality and liquidity of counterparties:

- Only banks and financial institutions with an 'A' rating are utilised
- The credit standing of counterparties is reviewed monthly for liquidity and credit risk.

Liquidity risk

The entity manages liquidity risk by monitoring forecast cash flows.

Transport Workers Union of Australia (QLD Branch)
Notes to the Financial Statements
for the year ended 31 December 2018

Note 15A: Categories of Financial Instruments

	2018	2017
	\$	\$
<i>Financial Assets</i>		
Fair value through profit or loss:		
Other investments	8,322,876	8,751,069
Total	8,322,876	8,751,069
Fair value through other comprehensive income:		
Other investment –funeral fund	96,718	-
Total	96,718	-
Amortised cost:		
Cash and cash equivalents	498,700	494,305
Trade and other receivables	45,422	98,814
Other current assets	156,288	154,834
Other non-current assets	1,750	1,650
Total	702,160	749,603
<i>Carrying amount of financial assets</i>	9,121,754	9,500,672
<i>Financial Liabilities</i>		
Total		
Amortised cost:		
Trade payables	449,005	413,149
Other payables	120,619	108,762
Total	569,624	521,911
<i>Carrying amount of financial liabilities</i>	569,624	521,911

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

Note 15B: Net Income and Expense from Financial Assets

	2018	2017
	\$	\$
Fair value through profit and loss		
Held for trading:		
Change in fair value	(661,559)	82,006
Dividend and interest revenue	396,908	394,294
Realised gains/(loss)	255,810	635,722
Total designated as fair value through profit and loss	(8,841)	521,911
Net gain/(loss) at fair value through profit and loss	(8,841)	521,911
Net gain/(loss) from financial assets	(8,841)	521,911

The net income/expense from financial assets not at fair value from profit and loss is \$nil (2017: \$nil...). The fair value movement from financial asset not at fair value through profit or loss is (\$3,119), nil in 31 December 2017.

Note 15D: Credit Risk

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

Financial assets		
Cash and cash equivalents	498,700	494,305
Trade and other receivables	45,422	98,814
Other current assets	156,288	154,834
Total	700,410	747,953
Financial liabilities		
Trade and other payables	569,624	521,911
Total	569,624	521,911

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

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

The Union does not have any financial instruments that are past due or impaired. The financial instruments are mostly GST receivable and prepayments.

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

Note 15E: Liquidity Risk

Contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Contractual maturities for financial liabilities 2018

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade Payables	-	448,982	-	-	-	448,982
Provisions	-	696,884	-	-	-	696,884
Other payables	-	120,618	-	-	-	120,618
Total	-	1,266,484	-	-	-	1,266,484

Contractual maturities for financial liabilities 2017

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade Payables	-	413,149	-	-	-	413,149
Provisions	-	707,127	-	-	-	707,127
Other payables	-	108,762	4,333	-	-	113,095
Total	-	1,229,038	4,333	-	-	1,233,371

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

Note 15F: Market Risk

Interest rate risk

The entity has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in this risk.

As at 31 December 2018, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

Sensitivity analysis of the risk that the entity is exposed to for 2018

Risk variable	Change in risk variable %	Effect on	
		Profit and loss	Equity
		\$	\$
Interest rate risk	- [+ 2%]	9,974	9,974
Interest rate risk	- [- 2%]	(9,974)	(9,974)

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%]	9,874	9,874
Interest rate risk	- [- 2%]	(9,874)	(9,874)

Price risk

A 2% change in equity prices at reporting date would have increased/ (decreased) profit/ (loss) and equity by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for the prior year.

Transport Workers Union of Australia (QLD Branch)
Notes to the Financial Statements

for the year ended 31 December 2018

Sensitivity analysis of the risk that the entity is exposed to for 2018

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity
			\$	\$
Increase in equity prices by 2%	-	[+ 2%]	168,391	168,391
Decrease in equity prices by 2%	-	[- 2%]	(168,391)	(168,391)

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
			\$	\$
Increase in equity prices by 2%	-	[+ 2%]	175,021	175,021
Decrease in equity prices by 2%	-	[- 2%]	(175,021)	(175,021)

2018
\$

2017
\$

Note 15G: Asset Pledged/or Held as Collateral

Assets pledged as collateral

Financial assets pledged as collateral:

[List]

- -

Total assets pledged as collateral

- -

[terms and conditions related to pledge]

Assets held as collateral

Fair value of assets held as collateral:

Financial assets

- -

Non-financial assets

- -

Total assets held as collateral

- -

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

Note 16 Fair Value Measurement

[Example disclosures for AASB 7 para 25 – 29 and AASB 13 para 93(d) and 97]

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 [year-end date] was assessed to be insignificant.
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 31 December 2018 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 Transport Workers Union of Australia (QLD Branch) financial assets and liabilities:

	Carrying amount 2018 \$	Fair value 2018 \$	Carrying amount 2017 \$	Fair value 2017 \$
Financial Assets				
Macquarie Investment Portfolio	8,322,876	8,322,876	8,751,069	8,751,069
Macquarie Investment Portfolio – Funeral fund	96,718	96,718	-	-
Land & Buildings	3,052,878	3,052,878	2,942,239	2,942,239
Total	11,472,472	11,472,472	11,693,308	11,693,308
Financial Liabilities				
[List each class – i.e. finance lease obligations, borrowings]	-	-	-	-
Total	-	-	-	-

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

Note 16B: Financial and Non-Financial Assets and Liabilities 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 – 31 December 2018

Date of valuation	Level 1	Level 2	Level 3
Assets measured at fair value	\$	\$	\$
Macquarie Investment Portfolio	8,322,876	-	-
Macquarie Investment Portfolio – Funeral fund	96,718	-	-
Land & Buildings	-	-	3,052,878
Total	8,419,594	-	3,052,878

Fair value hierarchy – 31 December 2017

Date of valuation	Level 1	Level 2	Level 3
Assets measured at fair value	\$	\$	\$
Macquarie Investment Portfolio	8,751,069	-	-
Land & Buildings	-	-	2,942,239
Total	8,751,069	-	2,942,239

Transport Workers Union of Australia (QLD Branch)

Notes to the Financial Statements

for the year ended 31 December 2018

Note 17 Administration of financial affairs by a third party - NIL

Note 18 Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or Commissioner:

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

Transport Workers Union of Australia (QLD Branch)
OFFICER DECLARATION STATEMENT

I, Peter Biagini being the Secretary of the Transport Workers Union of Australia (Queensland Branch) declare that the following activities did not occur during the reporting period ending 31 December 2018.

The reporting unit did not:

- receive capitation fees from another reporting unit
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by the officer:

Dated:


5/3/2019