

**TRANSPORT WORKERS' UNION OF AUSTRALIA
SA / NT BRANCH**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

**TRANSPORT WORKERS' UNION OF AUSTRALIA SA/NT BRANCH
BRANCH COMMITTEE OF MANAGEMENT
REPORT REQUIRED UNDER SUBSECTION 255(2A)
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Branch for the year ended 31 December 2022.

Descriptive form

Categories of expenditures	2022 \$	2021 \$
Remuneration and other employment-related costs and expenses - employees	1,472,423	1,208,622
Operating costs	954,136	873,892
Donations to political parties	11,310	36,250
Legal costs	45,470	73,455



Sam McIntosh
Branch Assistant Secretary by a delegated authority under rule 37(5)(a)
Transport Workers' Union of Australia SA/NT Branch
Dated: 21 March 2023

**TRANSPORT WORKERS' UNION OF AUSTRALIA SA/NT BRANCH
OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Branch Committee of Management presents its report on the Reporting Unit for the year ended 31 December 2022.

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 Branch during the reporting period were to provide industrial and organising services to the members consistent with the objects of the Branch and particularly the object of protecting and improving the interest of the members.

The Branches principal activities resulted in maintaining and improving the wages and conditions of employment of the membership, particularly for those members in collective enterprise agreements negotiated by the Branch.

There were no significant changes in the nature of the Branch's principal activities during the reporting period.

Significant changes in financial affairs

There were no significant changes in the financial affairs of the Branch during the reporting period.

Right of members to resign

Members may resign from the Branch in accordance with rule 11, which reads as follows;

11. Resignation from membership

- (1) A Member may resign from Membership by notice in writing addressed and delivered to the Branch Secretary of the Branch in which the Member is enrolled.
- (2) A notice of resignation from Membership takes effect;
 - (a) if the Member has ceased to be Eligible:
 - (i) on the day on which the notice is received by the Union;
 - (ii) on the day specified in the notice;whichever is later; or
 - (b) in any other case:
 - (i) at the end of 2 weeks after the notice is received by the Branch Secretary; or
 - (ii) on the day specified in the notice;

whichever is later.

- (3) Any Dues payable but not paid by a former Member, in relation to a period before the Member's resignation from the Union took effect, may be sued for and recovered in accordance with rule 81 as a debt due to the Union.
- (4) A notice delivered in accordance with sub-rule (1) is deemed to have been received by the Union when it was delivered.
- (5) A notice of resignation that has been received by the Union is not invalid only because it was not addressed and delivered in accordance with sub-rule (1).
- (6) A resignation from Membership is valid, even if it is not effected in accordance with this rule, if the Member is informed in writing by the Union that the resignation has been accepted.

**TRANSPORT WORKERS' UNION OF AUSTRALIA SA/NT BRANCH
OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

Officers & employees 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

The following officers of the Branch held preserved positions in the following entities:

Ian Smith is an alternate director of TWUSUPER.

Number of members

The number of persons who, at the end of the reporting period, were recorded on the Registrar of Members of the Branch was 3,572.

Number of employees

The number of persons who were, at the end of the reporting period, employees of the Branch was 13.

**TRANSPORT WORKERS' UNION OF AUSTRALIA SA/NT BRANCH
OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

The persons who held office as members of the committee of Management of the Branch during the reporting period are;

- Peter Brammy
Branch President – 01.01.2022 to 31.12.2022
- Matthew Spring
Branch Vice-President – 01.01.2022 to 31.01.2022
- Daniel McNicol
Branch Vice-President – 15.02.2022 to 31.12.2022
Branch Trustee – 01.01.2022 to 15.02.2022
- Ian Smith
Branch Secretary – 01.01.2022 to 31.12.2022
- Sam McIntosh
Branch Assistant Secretary – 08.11.2022 to 31.12.2022
Branch Committee of Management Member – 23.08.2022 to 08.11.2022
- David Chase
Branch Trustee – 01.01.2022 to 31.12.2022
- Craig Stanton
Branch Trustee – 15.02.2022 to 31.12.2022
Branch Committee of Management Member – 01.01.2022 to 15.02.2022
- Calvert Agius
Branch Committee of Management Member – 01.01.2022 to 31.12.2022
- Daniel Kontos
Branch Committee of Management Member – 01.01.2022 to 31.12.2022
- Frank Arcidiaco
Branch Committee of Management Member – 01.01.2022 to 31.12.2022
- Dallas Lindblom
Branch Committee of Management Member – 01.01.2022 to 31.12.2022
- Ernesto De Rubeis
Branch Committee of Management Member – 01.01.2022 to 31.12.2022
- Vladimir Andrushenko
Branch Committee of Management Member – 15.02.2022 to 23.08.2022
- Grant Simmons
Branch Committee of Management Member – 15.02.2022 to 31.12.2022



