

**TRANSPORT WORKERS UNION OF AUSTRALIA
NSW/QLD (INTERIM GOVERNANCE) BRANCH**

FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

TABLE OF CONTENTS

Independent Audit Report	1
Report required under subsection 255(2A)	3
Operating Report	4
Committee of Management Statement	7
Statement of Comprehensive Income	8
Statement of Financial Position	10
Statement of Changes in Equity	11
Statement of Cash Flows	12
Index to the Notes of the Financial Statements	13
Officer Declaration Statement	52

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
TRANSPORT WORKERS UNION OF AUSTRALIA NSW/QLD (INTERIM GOVERNANCE) BRANCH**

Opinion

We have audited the financial report of Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch (the Reporting Unit), which comprises the statement of financial position as at 31 December 2021, 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, the subsection 255(2A) report and the officer declaration statement.

In our opinion the accompanying financial report of the Reporting Unit, presents fairly, in all material respects, the reporting unit's financial position as at 31 December 2021 and its financial performance and its cash flows for the year then ended in accordance with:

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

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

Basis for Opinion

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.

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

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

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

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

Responsibilities of the Committee of Management for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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.

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

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.

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

RSM

RSM AUSTRALIA PTY LTD



Steve Stavrou

Director

Brisbane, Queensland

Dated: 20 April 2022

Registration number (as registered by the Commissioner under the RO Act): AA2021/37

REPORT REQUIRED UNDER SUBSECTION 255(2A)

for the year ended 31 December 2021

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 December 2021.

Categories of expenditures	2021 \$	2020 \$
Remuneration and other employment-related costs and expenses - employees	1,690,590	339,151
Advertising	82,433	4,675
Operating costs	3,105,814	1,761,631
Donations to political parties	2,940	-
Legal costs	114,295	2,890

Signature of designated officer:



Name of designated officer: Richard Olsen

Title of designated officer: NSW/QLD (Interim Governance) Branch Secretary

Dated: 19th April 2022

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

Operating Report

for the year ended 31 December 2021

The Committee of Management presents its operating report on the Reporting Unit for the year ended 31 December 2021.

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

On 23 July 2021, under the Union's rules, the Transport Workers Union of Australia National Council:

- disbanded the Transport Workers Union Queensland Branch;
- allocated the members, assets and liabilities of the former Queensland Branch to the NSW Branch; and
- renamed the NSW Branch the NSW/QLD (Interim Governance) Branch.

Transport Workers Union of Australia National Council will re-establish a branch in Queensland as soon as it is satisfied that a branch could operate in an appropriate, effective, and stable manner for the benefit of TWU members.

Until a Qld Branch is re-established, National Council has a stewardship role through its oversight of the NSW/QLD (Interim Governance) Branch governance of Queensland operations. In accordance with this mandate, on 19/04/2022 the NSW/QLD (Interim Governance) Branch Committee of Management and the National Committee of Management (separately) endorsed this financial report in its entirety.

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 NSW/QLD (Interim Governance) Branch were officeholders of TWU Nominees Pty Ltd, which is trustee of the TWU Superannuation Fund:

Mr Richard Olsen

Number of members

Total membership of the Branch as at 31 December 2021 was 28,095 (NSW 18,526, ACT 1,671 and QLD 7,898).

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

Operating Report (cont'd)

Number of employees

At 31 December 2021, there were 27 persons employed by the Branch.

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	Period in Office this year
Richard Olsen	1 January 2021 - 31 December 2021
Anthony Matthews	1 January 2021 - 31 December 2021
Stephen Newton	1 January 2021 - 31 December 2021
Grahame Devenish	1 January 2021 - 31 December 2021
Scott Leighton	1 January 2021 – 1 March 2021
Michael Pieri	1 January 2021 - 31 December 2021
Robert Pirc	1 January 2021 - 31 December 2021
Michael Forbes	1 January 2021 - 31 December 2021
Klaus Pinkas	1 January 2021 - 31 December 2021
Jim Mitropoulos	1 January 2021 - 31 December 2021
Stephen Petiford	1 January 2021 - 31 December 2021
Richard Cockburn	1 January 2021 - 31 December 2021
Douglas Fox	1 January 2021 - 31 December 2021
Raymond Childs	1 January 2021 - 31 December 2021
Margaret Harvey	1 January 2021 - 31 December 2021
Jason Larfield	1 January 2021 - 31 December 2021
Christopher Nolan	1 January 2021 - 31 December 2021
Dylan Thompson	5 March 2021 - 31 December 2021
Greg Delamotte	23 July 2021 - 31 December 2021
Michael Cardile	23 July 2021 - 31 December 2021
Kent Wilkins	23 July 2021 - 31 December 2021
Andrew Thomson	23 July 2021 - 31 December 2021
Nick Harris	23 July 2021 - 31 December 2021
Adam Winters	23 July 2021 - 31 December 2021

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

Operating Report (cont'd)

Baris Can	23 July 2021 – 5 October 2021
Cherie Holman	6 December 2021 - 31 December 2021
Ian Buckingham	23 July 2021 - 31 December 2021
Julianne Kingaby	23 July 2021 - 31 December 2021
Nathan Jaeger	23 July 2021 - 31 December 2021

Signature of designated officer:



Name of designated officer: Richard Olsen

Title of designated officer: NSW/QLD (Interim Governance) Branch Secretary

Dated: 19th April 2022

Committee of Management Statement

for the year ended 31 December 2021

On 19/04/2022 the Branch Committee of Management of the *Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch* passed the following resolution in relation to the general-purpose financial report (GPFR) for the year ended 31 December 2021:

