AUSTRALIAN FEDERATED UNION OF LOCOMOTIVE EMPLOYEES

ABN 60 694 355 298

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

CONTENTS

Page No

Committee of Management's Operating Report 3
Auditor's Independence Declaration 5
Committee of Management Statement 6
Independent Audit Report 7
Statement of Comprehensive Income 10
Statement of Financial Position 11
Statement of Changes in Equity 12
Statement of Cash Flows 13
Report Required under Subsection 255(2A) of the *Fair Work (Registered Organisations) Act 2009* 14
Notes to the Financial Statements 15
Officer's Declaration Statement 55

AUSTRALIAN FEDERATED UNION OF LOCOMOTIVE EMPLOYEES

COMMITTEE OF MANAGEMENT'S OPERATING REPORT

FOR THE YEAR ENDED 30 JUNE 2021

Operating Report

In accordance with section 254 of the *Fair Work (Registered Organisations) Act 2009* ("Act") the Committee of Management ("the Committee") presents its Operating Report on the Australian Federated Union of Locomotive Employees ("the Union"), for the year ended 30 June 2021.

Principal Activities

The principal activity of the Australian Federated Union of Locomotive Employees is operating as a registered organisation of employees, comprising persons employed in the training running grade in Queensland.

The Union gives this effect to this principal activity by:

(a) Advising members regarding their conditions of employment, rights and entitlements pursuant to the governing industrial relations regulation.
(b) Advising members regarding their entitlements and obligations pursuant to the applicable occupational health and safety legislation and applicable workers' compensation legislation.
(c) Representing members during bargaining for union collective agreements
(d) Advocating for improvements to industrial legislation and legislation pertaining specifically to train running.
(e) Representing members during workplace investigations and disciplinary hearings.
(f) Representing members and the Union before industrial tribunals.
(g) Having carriage of, and protecting the rules of the Union.
(h) Having carriage of the records and accounts of the Union.

Operating Results

The surplus for the financial year amounted to $161,504. Matters which contributed to this result include:

1. Membership income increased by $69,600 (or 9.16%) to $829,408 due to investment by the Union in recruitment and retention processes.

2. Operating expenditure (such as travel, motor vehicle cost etc.) has remained relatively flat, even after travel restrictions imposed on staff was removed by the State Government (due to the ongoing COVID-19 pandemic).

3. The Union received $50,000 from the Australian Government in Cash Flow Boost due to the ongoing COVID-19 pandemic.

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

Significant Changes in Financial Affairs

A review of the operations of the Union during the financial year found that there were no significant change in the financial affairs of the Union's operations during the year.

Wages Recovery Activity

The Union continuously undertakes recovery of wages on behalf of members. It is Union policy that any successful wage recovery from employers is paid directly to those effected members. As a result, no wage recovery activity is accounted through via the Union's bank accounts and therefore not reflected in these financial statements.

AUSTRALIAN FEDERATED UNION OF LOCOMOTIVE EMPLOYEES

COMMITTEE OF MANAGEMENT'S OPERATING REPORT

FOR THE YEAR ENDED 30 JUNE 2021

Members Right to Resign
All members have the right to resign from the Union in accordance with Rule 6 - Resignation of Membership (and Section 174 of the Act); namely, by providing written notice addressed and delivered to the Secretary of the Union.

Membership of the Union
Total number of members as at 30 June 2021: 1,369.

Employees of the Union
The number of persons who were, at the end of the period to which the report relates, employees of the Union, where the number of employees includes both full-time and part-time employees measured on a full-time equivalent basis is 3.0.

Members of the Committee of Management

The name of each person who has been a member of the Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position is as follows:

Name	Period of Appointment	Position
Michael McKitrick	01/07/20 – 30/06/21	State Secretary
Glen McGaw	01/07/20 – 30/06/21	State President
Stewart Rach	01/07/20 – 30/06/21	State Vice President & No. 3 Divisional Councillor
James Melgert	01/07/20 – 30/06/21	Trustee
Paul Carmody	01/07/20 – 30/06/21	Trustee
Andrew Caris	01/07/20 – 30/06/21	No. 1 Divisional Councillor
Phillip Brown	01/07/20 – 30/06/21	No. 2 Divisional Councillor
John Pedersen	01/07/20 – 30/06/21	No. 4 Divisional Councillor
Anthony Woodward	01/07/20 – 30/06/21	No. 5 Divisional Councillor
David Millward	01/07/20 – 30/06/21	No. 6 Divisional Councillor
Anthony Chalker	01/07/20 – 30/06/21	No. 7 Divisional Councillor

Officers or Members who are Superannuation Fund Trustees/ Directors of a Company that is a Superannuation Fund Trustee

No officer or member of the Union hold a position of trustee or director of an entity, scheme or company as described in s.254 (2) (d) of the *Fair Work (Registered Organisations) Act 2009*, where a criterion of such entity is that the holder of such position must be a member or official of a registered organisation.

Auditor's Independence Declaration
A copy of the auditor's independence declaration is set out on page 5.

This report is made in accordance with a resolution of the Committee of Management and is signed for and on behalf of the Committee of Management by:

Michael McKitrick
State Secretary

24 November 2021
South Brisbane

mgi BUSINESS SOLUTIONS WORLDWIDE

accountants + auditors

Level 1, 200 Mary Street
GPO Box 1087
Brisbane QLD 4001 Australia
t. +61 7 3002 4800
f. +61 7 3229 5603

PO Box 3360 Australia Fair
Southport Qld 4215 Australia
t. +61 7 5591 1661
f. +61 7 5591 1772

e. info@mgisq.com.au
w. www.mgisq.com.au

AUDITOR'S INDEPENDENCE DECLARATION
TO THE COMMITTEE OF MANAGEMENT OF THE

AUSTRALIAN FEDERATED UNION OF LOCOMOTIVE EMPLOYEES

As lead auditor for the audit of the Australian Federated Union of Locomotive Employees for the year ended 30 June 2021; I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

MGI Audit Pty Ltd

G I Kent

Director – Audit & Assurance

South Brisbane
24 November 2021

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/2

MGI refers to one or more of the independent member firms of the MGI International alliance of independent auditing, accounting and consulting firms. Each MGI firm in Australasia is a separate legal entity and has no liability for another Australasian or international member's acts or omissions. MGI is a brand name for the MGI Australasian network and for each of the MGI member firms worldwide. Liability limited by a scheme approved under Professional Standards Legislation. MGI Audit Pty Ltd ABN 53 123 509 160.

