The Australian Workers' Union, West Australian Branch

FINANCIAL STATEMENTS 2019–20

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Independent Auditor's Report

To the members of Australian Workers' Union, West Australian Branch

Opinion

We have audited the ***Financial Report*** of Australian Workers' Union, West Australian Branch (the Entity).

In our opinion, the accompanying Financial Report presents fairly, in all material respects, the financial position of the Entity as at 30 June 2020, and of its financial performance and its cash flows for the year then ended, in accordance with:

- Australian Accounting Standards; and
- Any financial reporting requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisation) Act 2009.

The ***Financial Report*** comprises:

- Statement of financial position as at 30 June 2020
- Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended
- Notes including a summary of significant accounting policies
- Expenditure Report as required under subsection 255(2A) of the Fair Work (Registered Organisation) Act 2009 for the year ended 30 June 2020
- Committee of Management Statement

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Entity in accordance with the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code)* that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Emphasis of matter – Going concern basis of preparation

We draw attention to Note 1.2 to the Financial Report, which describes the going concern basis of preparation. In the preparation of the Financial Report, the Committee of Management have assessed that the Entity's the use of the going concern basis of accounting is appropriate. Based on the audit evidence we have obtained, we conclude that Management's use of the going concern basis of preparation is appropriate. Our opinion is not modified in respect of this matter.

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Restriction on use

The Financial Report has been prepared to assist the members of Australian Workers' Union, West Australian Branch in complying with the financial reporting requirements of the Fair Work (Registered Organisations) Act 2009.

As a result, the Financial Report and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Our report is intended solely for the members of Australian Workers' Union, West Australian Branch and should not be used by parties other than the members of Australian Workers' Union, West Australian Branch. We disclaim any assumption of responsibility for any reliance on this report, or on the Financial Report to which it relates, to any person other than the members of Australian Workers' Union, West Australian Branch or for any other purpose than that for which it was prepared.

Other Information

Other Information is financial and non-financial information in Australian Workers' Union, West Australian Branch's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Committee of Management is responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Committee of Management for the Financial Report

The Committee Management are responsible for:

- the preparation and fair presentation of the Financial Report in accordance with Australian Accounting Standards and any financial reporting requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisation) Act 2009

- implementing necessary internal control to enable the preparation of a Financial Report that are free from material misstatement, whether due to fraud or error

- assessing the Entity's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Entity 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 our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

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

I declare that I am an approved auditor as defined by Regulation 4 of the Fair Work (Registered Organisations) Regulations 2009, a member of the Institute of Chartered Accountants in Australia and hold a current Public Practice Certificate.

KPMG

KPMG

Matthew Hingeley

Partner

Registration number (as registered by the Registered Organisations Commissioner under the Registered *Organisations Act 2009*): AA2019/14

235 St Georges Terrace
Perth

30 October 2020

The Australian Workers' Union West Australian Branch

Report Required under Subsection 255(2A)

for the year ended 30 June 2020

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the reporting unit for the year ended 30 June 2020.

	2020 $	2019 $
Categories of expenditures		
Remuneration and other employment-related costs and expenses - employees	**2,005,450**	2,204,114
Advertising	**19,217**	1,986
Operating costs	**1,677,498**	1,433,411
Donations to political parties	**-**	-
Legal costs	**45,806**	113,702

Signature of designated officer:

Name and title of designated officer: Bradley Gandy

AWU WA Branch Secretary

Dated: 30/10/2020

The Australian Workers' Union, West Australian Branch

Operating Report

for the year ended 30 June 2020

The committee presents its report on the reporting unit for the financial year ended 30 June 2020.

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

The principal activities of the reporting unit during the course of the financial year were those of a registered trade union working for the benefit of members through negotiating enterprise bargaining agreements, varying awards, representing members before industrial tribunals, training delegates in workplace organizing, recruitment and the public promotion of the interests of members.

The Branch Executive of WA Branch were re-elected in July 2017 un-opposed.

There were no significant changes in the nature of the activities of the reporting unit during the year.

Significant changes in financial affairs

There were no significant changes in the state of affairs of the reporting unit that occurred during the year.

Right of members to resign

AWU Rule 14 – Resigning as a member – provides for resignation of members in accordance with s174 of Schedule 1B of the Fair Work (Registered Organisations) Act 2009.

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

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

Number of members

The number of persons in the register of members is 7,907 (2019: 6,885).

Number of employees

The reporting unit employed 22 full time equivalent employees during the year although a number of these employees did not work for the full financial year.

Other information

The reporting unit has maintained its affiliation with both the ALP and Unions WA during the financial year.

The Australian Workers' Union, West Australian Branch

Operating Report (continued)

for the year ended 30 June 2020

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

The following persons held office through the entire period 1 July 2019 to 30 June 2020 unless otherwise indicated:

A. D. Hacking	*Branch President*
J. Pascoe	*Branch Vice President*
D. Solly	*Branch Vice President (from 05/06/2020)*
A. Herbert	*Branch Vice President (resigned 20/12/2019)*
B. Gandy	*Branch Secretary*
C. Beveridge	*Assistant Branch Secretary*
D. Cullen	*Committee Member*
N. Pavlovic	*Committee Member*
S. Allen	*Committee Member – Alcoa Pinjarra Sub-Branch Secretary*
A. Draper	*Committee Member – Alcoa Pinjarra Sub-Branch President*
C Ramirez	*Committee Member*
D. Solly	*Committee Member (resigned 05/06/2020)*
D. Connors	*Committee Member*
R. Woods	*Committee Member*
S. O'Reilly	*Committee Member*
B. Ahmed	*Committee Member*
R. Lynn	*Committee Member*

Signature of designated officer: .....