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, that information 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 of designated officer: Richard Olsen

Title of designated officer: NSW/Qld (Interim Governance) Branch Secretary

Dated: 19th April 2022

Statement of Comprehensive Income

for the year ended 31 December 2021

	Notes	2021 \$	2020 \$
Revenue from contracts with customers			
Membership subscriptions*	3	2,707,537	845,984
Capitation fees and other revenue from another reporting unit*	3A	-	-
Levies*	3B	-	-
Service fees – Transport Workers Union of NSW	3	1,214,767	1,280,834
Training income		-	-
Reimbursement and sponsorship	3	85,018	-
Advertising	3	8,610	-
Other revenue	3	116,536	8,669
Total revenue from contracts with customers		4,132,468	2,135,487
Income for furthering objectives			
Grants and/or donations*	3E	35,000	-
Total income for furthering objectives		35,000	-
Other Income			
Share of net profit from associate	6F	-	-
Interest	3C	2,207	174
Rental income	3D	14,703	-
Investment income	15B	84,610	-
Realised gain / (loss) on investments	15B	276,548	-
Unrealised gain / (loss) on investments	15B	(97,104)	-
Net gains from sale of assets	3F	4,917	-
Revenue from recovery of wages activities*	3G	-	-
Total other income		285,881	174
Total income		4,453,349	2,135,661
Expenses			
Employee expenses*	4A	1,690,590	339,151
Capitation fees and other expense to another reporting unit*	4B	1,700,365	1,430,066
Affiliation fees*	4C	70,273	16,116
Administration expenses	4D	594,211	145,440
Grants or donations*	4E	9,916	-
Depreciation and amortisation	4F	129,832	39,774
Finance costs	4G	3,948	1,432
Legal costs*	4H	114,295	2,890
Audit fees	14	68,750	5,800
Share of net loss from associate	6F	-	-
Write-down and impairment of assets	4I	-	-
Net losses from sale of assets	4J	-	-
Accountancy fees		2,215	-
Advertising		89,532	4,675
ACT ambulance cover for member		15,218	3,627
Bank and direct debit processing charges		30,410	2,210
Campaign expenses		3,704	-
Insurance		84,019	35,389

Statement of Comprehensive Income

for the year ended 31 December 2021

	Notes	2021 \$	2020 \$
IR levy		3,018	3,010
Fringe benefits		22,356	-
Motor vehicle expenses		92,701	37,377
Electricity		12,003	6,626
Payroll tax		74,727	22,228
Telephone		17,981	6,542
Travelling expenses		38,893	-
Fees and permits		36,696	-
Staff training and welfare		23,845	249
Printing and stationery		16,971	5,311
Postage		20,809	434
Rent		13,667	-
Subscriptions		13,307	-
Uniforms		1,820	-
Other expenses	4K	-	-
Total expenses		4,996,072	2,108,347
Surplus (deficit) for the year		(542,723)	27,314
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss			
Gain on revaluation of land & buildings		-	-
Revaluation of listed shares		-	(2,366)
Net transfers in/ (out) of Fund Reserves		39,790	-
Total comprehensive income for the year		(502,933)	24,948

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

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

Statement of Financial Position

as at 31 December 2021

	Notes	2021 \$	2020 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	1,162,965	346,516
Trade and other receivables*	5B	208,386	94,962
Other current assets	5C	199,193	35,719
Total current assets		1,570,544	477,197
Non-Current Assets			
Land and buildings	6A	3,122,298	-
Plant and equipment	6B	407,451	-
Right-of-use assets	6C	172,678	13,259
Investment Property	6D	-	-
Intangibles	6E	1,187	-
Investments in associates	6F	-	-
Other investments	6G	9,004,228	-
Other non-current assets	6H	1,750	-
Total non-current assets		12,709,592	13,259
Total assets		14,280,136	490,456
LIABILITIES			
Current Liabilities			
Trade payables	7A	654,312	118,232
Other payables	7B	98,496	50,770
Lease liabilities	7C	60,638	13,980
Employee provisions	8A	412,252	145,098
Total current liabilities		1,225,698	328,080
Non-Current Liabilities			
Employee provisions	8A	41,302	-
Other non-current liabilities	9A	5,772	-
Lease liabilities	9B	116,807	-
Total non-current liabilities		163,881	-
Total liabilities		1,389,579	328,080
Net assets		12,890,557	162,376
EQUITY			
General funds	10A	2,871,305	2,958
Retained earnings (accumulated deficit)		10,019,252	159,418
Total equity		12,890,557	162,376

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

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

Statement of Changes in Equity

for the year ended 31 December 2021

	Notes	General funds \$	Retained earnings \$	Total equity \$
Balance as at 1 January 2020		5,324	132,104	137,428
Adjustment for errors		-	-	-
Adjustment for changes in accounting policies		-	-	-
Surplus / (deficit)		-	27,314	27,314
Revaluation of financial instruments		(2,366)	-	(2,366)
<i>Other comprehensive income</i>				
Transfer to/from reserves	10A	-	-	-
Transfer from retained earnings		-	-	-
Closing balance as at 31 December 2020		2,958	159,418	162,376
Adjustment for errors		-	-	-
Adjustment for branch restructure (Interim Governance)		2,828,557	10,402,557	13,231,114
Surplus / (deficit)		-	(542,723)	(542,723)
<i>Other comprehensive income</i>		-	-	-
Transfer to/from reserves	10A	39,790	-	39,790
Transfer from retained earnings		-	-	-
Closing balance as at 31 December 2021		2,871,305	10,019,252	12,890,557