AUSTRALIAN FEDERATED UNION OF LOCOMOTIVE EMPLOYEES

COMMITTEE OF MANAGEMENT STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

On 24 November 2021, the Committee of Management of the Union passed the following resolution to the General Purpose Financial Report (GPFR) of the reporting unit for the financial year ended 30 June 2021.

The Committee of Management declares in relation to the GPFR 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 Union for the financial year to which they relate;

(d) there are reasonable grounds to believe that the Union 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; and

ii. the financial affairs of the Union have been managed in accordance with the rules of the organisation; and

iii. the financial records of the Union have been kept and maintained in accordance with the *RO Act; a*nd

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 to each of the other reporting units of the organisation; and

v. where information has been sought in any request of 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 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.

Name of Designated Officer: Michael McKitrick

Title of Designated Officer: State Secretary

Signature: .....

Date: 24 November 2021

mgi BUSINESS SOLUTIONS WORLDWIDE

accountants + auditors

Level 1, 200 Mary Street
GPO Box 1087
Brisbane QLD 4001 Australia
t. +61 7 3002 4800
f. +61 7 3229 5603

PO Box 3360 Australia Fair
Southport Qld 4215 Australia
t. +61 7 5591 1661
f. +61 7 5591 1772

e. info@mgisq.com.au
w. www.mgisq.com.au

Independent Audit Report to the Members of the Australian Federated Union of Locomotive Employees

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of the Australian Federated Union of Locomotive Union of Employees (the Union), which comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended, notes to the financial statements, 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 presents fairly, in all material aspects, the financial position of the Australian Federated Union of Locomotive Union of Employees as at 30 June 2021, and its financial performance and its cash flows for the year ended on that date in accordance with:

a) the Australian Accounting Standards; and

b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

We declare that management's use of the going concern basis in the preparation of the financial statements of the Union 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 Union 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 my 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.

MGI refers to one or more of the independent member firms of the MGI International alliance of independent auditing, accounting and consulting firms. Each MGI firm in Australasia is a separate legal entity and has no liability for another Australasian or international member's acts or omissions. MGI is a brand name for the MGI Australasian network and for each of the MGI member firms worldwide. Liability limited by a scheme approved under Professional Standards Legislation. MGI Audit Pty Ltd ABN 53 123 509 160.

Responsibilities of Committee of Management for the Financial Report

The Committee of Management of the Union 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 Union'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 Union or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Union's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.

- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Union to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Union to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Union's audit. We remain solely responsible for our audit opinion.

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

Declaration

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

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

MGI Audit Pty Ltd

G I Kent

Director – Audit & Assurance

South Brisbane
24 November 2021

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/2

AUSTRALIAN FEDERATED UNION OF LOCOMOTIVE EMPLOYEES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021

	Notes	**2021** **$**	2020 $
Revenue from contracts with customers	3		
Membership subscription		**829,408**	759,808
Total revenue from contacts with customers		**829,408**	759,808
Other income			
Investment income	3A	**8,619**	9,891
Other revenue	3B	**54,915**	53,057
Total other income		**63,534**	62,948
Total revenue		**892,942**	822,756
Expenses			
Employee expenses	4A	**(441,599)**	(423,435)
Affiliation fees	4B	**(14,690)**	(16,411)
Administration expenses	4C	**(103,666)**	(68,806)
Grants or donations	4D	**(7,504)**	(2,716)
Depreciation and amortisation	4E	**(26,759)**	(24,910)
Finance costs	4F	**(6,881)**	(8,075)
Legal costs	4G	**(76,602)**	(60,472)
Audit and accounting fees	13	**(10,775)**	(12,450)
Other expenses	4H	**(42,962)**	(20,667)
Total expenses		**(731,438)**	(637,942)
Surplus for the year		**161,504**	184,814
Other comprehensive income			
Other Comprehensive income (net of income tax)		**-**	-
Total comprehensive income for the year		**161,504**	184,814

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

AUSTRALIAN FEDERATED UNION OF LOCOMOTIVE EMPLOYEES
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Notes	**2021** **$**	2020 $
ASSETS			
Current Assets			
Cash and cash equivalents	5A	**451,865**	255,582
Trade and other receivables	5B	**3,254**	13,550
Investments	5C	**696,493**	685,620
Other current assets	5D	**12,731**	21,183
Total current assets		**1,164,343**	975,935
Non-Current Assets			
Buildings	6A	**39,482**	60,082
Furniture and Fittings	6B	**4,164**	9,163
Plant and equipment	6C	**4,159**	5,319
Total non-current assets		**47,805**	74,564
Total assets		**1,212,148**	1,050,499
LIABILITIES			
Current Liabilities			
Trade payables	7A	**23,747**	23,388
Other payables	7B	**37,558**	27,503
Employee provisions	8A	**83,396**	56,682
Lease liabilities	9A	**21,798**	20,754
Total current liabilities		**166,499**	128,327
Non-Current Liabilities			
Employee provisions	8A	**7,951**	24,180
Lease liabilities	9A	**24,938**	46,736
Total non-current liabilities		**32,889**	70,916
Total liabilities		**199,388**	199,243
Net assets		**1,012,760**	851,256
EQUITY			
Retained earnings		**1,012,760**	851,256
Total equity		**1,012,760**	851,256

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

AUSTRALIAN FEDERATED UNION OF LOCOMOTIVE EMPLOYEES
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Retained earnings	Total equity
		$	$
Balance as at 1 July 2019		666,442	666,442
Surplus for the year		184,814	184,814
Other comprehensive income		-	-
Closing balance as at 30 June 2020		851,256	851,256
Surplus for the year		**161,504**	**161,504**
Other comprehensive income		**-**	**-**
Closing balance as at 30 June 2021		**1,012,760**	**1,012,760**

