



**Australian Services Union  
(Western Australian Branch)**

**Financial Report**

**For the year ended 30 June 2023**

**AUSTRALIAN SERVICES UNION**  
**(WESTERN AUSTRALIAN BRANCH)**

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN SERVICES UNION (WESTERN AUSTRALIAN BRANCH)

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report Australian Services Union ( Western Australian Branch) (the Union), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Committee of Management statement, the subsection 255(2A) report and the Officer Declaration Statement.

In our opinion the accompanying financial report presents fairly, in all material aspects, the financial position of Australian Services Union ( Western Australian Branch) as at 30 June 2023 and its financial performance and its cash flows for the year ended on that date in accordance with:

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

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

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Union in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Requirements) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Committee of Management for the Financial Report

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

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

### Auditor's Responsibilities for the Audit of the Financial Report

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

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

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 no items to report in this regard.



PKF PERTH



SHANE CROSS  
PARTNER

19 SEPTEMBER 2023  
WEST PERTH,  
WESTERN AUSTRALIA

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/100.

**AUSTRALIAN SERVICES UNION**  
**(WESTERN AUSTRALIAN BRANCH)**

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Australian Services Union (Western Australian Branch)  
s.268 *Fair Work (Registered Organisations) Act 2009*

**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER**  
Certificate for the year ended 30 June 2023

I, Wayne Wood, being the Branch Secretary of the Australian Services Union (Western Australian Branch) certify:

- that the documents lodged herewith are copies of the full report for the Australian Services Union (Western Australian Branch) for the period ended referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of the Reporting Unit on 02 October 2023; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 05 December 2023 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer: .....

Name of prescribed designated officer: .....

Title of prescribed designated officer: .....

Dated:.....

**AUSTRALIAN SERVICES UNION**  
**(WESTERN AUSTRALIAN BRANCH)**

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**Australian Services Union (Western Australian Branch)**

**REPORT REQUIRED UNDER SUBSECTION 255(2A)**

*for the year ended 30 June 2023*

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2023.

Categories of expenditures	2023 \$	2022 \$
Remuneration and other employment-related costs and expenses - employees	2,302,675	2,228,727
Advertising	-	-
Operating costs	123,204	218,807
Donations to political parties	-	118,864
Legal costs	50,480	12,411

Signature of designated officer: 

Name and title of designated officer: WAYNE WOOD BRANCH SECRETARY

Dated: 19/9/23

**AUSTRALIAN SERVICES UNION**  
**(WESTERN AUSTRALIAN BRANCH)**

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**Australian Services Union (Western Australian Branch)**

**OPERATING REPORT**

*for the year ended 30 June 2023*

The Committee of Management presents its operating report on the Reporting Unit for the year ended 30 June 2023.

**1. 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 Australian Services Union (Western Australian Branch), during the financial year were the provision of industrial, professional and managerial services to the members, consistent with the object and rules of the Union and in particular, protecting and improving the interests of members.

**2. Operating Result**

The operating result of the Union/Branch for the year ended 30 June 2023 was a deficit of \$58,557 (2022: deficit of \$77,491). No provision for tax was necessary as the union/branch is considered exempt.

**3. Significant changes in financial affairs**

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

**4. Right of members to resign**

Rule 32 of the Australian Services Union Rules states as follows:

- a) A member may resign membership of the Union by written notice addressed and delivered to the Branch Secretary.
- b) A notice of resignation takes effect:
  - (i) where the member ceases to be eligible for membership of the Union:
    1. on the day on which the notice is received; or
    2. the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member; whichever is the later; or
  - (ii) in any other case:
    1. at the end of 2 weeks after the notice is received; or
    2. on the day specified in the notice; whichever is the later.
- c) Notice of resignation shall be addressed to the Branch Secretary and delivered to that officer.
- d) Any member resigning shall be liable for the payment of all subscriptions, fines and levies owing to the Union under these Rules at the date of leaving, and such monies may be sued for and recovered in the name of the Union.
- e) Any subscription paid by a member in respect of a period beyond the end of the quarter in which the member's notice of resignation expires shall be remitted to the member if so requested and a member who pays annual subscription by instalments shall not be liable to pay any instalment for any period after the end of the quarter in which the member's notice of resignation expires and a member who resigns where the member ceased to be eligible to become a member of the Union as hereinbefore mentioned shall be entitled to the same remission.