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

Statement of Cash Flows

for the year ended 31 December 2021

	Notes	2021 \$	2020 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units/controlled entity(s)*	11B	1,217,412	1,278,036
Interest		1,620	174
Investment Income		84,610	-
Receipts from customers		3,175,596	942,199
Rent Received		14,703	-
Cash used			
Employees		(1,690,590)	(339,151)
Suppliers		(1,349,655)	(327,131)
Interest payments and other finance costs		-	-
Payment to other reporting units/controlled entity(s)*	11B	(2,041,703)	(1,482,714)
Net cash from (used by) operating activities	11A	(588,007)	71,413
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		9,000	-
Proceeds from sale of land and buildings		-	-
Proceeds from members for Funeral, Support & Activist Funds		33,776	-
Proceeds from investments		351,686	-
Payment for investments		-	-
Cash used			
Purchase of plant and equipment		(75,340)	-
Purchase of land and buildings		-	-
Payment for investments – Funeral Fund		-	-
Payment for investments		-	-
Net cash from (used by) investing activities		319,122	-
FINANCING ACTIVITIES			
Cash received			
Contributed equity		-	-
Cash used			
Repayment of borrowings		-	-
Repayment of lease liabilities		(53,848)	(43,212)
Other		-	-
Net cash from (used by) financing activities		(53,848)	(43,212)
Net increase (decrease) in cash held		(322,733)	28,201
Cash & cash equivalents at the beginning of the reporting period		346,516	318,315
Cash recognised upon branch restructure		1,139,182	-
Cash & cash equivalents at the end of the reporting period	5A	1,162,965	346,516

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

Index to the Notes of the Financial Statements

Note 1	Summary of significant accounting policies
Note 2	Events after the reporting period
Note 3	Revenue and income
Note 4	Expenses
Note 5	Current assets
Note 6	Non-current assets
Note 7	Current liabilities
Note 8	Provisions
Note 9	Non-current liabilities
Note 10	Equity
Note 11	Cash flow
Note 12	Contingent liabilities, assets and commitments
Note 13	Related party disclosures
Note 14	Remuneration of auditors
Note 15	Financial instruments
Note 16	Fair value measurements
Note 17	Administration of financial affairs by a third party
Note 18	Section 272 <i>Fair Work (Registered Organisations) Act 2009</i>

Notes to the Financial Statements

For the year ended 31 December 2021

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 NSW/QLD (Interim Governance) Branch (“the Branch”) is a not-for-profit entity.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. The financial statements have been prepared on a historical cost basis, 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.

On 23 July 2021 the National Council of the Transport Workers' Union of Australia disbanded the Queensland Branch and transferred its members, assets and liabilities to the New South Wales Branch, renaming it to the *NSW/QLD (Interim Governance) Branch*. Accordingly, these financials statements represent an amalgamation of the 12 month results for the NSW branch and the results for the former QLD branch for the period 23 July 2021 to 31 December 2021.

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.

The comparative amounts represent the financial statements of the NSW branch Reporting Unit only.

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 1.13 – Financial Instruments: classification and measurement of financial assets and financial liabilities including assumptions about the impairment of non-financial assets
- Note 1.17 – 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 1.9 – Provisions: whether the Union has a present obligation to settle certain liabilities in the future and a reliable estimate can be made

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

No new Australian Accounting Standards are known to be applicable as at the date of this report.

Future Australian Accounting Standards Requirements

No future Australian Accounting Standards are known to be applicable as at the date of this report.

IFRIC Agenda Decisions – Configuration or Customisation in a Cloud Computing Arrangement

The IFRS Interpretations Committee (IFRIC) issued a final agenda decision in relation to configuration or customisation costs in a cloud computing arrangement. The decision clarified some aspects of accounting for cloud-based software-as-a-service (“SaaS”) arrangements, which could result in a change in accounting policy that would need to be retrospectively applied.

The agenda decision clarified that customisation and configuration costs of SaaS arrangements cannot be classified as intangible assets where the entity does not have ownership over the underlying software. Such costs must either be expensed immediately or treated as a prepayment, depending on whether they are distinct from the underlying SaaS arrangement.

1.5 Investment in associates and joint arrangements

There was no investment in associates or joint arrangements during the financial year ending 31 December 2021.

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

The net book value of assets, liabilities and general funds were transferred on 23 July 2021 from the former QLD Branch to the NSW/QLD Interim Governance Branch for no consideration. The net book value of assets, liabilities and reserves of the former QLD Branch as at 23 July 2021 has been used to account for the transfer. The assets, liabilities and general funds reserves were recognised as at the date of transfer as follows:

	Book Value 23 July 2021 \$
Cash and cash equivalents	1,139,182
Trade and other receivables	65,853
Other assets	144,221
Property, plant and equipment	3,537,912
Right-of-use assets	88,141
Intangibles	3,002
Investments	9,176,470
Trade and other payables	(539,853)
Lease liabilities	(93,490)
Employee provisions	(284,314)
General funds	(2,834,571)
<i>Total assets, liability and reserves transferred</i>	<u>10,402,553</u>

1.7 Current versus non-current classification

The Branch presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Branch classifies all other liabilities as non-current.

1.8 Revenue

The Branch enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, grants and donations. The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where the Branch has a contract with a customer, the Branch recognises revenue when or as it transfers control of goods or services to the customer. The Branch accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

Membership subscriptions

Revenue from memberships fees are recognised over time, as the services are delivered to the members.

Revenue from donations that do not have an enforceable agreement that specifies the performance obligations imposed is recognised under AASB 1058. These revenues are thus recognised on receipt of cash.