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

AUSTRALIAN FEDERATED UNION OF LOCOMOTIVE EMPLOYEES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

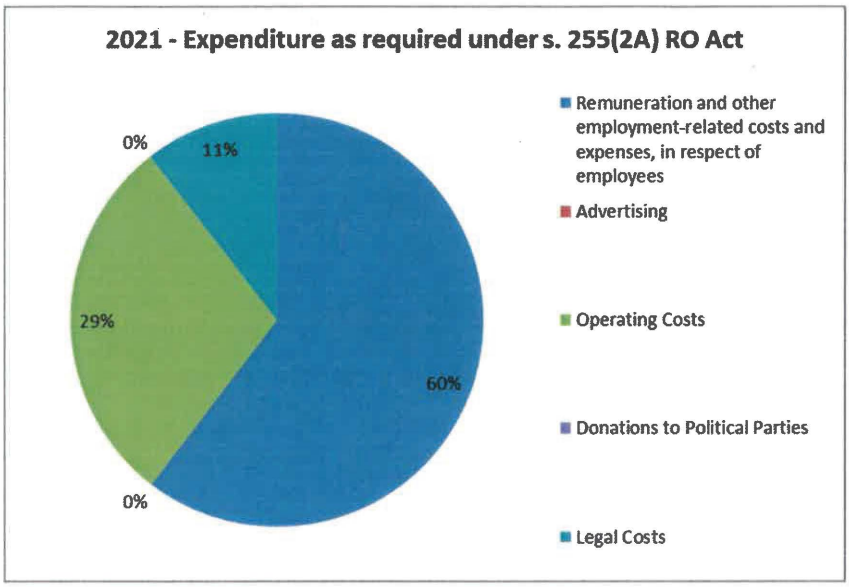
	Notes	**2021** **$**	2020 $
OPERATING ACTIVITIES			
Cash received			
Receipts from members and other customers		**979,029**	874,875
Interest		**7,513**	13,096
		986,542	887,971
Cash used			
Employees and suppliers		**(758,943)**	(673,980)
		(758,943)	(673,980)
Net cash provided by operating activities	10A	**227,599**	213,991
INVESTING ACTIVITIES			
Payments for property, plant and equipment		**-**	(6,955)
Purchase of investments		**(7,168)**	(21,146)
Net cash used in investing activities		**(7,168)**	(28,101)
FINANCING ACTIVITIES			
Repayment of borrowings and leasing liabilities		**(24,148)**	(23,344)
Net cash used in financing activities		**(24,148)**	(23,344)
Net increase in cash held		**196,283**	162,546
Cash & cash equivalents at the beginning of the reporting period		**255,582**	93,036
Cash & cash equivalents at the end of the reporting period	10A	**451,865**	255,582

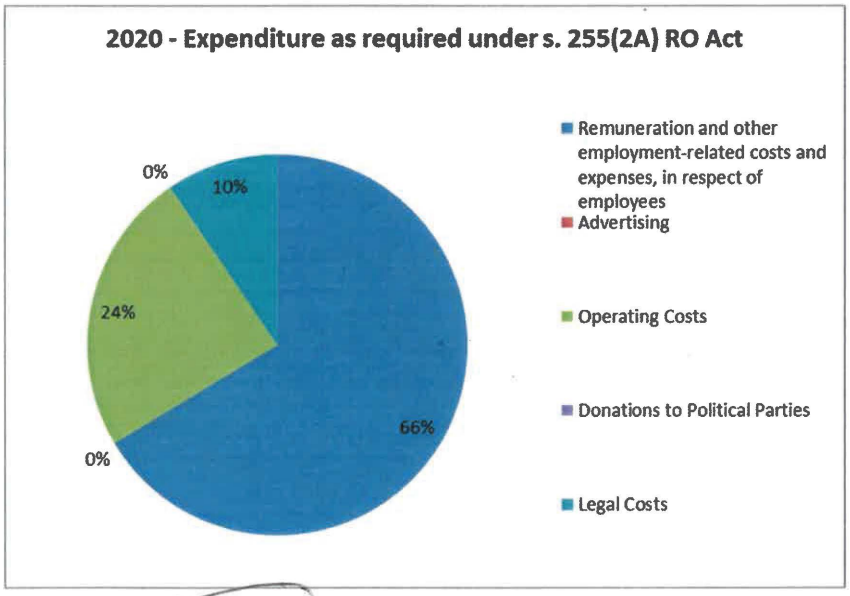
The above statement should be read in conjunction with the notes.

AUSTRALIAN FEDERATED UNION OF LOCOMOTIVE EMPLOYEES

REPORT REQUIRED UNDER SUBSECTION 255(2A) OF THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009
FOR THE YEAR ENDED 30 JUNE 2021

The Committee of Management presents the expenditure report as required under subsection 255(2A) of the *Fair Work (Registered Organisations) Act 2009* on the Union for the year ended 30 June 2021:





.....
Michael McKitrick
State Secretary

24 November 2021
South Brisbane

AUSTRALIAN FEDERATED UNION OF LOCOMOTIVE EMPLOYEES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

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	Borrowings
Note 10	Cash flow
Note 11	Contingent liabilities, assets and commitments
Note 12	Related party disclosures
Note 13	Remuneration of auditors
Note 14	Financial instruments
Note 15	Fair value measurements
Note 16	Section 272 *Fair Work (Registered Organisations) Act 2009*
Note 17	Union details
Note 18	Segment information

Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Australian Federated Union of Locomotive Union of Employees (the Union) is a not-for-profit entity.

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

1.2 Comparative amounts

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

1.3 Significant accounting judgements and estimates

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

Key Estimates

Impairment – general

The Union assesses impairment at each reporting period by evaluation of conditions and events specific to the Union that may be indicative of impairment triggers. Recoverable amounts of relevant assets are assessed using value-in-use calculations which incorporate various key assumptions.