Name and title of designated officer: Bradley Gandy

AWU WA Branch Secretary

Dated: 30/10/2020

The Australian Workers' Union, West Australian Branch

Committee Of Management Statement

for the year ended 30 June 2020

On 30th October 2020 the Committee of Management of The Australian Workers' Union West Australian Branch passed the following resolution in relation to the general purpose financial report (**GPFR**) for the year ended 30 June 2020:

The Committee of Management declares that in its opinion:

(a) the financial statements and notes comply with the Australian Accounting Standards;

(b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the **RO Act**);

(c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;

(d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and

(e) during the financial year to which the GPFR relates and since the end of that year:

  (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and

  (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and

  (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and

  (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and

  (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and

  (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

(f) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

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

Signature of designated officer: .....

Name and title of designated officer: Bradley Gandy

AWU WA Branch Secretary

Dated: 30/10/2020

The Australian Workers' Union, West Australian Branch

Statement of Comprehensive Income

for the year ended 30 June 2020

	Notes	2020 $	2019 $
Revenue			
Membership subscription		**3,525,688**	3,081,987
Capitation fees	3A	**-**	-
Levies	3B	**-**	-
Rental revenue	3C	**104,621**	109,135
Other revenue	3D	**141,027**	100,665
Total revenue		**3,771,336**	3,291,787
Other income			
Grants and/or donations	3E	**-**	-
Investment income	3F	**-**	165,000
Revenue from recovery of wages activity	3G	**-**	-
Total other income		**-**	165,000
Total income		**3,771,336**	3,456,787
Expenses			
Employee expenses	4A	**2,005,450**	2,204,114
Capitation fees	4B	**389,346**	338,745
Affiliation expenses	4C	**99,006**	97,365
Administration expenses	4D	**751,612**	844,416
Grants or donations	4E	**2,470**	3,008
Finance costs	4F	**29,390**	21,189
Depreciation and amortisation	4G	**256,642**	84,964
Legal costs	4H	**45,806**	113,702
Audit and accounting fees		**32,627**	58,123
Write down and impairment of assets	4I	**-**	(183,639)
Net losses from sale of assets	4J	**-**	13,713
Other expenses	4K	**135,622**	157,513
Total expenses		**3,747,971**	3,753,213
Surplus/(deficit) for the year		**23,365**	(296,426)
Other comprehensive income			
Change in fair value of other investments		**-**	-
Total comprehensive profit/(loss) for the year		**23,365**	(296,426)

The above statement should be read in conjunction with the notes

The Australian Workers' Union, West Australian Branch

Statement of Financial Position

as at 30 June 2020

	Notes	2020 $	2019 $
ASSETS			
Current assets			
Cash and cash equivalents	5A	**757,982**	491,173
Trade and other receivables	5B	**257,946**	186,113
Total current assets		**1,015,928**	677,286
Non-current assets			
Land and buildings - Investment property	6A	**323,579**	340,879
Plant and equipment	6B	**228,553**	270,274
Other investments	6C	**165,000**	565,000
Right-of-use assets	6D	**392,223**	-
Total non-current assets		**1,109,355**	1,176,153
Total assets		**2,125,283**	1,853,439
LIABILITIES			
Current liabilities			
Trade payables	7A	**1,341,848**	1,069,256
Other payables	7B	**166,286**	199,336
Employee provisions	8A	**489,383**	465,245
Lease liabilities	6D	**149,336**	-
Other liabilities	8B	**-**	192,254
Total current liabilities		**2,146,853**	1,926,091
Non-current liabilities			
Employee provisions	8A	**94,307**	77,659
Leases liabilities	6D	**253,031**	-
Other liabilities	8B	**-**	241,962
Total non-current liabilities		**347,338**	319,621
Total liabilities		**2,494,191**	2,245,712
Net liabilities		**(368,908)**	(392,273)
EQUITY			
General funds		**(781,326)**	(804,691)
Reserves	9A	**412,418**	412,418
Total equity		**(368,908)**	(392,273)

The above statement should be read in conjunction with the notes

The Australian Workers' Union, West Australian Branch

Statement of Changes in Equity

for the year ended 30 June 2020

	General funds $	Reserves $	Total $
Adjustment on initial application of AASB 9	49,515	(49,515)	-
Restated balance as at 1 July 2018	(508,265)	412,418	(95,847)
Deficit for the year	(296,426)	-	(296,426)
Closing balance as at 30 June 2019	(804,691)	412,418	(392,273)
Balance as at 1 July 2019	**(804,691)**	**412,418**	**(392,273)**
Surplus for the year	**23,365**	**-**	**23,365**
Closing balance as at 30 June 2020	**(781,326)**	**412,418**	**(368,908)**

The above statement should be read in conjunction with the notes

The Australian Workers' Union, West Australian Branch

Statement of Cash Flows

for the year ended 30 June 2020

	Notes	2020	2019
OPERATING ACTIVITIES		**$**	**$**
Cash received			
Receipts from members		**3,830,717**	3,341,129
Other		**245,648**	209,800
		4,076,365	3,550,929
Cash used			
Suppliers		**(1,109,504)**	(1,060,211)
Employees		**(1,964,664)**	(2,138,254)
Payments to other reporting units	10A	**(484,305)**	(252,834)
Net cash from operating activities	10A	**517,892**	99,630
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		**346**	2,629
Proceeds from other investments	6C	**400,000**	-
Cash used			
Purchase of plant and equipment	6B	**(19,585)**	(23,424)
Net cash from/(used in) investing activities		**380,761**	(20,795)
FINANCING ACTIVITIES			
Cash received			
Repayment of lease liabilities	6D	**(189,770)**	-
Cash used			
Repayment of borrowings		**(442,074)**	-
Net cash used by financing activities		**(631,844)**	-
Net increase in cash held		**266,809**	78,835
Cash & cash equivalents at the beginning of the reporting period		**491,173**	412,338
Cash & cash equivalents at the end of the reporting period	5A	**757,982**	491,173

The above statement should be read in conjunction with the notes

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Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

The financial statements are Tier 1 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* (**RO Act**). For the purpose of preparing the general purpose financial statements, The Australian Workers' Union, West Australian Branch is a not-for-profit entity.