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

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

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

All revenue is stated net of the amount of goods and services tax (GST).

Government grants

Government grants are not recognised until there is reasonable assurance that the 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 Branch recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Branch should purchase, construct, or 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 Branch with no future related costs are recognised in profit or loss in the period in which they become receivable.

During the reporting year, the Branch continued to receive grant funds from the National Heavy Vehicle Regulator (NHVR), a Federal Government Statutory Authority, for their Transport Industry related mental health project "Steering Healthy Minds".

Gains on Sale of assets

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

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.

1.9 Employee benefits

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

Liabilities for 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 Branch in respect of services provided by employees up to reporting date.

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

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

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

1.10 Leases

Right-of-use assets

The Branch recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	2021	2020
Land & buildings	10 years	10 years
Plant and equipment	5 to 6 years	5 to 6 years

If ownership of the leased asset transfers to the Branch at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease liability

At the commencement date of the lease, the Branch recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Branch and payments of penalties for terminating the lease, if the lease term reflects the Branch exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Branch uses the implicit interest rate or incremental borrowing rate, if the implicit lease rate is not readily determinable, the Branch to use as applicable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Peppercorn or below market leases

The Branch has elected to recognise the fair value of the leased property at inception of the lease. The difference between the fair value of the leased asset and the lease liability measured at the present value of the 'peppercorn' lease rental is recognised as income.

Short-term leases and leases of low-value assets

The Branch has elected to account for short-term leases assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to short term leases is recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, lease liabilities have been included in financial liabilities.

1.11 Borrowing costs

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

1.12 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.

1.13 Financial instruments

Financial assets and financial liabilities are recognised when the Branch becomes a party to the contractual provisions of the instrument.

1.14 Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income, or fair value through profit or loss.

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

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

The Branch's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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

Subsequent measurement

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

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

Financial assets at amortised cost

The Branch measures financial assets at amortised cost if both of the following conditions are met:

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

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

The Branch's financial assets at amortised cost includes trade receivables and loans to related parties.

Financial assets at fair value through profit or loss (including designated)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Derecognition

A financial asset is derecognised when:

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

When the Branch has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

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

Impairment

Expected credit losses

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

(i) Trade receivables

For trade receivables that do not have a significant financing component, the Branch applies a simplified approach in calculating ECLs which requires lifetime ECLs to be recognised from initial recognition of the receivables.

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

1.15 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'.

Initial recognition and measurement

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

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

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

The Branch's financial liabilities include trade and other payables.

Subsequent measurement

Financial liabilities at fair value through profit or loss (including designated)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 *Financial Instruments* are satisfied.

Financial liabilities at amortised cost

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

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

Derecognition

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

1.16 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.

1.17 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.

Depreciation rates applying to each class of depreciable asset are:

	2021
Buildings	2.5%
Motor Vehicles	25%
Office Equipment	20% - 66.67%
Computer Software	40% - 80%
Furniture, Fixtures & Equipment	2.5% - 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.

1.18 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.

1.19 Intangibles

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

Derecognition

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

1.20 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 Branch were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.21 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.

1.22 Taxation

The 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.

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.

1.23 Fair value measurement

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the 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 Branch has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

1.24 Going concern

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

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

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

Note 2 Events after the reporting period

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Branch, the results of those operations, or the state of affairs of the Branch in subsequent financial periods.

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

2021 2020
\$ \$

Note 3 Revenue and income

Disaggregation of revenue from contracts with customers

A disaggregation of the Branch's revenue by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of revenue by type of customer:

Type of revenue

Members	2,707,537	845,984
Other reporting units – Service fees from Transport Workers Union of NSW	1,214,767	1,280,834
Reimbursement and sponsorship	85,018	-
Advertising	8,610	-
Sundry income	116,536	8,669
Total revenue from contracts with customers	4,132,468	2,135,487

Disaggregation of income for furthering activities

A disaggregation of the Branch's income by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of income by funding source:

Income funding sources

Members	-	-
Other reporting units	-	-
Government	-	-
Other parties	35,000	-
Total income for furthering activities	35,000	-

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

	-	-
Total capitation fees and other revenue from another reporting unit	-	-

Note 3B: Levies*

	-	-
Total levies	-	-

Note 3C: Interest

Deposits	2,207	174
Loans	-	-
Total interest	2,207	174

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

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

	2021	2020
	\$	\$
Note 3D: Rental revenue		
Properties	14,703	-
Other	-	-
Total rental revenue	14,703	-
Note 3E: Grants or donations*		
Grants	35,000	-
Donations	-	-
Total grants or donations	35,000	-
Note 3F: Net gains from sale of assets		
Land and buildings	-	-
Plant and equipment	4,917	-
Intangibles	-	-
Total net gain from sale of assets	4,917	-
Note 3G: Revenue from recovery of wages activities*		
Amounts recovered from employers in respect of wages	-	-
Interest received on recovered money	-	-
Total revenue from recovery of wages activities	-	-

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

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

2021 2020
\$ \$

Note 4 Expenses

Note 4A: Employee expenses*

Holders of office:

Wages and salaries	125,315	130,552
Superannuation	18,789	18,943
Leave and other entitlements	17,999	10,240
Separation and redundancies	-	-
Other employee expenses	-	-

Subtotal employee expenses holders of office	162,103	159,735
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Employees other than office holders:

Wages and salaries	983,791	132,618
Superannuation	159,481	20,296
Leave and other entitlements	255,989	26,198
Separation and redundancies	129,026	-
Other employee expenses	200	304

Subtotal employee expenses employees other than office holders	1,528,487	179,416
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Total employee expenses	1,690,590	339,151
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Note 4B: Capitation fees and other expense to another reporting unit*