Sam McIntosh
Branch Assistant Secretary by a delegated authority under rule 37(5)(a)
Transport Workers' Union of Australia SA/NT Branch
Dated: 21 March 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Transport Workers' Union of Australia SA / NT Branch ("the TWU SA / NT Branch") which comprises the Statement of Financial Position as at 31 December 2022, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, Notes to and forming part of the Financial Statements, including a summary of significant accounting policies, the Committee of Management Statement, the Report required under Subsection 255(2A) and the Officer Declaration Statement.

In our opinion the financial report presents fairly, in all material respects, the financial position of Transport Workers' Union of Australia SA / NT Branch as at 31 December 2022 and of its financial performance and its cash flows for the year then ended 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).

I declare that management's use of the going concern basis in the preparation of the financial report of the Branch 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 TWU SA / NT Branch in accordance with the independence 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. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Branch Committee of Management is responsible for the other information. The other information comprises the Operating Report for the year ended 31 December 2022, but does not include the financial report and our auditor's report thereon.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH (CONT)

Branch Committee of Management Responsibility for the Financial Report

The Branch Committee of Management of the TWU SA / NT Branch is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the RO Act. This responsibility includes such internal control as the Branch Committee of Management determines is necessary to enable the preparation and fair presentation of the financial report so that it is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Branch Committee of Management is responsible for assessing the TWU SA / NT Branch'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 Branch Committee of Management either intends to liquidate the TWU SA / NT Branch or to cease operations, or have no realistic alternative but to do so.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This audit report relates to the financial report of the TWU SA / NT Branch for the year ended 31 December 2022, including its presentation on the Transport Workers Union web site. The National Committee of Management and the National Secretary of Transport Workers Union of Australia are responsible for the integrity of the Transport Workers Union web site. This audit report refers only to the statements named above for the TWU SA / NT Branch. It does not provide an opinion on any other information that may be hyper linked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on the web site.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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 TWU SA / NT Branch's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Branch Committee of Management.

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH (CONT)****Auditor's Responsibilities for the Audit of the Financial Report (cont)**

- Conclude on the appropriateness of the Branch 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 TWU SA / NT Branch'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 TWU SA / NT Branch 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 TWU SA / NT Branch to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the TWU SA / NT Branch audit. We remain solely responsible for our audit opinion.

We communicate with the Branch 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.

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of section 257(7) of the RO Act, we are required to describe any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act.

We have nothing to report in this regard.



Nexia Edwards Marshall
Chartered Accountants



Matthew O'Connor
Partner
Registration number (as registered by the RO Commissioner under the RO Act) AA2017/75

Adelaide
South Australia

27 March 2023

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**TRANSPORT WORKERS' UNION OF AUSTRALIA SA/NT BRANCH
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

On 21 March 2023 the Branch Committee of Management of the *Transport Workers Union of Australia SA/NT Branch* passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2022:

The Branch Committee of Management declares that in its opinion:

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

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

Signature of designated officer: 

Name and title of designated officer: **Sam McIntosh – TWU SA/NT Branch Assistant Secretary by a delegated authority under rule 37(5)(a)**