Lease Liabilities/ Right to Use Asset

Key assumptions used in the determination of the Union's lease liability/ right to use assets are:

- Incremental borrowing rate: 5.03%
- Annual rental increases: CPI (estimated at 2%) (as outlined in the lease agreement)

Key Judgements

Useful lives of plant and equipment

Plant and equipment are depreciated over the useful life of the asset and the depreciation rates are assessed when the asset are acquired or when there is a significant change that affects the remaining useful life of the asset.

Note 1 Summary of significant accounting policies (Continued)

1.3 Significant accounting judgements and estimates (continued)

Provision for impairment of receivables
The value of the provision for impairment of receivables is estimated by considering the ageing of receivables, communication with the debtors and prior history.

On-cost for employee entitlement provision
The Union revised its estimate for on-costs for employee provision during the year to include superannuation, workers compensation and payroll tax.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard and amendments

The accounting policies adopted are consistent with those of the previous financial year except for the following standards and amendments, which have been adopted for the first time this financial year.

- AASB 2018-7 – Amendments to Australian Accounting Standards – Definition of Material
- AASB 2019-1 – Amendments to Australian Accounting Standards – References to the Conceptual Framework

No accounting standard has been adopted earlier than the application date stated in the standard.

Impact on adoption of AASB 2018-7 – Amendments to Australian Accounting Standards – Definition of Material

The amendments provide a new definition of material that states, “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.” The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Union.

Note 1 Summary of significant accounting policies (Continued)

1.4 New Australian Accounting Standards (Continued)

Impact on adoption of AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the accounting standard setter in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. This will affect those entities which developed their accounting policies based on the Conceptual Framework. The revised Conceptual Framework includes some new concepts, updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.

The amendments had no impact on the financial statements of the Union.

Future Australian Accounting Standards Requirements

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

AASB 2020-1 – Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. This Standard applies to annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted

The Union does not expect the adoption of this amendment to have an impact on its financial statements.

Note 1 Summary of significant accounting policies (Continued)

1.5 Revenue

The Union enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, levies, 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 Union has a contract with a customer, the Union recognises revenue when or as it transfers control of goods or services to the customer. The Union 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.

Note 1 Summary of significant accounting policies (Continued)

1.5 Revenue (Continued)

Membership subscriptions

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Union.

If there is only one distinct membership service promised in the arrangement, the Union recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Union's promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the Union allocates the transaction price to each performance obligation based on the relative standalone selling prices of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the Union charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good (for example, books or clothing) or as the service transfers to the customer (for example, member services or training course), the Union recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Union has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the Union at their standalone selling price, the Union accounts for those sales as a separate contract with a customer.

Income of the Union as a Not-for-Profit Entity

Consideration is received by the Union to enable the entity to further its objectives. The Union recognises each of these amounts of consideration as income when the consideration is received (which is when the Union obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- the Union's recognition of the cash contribution does not give to any related liabilities.

Note 1 Summary of significant accounting policies (Continued)

1.5 Revenue (Continued)

Income recognised from transfers

Where, as part of an enforceable agreement, the Union receives consideration to acquire or construct a non-financial asset such as property, plant and equipment to an identified specification and for the Union's own use, a liability is recognised for the obligation to acquire or construct the asset. Income is recognised as the obligation to acquire or construct the asset is satisfied, which is typically over time. The asset that is being acquired or constructed is recognised in accordance with the policy on property, plant and equipment.

Gains from sale of assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

Interest income

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

Rental income

Leases in which the Union as a lessor, does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the relevant lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

1.6 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.

Note 1 Summary of significant accounting policies (Continued)

1.7 Employee benefits

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

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

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

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

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

1.8 Leases

For any leases entered into, the Union considers whether a contract is, or contains a lease. A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’.

To apply this definition the Union assesses whether the contract meets three key evaluations which are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Union;

- The Union has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract;

- The Union has the right to direct the use of the identified asset throughout the period of use.

- The Union assess whether it has the right to direct ‘how and for what purpose’ the asset is used throughout the period of use.

Note 1 Summary of significant accounting policies (Continued)

1.8 Leases (continued)

Measurement and recognition of leases as a lessee

At lease commencement date, the Union recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Union, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Union depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Union also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Union measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Union's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Union has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term. On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in trade and other payables.

1.9 Financial instruments

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

Note 1 Summary of significant accounting policies (Continued)

1.10 Financial assets

Contract assets and receivables
A contract asset is recognised when the Union's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Union's future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

Initial recognition and Measurement
Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), 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 Union's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Union 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 OCI, 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 Union'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 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 market place (regular way trades) are recognised on the trade date, i.e., the date that the Union commits to purchase or sell the asset.

Note 1 Summary of significant accounting policies (Continued)

1.10 Financial assets (continued)

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in 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 reporting unit 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 (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 Union'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 OCI, 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.

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.

Note 1 Summary of significant accounting policies (Continued)

1.10 Financial assets (continued)

Derecognition
A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Union 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 Union has transferred substantially all the risks and rewards of the asset, or
  b) the Union has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Union 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 Union continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

Offsetting
Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment

Expected credit losses
Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any loss allowance due to expected credit losses 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 Union applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Union does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Union 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.

Note 1 Summary of significant accounting policies (Continued)

1.10 Financial assets (continued)

(ii) Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Union recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Union expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Union considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Union may also consider a financial asset to be in default when internal or external information indicates that the Union is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

1.11 Financial Liabilities

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

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 are satisfied.

Note 1 Summary of significant accounting policies (Continued)

1.11 Financial Liabilities (Continued)

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.

1.12 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.

1.13 Liabilities relating to contracts with customers

Contract liabilities
A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Union transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Union performs under the contract (i.e., transfers control of the related goods or services to the customer).

Refund liabilities
A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Union refund liabilities arise from customers' right of return. The liability is measured at the amount the Union ultimately expects it will have to return to the customer. The Union updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Note 1 Summary of significant accounting policies (Continued)

1.14 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.

Depreciation

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

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

	2021	**2020**
Plant and Equipment	2 – 10 years	2 – 10 years

Derecognition

An item of 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.

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

Note 1 Summary of significant accounting policies (Continued)

1.16 Taxation

The Union is exempt from income tax under section 50.1 of the *Income Tax Assessment Act 1997* however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

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

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

Cash flows are included in the 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.