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

1.2 Financial position and going concern

As at 30 June 2020, the reporting unit has reported a deficiency in net assets of $368,908 (2019: deficiency of $392,273). The deficiency in net assets includes the reporting unit's investment property, recorded on a historical cost basis, at its carrying value of $323,579 (2019: $340,879). The reporting unit has engaged an independent valuer which has determined the fair value of the investment property as at 21 March 2017 to be $2,100,000. Had the Branch adopted a fair value accounting policy for its investment property using the 21 March 2017 fair value, its carrying value would have increased by approximately $1.7 million and the net assets of the reporting unit would increase to a surplus of approximately $1.3 million.

For the year ended 30 June 2020, the reporting unit reported a net profit of $23,365 (2019: net loss of $296,426) and has a deficit in working capital of $1,130,925 (2019: $1,248,805). Included in trade payables as at 30 June 2020 is an amount due to AWU National of $865,424 (2019: $720,455).

Executives have prepared a cash flow forecast for the next 12 months which indicates that the reporting unit can meet its debts as and when they fall due. The accounts have been prepared on a going concern basis. The Executives note that the AWU National Office is required to support the reporting unit under its constitution if required. Under Rule 25 of the National Union's constitution all financial decisions are authorised by the National Executive and therefore it is their responsibility to take action to secure the satisfactory working of any Branch. The AWU National Office has agreed to not call for repayment the amounts payable by AWU, WA Branch, for at least 12 months from the date of this report and to assist in meeting its obligations to its creditors as and when they fall due. As noted above, the reporting unit holds an investment property with a carrying value significantly lower than its fair value which could be utilised to provide working capital either through its sale or as a security for borrowings.

No financial support was provided to another reporting unit during the current period.

1.3 Comparative amounts

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

1.4 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.

Estimation of useful lives of assets

The reporting unit's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of use or some other event. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write off assets that have been abandoned or sold.

Long service leave provision

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date.

Fair value of investments

A number of the reporting unit's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The reporting unit has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Commissioner.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified. Significant valuation issues are reported to the reporting unit's Audit Committee.

When measuring the fair value of an asset or liability, the reporting unit uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure fair value of an asset or liability to fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The reporting unit recognises transfers between levels of fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 15 Fair Value Measurements.

1.5 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

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

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

- AASB 15 *Revenue from Contracts with Customers*, which replaces AASB 118 *Revenue*, and AASB 1058 *Income of Not-for-Profit-Entities*, which replaces in the income recognition requirements of AASB 1004 *Contributions*.

  Application of these standards are discussed further below.

- AASB 16 *Leases* and amending standards, which replaces AASB 117 *Leases*.

  Application of this standard is discussed further below.

- AASB 2017-6 *Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation*
- AASB 2017-7 *Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures*
- AASB 2018-1 *Amendments to Australian Accounting Standards – Annual Improvements 2015–2017 Cycle*
- AASB 2018-2 *Amendments to Australian Accounting Standards – Plan Amendment, Curtailment or Settlement*

Impact on adoption of AASB 15 *Revenue from Contracts with Customers* (AASB 15) and AASB 1058 *Income of Not-for-Profit Entities* (AASB 1058)

AASB 15 *Revenue from Contracts with Customers* supersedes AASB 111 *Construction Contracts*, AASB 118 *Revenue* and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers.

AASB 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. AASB 15 also includes implementation guidance to assist not-for-profit entities to determine whether particular transactions, or components thereof, are contracts with customers. If a transaction is outside the scope of AASB 15, the recognition and measurement of income arising from the transaction may instead be specified by another Standard, for example AASB 1058 *Income of Not-for-Profit Entities*.

AASB 1058 replaces the income recognition requirements in AASB 1004 *Contributions* that had previously applied to the reporting unit. AASB 1058 provides a more comprehensive model for accounting for income of not-for-profit entities and specifies that:

- the timing of revenue or income recognition will depend on whether a performance obligation is identified or a liability is recognised;
- not-for-profit lessees can elect to recognise assets, including leases provided at significantly less than fair value, at their fair value; and
- all not-for-profit entities can elect to recognise volunteer services at fair value if the fair value of those services can be reliably measured.

The reporting unit adopted AASB 15 and AASB 1058 using the modified retrospective method of adoption, with the date of initial application of 1 July 2019. In accordance with the transition approach, the reporting unit recognised the cumulative effect of applying these new standards as an adjustment to opening retained earnings at the date of initial application, i.e., 1 July 2019. Consequently, the comparative information presented has not been restated and continues to be reported under the previous standards on revenue and income recognition. In addition, the reporting unit has applied the practical expedient and elected to apply these standards retrospectively only to contracts and transactions that were not completed contracts at the date of initial application, i.e., as at 1 July 2019.

The adoption of AASB 15 and AASB 1058 did not have a material impact on the reporting unit's financial statements.

Impact on adoption of AASB 16 *Leases*

AASB 16 *Leases* supersedes AASB 117 *Leases*, *Interpretation 4 Determining whether an Arrangement contains a Lease*, *Interpretation 115 Operating Leases—Incentives* and *Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under AASB 16 is substantially unchanged from AASB 117. Lessors will continue to classify leases as either operating or finance leases using similar principles as in AASB 117. Therefore, AASB 16 does not have an impact for leases where the reporting unit is the lessor.

The reporting unit has adopted AASB 16 using the modified retrospective method of transition, with the date of initial application of 1 July 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The reporting unit elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at 1 July 2019.

Instead, the reporting unit applied the standard only to contracts that were previously identified as leases applying AASB 117 and Interpretation 4 at the date of initial application.

The reporting unit has lease contracts for property, vehicles and other equipment. Before the adoption of AASB 16, the reporting unit classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

Upon adoption of AASB 16, the reporting unit applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. Refer to Note 1.8 Leases for the accounting policy beginning 1 July 2019. The standard provides specific transition requirements and practical expedients, which have been applied by the reporting unit.

Leases previously accounted for as operating leases

The reporting unit recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The reporting unit also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

Based on the above, as at 1 July 2019:

- Right-of-use assets of $570,605 were recognised and presented separately in the statement of financial position.
- Lease liabilities of $570,605 were recognised.