<i>Sustentation Fees – NSW – to TWU of NSW</i>	1,214,767	1,280,669
<i>Sustentation Fees – ACT – to TWU (National Office)</i>	160,275	149,397
<i>Sustentation Fees – QLD – to TWU (National Office)</i>	316,890	-
<i>Other expenses</i>	8,433	-

Total capitation fees and other expense to another reporting unit	1,700,365	1,430,066
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Note 4C: Affiliation fees*

<i>ALP QLD</i>	18,441	-
<i>Union Shopper</i>	5,981	-
<i>QCU</i>	28,251	-
<i>ALP NSW Branch</i>	5,636	4,116
<i>Unions ACT</i>	11,964	12,000

Total affiliation fees/subscriptions	70,273	16,116
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*As required by the Reporting Guidelines. Item to remain even if 'nil'.

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

	2021	2020
	\$	\$
Note 4D: Administration expenses		
Consideration to employers for payroll deductions*	-	-
Compulsory levies*	-	-
Fees/allowances - meeting and conferences*	19,510	45,032
Conference and meeting expenses*	37,398	3,065
Contractors/consultants	146,927	-
Property expenses	31,214	7,860
Office expenses	10,002	-
Information communications technology	94,384	13,536
Other	254,776	75,947
Subtotal administration expense	594,211	145,440
Operating lease rentals:		
Minimum lease payments	-	-
Total administration expenses	594,211	145,440
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	2,316	-
Total paid that exceeded \$1,000	7,600	-
Total grants or donations	9,916	-
Note 4F: Depreciation and amortisation		
Depreciation		
Land & buildings	27,017	-
Plant and equipment	52,403	-
Right-of-use assets	48,597	39,774
Total depreciation	128,017	39,774
Amortisation		
Intangibles	1,815	-
Total amortisation	1,815	-
Total depreciation and amortisation	129,832	39,774

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

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

	2021	2020
	\$	\$
Note 4G: Finance costs		
Interest and finance charges paid/payable on lease liabilities	3,948	1,432
Overdrafts/loans	-	-
Unwinding of discount	-	-
Total finance costs	3,948	1,432
Note 4H: Legal costs*		
Litigation	-	-
Other legal matters	114,295	2,890
Total legal costs	114,295	2,890
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	-	-
Note 4J: Net losses from sale of assets		
Land and buildings	-	-
Plant and equipment	-	-
Intangibles	-	-
Total net losses from asset sales	-	-
Note 4K: Other expenses		
Penalties - via RO Act or RO Regulations*	-	-
Total other expenses	-	-

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

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

2021 2020
\$ \$

Note 5 Current Assets

Note 5A: Cash and Cash Equivalents

Cash at bank	692,670	346,516
Cash on hand	600	-
Short term deposits	-	-
Cash held for specific purpose (reserves)	469,695	-
Other	-	-
Total cash and cash equivalents	1,162,965	346,516

Note 5B: Trade and Other Receivables

Receivables from other reporting unit[s]*

TWU of Australia	-	-
TWU WA Branch	89	-
TWU VIC/TAS Branch	-	-
TWU NSW Branch	96,853	94,278
TWU SA Branch	-	-
Total receivables from other reporting unit[s]	96,942	94,278

Less provision for doubtful debts*

	-	-
Total provision for doubtful debts	-	-
Receivable from other reporting unit[s] (net)	96,942	94,278

Other receivables:

GST receivable	30,205	-
Other trade receivables	81,239	-

Total other receivables	111,444	-
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Total trade and other receivables (net)	208,386	94,278
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Note 5C: Other Current Assets

Prepayments	192,625	30,207
Accrued revenue	1,675	684
Other investments – Lindsay / IAG Shares	4,306	5,512
Accrued interest receivable	587	-
Total other current assets	199,193	36,403

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

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

2021 2020
\$ \$

Note 6 Non-current Assets

Note 6A: Land and buildings

Land and buildings:		
Fair value	3,250,000	-
Accumulated depreciation	<u>(127,702)</u>	-
Total land and buildings	<u>3,122,298</u>	-

Reconciliation of Opening and Closing Balances of Land and Buildings

As at 24 July		
Gross book value	-	-
Accumulated depreciation and impairment	-	-
Net book value 24 July	-	-
Additions:		
By purchase	-	-
From acquisition of entities (including interim restructuring)	3,149,315	-
Revaluations	-	-
Impairments	-	-
Depreciation expense	(27,017)	-
Other movement [<i>give details below</i>]	-	-
Disposals:		
From disposal of entities (including restructuring)	-	-
Other	-	-
Net book value 31 December	3,122,298	-
Net book value as of 31 December represented by:		
Gross book value	3,250,000	-
Accumulated depreciation and impairment	<u>(127,702)</u>	-
Net book value 31 December	3,122,298	-

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 NSW/QLD (Interim Governance) Branch

2021 2020
\$ \$

Note 6A: Land and buildings (continued)

Land and Buildings were revalued by independent valuer CBRE on 5 December 2019.

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, 5 December 2019, the properties' fair values are based on valuations performed by CBRE, an accredited independent valuer.