1.17 Fair value measurement

The Union measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 15.

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

Note 1 Summary of significant accounting policies (Continued)

1.17 Fair value measurement (continued)

The principal or the most advantageous market must be accessible by the Union. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Union determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

Note 2 Events after the reporting period

There were no events that occurred after 30 June 2021, and /or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Union.

	2021	2020
	$	$

Note 3 Revenue and Income

Disaggregation of revenue from contracts with customers

A disaggregation of the Union's revenue by type of arrangements 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 customer		
Members	**829,408**	759,808
Total revenue from contracts with customers	**829,408**	759,808

Note 3A: Investment income		
Deposits	**4,914**	877
Change in value of investments	**3,705**	9,014
Total interest	**8,619**	9,891

Note 3B: Other revenue		
Sundry income	**4,915**	3,057
Cash Flow Boost	**50,000**	50,000
Total other revenue	**54,915**	53,057

	2021	2020
	$	$
Note 4 Expenses		
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	**165,363**	153,491
Superannuation	**21,735**	20,477
Leave and other entitlements	**24,029**	22,282
Other employee expenses	**12,321**	13,168
Subtotal employee expenses holders of office	**223,448**	209,418
Employees other than office holders:		
Wages and salaries	**163,431**	161,577
Superannuation	**27,245**	26,269
Leave and other entitlements	**24,639**	23,482
Other employee expenses	**2,836**	2,689
Subtotal employee expenses employees other than office holders	**218,151**	214,017
Total employee expenses	**441,599**	423,435
Note 4B: Affiliation fees		
Australian Labor Party (State of Queensland)	**2,886**	4,090
Queensland Council of Unions	**9,985**	9,494
Union Shopper	**1,819**	2,827
Total affiliation fees	**14,690**	16,411
Note 4C: Administration and other operating expenses		
Compulsory levies – Queensland Council of Unions	**5,000**	-
Conference and meeting expenses	**2,074**	2,868
Travel and accommodation expenses	**23,358**	26,508
Office expenses	**13,137**	9,515
Information communication technology expenses	**19,494**	16,944
Other administration and operating expenses	**40,603**	12,971
Total administration and other operating expense	**103,666**	68,806

Purpose of Levy
The purpose of the Queensland Council of Unions compulsory levy as to assist in funding state election campaigns.

	2021	2020
	$	$
Note 4D: Grants or donations		
Donations:		
Total paid that were $1,000 or less	**2,504**	1,216
Total paid that exceeded $1,000	**5,000**	1,500
Total grants or donations	**7,504**	2,716
Note 4E: Depreciation and amortisation		
Depreciation		
Furniture and Fittings	**4,999**	3,827
Total depreciation	**4,999**	3,827
Amortisation		
Plant and equipment	**1,160**	484
Buildings	**20,600**	20,599
Total amortisation	**21,760**	21,083
Total depreciation and amortisation	**26,759**	24,910
Note 4F: Finance costs		
Bank fees	**1,406**	1,141
Interest expense on leasing arrangements	**3,394**	4,350
Brokerage fees	**1,279**	1,739
Insurance premiums	**802**	845
Total finance costs	**6,881**	8,075
Note 4G: Legal costs		
Litigation	**72,285**	57,352
Other legal matters	**4,317**	3,120
Total legal costs	**76,602**	60,472
Note 4H: Other expenses		
Accounting fees	**1,073**	1,314
Mortality payments	**31,000**	7,000
Other expenses	**10,889**	12,353
Total other expenses	**42,962**	20,667

	2021	2020
	$	$
Note 5 Current Assets		
Note 5A: Cash and cash equivalents		
Cash at bank	**451,865**	255,438
Cash on hand	**-**	144
Total cash and cash equivalents	**451,865**	255,582
Note 5B: Trade and other receivables		
Trade and other receivables	**9,654**	24,563
Less: Provision for impairment	**(6,400)**	(11,013)
Total trade and other receivables (net)	**3,254**	13,550
Note 5C: Investments		
Deposits	**591,433**	581,385
Share portfolio	**105,060**	104,235
Total investments	**696,493**	685,620
Note 5D: Other current assets		
Prepayments	**6,880**	3,264
Accrued income	**3,704**	6,303
Bond deposit	**2,147**	2,147
Other	**-**	9,469
Total other current assets	**12,731**	21,183

	2021 $	2020 $

Note 6 Non-Current Assets

Note 6A: Buildings

Buildings:		
at cost	**80,681**	80,681
accumulated amortisation	**(41,199)**	(20,599)
Total buildings	**39,482**	60,082

Reconciliation of Opening and Closing Balances of Buildings

As at 1 July		
Gross book value	**80,681**	-
Accumulated depreciation and impairment	**(20,599)**	-
Adjustment on transition of AASB 16	**-**	80,681
Net book value 1 July	**60,082**	80,681
Additions:		
By purchase	**-**	-
Amortisation expense	**(20,600)**	(20,599)
Disposals:		
By sale	**-**	-
Net book value 30 June	**39,482**	60,081
Net book value as of 30 June represented by:		
Gross book value	**80,681**	80,681
Accumulated depreciation and impairment	**(41,199)**	(20,599)
Net book value 30 June	**39,482**	60,082

Included in the net carrying amount of buildings are right to use assets as followings

Right of use asset		
At cost	**80,681**	80,681
accumulated depreciation/ amortisation	**(41,199)**	(20,599)
Total right of use asset – buildings	**39,482**	60,082

	2021	2020
	$	$
Note 6B: Furniture and Fittings		
Furniture and Fittings		
at cost	**58,131**	58,131
accumulated depreciation	**(53,967)**	(48,968)
Total Furniture and Fittings	**4,164**	9,163

Reconciliation of Opening and Closing Balances of Furniture and Fittings

As at 1 July		
Gross book value	**58,131**	51,176
Accumulated depreciation and impairment	**(48,968)**	(45,141)
Net book value 1 July	**9,163**	6,035
Additions:		
By purchase	**-**	6,955
Depreciation expense	**(4,999)**	(3,827)
Disposals:		
By sale	**-**	-
Net book value 30 June	**4,164**	9,163
Net book value as of 30 June represented by:		
Gross book value	**58,131**	58,131
Accumulated depreciation and impairment	**(53,967)**	(48,968)
Net book value 30 June	**4,164**	9,163