**AUSTRALIAN SERVICES UNION  
(WESTERN AUSTRALIAN BRANCH)**

**Australian Services Union (Western Australian Branch)**

**OPERATING REPORT (continued)**

*for the year ended 30 June 2023*

- f) A notice delivered to the Branch Secretary shall be taken to have been received by the Union when it was delivered.
  - g) A notice of resignation that has been received by the Union is not invalid because it was not addressed and delivered to the Branch Secretary.
  - h) A resignation from membership of the Union is valid, even if not affected in accordance with sub-clauses a. to g. of this Rule, if the member is informed in writing by or on behalf of the Union, that the resignation has been accepted.
  - i) A member on leaving the Union after compliance with this Rule shall be entitled, on written application to the Secretary of the member's Branch, to a clearance certificate in the prescribed form.
- 5. 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**

Officer/Member/ Employee	Trustee Company	Entity/Scheme	Position	Period position held for
Wayne Wood	Aware Super Pty Ltd	Aware Super (Fund)	Member of Aware Super Western Australia Advisory Panel	Two-year term commencing 01/08/2021

**6. Officers & employees who are directors of a company or members of a board**

	Name of company or board	Principal activities of company or board	How appointed [by virtue of position held, nomination by union or other]
Nil	Nil	Nil	Nil

**7. Number of members**

In accordance with Regulation 159 of the Fair Work (Registered Organisations) Regulations 2009:

The number of persons that were at the end of the financial year recorded in the register of members for sec. 230 of the RAO Schedule and who are taken to be members of the registered organisation/branch under sec. 244 of the RAO Schedule was 5,387 (2022: 5,357).

**8. Number of employees**

The number of persons who were at the end of the financial year employees of the organisation/branch including both full-time and part-time employees measured on a full-time equivalent basis was 16 (2022: 17).

AUSTRALIAN SERVICES UNION

(WESTERN AUSTRALIAN BRANCH)

Australian Services Union (Western Australian Branch)

OPERATING REPORT (continued)

for the year ended 30 June 2023

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

Name	Title of Officer
Paul O'Neill	Branch President – full year
Elizabeth Hodgson	Deputy Branch President – full year
Kerry Wood	Branch Vice President (Women) – 1 July 2022 - 31 May 2023
Jodie Richardson	Branch Vice President (Women) – 1 June 2023 - 30 June 2023
Nigel Rainford	Branch Treasurer – 1 July 2022 - 12 July 2022
Georgia McMahon	Branch Treasurer – 16 September 2022 - 30 June 2023
Wayne Wood	Branch Secretary – full year
Jill Hugo	Assistant Branch Secretary – full year
Robert Bates	Executive Councillor – full year
Gregory Jacques	Executive Councillor – 13 July 2022 - 31 May 2023
Armand Lemonnier	Executive Councillor – 1 June 2023 - 30 June 2023
Gregory Sbizzirri	Executive Councillor – 1 June 2023 - 30 June 2023
Allan Jauncey	Executive Councillor – full year
Georgia McMahon	Executive Councillor – 1 July 2022 - 16 September 2022
Sara Meese	Executive Councillor – 31 October 2022 - 30 June 2023
Andrew White	Executive Councillor – 1 July 2022 - 5 July 2022
Judith Scott	Executive Councillor – 1 July 2022 - 31 May 2023
Christopher Slater	Executive Councillor – 1 July 2022 - 31 May 2023
Thomas Wenbourne	Executive Councillor – 13 July 2022 - 30 June 2023
Karen Colli	Executive Councillor – 1 June 2023 - 30 June 2023
Jesse Steele	Executive Councillor – 1 June 2023 - 30 June 2023
Claire Brown	Executive Councillor – full year
Jodie Richardson	Executive Councillor – 1 July 2022 - 31 May 2023
Denise Callagher	Executive Councillor – 1 June 2023 - 30 June 2023
Marsha Reid	Executive Councillor – 1 June 2023 - 30 June 2023
Melinda Martinez	Executive Councillor – full year

Signature of designated officer: 

Name and title of designated officer: WAYNE WOOD BRANCH SECRETARY

Dated: 19/9/23

**AUSTRALIAN SERVICES UNION**  
**(WESTERN AUSTRALIAN BRANCH)**

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**Australian Services Union (Western Australian Branch)**