Significant unobservable valuation input	Range
Price per square metre	\$3,400 - \$3,900

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

Note 6B: Plant and equipment

Plant and equipment:

At cost	1,154,020	-
Accumulated depreciation	(746,569)	-
Total plant and equipment	407,451	-

Reconciliation of Opening and Closing Balances of Plant and Equipment

As at 24 July		
Gross book value	-	-
Accumulated depreciation and impairment	-	-
Net book value 24 July	-	-
Additions:		
By purchase	75,340	-
From acquisition of entities (including restructuring)	388,597	-
Impairments	-	-
Depreciation expense	(52,403)	-
Other movement	-	-
Disposals:		
From disposal of entities (including restructuring)	-	-
Other	(4,083)	-
Net book value 31 December	407,451	-
Net book value as of 31 December represented by:		
Gross book value	459,854	-
Accumulated depreciation and impairment	(52,403)	-
Net book value 31 December	407,451	-

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

2021 2020
\$ \$

Note 6C: Non-current asset right-of-use assets

Right-of-use assets		
At cost	232,740	53,033
Additions	119,876	-
Accumulated depreciation	(179,938)	(39,774)
Total non-current asset right-of-use assets	172,678	13,259

Note 6D: Investment Property

No Investment properties were held.

Note 6E: Intangibles

Computer software at cost:		
Internally developed	-	-
Purchased	3,002	-
Accumulated amortisation	(1,815)	-
Total intangibles	1,187	-

Reconciliation of Opening and Closing Balances of Intangibles

As at 24 July		
Gross book value	-	-
Accumulated amortisation and impairment	-	-
Net book value 24 July	-	-
Additions:		
By purchase	-	-
From acquisition of entities (including interim restructuring)	3,002	-
Impairments	-	-
Amortisation	(1,815)	-
Other movements [<i>give details below</i>]	-	-
Disposals:		
From disposal of entities (including restructuring)	-	-
Other	-	-
Net book value 31 December	1,187	-
Net book value as of 31 December 2021 represented by:		
Gross book value	3,002	-
Accumulated amortisation and impairment	(1,815)	-
Net book value 31 December	1,187	-

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

	2021	2020
	\$	\$

Note 6F: Investments in Associates

There were no investments in associates.

Note 6G: Other Investments

Macquarie Investment Portfolio – funeral fund	115,998	-
Macquarie Investment Portfolio	8,888,230	-
Total other investments	9,004,228	-

Note 6H: Other Non-current Assets

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

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

2021 **2020**
\$ \$

Note 7 Current Liabilities

Note 7A: Trade payables

Trade creditors and accruals	575,232	7,200
Operating lease rentals	-	-
Subtotal trade creditors	575,232	7,200

Payables to other reporting unit[s]*

TWU of Australia	74,178	100,100
TWU of New South Wales	4,902	10,932
Subtotal payables to other reporting unit[s]	79,080	111,032

Total trade payables	654,312	118,232
-----------------------------	----------------	----------------

Settlement is usually made within 30 days.

Note 7B: Other payables

Wages and salaries	-	-
Superannuation	38,001	-
Consideration to employers for payroll deductions*	-	-
Legal costs*		
Litigation	-	-
Other legal matters	-	-
Prepayments received/unearned revenue	8,221	27,589
GST payable	4,765	5,802
Credit Card	(830)	-
Other	48,339	17,379
Total other payables	98,496	50,770

Total other payables are expected to be settled in:

No more than 12 months	98,496	50,770
More than 12 months	-	-
Total other payables	98,496	50,770

Note 7C: Lease liabilities

Lease liabilities	60,638	13,980
Total current lease liabilities	60,638	13,980

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

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

	2021	2020
	\$	\$
Note 8		
Provisions		
Note 8A: Employee Provisions*		
Office Holders:		
Annual leave	25,211	19,713
Long service leave	105,638	57,995
Separations and redundancies	-	-
Other	-	-
<i>Subtotal employee provisions—office holders</i>	130,849	77,708
Employees other than office holders:		
Annual leave	169,806	25,524
Long service leave	152,899	41,866
Separations and redundancies	-	-
Other	-	-
<i>Subtotal employee provisions—employees other than office holders</i>	322,705	67,390
Total employee provisions	453,554	145,098
Current	412,252	145,098
Non-Current	41,302	-
<i>Total employee provisions</i>	453,554	145,098

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

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

2021 **2020**
\$ \$

Note 9 Non-current Liabilities

Note 9A: Other non-current liabilities

Rental Bond	5,772	-
Total other non-current liabilities	5,772	-

Note 9B: Lease liabilities

Lease liability	116,807	-
Total non-current lease liabilities	116,807	-

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

	2021	2020
	\$	\$
As at 1 January	13,980	55,760
Additions	213,365	-
Accretion of interest	3,948	1,432
Payments	(53,848)	(43,212)
As at 31 December	177,445	13,980
Current	60,638	13,980
Non-current	116,807	-

The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets	48,597	37,234
Interest expense on lease liabilities	3,948	1,432
Expense relating to short-term leases	13,667	-
Expenses relating to leases of low-value assets (included in administrative expenses)	-	-
Variable lease payments	-	-
Total amount recognised in profit or loss	66,212	38,666

Gross amount of minimum lease payments:

Within one year	59,743	13,927
After one year but not more than five years	135,409	-
More than five years	-	-
Total gross amount of minimum lease payments	195,152	13,927

Present value of minimum lease payments:

Within one year	57,603	13,980
After one year but not more than five years	122,491	-
More than five years	-	-
Total present value of minimum lease payments	180,094	13,980