The lease liabilities as at 1 July 2019 can be reconciled to the operating lease commitments as of 30 June 2019, as follows:

Operating lease commitments disclosed as at 30 June 2019	$276,646
Discounted using the reporting unit's weighted average incremental borrowing rate of 4.50%	$264,472
Add: Adjustments as a result of a different treatment of extension options	$264,681
Add: Adjustments as a result of a different treatment of leases for other equipment	$41,452
Lease liability recognised as at 1 July 2019	**$570,605**

Reporting unit as a lessor

The reporting unit is not required to make any adjustments on transition to AASB 16 where it is a lessor.

Future Australian Accounting Standards Requirements

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on the reporting unit include AASB 2020-1 – *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current*, which will become mandatory from the reporting unit's 2021 financial statements. The reporting unit does not plan to adopt these standards early and the extent of the impact has not been determined.

1.6 Revenue

The reporting unit enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions.

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

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

Membership subscriptions

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 reporting unit.

If there is only one distinct membership service promised in the arrangement, the reporting unit recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the reporting unit'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 reporting unit 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 reporting unit 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 reporting unit recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the reporting unit 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 reporting unit at their standalone selling price, the reporting unit accounts for those sales as a separate contract with a customer.

Income of the reporting unit as a Not-for-Profit Entity

Consideration is received by the reporting unit to enable the entity to further its objectives. The reporting unit recognises each of these amounts of consideration as income when the consideration is received (which is when the reporting unit 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 reporting unit's recognition of the cash contribution does not give to any related liabilities.

During the year, the reporting unit received cash consideration from the following arrangements whereby that consideration will be recognised as income upon receipt:

- donations and voluntary contribution from members (including whip arounds); and
- government grants.

Volunteer services

During the year, the reporting unit received volunteer services. In those circumstances where the fair value of the volunteer services can be measured reliably, the reporting unit recognises the fair value of volunteer services received as income together with a corresponding expense where the economic benefits of the volunteer services are consumed as the services are acquired. Where the volunteer services will contribute to the development of an asset, the fair value is included in the carrying amount of that asset.

During the year, the reporting unit did not recognise any volunteer services as revenue because it could not reliably measure the fair value of those services.

Income recognised from transfers

Where, as part of an enforceable agreement, the reporting unit receives consideration to acquire or construct a non-financial asset such as property, plant and equipment to an identified specification and for the reporting unit'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 reporting unit 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.

1.7 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

The reporting unit assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Reporting unit as a lessee

The reporting unit applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The reporting unit recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The reporting unit recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Class of fixed asset	**2020**
Land and buildings	**1 – 6 years**
Plant and equipment	**1 – 5 years**
Motor vehicles	**1 – 4 years**

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

Lease liabilities

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

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

Short-term leases and leases of low-value assets

The reporting unit's short-term leases are those that have a lease term of 12 months or less from the commencement. It also applies the lease of low-value assets recognition exemption to leases that are below $10,000. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

1.9 Borrowing costs

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

1.10 Cash

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

1.11 Financial instruments

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

1.12 Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (**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 reporting unit's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the reporting unit 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 reporting unit'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 reporting unit commits to purchase or sell the asset.

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 reporting unit'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.

Derecognition

A financial asset is derecognised when:

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

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

1.13 Financial Liabilities

Initial recognition and measurement

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.

The reporting unit's financial liabilities include trade and other payables.

Subsequent measurement

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.

1.14 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.

1.15 Land, Buildings, Plant and Equipment

Asset Recognition Threshold

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

Depreciation

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

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

Class of fixed asset	**2020**	2019
Land and buildings - Investment Property	**50 years**	50 years
Plant and equipment	**3 – 20 years**	6 – 20 years

Derecognition

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

1.16 Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost and in accordance with the policies set out in 1.16.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal.

Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

1.17 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 reporting unit were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.18 Taxation

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

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

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

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

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

1.19 Fair value measurement

The reporting unit measures financial instruments at fair value through profit or loss at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 15A.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

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

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

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

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

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

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

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

Note 2 Events after the reporting period

As a result of the evolving nature of the COVID-19 outbreak and the rapidly evolving government policies of restrictive measures put in place to contain it, as at the date of these financial statements, the reporting unit is not in a position to reasonably estimate the financial effects of the COVID-19 outbreak on the future financial performance and financial position of the reporting unit. Other than the current disclosures, there has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the reporting unit, the results of those operations, or the state of affairs of the reporting unit in subsequent financial periods.

Note 3 Revenue and income

Disaggregation of revenue from contracts with customers

A disaggregation of the reporting unit's revenue by type of arrangements is provided on the face of the Statement of Comprehensive Income.

	2020	2019
	$	$
Note 3A: Capitation fees		
NIL	**-**	-
Total capitation fees	**-**	-
Note 3B: Levies		
NIL	**-**	-
Total levies	**-**	-
Note 3C: Rental revenue		
Properties	**101,190**	105,532
Other	**3,431**	3,603
Total rental revenue	**104,621**	109,135
Note 3D: Other revenue		
Referrer fees	**41,447**	53,274
Other revenue	**99,580**	47,391
Total other revenue	**141,027**	100,665
Note 3E: Grants or donations		
Grants	**-**	-
Donations	**-**	-
Total grants or donations	**-**	-
Note 3F: Investment income		
Dividends	**-**	165,000
Total investment income	**-**	165,000

	2020	2019
	$	$
Note 3G: Revenue from recovery of wages activity		
Amounts recovered from employees in respect of wages	**-**	-
Interest received on recovered money	**-**	-
Total revenue from recovery of wages activity	**-**	-