	2021	2020
	$	$
Note 6C: Plant and equipment		
Right to use asset		
at cost	**5,803**	5,803
accumulated amortisation	**(1,644)**	(484)
Total Plant and equipment	**4,159**	5,319

Reconciliation of Opening and Closing Balances of Plant and Equipment

As at 1 July		
Gross book value	**5,803**	-
Accumulated depreciation and impairment	**(484)**	-
Adjustment on transition of AASB 16	**-**	5,803
Net book value 1 July	**5,319**	5,803
Additions:		
By purchase	**-**	-
Amortisation expense	**(1,160)**	(484)
Disposals:		
By sale	**-**	-
Net book value 30 June	**4,159**	5,319
Net book value as of 30 June represented by:		
Gross book value	**5,803**	5,803
Accumulated depreciation and impairment	**(1,644)**	(484)
Net book value 30 June	**4,159**	5,319

Included in the net carrying amount of plant and equipment are right to use assets as followings

Right of use asset		
At cost	**5,803**	5,803
accumulated depreciation/ amortisation	**(1,644)**	(484)
Total right of use asset – plant and equipment	**4,159**	5,319

	2021	2020
	$	$
Note 7 Current Liabilities		
Note 7A: Trade payables		
Trade creditors and accruals	**23,747**	23,388
Total trade payables	**23,747**	23,388
Settlement is usually made within 30 days.		
Note 7B: Other payables		
Superannuation	**3,991**	3,722
Legal costs		
Litigation	**9,141**	-
Other legal matters	**958**	-
GST payable	**15,933**	16,508
PAYG payable	**7,535**	7,273
Total other payables	**37,558**	27,503
Total other payables are expected to be settled in:		
No more than 12 months	**37,558**	27,503
More than 12 months	**-**	-
Total other payables	**37,558**	27,503

	2021	2020
	$	$
Note 8 Provisions		
Note 8A: Employee Provisions		
Office Holders:		
Annual leave	**12,357**	18,220
Long service leave	**23,725**	18,660
Subtotal employee provisions—office holders	**36,082**	36,880
Employees other than office holders:		
Annual leave	**25,179**	18,959
Long service leave	**30,086**	25,023
Subtotal employee provisions—employees other than office holders	**55,265**	43,982
Total employee provisions	**91,347**	80,862
Current	**83,396**	56,682
Non-Current	**7,951**	24,180
Total employee provisions	**91,347**	80,862

	2021	2020
	$	$

Note 9 Borrowings

Note 9A: Lease liabilities

Lease liabilities are presented on the statement of financial position as follows:

Current	**21,798**	20,754
Non-current	**24,938**	46,736
Total lease labilities	**46,736**	67,490

The Union leases the office building located at Level 1, 41 Peel Street, South Brisbane as well as photocopier/ computer equipment. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected in the statement of financial position as a right-to-use asset and a lease liability. The Union classifies its right-to-use assets in a consistent manner to its property, plant and equipment (see Note 6)

Each lease generally imposes a restriction that, unless there is a contractual right for the Union to sublet the asset to another party, the right-of-use asset can only be used by the Union. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The Union is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings, the Union must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Union must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts.

The table below describes the nature of the Union's leasing activities by type of right-of-use asset recognised on the statement of financial position:

Right of use asset	**No of right of use assets leased**	**Range of remaining term**	**Average remaining term**	**No of leases with extension options**	**No of leases with options to purchase**	**No of leases with variable payments linked to index**	**No of leases with termination options**
Buildings	1	1.9 years	1.9 years	-	-	1	-
Equipment Lease	1	3.6 years	3.6 years	-	-	-	-

Note 9A: Lease Liabilities (continued)

Future minimum lease payments as follows:

	Minimum lease payments due						
	Within 1 year	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**After 5 years**	**Total**
30 June 2021							
Lease payments	**24,149**	**24,149**	**1,380**	**805**	**-**	**-**	**50,483**
Finance charges	**(2,351)**	**(1,254)**	**(103)**	**(39)**	**-**	**-**	**(3,747)**
Net present value	**21,798**	**22,895**	**1,277**	**766**	**-**	**-**	**46,736**
30 June 2020							
Lease payments	24,149	24,149	24,149	1,380	805	-	74,632
Finance charges	(3,395)	(2,351)	(1,254)	(103)	(39)	-	(7,142)
Net present value	20,754	21,798	22,895	1,277	766	-	67,490

	2021 $	2020 $
Note 10 Cash Flow		
Note 10A: Cash Flow Reconciliation		
Reconciliation of cash and cash equivalents as per Statement of Financial Position to Cash Flow Statement:		
Cash and cash equivalents as per:		
Cash flow statement	**451,865**	255,582
Statement of financial position	**451,865**	255,582
Difference	**-**	**-**
Reconciliation of surplus to net cash from operating activities:		
Surplus for the year	**161,504**	184,814
Adjustments for non-cash items		
Depreciation/ amortisation	**26,759**	24,910
Interest expense on leases	**3,394**	4,350
Unrealised gain on investments	**(3,705)**	(217)
Changes in assets/liabilities		
(Increase)/ decrease in net receivables	**10,296**	(12,237)
(Increase)/ decrease in other current assets	**8,452**	1,798
Increase/ (decrease) in creditors and other payables	**10,414**	(10,247)
Increase/ (decrease) in employee provisions	**10,485**	20,820
Net cash provided by/ (used in) operating activities	**227,599**	213,991

Note 10B: Credit standby arrangements and loan facilities

The Union does not have any credit standby arrangements or loan facilities at 30 June 2021 (2020: Nil).

Note 10C: Non-cash transactions

During the financial year, the Union acquired plant and equipment with an aggregate fair value of Nil (2020: $86,484) by means of lease agreements. These acquisitions are not reflected in the statement of cash flows.