Dated: **21 March 2023**

TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 \$	2021 \$
Revenue from contracts with customers			
Membership subscriptions		1,605,234	1,596,223
Capitation fees and other revenue from another reporting unit		-	-
Levies		-	-
Revenue from recovery of wages activity		-	-
Total revenue from contracts with customers		<u>1,605,234</u>	<u>1,596,223</u>
Income for furthering objectives			
Grants and/or donations	3C	-	-
Income recognised from volunteer services		-	-
Total income for furthering objectives		<u>-</u>	<u>-</u>
Other Income			
Investment income	3A	205,686	204,550
Rental income	3B	56,890	67,251
Other income		156,570	154,861
Net gains from sale of asset	3D	-	-
Net gain/(loss) on investments	3E	(601,873)	447,610
Total other income		<u>(182,727)</u>	<u>874,272</u>
Total income		<u>1,422,507</u>	<u>2,470,495</u>
Expenses			
Employee expenses	4A	1,472,423	1,208,662
Capitation fees and other expenses to another reporting unit	4B	298,171	327,703
Affiliation fees	4C	20,800	22,421
Administration expenses	4D	615,188	508,768
Grants or donations	4E	15,317	37,702
Depreciation and amortisation	4F	84,412	85,631
Legal costs	4G	45,470	73,455
Audit fees	13	16,500	15,000
Other expenses	4H	-	-
Total expenses		<u>2,568,281</u>	<u>2,279,342</u>
Surplus (deficit) for the year		<u>(1,145,774)</u>	<u>191,153</u>

TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2022

Notes	2022 \$	2021 \$
Other comprehensive income		
<i>Items that will be subsequently reclassified to profit or loss:</i>	-	-
<i>Items that will not be subsequently reclassified to profit or loss:</i>		
Gain on revaluation of land and buildings	991,466	-
Total other comprehensive income	<u>991,466</u>	<u>-</u>
Total comprehensive income for the year	<u>(154,308)</u>	<u>191,153</u>

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

TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 \$	2021 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	346,295	868,493
Trade and other receivables	5B	2,742	48,798
Other current assets	5C	6,835	12,877
Total current assets		355,872	930,168
Non-Current Assets			
Land and buildings	6A	3,712,140	2,719,561
Property, plant and equipment	6B	114,399	137,158
Intangibles	6C	22,145	51,189
Other Financial Assets	6D	4,369,518	4,915,407
Total non-current assets		8,218,202	7,823,315
Total assets		8,574,074	8,753,483
LIABILITIES			
Current Liabilities			
Trade payables	7A	145,208	150,027
Other payables	7B	28,352	29,334
Employee provisions	8A	202,966	207,393
Total current liabilities		376,526	386,754
Non-Current Liabilities			
Employee provisions	8A	8,725	23,598
Other liabilities	8B	6,375	6,375
Total non-current liabilities		15,100	29,973
Total liabilities		391,626	416,727
Net assets		8,182,448	8,336,756
EQUITY			
Building Revaluation Reserve	9A	1,691,218	699,752
Retained earnings		6,491,230	7,637,004
Total equity		8,182,448	8,336,756

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

TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Building Revaluation Reserve \$	Retained Earnings \$	Total Equity \$
Balance as at 1 January 2021		699,752	7,445,851	8,145,603
Surplus (deficit) for the year		-	191,153	191,153
Other comprehensive income for the year		-	-	-
Balance as at 31 December 2021		699,752	7,637,004	8,336,756
Surplus (deficit) for the year		-	(1,145,774)	(1,145,774)
Other comprehensive income for the year		991,466	-	991,466
Balance as at 31 December 2022		1,691,218	6,491,230	8,182,448

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

TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 \$	2021 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	10B	49,094	42,565
Interest		6,589	3,863
Other		2,189,340	2,172,544
Cash used			
Employees		(1,491,723)	(1,155,818)
Suppliers		(892,291)	(822,058)
Payment to other reporting units	10B	(298,171)	(327,703)
Net cash from (used by) operating activities	10A	(437,162)	(86,607)
INVESTING ACTIVITIES			
Cash received			
Proceeds from realisation of other investments		565,406	1,076,868
Cash used			
Purchase of property, plant and equipment		(36,974)	(30,303)
Purchase of other investments		(613,469)	(1,325,863)
Net cash from (used by) investing activities		(85,037)	(279,298)
FINANCING ACTIVITIES			
Net cash from (used by) financing activities		-	-
Net increase (decrease) in cash held		(522,198)	(365,905)
Cash & cash equivalents at the beginning of the reporting period		868,493	1,234,398
Cash & cash equivalents at the end of the reporting period	5A	346,295	868,493

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

**TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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 Organisations) Act 2009*. For the purpose of preparing the general purpose financial statements, the Transport Workers' Union of Australia SA/NT Branch is a not-for-profit entity.