Note 4 Expenses

Note 4A: Employee expenses

Holders of office:		
Wages and salaries	**502,377**	587,457
Superannuation	**71,631**	81,197
Leave and other entitlements	**67,715**	124,662
Separation and redundancies	**60,000**	26,400
Other employee expenses	**30,406**	27,558
Payroll tax	**19,595**	32,664
Subtotal employee expenses - holders of office	**751,724**	879,938
Employees other than office holders:		
Wages and salaries	**969,266**	1,184,376
Superannuation	**129,339**	135,497
Leave and other entitlements	**83,851**	(58,802)
Separation and redundancies	**18,340**	6,217
Other employee expenses	**17,595**	9,710
Payroll tax	**35,335**	47,178
Subtotal employee expenses - employees other than office holders	**1,253,726**	1,324,176
Total employee expenses	**2,005,450**	2,204,114

Note 4B: Capitation fees and other expense to another reporting unit

Capitation fees		
AWU - National Office	**389,346**	338,745
Subtotal capitation fees	**389,346**	338,745
Other expense to another reporting unit		
NIL	**-**	-
Subtotal capitation fees	**-**	-
Total capitation fees and other expenses to another reporting unit	**389,346**	338,745

Note 4C: Affiliation fees

Australian Labour Party	**48,874**	48,364
Unions WA (formerly Trades and Labour Council)	**43,255**	42,387
ShopRite	**6,877**	6,614
Total affiliation fees/subscriptions	**99,006**	97,365

	2020	2019
	$	$
Note 4D: Administration expenses		
Total paid to employers for payroll deductions of membership subscriptions	**-**	-
Compulsory levies	**-**	(4,485)
Fees/allowances - meeting and conferences	**-**	-
Conference and meeting expenses	**8,289**	4,079
Contractors/consultants	**-**	-
Property expenses	**173,503**	279,553
Office expenses	**104,425**	71,170
Information communications technology	**32,553**	17,717
Broker Fees	**1,407**	304
Travel and accommodation	**114,712**	133,011
Other	**316,723**	343,067
Total administration expenses	**751,612**	844,416
Operating lease rentals:		
Minimum lease payments	**228,994**	259,396
No compulsory levies were paid during the year.		
Note 4E: Grants or donations		
Grants:		
Total expensed that were $1,000 or less	**-**	-
Total expensed that exceeded $1,000	**-**	-
Donations		
Total expensed that were $1,000 or less	**2,470**	3,008
Total expensed that exceeded $1,000	**-**	-
Total grants or donations	**2,470**	3,008
In-Kind Donations:		
Vehicle costs	**-**	5,525
Employee wages	**-**	-
Other	**-**	-
Total in-kind donations	**-**	5,525
Note 4F: Finance costs		
Interest paid	**29,390**	21,189
Total finance costs	**29,390**	21,189

	2020	2019
	$	$
Note 4G: Depreciation and amortisation		
Depreciation		
Land and buildings	**17,300**	17,300
Property, plant and equipment	**60,960**	67,664
Right-of-use assets	**178,382**	-
Total depreciation	**256,642**	84,964
Total depreciation and amortisation	**256,642**	84,964
Note 4H: Legal costs		
Litigation	**-**	-
Other legal costs	**45,806**	113,702
Total legal costs	**45,806**	113,702
Note 4I: Write down and impairment of assets		
Reversal of impairment - refer note 6C	**-**	(183,639)
Total write down and impairment of assets	**-**	(183,639)
Note 4J: Net losses from sale of assets		
Motor vehicles	**-**	13,713
Total net losses from asset sales	**-**	13,713
Note 4K: Other expenses		
Penalties - via RP Act or the Fair Work Act 2009	**-**	-
Bank charges	**26,211**	19,467
Other expenses	**109,411**	138,046
Total other expenses	**135,622**	157,513

Note 5 Current assets

Note 5A: Cash and cash equivalents

Cash at bank	**757,591**	490,782
Cash on hand	**391**	391
Total cash and cash equivalents	**757,982**	491,173

	2020	2019
	$	$
Note 5B: Trade and other receivables		
Receivables from other reporting unit		
AWU National	**-**	-
Total receivables from other reporting unit	**-**	-
Less provision for doubtful debts		
AWU National	**-**	-
Total provision for doubtful debts	**-**	-
Receivables from other reporting unit (net)	**-**	-
Other receivables:		
GST receivable from the Australian Taxation Office	**100**	-
Other trade receivables	**257,846**	186,113
Total other receivables	**257,946**	186,113
Total trade and other receivables (net)	**257,946**	186,113

There was no allowance for expected credit losses of trade and other receivables for the year ended 30 June 2020 (30 June 2019: nil).

The reporting unit has recognised liabilities for contracts with customers of $98,673 in relation to unearned membership fees.

Unsatisfied performance obligations

Unsatisfied performance obligations relate to timing of membership fees as noted above.

Note 6 Non-current assets

Note 6A: Land and buildings – investment property

Land and buildings:		
Cost	**865,000**	865,000
Accumulated depreciation	**(541,421)**	(524,121)
Total land and buildings - investment property	**323,579**	340,879

Reconciliation of the opening and closing balances of Land and Buildings - investment property		
As at 1 July		
Gross book value	**865,000**	865,000
Accumulated depreciation and impairment	**(524,121)**	(506,821)
Net book value 1 July	**340,879**	358,179
Depreciation expense	**(17,300)**	(17,300)
Net book value 30 June	**323,579**	340,879
Net book value as of 30 June represented by:		
Gross book value	**865,000**	865,000
Accumulated depreciation and impairment	**(541,421)**	(524,121)
Net book value 30 June	**323,579**	340,879

The investment property is subject to a registered charge

	2020	2019
	$	$

Note 6B: Plant and equipment

Plant and equipment		
At cost	**1,186,361**	1,167,121
Accumulated depreciation	**(957,808)**	(896,847)
Total office equipment	**228,553**	270,274

Reconciliation of the opening and closing balances of Plant and Equipment		
As at 1 July		
Gross book value	**1,167,121**	1,220,797
Accumulated depreciation and impairment	**(896,847)**	(889,941)
Net book value 1 July	**270,274**	330,856
Additions:		
By purchase	**19,585**	23,424
Depreciation expense	**(60,960)**	(67,664)
Other (Write-offs)	**(346)**	(16,342)
Net book value 30 June	**228,553**	270,274
Net book value as of 30 June represented by:		
Gross book value	**1,186,361**	1,167,121
Accumulated depreciation and impairment	**(957,808)**	(896,847)
Net book value 30 June	**228,553**	270,274

Note 6C: Other investments

Investment in Chifley Financial Services Pty Ltd	**-**	400,000
Investment in Chifley Trading Trust	**165,000**	165,000
Total other investments	**165,000**	565,000

75,001 Ordinary Shares in Chifley Financial Services Pty Ltd (16.7% of total Ordinary Shares) were acquired by the AWU WA Branch from Unions NSW on the 24th February 2016. 170 Units in Chifley Trading Trust were acquired on 30 January 2019.