	2021	2020
Note 10 Cash Flow (continued)		
Note 10D: Net debt reconciliation		
Cash and cash equivalents	**451,865**	255,582
Borrowings – repayable within one year	**(21,798)**	(20,754)
Borrowings – repayable after one year	**(24,938)**	(46,736)
Net debt	**405,129**	188,092

Note 10E: Reconciliation of movements of liabilities to cash flows arising from financing activities

	Other Assets	Liabilities from financing activities		
	Cash assets	**Borrowings – due within 1 year**	**Borrowings – due after 1 year**	**Total**
Net debt at 1 July 2019	**93,036**	**-**	**-**	**93,036**
Cash flows	162,546	1,471	17,523	181,540
Adjustment on transition of AASB 16	-	(22,225)	(64,259)	(86,484)
Net debt at 30 June 2020	255,582	(20,754)	(46,736)	188,092
Cash flows	**196,283**	**(1,044)**	**21,798**	**217,037**
Net debt at 30 June 2021	**451,865**	**(21,798)**	**(24,938)**	**405,129**

Note 11 Contingent Liabilities, Assets and Commitments

Note 11A: Commitments and Contingencies

Capital commitments

At 30 June 2021 the Union did not have any capital commitments (2020: Nil).

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

Committee of Management is not aware of any contingent assets or liabilities that are likely to have a material effect on the results of the Union.

Note 12 Related Party Disclosures

Note 12A: Related Party Transactions for the Reporting Period

For financial reporting purposes, the state registered union – the Electrical Trades Union of Employees Queensland (AFULE Division) is deemed to be a related party as it has a common leadership team, including the Secretary and the Committee of Management.

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

	2021	2020
	$	$
Revenues received from ETUQ (AFULE Division) includes the following:		
Service agreement income	**-**	-

The Union has a service agreement with the State Union for the provision of services, including but not limited to:

- Administration services
- Industrial representation of members in the Queensland Industrial Relations Commission
- Compliance services
- Membership services
- Financial services

Note 12 Related Party Disclosures (Continued)

Note 12B: Key Management Personnel Remuneration for the Reporting Period

Short-term employee benefits

Key management personnel comprise those individuals who have the authority and responsibility for planning, directing and controlling the activities of the Union. The Union has determined that key management personnel comprises of:

- Michal McKitrick (State Secretary)
- All remaining members of the Committee of Management.

During the year, the key management personnel of the Union were remunerated as follows:

	2021	2020
	$	$
Short-term employee benefits:		
Salary (including annual leave taken)	**165,362**	153,491
Annual leave accrued	**19,584**	18,185
Other	**12,321**	13,168
Total short-term employee benefits	**197,267**	184,844
Post-employment benefits:		
Superannuation	**21,735**	20,477
Total post-employment benefits	**21,735**	20,477
Other long-term benefits:		
Long-service leave accrued	**4,446**	4,097
Total other long-term benefits	**4,446**	4,097
Termination benefits	**-**	-
Total	**223,448**	209,418

No other transactions occurred during the year with elected officers, close family members or other related parties than those related to their membership or employment and on terms no more favourable than those applicable to any other member of employee.

Note 13 Remuneration of Auditors

Value of the services provided		
Financial statement audit services	**10,775**	12,450
Other services	**-**	-
Total remuneration of auditors	**10,775**	12,450

Note 14 Financial Instruments

Financial Risk Management Policy

The Union Committee of Management monitors the Union's financial risk management policies and exposure and approves financial transactions entered into. It also reviews the effectiveness of internal controls relating to the counterparty credit risk, liquidity risk, market risk and interest rate risk. The Union Committee of Management meets on a regular basis to review the financial exposure of the Union.

(a) Credit Risk

Exposure to credit risk relating to financial assets arise from the potential non-performance by counterparties of contract obligations that could lead to a financial loss of the Union. The Union does not have any material credit risk exposures as its major source of revenue is the receipt of membership fees.

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

The Union has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The class of assets described as Trade and Other Receivables is considered to be the main source of credit risk related to the Union.

On a geographical basis, the Union's trade and other receivables are all based in Australia.

The following table details the Union's trade and other receivables exposed to credit risk. Amounts are considered 'past due' when the debt has not been settled, within the terms and conditions agreed between the Union and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Union.

The balance of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

Note 14 Financial Instruments (Continued)

Ageing of financial assets that were past due but not impaired for 2021

	Within trading terms	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$	$
Trade and other receivables	-	-	-	-	**3,254**	**3,254**
Receivables from other reporting units	-	-	-	-	-	-
Total	-	-	-	-	**3,254**	**3,254**

Ageing of financial assets that were past due but not impaired for 2020

	Within trading terms	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$	$
Trade and other receivables	-	-	-	-	13,550	13,550
Receivables from other reporting units	-	-	-	-	-	-
Total	-	-	-	-	13,550	13,550

The Union has no significant concentrations of credit risk exposure to any single counterparty or group of counterparties.

Credit risk related to balances with banks and other financial institutions is managed by the Committee of Management in accordance with approved policy. Such policy requires that surplus funds are only invested with counterparties with a strong reputation and backed by the Commonwealth Government's bank guarantee. At 30 June 2021, all funds were held by financial institutions backed by the Commonwealth Government's bank guarantee.

Collateral held as security

The Union does not hold collateral with respect to its receivables at 30 June 2021 (2020: Nil).