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

	2021 \$	2020 \$
Note 10 Equity		
Note 10A: Funds		
<i>Funeral Fund</i>		
Balance as at start of year	297,466	-
Transferred to reserve	22,841	-
Transferred out of reserve	-	-
Balance as at end of year	320,307	-
<i>Support Fund</i>		
Balance as at start of year	294,203	-
Transferred to reserve	14,925	-
Transferred out of reserve	-	-
Balance as at end of year	309,128	-
<i>Political Activist Fund</i>		
Balance as at start of year	13,152	-
Transferred to reserve	2,024	-
Transferred out of reserve	-	-
Balance as at end of year	15,176	-
<i>Asset Revaluation Reserve</i>		
Balance as at start of year	2,223,736	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	2,223,736	-
<i>NSW A.F.S Reserve</i>		
Balance as at start of year	2,958	5,324
Gain on revaluation of investment	-	(2,366)
Balance as at end of year	2,958	2,958
Total Reserves	2,871,305	2,792,248

Note 10B: Other specific disclosures - Funds*

Compulsory levy/voluntary contribution fund – if invested in assets

<i>None</i>	-	-
Other fund(s) required by rules		
<i>None</i>		
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	-	-

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

2021 **2020**
\$ **\$**

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	1,162,965	346,516
Balance sheet	1,162,965	346,516
<i>Difference</i>	-	-

Profit/(deficit) for the year	(542,723)	27,314
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Adjustments for non-cash items

Depreciation/amortisation	129,832	39,774
Finance lease interest	3,948	-
Realised Gain/(Loss) on investments	(276,548)	-
Unrealised Gain / (Loss) on investments	97,104	-
Fair value movements in investment property	-	-
Interest revenue	(587)	-
Accrued revenue	(1,675)	-
Gain on disposal of assets	(4,917)	-

Changes in assets/liabilities

(Increase)/decrease in net receivables	(48,255)	(2,453)
(Increase)/decrease in prepayments	(18,057)	15,673
(Increase)/decrease in other assets	-	-
(Increase)/decrease in value of investments	-	-
Increase/(decrease) in supplier payables	69,097	(75,808)
Increase/(decrease) in other payables	-	-
Increase/(decrease) in deferred revenue	(19,368)	-
Increase/(decrease) in employee provisions	24,142	23,701
Increase/(decrease) in other provisions	-	-
Net cash from (used by) operating activities	(588,007)	28,201

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

	2021	2020
	\$	\$
Note 11B: Cash flow information*		
Cash inflows		
Transport Workers Union of Australia	-	-
Transport Workers Union of Australia WA Branch	5,019	-
Transport Workers Union of Australia NSW Branch	1,212,192	1,278,036
Transport Workers Union of Australia SA Branch	-	-
Transport Workers Union of Australia VIC/TAS Branch	201	-
Total cash inflows	1,217,412	1,278,036
Cash outflows		
Transport Workers Union of Australia NSW Branch	(1,505,279)	(55,133)
Transport Workers Union of Australia SA Branch	-	-
Transport Workers Union of Australia	(536,424)	(1,427,581)
Total cash outflows	(2,041,703)	(1,482,714)

Note 12 Contingent Liabilities, Assets and Commitments

Note 12A: Commitments and Contingencies

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:

	2021	2020
	\$	\$
Within one year	-	-
After one year but not more than five years	-	-
After five years	-	-
	-	-

The leased out premise to the 'workers kitchen' expired and was not renewed as at year end.

Capital commitments

The QLD Branch has office lease arrangements that are paid on a month-to-month basis. The lease arrangements are such that, either party to the contract can give notice to terminate the arrangement or the contract does not oblige either party to make a payment on termination. As a result, the Union has assessed the lease arrangements to be non-enforceable, therefore continues to recognise any lease payments as an expense through the profit or loss. Operating lease commitments that are invoiced monthly total \$867.

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.

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

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

2021 **2020**
\$ \$

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 WA Branch includes the following:

Share of software hosting expenses, SLA agreement, Software enhancements, purchase of software, reimbursement of expenses	4,976	-
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Revenue received from TWU NSW Branch includes the following:

Service fees	1,214,767	1,280,834
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Revenue received from TWU SA Branch includes the following:

Reimbursement of expenses	195	-
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Revenue received from TWU VIC/TAS Branch includes the following:

Reimbursement of expenses	183	-
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Expenses paid to TWU of Australia includes the following:

Sustentation/ Capitation fees	419,825	1,430,066
Other Federal Expenses	12,206	-
Share of legal fees/ meeting fees/ research expenses	55,601	-

Expenses paid to TWU NSW Branch includes the following:

Administration fees	49,176	49,176
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Amounts owed by TWU SA Branch include the following:

Reimbursement for App hosting fees	195	-
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Amounts owed by TWU NSW Branch include the following:

Reimbursement of expenses	96,853	94,278
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Amounts owed to TWU of Australia include the following:

Sustentation/ Capitation fees	168,025	100,100
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Amounts owed to TWU NSW Branch include the following:

Reimbursement for App hosting fees	4,902	10,932
------------------------------------	--------------	--------

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

	2021	2020
	\$	\$

Note 13A: Related Party Transactions for the Reporting Period (cont.)

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 2021, the Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2020: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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

Short-term employee benefits

Salary (including annual leave taken)	134,125	137,474
Annual leave accrued	-	-
Performance bonus	-	-
Other	-	-
Total short-term employee benefits	134,125	137,474

Post-employment benefits:

Superannuation	18,789	18,943
Total post-employment benefits	18,789	18,943

Other long-term benefits:

Long-service leave	9,189	9,119
Total other long-term benefits	9,189	9,119
Termination benefits	-	-
Total	162,103	165,536

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

Loans to/from key management personnel

None	-	-
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Other transactions with key management personnel

None	-	-
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Note 14 Remuneration of Auditors

Value of the services provided

Financial statement audit services – SBJ (auditor of NSW Branch)	5,750	5,800
Financial statement audit services – RSM (auditor of QLD Branch and NSW/QLD Interim Governance Branch)	63,000	-
Other services	-	-
Total remuneration of auditors	68,750	5,800

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 2021.