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

1.2 Comparative amounts

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

1.3 Significant accounting judgements and estimates

There are no accounting assumptions or estimates that have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

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.

**TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1.5 Revenue

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

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

Membership subscriptions

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 Branch.

If there is only one distinct membership service promised in the arrangement, the Branch recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Branch'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 Branch 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 Branch 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 or as the service transfers to the customer (for example, member services), the Branch recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

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

**TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Capitation fees

Where the Branch's arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Branch recognises the capitation fees promised under that arrangement when or as it transfers the goods or services that will transfer as part of its sufficiently specific promise to the branch/other reporting unit.

In circumstances where the criteria for a contract with a customer are not met, the Branch will recognise capitation fees as income upon receipt (as specified in the income recognition policy below).

Levies

Levies paid by a member (or other party) in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the Branch transfers the goods or services that will transfer as part of its sufficiently specific promise to the branch/other reporting unit.

In circumstances where the criteria for a contract with a customer are not met, the Branch will recognise levies as income upon receipt (as specified in the income recognition policy below).

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

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

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 Branch 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.

**TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1.6 Current versus non-current classification

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

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

The Branch classifies all other liabilities as non-current.

1.7 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 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.

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1.7 Employee benefits (cont'd)

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

1.8 Cash

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

1.9 Financial instruments

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

i) Financial Assets

Contract assets and receivables

A contract asset is recognised when the Branch's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Branch'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, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

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

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1.9 Financial instruments (cont'd)

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 Branch's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether 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 branch commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost

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

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

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

The Branch's financial assets at amortised cost includes trade receivables.

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1.9 Financial instruments (cont'd)

Financial assets at fair value through other comprehensive income

The Branch measures debt instruments at fair value through other comprehensive income (OCI) if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; 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.

For debt instruments at fair value through OCI, interest income and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost.

The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Branch's does not hold any debt instruments at fair value through OCI.

Financial assets designated at fair value through OCI

Upon initial recognition, the Branch can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB 132 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Branch benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Branch has not elected to classify irrevocably its non-listed equity investments under this category.

Financial assets at fair value through profit or loss

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.

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1.9 Financial instruments (cont'd)

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 the statement of profit or loss.

Dividends and trust distributions are recognised as income in the statement of profit or loss when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Branch's statement of financial position) when:

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

When the Branch has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Branch continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

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 of financial assets

The Branch recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Branch expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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1.9 Financial instruments (cont'd)

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which 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 exposure, irrespective of the timing of the default (a lifetime ECL).

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

The Branch considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Branch may also consider a financial asset to be in default when internal or external information indicates that the Branch is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Branch.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii) Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

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

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through profit or loss
- 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.

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1.9 Financial instruments (cont'd)

Financial Liabilities at fair value through profit or loss

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 the statement of 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. The Branch has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost

After initial recognition, 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 the statement of profit or loss.

The Branch does not have any interest-bearing loans or borrowings.

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 the statement of profit or loss.

1.10 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 Branch transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Branch performs under the contract (i.e. transfers control of the related goods or services to the customer).

**TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
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1.11 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.

1.12 Land, Buildings, Plant and Equipment

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

Revaluations—Land and Buildings

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

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation

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

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

	2022	2021
Buildings	2.50%	2.50%
Plant and equipment	4% to 33.3%	4% to 33.3%

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1.12 Land, Buildings, Plant and Equipment (cont'd)

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.

1.13 Intangibles

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

	2022	2021
Intangibles	3 years	3 years

Derecognition

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

1.14 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.

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1.15 Taxation

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

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

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

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

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

1.16 Fair value measurement

The Branch measures financial instruments such as listed equity investments, and non-financial assets such as land and buildings, at fair value at each balance sheet date.

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

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

The principal or the most advantageous market must be accessible by the Branch.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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1.16 Fair value measurement (cont'd)

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

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

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

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

1.17 Going concern

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

1.18 New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Branch for the annual reporting period ended 31 December 2022.

Note 2 Events after the reporting period

There were no events that occurred after 31 December 2022, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch.