**COMMITTEE OF MANAGEMENT STATEMENT**

*for the year ended 30 June 2023*

On 19 September 2023 the Branch Executive Council of the Australian Services Union (Western Australian Branch) passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2023:

The Branch Executive Council 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 the Commissioner duly made under section 272 of the RO Act that information has been provided to the member or the 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: Wayne Wood

Name and title of designated officer: WAYNE WOOD BRANCH SECRETARY

Dated: 19/9/23

**AUSTRALIAN SERVICES UNION**  
**(WESTERN AUSTRALIAN BRANCH)**

**Australian Services Union (Western Australian Branch)**

**STATEMENT OF COMPREHENSIVE INCOME**

*for the year ended 30 June 2023*

	Notes	2023 \$	2022 \$
<b>Revenue from contracts with customers</b>			
Membership subscriptions	3	3,008,757	3,066,372
Capitation fees and other revenue from another reporting unit	3A	-	-
Levies	3B	-	-
Interest	3C	14,654	4,113
Other revenue		74,544	40,975
Revenue from recovery of wages activity	3E	-	-
<b>Total revenue from contracts with customers</b>	3	<u>3,097,955</u>	<u>3,111,461</u>
<b>Income from furthering objectives</b>			
Grants and/or donations	3D	-	-
Income recognised from volunteer services	3F	-	-
<b>Total income from furthering objectives</b>		<u>-</u>	<u>-</u>
<b>Total income</b>		<u>3,097,955</u>	<u>3,111,461</u>
<b>Expenses</b>			
Employee expenses	4A	2,302,675	2,228,727
Capitation fees and other expense to another reporting unit	4B	191,491	194,140
Affiliation fees	4C	97,392	49,343
Administration expenses	4D	282,886	260,059
Grants or donations	4E	2,285	122,364
Depreciation and amortisation	4F	84,040	84,616
Finance costs	4G	889	1,580
Legal costs	4H	50,480	12,411
Audit fees	14	21,160	16,780
Write-down and impairment of assets	4I	-	-
Net losses from sale of assets	4J	10	124
Other expenses	4K	123,204	218,807
<b>Total expenses</b>		<u>3,156,512</u>	<u>3,188,952</u>
<b>Surplus (deficit) for the year</b>		<u>(58,557)</u>	<u>(77,491)</u>
<b>Other comprehensive income</b>			
<i>Items that will be subsequently reclassified to profit or loss</i>			
Net gain on available for sale investments		-	-
<i>Items that will not be subsequently reclassified to profit or loss</i>			
Gain or (loss) on revaluation of land & buildings		-	(63,250)
<b>Total comprehensive income for the year</b>		<u>(58,557)</u>	<u>(140,741)</u>

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

**AUSTRALIAN SERVICES UNION**  
**(WESTERN AUSTRALIAN BRANCH)**

**Australian Services Union (Western Australian Branch)**

**STATEMENT OF FINANCIAL POSITION**

*as at 30 June 2023*

	Notes	2023 \$	2022 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5A	991,198	1,096,724
Trade and other receivables	5B	22,887	27,780
Other current assets	5C	50,208	28,244
<b>Total current assets</b>		<b>1,064,293</b>	<b>1,152,749</b>
<b>Non-Current Assets</b>			
Land and buildings	6A	2,055,716	2,060,000
Plant and equipment	6B	234,962	149,518
Right-of-use assets	6C	11,194	27,985
Other financial assets		-	-
Other non-current assets		-	-
<b>Total non-current assets</b>		<b>2,301,872</b>	<b>2,237,503</b>
<b>Total assets</b>		<b>3,366,165</b>	<b>3,390,252</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	7A	109,060	84,761
Other payables	7B	155,339	162,679
Employee provisions	8A	704,397	669,666
Lease liabilities	6C	11,885	17,219
<b>Total current liabilities</b>		<b>980,681</b>	<b>934,325</b>
<b>Non-Current Liabilities</b>			
Employee provisions	8A	-	-
Lease liabilities	6C	-	11,885
Other non-current liabilities	9A	-	-
<b>Total non-current liabilities</b>		<b>-</b>	<b>11,885</b>
<b>Total liabilities</b>		<b>980,681</b>	<b>946,210</b>
<b>Net assets</b>		<b>2,385,484</b>	<b>2,444,042</b>
<b>EQUITY</b>			
Asset revaluation reserve	10A	2,052,054	2,052,054
General fund/retained earnings		333,430	391,987
<b>Total equity</b>		<b>2,385,484</b>	<b>2,444,042</b>