During the previous financial year, Chifley Financial Services Pty Ltd declared a final dividend with the funds owing to AWU WA Branch being utilised to repay the outstanding loan. Following the payment of this final dividend, Chifley Financial Services Pty Ltd was wound up.

The Australian Workers' Union, West Australian Branch

Note 6D: Leases

Reporting unit as a lessee

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Property	Motor Vehicles	Other equipment	Total
	$	$	$	$
As at 1 July 2019	**392,915**	**136,238**	**41,452**	**570,605**
Depreciation expense	(95,773)	(70,129)	(12,480)	**(178,382)**
As at 30 June 2020	**297,142**	**66,109**	**28,972**	**392,223**

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

	2020
	$
As at 1 July 2019	**570,605**
Accretion of interest	21,532
Payments	(189,770)
As at 30 June 2020	**402,367**
Current	149,336
Non-current	253,031

The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets	178,382
Interest expense on lease liabilities	21,532
Variable lease payments	101,937
Total amount recognised in profit or loss	**301,851**

The following provides information on the reporting unit's variable lease payments, including the magnitude in relation to fixed payments:

	Fixed payments	Variable payments	Total
	$	$	$
2019			
Fixed rent	234,747	-	**234,747**
Variable rent only	-	418	**418**
	234,747	**418**	**235,165**
2020			
Fixed rent	189,770	-	**189,770**
Variable rent only (the net of the fixed rent and all rent/hire expenses)	-	1,265	**1,265**
	189,770	**1,265**	**191,035**

Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

	Within five years	More than five years	Total
	$	$	$
2020			
Extension options expected not to be exercised	-	-	-
Termination options expected to be exercised	-	-	-
	-	**-**	**-**
2019			
Extension options expected not to be exercised	-	-	-
Termination options expected to be exercised	-	-	-
	-	**-**	**-**

	2020	2019
	$	$

Note 7 Current liabilities

Note 7A: Trade payables

Trade and other creditors	**369,584**	217,491
Accrued expenses	**106,840**	131,310
Subtotal trade creditors	**476,424**	348,801
Payables to other reporting unit		
Payable to AWU - National	**865,424**	720,455
Subtotal payables to other reporting unit	**865,424**	720,455
Total trade payables	**1,341,848**	1,069,256

Settlement is usually made within 30 days.

Note 7B: Other payables

Payable to employers for making payroll deductions of membership subscriptions	**-**	-
Legal costs		
Litigation	**-**	-
Other legal costs	**-**	-
GST payable to the Australian Taxation Office	**-**	8,128
Prepayments received/unearned revenue	**166,286**	191,208
Total other payables	**166,286**	199,336
Total other payables are expected to be settled in:		
No more than 12 months	**166,286**	199,336
More than 12 months	**-**	-
Total other payables	**166,286**	199,336

	2020	2019
	$	$

Note 8 Provisions and other liabilities

Note 8A: Employee provisions

Office Holders:		
Annual leave	**92,027**	37,179
Long service leave	**164,025**	112,437
Separations and redundancies	**-**	-
Other	**-**	-
Subtotal employee provisions - office holders	**256,052**	149,616
Employees other than office holders:		
Annual leave	**184,356**	179,755
Long service leave	**143,282**	213,533
Separations and redundancies	**-**	-
Other	**-**	-
Subtotal employee provisions - employees other than office holders	**327,638**	393,288
Total employee provisions	**583,690**	542,904
Current	**489,383**	465,245
Non-Current	**94,307**	77,659
Total employee provisions	**583,690**	542,904

Note 8B: Other liabilities

Loans and borrowings	**-**	434,216
Total other liabilities	**-**	434,216
Current	**-**	192,254
Non-Current	**-**	241,962
Total other liabilities	**-**	434,216

The loans and borrowings were unsecured for a term of 7 years expiring on 30 June 2023 at an interest rate of 5.30% and required annual repayments (including interest) of $96,127 during the 2019. These loans were fully repaid during the 2020 financial year as part of the wind up of Chifley Financial Services Pty Ltd.

	2020	2019
	$	$

Note 9 Reserves

Note 9A: Funds

Capital Reserve		
Balance as at start of year	**72,750**	72,750
Transferred to reserve	**-**	-
Transferred out of reserve	**-**	-
Balance as at end of year	**72,750**	72,750
Asset Revaluation Reserve		
Balance as at start of year	**237,146**	237,146
Transferred to reserve	**-**	-
Transferred out of reserve	**-**	-
Balance as at end of year	**237,146**	237,146
This reserve is not available to offset future revaluation decrements in non-current assets.		
Long Service Leave Reserve		
Balance as at start of year	**102,522**	102,522
Transferred to reserve	**-**	-
Transferred out of reserve	**-**	-
Balance as at end of year	**102,522**	102,522
Available for sale reserve		
Balance as at start of year	**-**	49,515
Adjustment on initial application of AASB 9	**-**	(49,515)
Restated balance as at start of year	**-**	-
Transferred to reserve	**-**	-
Transferred out of reserve	**-**	-
Balance as at end of year	**-**	-
Total reserves	**412,418**	412,418