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	2022	2021
	\$	\$
Note 3 Income		
Note 3A: Investment income		
Interest on deposits	6,589	3,863
Dividends and distributions from managed investments	199,097	200,687
Total Investment income	<u>205,686</u>	<u>204,550</u>
Note 3B: Rental income		
Properties	56,890	67,251
Other	-	-
Total rental income	<u>56,890</u>	<u>67,251</u>
Note 3C: Grants and/or donations		
Grants and/or donations	-	-
Total Grants and/or donations	<u>-</u>	<u>-</u>
Note 3D: Net gains from sale of assets		
Net gains from sale of assets	-	-
Total net gains from sale of assets	<u>-</u>	<u>-</u>
Note 3E: Net gain/(loss) on investments		
Change in fair value on remeasurement of managed fund investment	(599,155)	114,374
Realised gains/(loss) on investments	(2,718)	333,236
Total Investment income	<u>(601,873)</u>	<u>447,610</u>

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Note 4 Expenses

Note 4A: Employee expenses

Holders of office:

Wages and salaries	187,939	183,494
Superannuation	32,091	31,136
Leave and other entitlements	8,660	35,192
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	228,690	249,822

Employees other than office holders:

Wages and salaries	1,133,794	839,239
Superannuation	137,898	110,732
Leave and other entitlements	(27,959)	8,869
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses employees other than office holders	1,243,733	958,840
Total employee expenses	1,472,423	1,208,662

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

Capitation Fees

Transport Workers Union of Australia National Office	298,171	327,703
Total capitation fees	298,171	327,703

Other expenses to other reporting units

Other expenses to other reporting units	-	-
Total other expenses to other reporting units	-	-

Note 4C: Affiliation fees

Australian Labor Party – SA/NT Branches	20,800	22,421
Total affiliation fees/subscriptions	20,800	22,421

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	2022 \$	2021 \$
Note 4D: Administration expenses		
Total paid to employers for payroll deductions of membership subscriptions	155	203
Compulsory levies:		
- Transport Workers Union of Australia National Office IR Levy	7,007	5,840
Fees/allowances - meeting and conferences	9,287	5,644
Conference and meeting expenses	-	-
Contractors/consultants	22,907	23,106
Property expenses	72,999	64,420
Office expenses	355,455	259,775
Information communications technology	33,493	34,403
Other	113,886	115,377
Total administration expense	<u>615,188</u>	<u>508,768</u>
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	3,107	2,702
Total expensed that exceeded \$1,000	12,210	35,000
Total grants or donations	<u>15,317</u>	<u>37,702</u>
Note 4F: Depreciation and amortisation		
Depreciation		
Land & buildings	11,126	9,225
Property, plant and equipment	47,494	45,629
Total depreciation	<u>58,620</u>	<u>54,854</u>
Amortisation		
Intangibles	25,792	30,777
Total amortisation	<u>25,792</u>	<u>30,777</u>
Total depreciation and amortisation	<u>84,412</u>	<u>85,631</u>
Note 4G: Legal costs		
Litigation	-	5,273
Other legal costs	45,470	68,182
Total legal costs	<u>45,470</u>	<u>73,455</u>

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	2022	2021
	\$	\$
Note 4H: Other expenses		
Penalties - via RO Act or the Fair Work Act 2009	-	-
Total other expenses	-	-
Note 5 Current Assets		
Note 5A: Cash and Cash Equivalents		
Cash at bank	345,745	867,943
Cash on hand	550	550
Total cash and cash equivalents	346,295	868,493
Note 5B: Trade and Other Receivables		
Receivables from other reporting units	-	-
Total receivables from other reporting units	-	-
Less allowance for expected credit losses	-	-
Total allowance for expected credit losses	-	-
Receivable from other reporting units (net)	-	-
Other receivables:		
GST receivable	2,713	29
Other trade receivables	29	48,769
Total other receivables	2,742	48,798
Total trade and other receivables (net)	2,742	48,798
Note 5C: Other Current Assets		
Prepaid Expenses	6,835	12,877
Total other current assets	6,835	12,877

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	2022	2021
	\$	\$
Note 6 Non-current Assets		
Note 6A: Land and buildings		
Land and buildings:		
fair value	3,715,000	2,741,079
accumulated depreciation	(2,860)	(21,518)
Total land and buildings	<u>3,712,140</u>	<u>2,719,561</u>