Note 14 Financial Instruments (Continued)

(b) Liquidity Risk

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

- preparing forward looking cash flow estimates;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables below reflect an undiscounted contractual maturity analysis for non-derivative financial liabilities. The Union does not hold directly any derivative financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates

Financial Instrument Composition and Maturity Analysis

	Within 1 Year		**1 to 5 Years**		**Over 5 Years**		**Total**	
	2021	2020	**2021**	2020	**2021**	2020	**2021**	2020
	$	$	**$**	$	**$**	$	**$**	$
Financial liabilities due for payment								
Trade payables	**(23,747)**	(23,388)	**-**	-	**-**	-	**(23,747)**	(23,388)
Other payables	**(37,558)**	(27,503)	**-**	-	**-**	-	**(37,558)**	(27,503)
Borrowings – leases	**(21,798)**	(20,754)	**(24,938)**	(46,736)	**-**	-	**(46,736)**	(67,490)
Total expected outflows	**(83,103)**	(71,645)	**(24,938)**	(46,736)	**-**	-	**(108,041)**	(118,381)
Financial assets – cash flow receivable								
Cash and cash equivalents	**451,865**	255,582	**-**	-	**-**	-	**451,865**	255,582
Trade and other receivables	**3,254**	13,550	**-**	-	**-**	-	**3,254**	13,550
Investments	**696,493**	685,620	**-**	-	**-**	-	**696,493**	685,620
Total anticipated inflows	**1,151,612**	954,752	**-**	-	**-**	-	**1,151,612**	954,752
Net inflow/ (outflow) on financial instruments	**1,068,509**	883,107	**(24,938)**	(46,736)	**-**	-	**1,043,571**	836,371

Note 14 Financial Instruments (Continued)

(c) Market Risk

i. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Union is also exposed to earnings volatility on floating rate instruments.

Interest rate risk is managed using a mix of fixed and floating financial instruments. The effective interest rate expenditure to interest rate financial instruments are as follows:

	Weighted Average Effective Interest Rate			
	2021	2020	**2021**	2020
	%	%	**$**	**$**
Floating rate instruments				
Cash and cash equivalents	**0.01**	0.01	**451,865**	255,438
Investments	**0.74**	1.29	**591,433**	581,385

ii. Foreign exchange risk

The Union is not exposed to direct fluctuations in foreign currencies.

iii. Price risk

The Union is no exposed to any material commodity price risk.

iv. Interest rate risk

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

Note 14 Financial Instruments (Continued)

(c) Market Risk (continued)

v. Sensitivity Analysis

The following table illustrates sensitivities to the Union's exposures to changes in interest rates and equity prices. The table indicates the impact of how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit	**Equity**
Cash investments	**$**	**$**
Year ended 30 June 2021		
+2% in interest rates	**20,868**	**20,868**
-2% in interest rates	**(3,886)**	**(3,886)**
Year ended 30 June 2020		
+2% in interest rates	16,740	16,740
-2% in interest rates	(6,570)	(6,570)
Share investment portfolio		
Year ended 30 June 2021		
+5% in share prices	**5,253**	**5,253**
-5% in share prices	**5,253**	**5,253**
Year ended 30 June 2020		
+5% in share prices	5,212	5,212
-5% in share prices	5,212	5,212

No sensitivity analysis has been performed on foreign exchange risk as the Union has no material direct exposures to currency risk. There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

Note 15 Fair Value Measurement

Fair Values

Fair value estimation

The fair values of financial assets and liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair value is the amount at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties at an arm's length transaction.

Fair value may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair values is extracted from the market, with more reliable information available from markets that are actively traded.

In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Union. Most of these instruments, which are carried at amortised cost (i.e. accounts receivable), are to be held until maturity and therefore the fair value figures calculated bear little relevance to the Union.

The following table contains the carrying amounts and related fair values for the Union's financial assets and liabilities:

		2021		2020	
	Footnote	**Carrying value**	**Fair value**	Carrying value	Fair value
		$	**$**	$	$
Financial assets					
Cash and cash equivalents	(i)	**451,865**	**451,865**	255,582	255,582
Accounts receivable and other debtors	(i)	**3,254**	**3,254**	13,550	13,550
Investments	(i)	**696,493**	**696,493**	685,620	685,620
Total financial assets		**1,151,612**	**1,151,612**	954,752	954,752
Financial liabilities					
Accounts payable and other payables	(i)	**61,305**	**61,305**	50,891	50,891
Borrowings – leases	(i)	**46,736**	**46,736**	67,490	67,490
Total financial liabilities		**108,041**	**108,041**	118,381	118,381

The fair values disclosed in the above table have been determined based on the following methodologies:

(i) Cash and cash equivalents, accounts receivable, investments and other debtors and accounts payable and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is outside the scope of AASB 139.

Note 15 Fair Value Measurement (Continued)

The fair values disclosed in the above table have been determined based on the following methodologies:

(ii) Cash and cash equivalents, accounts receivable and other debtors and accounts payable and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is outside the scope of AASB 139.

Fair Value Hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categories fair value measurement into one of the three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset of liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market date. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Union did not have any assets or liabilities that were recorded using the above fair value hierarchy at 30 June 2021 (2020: Nil).

Note 16 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 Commission:

(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).

Note 17 Union Details

The registered office of the Union is:

Level 1, 41 Peel Street
SOUTH BRISBANE QLD 4101

Note 18 Segment Information

The Union operates solely in one reporting segment, being the provision of industrial services in Queensland.

AUSTRALIAN FEDERATED UNION OF LOCOMOTIVE EMPLOYEES

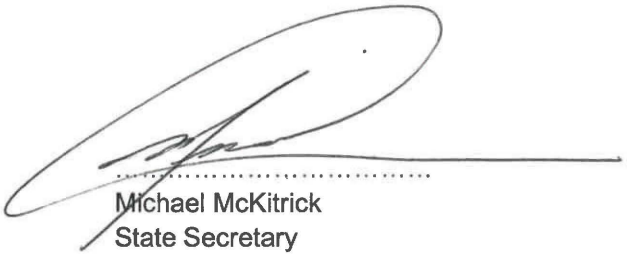
OFFICER'S DECLARATION STATEMENT

I, Michael McKitrick, being the State Secretary of the Australian Federated Union of Locomotive Employees, declare that the following activities did not occur during the reporting period ending 30 June 2021:

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees or any other revenue amount from another reporting unit
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay capitation fees or any other expense to another reporting unit
- pay a grant that was $1,000 or less
- pay a grant that exceeded $1,000
- pay separation and redundancy to holders of office
- pay separation and redundancy to employees (other than holders of office)
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- have a receivable with other reporting unit(s)
- have a payable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have other employee provisions in respect of employees (other than holders of office)

- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- provide cash flows to another reporting unit and/or controlled entity
- receive cash flows from another reporting units and/or controlled entity
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit



.....

Michael McKitrick
State Secretary

24 November 2021

South Brisbane