	2020	2019
	$	$

Note 10 Cash flow

Note 10A: Cash flow reconciliation

Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:		
Cash and cash equivalents as per:		
Cash flow statement	**757,982**	491,173
Balance sheet	**757,982**	491,173
Difference	**-**	-
Reconciliation of surplus/(deficit) to net cash from operating activities:		
Surplus/(deficit) for the year	**23,365**	(296,426)
Adjustments for non-cash items:		
Depreciation/amortisation	**256,642**	84,964
Interest paid	**29,390**	21,189
Loss on sale of asset	**-**	13,713
Dividend income	**-**	(165,000)
Reversal of impairment	**-**	(183,639)
	309,397	(525,199)
Changes in assets/liabilities:		
Change in debtors & prepayments	**(71,833)**	(69,143)
Change in supplier payables	**272,592**	442,749
Change in memberships due in advance	**(33,050)**	185,363
Change in employee benefits	**40,786**	65,860
Net cash from operating activities	**517,892**	99,630
Cash inflows		
AWU - National Office	**4,620**	-
Total cash inflows	**4,620**	**-**
Cash outflows		
AWU - National Office	**484,305**	252,834
Total cash outflows	**484,305**	252,834

Note 11 Contingent liabilities, assets and commitments

Note 11A: Commitments and contingencies

Operating lease commitments—as lessor

The AWU WA Branch has contractual commitments in relation to the following leases for office space located on 40 Lord Street, East Perth:

- **Unit 1A**
  This is a five-year lease with an option for extension however the original term ended in June 2019.
- **Unit 2A**
  This is a one-year lease with an option for extension however the original term ended 15 October 2020.
- **Unit 4B**
  This is a three-year lease with an option for extension however the original term ended 30 November 2014. There is a provision for a fixed increase in rent of 4%each year.

Future minimum rentals receivable under non-cancellable operating leases as at 30 June are nil since the operating leases mentioned above are cancellable leases.

Note 12 Related party disclosures

Note 12A: Related party transactions for the reporting period

Amounts totalling $118,851 (2019: $117,259) were received from The Australian Workers' Union West Australian Branch Industrial Union of Workers during the year for reimbursement of expenditure. The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

	2020	2019
	$	$
Expenses paid to AWU National Office includes the following:		
Rent	**11,200**	29,867
Combined head office fees	**344,199**	109,361

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

	2020	2019
	$	$

Note 12B: Key management personnel remuneration for the reporting period

Short-term employee benefits		
Salary (including annual leave taken)	**224,860**	296,087
Annual leave accrued	**16,938**	16,521
Performance bonus	**-**	-
Other benefits	**-**	-
Total short-term employee benefits	**241,798**	312,608
Post-employment benefits:		
Superannuation	**27,202**	33,469
Total post-employment benefits	**27,202**	33,469
Other long-term benefits:		
Long-service leave	**105,552**	92,161
Total post-employment benefits	**105,552**	92,161
Termination benefits	**-**	-
Total	**374,552**	438,238

Note 13 Remuneration of auditors

Value of the services provided		
Financial statement audit services - KPMG	**38,600**	32,400
Financial statement preparation assistance - KPMG	**6,000**	6,000
Total remuneration of auditors	**44,600**	38,400

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

Note 14 Financial instruments

The reporting unit has exposure to the following risks from their use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the reporting unit's exposure to each of the above risks, the reporting unit's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

The Committee of Management has overall responsibility for the establishment and oversight of the reporting unit's risk management framework and for developing and monitoring risk management policies.

The reporting unit's risk management policies are established to identify and analyse the risks faced by the reporting unit, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the reporting unit's activities. The reporting unit, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Committee of Management oversees how management monitors compliance with the reporting unit's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the reporting unit.

	2020	2019
	$	$
Note 14A: Categories of financial instruments		
Financial assets		
Loans and receivables:		
Cash and cash equivalents	**757,982**	491,173
Trade and other receivables	**257,946**	186,113
Total	**1,015,928**	677,286
Fair value through profit or loss:		
Investments	**165,000**	565,000
Total	**165,000**	565,000
Carrying amount of financial assets	**1,180,928**	1,242,286
Financial liabilities		
Other financial liabilities:		
Trade payables	**1,341,848**	1,069,256
Other payables	**166,286**	199,336
Other liabilities	**-**	434,216
Total	**1,508,134**	1,702,808
Carrying amount of financial liabilities	**1,508,134**	1,702,808
Note 14B: Net income and expense from financial assets and liabilities		
Amortised cost		
Interest revenue	**312**	586
Interest expense	**(29,390)**	(21,189)
Net (loss) from financial assets at amortised cost	**(29,078)**	(20,603)
Fair value through profit or loss		
Dividend revenue	**-**	165,000
Reversal of impairment	**-**	183,639
Net gain on financial assets at fair value through profit and loss	**-**	348,639
Net (loss)/gain from financial assets and liabilities	**(29,078)**	328,036

Note 14C: Credit risk

Credit risk arises from cash and cash equivalents, investments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. The credit quality of customers is assessed based on past experience, trading history, and other factors. Individual credit limits are set.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets as summarised below.

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

Financial assets		
Cash and cash equivalents	**757,982**	491,173
Trade and other receivables	**257,946**	186,113
Investments	**165,000**	565,000
Total	**1,180,928**	1,242,286

In relation to the reporting unit's gross credit risk, no collateral is held.

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

	Not Past Due Nor Impaired 2020 $	Past Due or Impaired 2020 $	Not Past Due Nor Impaired 2019 $	Past Due or Impaired 2019 $
Trade receivables	**257,946**	**-**	186,113	-
Total	**257,946**	**-**	186,113	-

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

	0 to 30 days $	31 to 60 days $	61 to 90 days $	90+ days $	Total $
Trade receivables	**-**	**-**	**-**	**-**	**-**
Total	**-**	**-**	**-**	**-**	**-**

Ageing of financial assets that were past due but not impaired for 2019

	0 to 30 days $	31 to 60 days $	61 to 90 days $	90+ days $	Total $
Trade receivables	-	-	-	-	**-**
Total	-	-	-	-	-

Note 14D: Liquidity risk

Prudent liquidity risk management involves maintaining sufficient cash reserves. The reporting unit manages liquidity risk by continuously monitoring forecast and actual cash flow. Surplus funds are generally only deposited in savings accounts with offering interest rates.