Reconciliation of the Opening and Closing Balances of Land and Buildings

Net book value 1 January	2,719,561	2,694,140
Additions by purchase	12,239	34,641
Revaluation	991,466	-
Depreciation expense	(11,126)	(9,220)
Net book value 31 December	<u>3,712,140</u>	<u>2,719,561</u>

The fair value of land and buildings is categorised as a level 2 fair value. The freehold land and buildings were independently valued in January 2022 by Herron Todd White and Valuations SA. The valuations were based on an assessment of the properties current market value using both the capitalisation of net income and the direct comparison approach. The critical assumptions adopted in determining the valuation included the location of the land and buildings, the demand for land and buildings in the area and recent sales data for similar properties.

Note 6B: Property, plant and equipment

Plant and equipment:		
at cost	433,978	432,811
accumulated depreciation	(319,579)	(295,653)
Total plant and equipment	<u>114,399</u>	<u>137,158</u>

Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment

Net book value 1 January	137,158	171,717
Additions by purchase	24,735	14,656
Disposals	-	(1,369)
Depreciation expense	(47,494)	(47,846)
Net book value 31 December	<u>114,399</u>	<u>137,158</u>

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	2022	2021
	\$	\$
Note 6C: Intangibles		
Computer software at cost:		
Purchased	131,480	131,480
accumulated amortisation	(109,335)	(80,291)
Total intangibles	<u>22,145</u>	<u>51,189</u>

Reconciliation of Opening and Closing Balances of Intangibles

Net book value 1 January	51,189	79,754
Additions by purchase	-	-
Disposal – other	-	-
Amortisation	(29,044)	(28,565)
Net book value 31 December	<u>22,145</u>	<u>51,189</u>

Note 6D: Other Financial Assets

Managed fund investments mandatorily measured at fair value	4,369,518	4,915,407
Total other financial assets	<u>4,369,518</u>	<u>4,915,407</u>

Note 7 Current Liabilities

Note 7A: Trade payables

Trade creditors and accruals	118,142	120,243
Subtotal trade creditors	<u>118,142</u>	<u>120,243</u>
Payables to other reporting units		
Transport Worker Union of Australia	27,066	29,784
Subtotal payables to other reporting units	<u>27,066</u>	<u>29,784</u>
Total trade payables	<u>145,208</u>	<u>150,027</u>

Settlement is usually made within 30 days.

**TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 \$	2021 \$
Note 7B: Other payables		
Payables to employers for making payroll deductions of membership subscriptions	-	-
Legal costs		
Litigation	-	-
Other Legal Costs	-	-
Prepayments received/unearned revenue	22,071	23,725
Other	6,281	5,609
Total other payables	<u>28,352</u>	<u>29,334</u>
 No more than 12 months	 28,352	 29,334
More than 12 months	-	-
Total other payables expected to be settled	<u>28,352</u>	<u>29,334</u>
 Note 8 Provisions		
Note 8A: Employee Provisions		
Office Holders:		
Annual leave	32,294	30,707
Long service leave	76,790	69,717
Separations and redundancies	-	-
Other	-	-
Subtotal Employee provisions—office holders	<u>109,084</u>	<u>100,424</u>
Employees other than office holders:		
Annual leave	54,118	51,169
Long service leave	48,489	79,398
Separations and redundancies	-	-
Other	-	-
Subtotal Employee provisions—employees other than office holders	<u>102,607</u>	<u>130,567</u>
Total employee provisions	<u>211,691</u>	<u>230,991</u>
 Current	 202,966	 207,393
Non-Current	8,725	23,598
Total employee provisions	<u>211,691</u>	<u>230,991</u>
 Note 8B: Other Liabilities		
Rental Security Bond	6,375	6,375
Total other liabilities	<u>6,375</u>	<u>6,375</u>

TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	\$	\$
Note 9 Equity		
Note 9A: Building Revaluation Reserve		
Balance as at start of year	699,752	699,752
Revaluation of property, plant and equipment	991,466	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Total building revaluation reserve	<u>1,691,218</u>	<u>699,752</u>
Note 9B: Other Specific Disclosures – Funds		
Compulsory levy/voluntary contribution fund – if invested in assets	-	-
Other fund(s) required by rules	-	-
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	-	-
Note 10 Cash Flow		
Note 10A: Cash Flow Reconciliation		
Reconciliation of profit/(loss) to net cash from operating activities:		
Profit/(loss) for the year	(1,145,775)	191,153
Cash flows excluded from profit attributable to operating activities		
Realised (gain)/loss on investments	594,486	(114,374)
Net fair value (gain)/loss on remeasurement of managed fund investment	2,718	(323,493)
Adjustments for non-cash items		
Depreciation/amortisation	84,412	85,631
Changes in assets/liabilities		
(Increase)/decrease in net receivables	46,056	7,088
(Increase)/decrease in prepayments	6,042	(847)
Increase/(decrease) in trade payables	(4,819)	16,569
Increase/(decrease) in other payables	(982)	(1,178)
Increase/(decrease) in employee provisions	(19,300)	52,844
Net cash from (used by) operating activities	<u>(437,162)</u>	<u>(86,607)</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 \$	2021 \$
Note 10B: Cash flow information		
Cash inflows		
- Transport Workers Union of Australia National Office	49,094	42,565
Total cash inflows	<u>49,094</u>	<u>42,565</u>
Cash outflows		
- Transport Workers Union of Australia National Office	298,171	327,703
Total cash outflows	<u>298,171</u>	<u>327,703</u>

Note 11 Contingent Liabilities, Contingent Assets and Commitments

There are no contingent liabilities, contingent assets or commitments as at 31 December 2022 (2021: Nil).

Note 12 Related Party Disclosures

Note 12A: Related Party Transactions for the Reporting Period

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

Revenue received from *Transport Workers Union of Australia & TWUSUPER* includes the following:

Reimburse TWU Super	135,030	146,328
Reimburse National Office	49,094	42,565

Expenses paid to *Transport Workers Union of Australia* includes the following:

National Council Sustentation	285,999	282,995
National Council Levies	5,694	6,082
National Council Conference	6,478	38,626

Amounts owed to *Transport Workers Union of Australia* include the following:

National Council Sustentation	27,066	29,783
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Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2022, the Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2021: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	\$	\$
Note 12B: Key Management Personnel Remuneration for the Reporting Period		
Short-term employee benefits		
Salary (including annual leave taken)	186,939	183,494
Annual leave accrued	1,587	14,115
Performance bonus	1,000	-
Total short-term employee benefits	<u>189,546</u>	<u>197,609</u>
Post-employment benefits:		
Superannuation	32,090	31,136
Total post-employment benefits	<u>32,090</u>	<u>31,136</u>
Other long-term benefits:		
Long-service leave accrued	7,073	6,716
Total other long-term benefits	<u>7,073</u>	<u>6,716</u>
Termination benefits	-	-
Total	<u>228,709</u>	<u>235,461</u>

There are no other transactions with key management personnel or their close family members.

Note 13 Remuneration of Auditors

Value of the services provided		
Financial statement audit services	14,200	12,700
Other services		
- Preparation of the financial report	2,300	2,300
Total remuneration of auditors	<u>16,500</u>	<u>15,000</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 \$	2021 \$
Note 14 Financial Instruments			
Note 14A: Categories of Financial Instruments			
i) Financial assets			
Financial assets at fair value through profit or loss			
Managed fund investments	6D	4,369,518	4,915,407
Total financial assets at fair value through profit or loss		<u>4,369,518</u>	<u>4,915,407</u>
Financial assets at amortised cost			
Trade receivables (Note 5B)		2,742	48,798
Total financial assets		<u>2,742</u>	<u>48,798</u>
Total current		2,742	48,798
Total non-current		<u>-</u>	<u>-</u>
ii) Financial liabilities			
Financial liabilities at amortised cost			
Trade and other payables (Note 7)		151,489	154,983
Total financial liabilities		<u>151,489</u>	<u>154,983</u>
Total current		151,489	154,983
Total non-current		<u>-</u>	<u>-</u>

TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

The Branch assessed that the fair values of cash, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

- There is an active market for the Branch's managed fund investments

Note 14B: Net Income and Expense from Financial Assets

	2022	2021
	\$	\$
Designated as fair value through profit and loss:		
Change in fair value	(599,155)	114,374
Realised gain/loss on investments	17,170	353,125
Dividend revenue	199,097	200,687
Net gain/(loss) at fair value through profit or loss	(382,888)	668,186

Note 14C: Financial Risk Management

The Branch's principal financial liabilities comprise trade and other payables. The Branch's principal financial assets include trade receivables and cash.