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 NSW/QLD (Interim Governance) Branch

2021 2020
\$ \$

Note 15A: Categories of Financial Instruments

Financial Assets

Fair value through profit or loss:

Other investments	8,888,230	-
Other investment – funeral fund	115,998	-

Total	9,004,228	-
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Fair value through other comprehensive income:

Listed shares	-	-
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Total	-	-
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Amortised cost:

Cash and cash equivalents	1,162,965	346,516
Trade and other receivables	208,386	94,962
Other current assets	372,154	187,446
Other non-current assets	1,750	-

Total	1,745,255	628,924
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<i>Carrying amount of financial assets</i>	10,749,483	668,698
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Financial Liabilities

Amortised cost:

Trade payables	(654,312)	(118,232)
Other payables	(98,496)	(50,770)

Total	(752,808)	(169,002)
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<i>Carrying amount of financial liabilities</i>	(752,808)	(169,002)
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Note 15B: Net Income and Expense from Financial Assets

Fair value through profit and loss

Held for trading:

Change in fair value	(97,104)	-
Dividend and interest revenue	84,610	-
Realised gains/(loss)	276,548	-

Total designated as fair value through profit and loss	264,054	-
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Net gain/(loss) at fair value through profit and loss	264,054	-
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Net gain/(loss) from financial assets	264,054	-
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The net income/expense from financial assets not at fair value from profit and loss is \$nil (2020: \$nil).

The fair value movement from financial asset not at fair value through profit or loss is \$nil (2020: \$nil).

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

2021 2020
\$ \$

Note 15C: 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	1,162,965	346,516
Trade and other receivables	208,386	94,278
Other current assets	199,193	36,403
Total	1,570,544	477,197

Financial liabilities

Trade and other payables	(752,808)	(169,002)
Total	(752,808)	(169,002)

In relation to the entity's gross credit risk the following collateral is held: None.

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.

Note 15D: 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 2021

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade Payables	-	654,312	-	-	-	-
Provisions	-	453,554	-	-	-	-
Other payables	-	98,496	-	-	-	-
Total	-	1,206,362	-	-	-	-

Contractual maturities for financial liabilities 2020

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade Payables	-	118,232	-	-	-	-
Provisions	-	145,098	-	-	-	-
Other payables	-	50,770	-	-	-	-
Total	-	314,100	-	-	-	-

Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch

Note 15E: 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 2021, 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 2021

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity
			\$	\$
Interest rate risk	-	+ 2%	23,259	23,259
Interest rate risk	-	- 2%	(23,259)	(23,259)

Sensitivity analysis of the risk that the entity is exposed to for 2020

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity
			\$	\$
Interest rate risk	-	+ 2%	6,390	6,390
Interest rate risk	-	- 2%	(6,390)	(6,390)

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 NSW/QLD (Interim Governance) Branch

2021 **2020**
\$ \$

Note 15E: Market Risk (cont.)

Sensitivity analysis of the risk that the entity is exposed to for 2021

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity
			\$	\$
Increase in equity prices by 2%	-	+ 2%	177,765	177,765
Decrease in equity prices by 2%	-	- 2%	(177,765)	(177,765)

Sensitivity analysis of the risk that the entity is exposed to for 2020

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity
			\$	\$
Increase in equity prices by 2%	-	+ 2%	-	-
Decrease in equity prices by 2%	-	- 2%	-	-

Note 15G: Asset Pledged/or Held as Collateral

Assets pledged as collateral

Financial assets pledged as collateral:

Total assets pledged as collateral

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 NSW/QLD (Interim Governance) Branch

Note 16 Fair Value Measurement

Note 16A: Financial Assets and Liabilities

Management of the Branch 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 Branch's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The own performance risk as at 31 December 2021 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 Branch 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 2021 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 Branch's financial assets and liabilities:

	Carrying amount 2021 \$	Fair value 2021 \$	Carrying amount 2020 \$	Fair value 2020 \$
Financial Assets				
Macquarie Investment Portfolio	8,888,230	8,888,230	-	-
Macquarie Investment Portfolio – Funeral fund	115,998	115,998	-	-
Total	9,004,228	9,004,228	-	-
Financial Liabilities				
None	-	-	-	-
Total	-	-	-	-

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 2021

	Date of valuation	Level 1	Level 2	Level 3
Assets measured at fair value		\$	\$	\$
Macquarie Investment Portfolio	31/12/2021	8,888,230	-	-
Macquarie Investment Portfolio – Funeral fund	31/12/2021	115,998	-	-
Land & Buildings	5/12/2019	-	-	3,122,298
Total		9,004,228	-	3,122,298

Fair value hierarchy – 31 December 2020

	Date of valuation	Level 1	Level 2	Level 3
Assets measured at fair value		\$	\$	\$
-	-	-	-	-
Total		-	-	-

Note 17 Administration of financial affairs by a third party

None

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 NSW/QLD (Interim Governance) Branch

OFFICER DECLARATION STATEMENT

I, Richard Olsen being the Secretary of the Transport Workers Union of Australia NSW/QLD (Interim Governance) Branch declare that the following activities did not occur during the reporting period ending 31 December 2021.

The reporting unit did not:

- receive revenue from undertaking recovery of wages activity
- make a payment to a former related party of the reporting unit

Signed by the officer:

A handwritten signature in blue ink, appearing to read 'Richard Olsen', with a horizontal line extending to the right.

Dated: 19th April 2022