Contractual maturities for financial liabilities 2020

	On demand $	< 1 year $	1 - 2 years $	2 - 5 years $	> 5 years $	Total $
Trade payables	**-**	**1,341,848**	**-**	**-**	**-**	**1,341,848**
Other payables	**-**	**166,286**	**-**	**-**	**-**	**166,286**
Total	**-**	**1,508,134**	**-**	**-**	**-**	**1,508,134**

Contractual maturities for financial liabilities 2019

	On demand $	< 1 year $	1 - 2 years $	2 - 5 years $	> 5 years $	Total $
Trade payables	-	1,069,256	-	-	-	1,069,256
Other payables	-	199,336	-	-	-	199,336
Other liabilities	-	192,254	96,127	192,254	-	480,635
Total	-	1,460,846	96,127	192,254	-	1,749,227

Lease liability maturities

	On demand $	< 1 year $	1 - 2 years $	2 - 5 years $	> 5 years $	Total $
Property	**-**	**91,455**	**97,199**	**118,298**	**-**	**306,952**
Motor vehicles	**-**	**45,383**	**11,668**	**8,861**	**-**	**65,912**
Other equipment	**-**	**12,498**	**6,761**	**10,244**	**-**	**29,503**
Total	**-**	**149,336**	**115,628**	**137,403**	**-**	**402,367**

Note 14E: Market risk

Market risk is the risk that changes in market prices, such as interest rates will affect the reporting unit's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The reporting units' main interest rate risk arises from cash and cash equivalents, which are at variable rates and denominated in Australian dollars.

Sensitivity analysis of the risk that the reporting unit is exposed to for 2020

			Effect on	
	Risk variable	Change in risk variable %	Profit and loss $	Equity $
Interest rate risk	**-**	**[+ 0.5%]**	**3,790**	**-**
Interest rate risk	**-**	**[- 0.5%]**	**(3,790)**	**-**

Sensitivity analysis of the risk that the reporting unit is exposed to for 2019

			Effect on	
	Risk variable	Change in risk variable %	Profit and loss $	Equity $
Interest rate risk	-	[+ 0.5%]	2,456	-
Interest rate risk	-	[- 0.5%]	(2,456)	-

Note 14F: Change in liabilities arising from financing activities

	1 July 2019 $	Cash flows $	Other $	30 June 2020 $
Current interest bearing loans and borrowings	**192,254**	**(192,254)**	**-**	**-**
Non-current interest bearing loans and borrowings	**241,962**	**(241,962)**	**-**	**-**
Total liabilities from financing activities	**434,216**	**(434,216)**	**-**	**-**

	1 July 2018 $	Cash flows $	Other $	30 June 2019 $
Current interest bearing loans and borrowings	70,514	-	121,740	192,254
Non-current interest bearing loans and borrowings	342,513	-	(100,551)	241,962
Total liabilities from financing activities	413,027	-	21,189	434,216

The 'Other' column includes the effect of reclassification of non-current portion of interest-bearing loans and borrowings, including obligations under finance leases and hire purchase contracts to current due to the passage of time, the accrual of special dividends that were not yet paid at the year-end, and the effect of accrued but not yet paid interest on interest-bearing loans and borrowings. The reporting unit classifies interest paid as cash flows from operating activities.

Note 15 Fair value measurement

Note 15A: Financial assets and liabilities

Management of the reporting unit assessed that the fair value of cash, trade receivables, investments and trade payables, and other current liabilities approximate their carrying amounts. The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- Fair value of the reporting unit's level 3 available-for-sale financial assets is derived with reference to available market information and forecast cash flows.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the reporting unit based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at year-end reporting date the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

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

	Carrying amount 2020 $	**Fair value 2020 $**	Carrying amount 2019 $	Fair value 2019 $
Financial assets				
Cash and cash equivalents	**757,982**	**757,982**	491,173	491,173
Trade and other receivables	**257,946**	**257,946**	186,113	186,113
Investments	**165,000**	**165,000**	565,000	565,000
Total	**1,180,928**	**1,180,928**	1,242,286	1,242,286
Financial liabilities				
Trade payables	**1,341,848**	**1,341,848**	1,069,256	1,069,256
Other payables	**166,286**	**166,286**	199,336	199,336
Other liabilities	**-**	**-**	434,216	434,216
Total	**1,508,134**	**1,508,134**	1,702,808	1,702,808

Note 15B: Fair value hierarchy

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

Fair value hierarchy - 30 June 2020

	Date of valuation	**Level 1 $**	**Level 2 $**	**Level 3 $**
Investments	**30 June 2020**	-	**165,000**	**-**
Total		**-**	**165,000**	**-**

Fair value hierarchy - 30 June 2019

	Date of valuation	**Level 1 $**	**Level 2 $**	**Level 3 $**
Investments	30 June 2019	-	-	565,000
Total		-	-	565,000

There were no transfers between classes during the ended 30 June 2020.

Note 15C: Reconciliation of Level 3 fair values

	2020 $	2019 $
Balance as at 1 July	**565,000**	216,361
Reinvestment of dividends received	**-**	165,000
Reversal of impairment	**-**	183,639
Return of investment	**(400,000)**	-
Total	**165,000**	565,000

Note 15D: Sensitivity analysis

For the fair values of investments – available for sale, reasonably possible changes at the reporting date, would have the following effects:

		Effect on	
	Change in risk variable %	Profit and loss	Equity
2020		**$**	**$**
Net value of the entity to which the investment is	**[+ 20%]**	**33,000**	**-**
Net value of the entity to which the investment is	**[- 20%]**	**(33,000)**	**-**

		Effect on	
	Change in risk variable %	Profit and loss	Equity
2019		**$**	**$**
Net value of the entity to which the investment is	[+ 20%]	113,000	-
Net value of the entity to which the investment is	[- 20%]	(113,000)	-

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 Commissioner:

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