The Branch is exposed to market, credit risk and liquidity risk.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and price risk. Financial instruments affected by market risk include equity investments.

Interest rate risk

Interest rate risk arises from a potential change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Branch does not have any material exposure to interest rate risk as financial assets are short term instruments in nature and the rate is fixed until maturity, and the Branch does not maintain any debt financial liabilities.

Due to the Branch's low exposure to this risk the sensitivity of fluctuations to this risk is immaterial.

Foreign currency risk

Foreign currency risk arises when movements in the foreign exchange rates of currencies in which the Branch holds financial instruments may result in the fair value or future cash flows of those instruments fluctuating. The Branch does not have any material exposure to foreign currency risk as it does not transact or hold any financial instruments in foreign currencies.

Due to the Branch's low exposure to this risk the sensitivity of fluctuations to this risk is immaterial.

TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Price Risk

Price risk arises when changes in market prices of traded investments or commodities, largely due to demand and supply factors, may result in the fair value or future cash flows of those instruments fluctuating. The Branch is exposed to price risk in the form of market price movements in its managed fund investments. The tables below indicate 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.

Sensitivity analysis of the risk that the entity is exposed to for 2022

		Change in risk variable %	Effect on	
Risk variable			Profit and loss	Equity
			\$	\$
Managed fund investment	Market prices	+/- 20%	+/- 873,904	+/- 873,904

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

		Change in risk variable %	Effect on	
Risk variable			Profit and loss	Equity
			\$	\$
Managed fund investment	Market prices	+/- 20%	+/- 983,081	+/- 983,081

Credit Risk

Credit risk arises from the potential non-performance by counterparties of contract obligations to pay financial assets when they are due which could result in the Branch incurring a financial loss. The Branch manages credit risk by monitoring exposure to single debtors, groups of debtors and financial institutions holding cash, term deposits and local money market instruments. Only reputable financial institutions are utilised for cash and term deposits.

The Branch does not have any material credit risk exposure to any single debtor or group of debtors.

Liquidity Risk

Liquidity risk arises from the possibility that the Branch might encounter difficulty settling its debts or otherwise meeting its obligations related to financial liabilities. The Branch manages this risk by monitoring forecast cash flows and ensuring that adequate short-term cash balances are maintained to meet liabilities.

All financial liabilities mature within 1 year and all financial assets, other than available for sale financial assets, mature within 1 year and will be available to meet these liabilities. Therefore, the Branch does not have any material liquidity risk exposure.

**TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 15 Fair Value Measurement

Cash and cash equivalents, trade and other receivables, and other investments are short term instruments in nature whose carrying amount is equivalent to fair value.

The fair value of loans and receivables are categorised as a level 2 fair value using a discounted cash flow methodology and based on observable interest rates. The carrying amount approximates the fair value.

The fair value of available for sale assets are categorised as a level 2 fair value using a combination of price and other relevant information of the underlying share of investments of the management funds as well as discounted cash flow methodology based on observable interest rates. The carrying amount approximates the fair value.

Set out below is a comparison, by class, of the carrying amounts and fair values of the Branch's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	2022		2021	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
Financial assets				
Managed fund investments	4,369,518	4,369,518	4,915,407	4,915,407

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).

**TRANSPORT WORKERS' UNION OF AUSTRALIA SA / NT BRANCH
OFFICER DECLARATION STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

I, Sam McIntosh, being the Branch Assistant Secretary by a delegated authority under rule 37(5)(a) of the Transport Workers Union of Australia SA/NT Branch, declare that the following activities did not occur during the reporting period ending 31 December 2022.

The reporting unit did not:

- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit



Sam McIntosh
Branch Assistant Secretary by a delegated authority under rule 37(5)(a)
Transport Workers' Union of Australia SA/NT Branch
Dated: 21 March 2023