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

**AUSTRALIAN SERVICES UNION**  
**(WESTERN AUSTRALIAN BRANCH)**

**Australian Services Union (Western Australian Branch)**

**STATEMENT OF CHANGES IN EQUITY**

*for the year ended 30 June 2023*

	Notes	Asset revaluation reserve \$	Retained earnings \$	Total equity \$
<b>Balance as at 1 July 2021</b>		2,115,304	469,478	2,584,782
Adjustment for errors		-	-	-
Adjustment for changes in accounting policies		-	-	-
Surplus / (deficit)		-	(77,491)	(77,491)
Other comprehensive income		(63,250)	-	(63,250)
Transfer to/from [ <i>insert fund name</i> ]	10A	-	-	-
Transfer from retained earnings		-	-	-
<b>Closing balance as at 30 June 2022</b>		<b>2,052,054</b>	<b>391,987</b>	<b>2,444,041</b>
Adjustment for errors		-	-	-
Adjustment for changes in accounting policies		-	-	-
Surplus / (deficit)		-	(58,557)	(58,557)
Other comprehensive income		-	-	-
Transfer to/from [ <i>insert fund name</i> ]	10A	-	-	-
Transfer from retained earnings		-	-	-
<b>Closing balance as at 30 June 2023</b>		<b>2,052,054</b>	<b>333,430</b>	<b>2,385,484</b>

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

**AUSTRALIAN SERVICES UNION**  
**(WESTERN AUSTRALIAN BRANCH)**

**Australian Services Union (Western Australian Branch)**

**STATEMENT OF CASH FLOWS**

*for the year ended 30 June 2023*

	Notes	2023 \$	2022 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from other reporting units/controlled entity(s)	11B	-	-
Members		3,013,745	3,082,702
Interest		14,559	4,482
Other		42,090	41,925
<b>Cash used</b>			
Employees		(2,267,944)	(2,129,925)
Suppliers		(577,490)	(625,145)
Short term lease payments	6C	-	-
Payment to other reporting units/controlled entity(s)		(196,413)	(243,483)
<b>Net cash from (used by) operating activities</b>	11A	<b>28,547</b>	<b>130,554</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sale of plant and equipment		49,092	-
Proceeds from sale of land and buildings		-	-
Other		-	-
<b>Cash used</b>			
Purchase of plant and equipment		(164,307)	(34,812)
Purchase of land and buildings		(750)	-
Other		-	-
<b>Net cash from (used by) investing activities</b>		<b>(115,965)</b>	<b>(34,812)</b>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Contributed funds		-	-
Other		-	-
<b>Cash used</b>			
Repayment of lease liabilities	6C	(17,219)	(15,672)
Interest	6C	(889)	(1,580)
<b>Net cash from (used by) financing activities</b>		<b>(18,108)</b>	<b>(17,252)</b>
<b>Net increase (decrease) in cash held</b>		<b>(105,526)</b>	<b>78,490</b>
Cash & cash equivalents at the beginning of the reporting period		1,096,724	1,018,235
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	5A	<b>991,198</b>	<b>1,096,724</b>

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

**AUSTRALIAN SERVICES UNION**  
**(WESTERN AUSTRALIAN BRANCH)**

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AUSTRALIAN SERVICES UNION  
(WESTERN AUSTRALIAN BRANCH)

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## NOTES TO THE FINANCIAL STATEMENTS

### Note 1 Summary of significant accounting policies

#### 1.1 Basis of preparation of the financial statements

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

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

#### 1.2 Going concern

The Australian Services Union (Western Australian Branch) is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

The Australian Services Union (Western Australian Branch) has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

#### 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.

##### *Employee provisions*

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised if the employee has recorded 5 years of continuous service.

##### *Estimation of useful lives of assets*

The Australian Services Union (Western Australian Branch) determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Professional judgement used by independent valuer in determining fair value of Land and Buildings.

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**1.5 New Australian Accounting Standards**

***Adoption of New Australian Accounting Standard requirements***

The accounting policies adopted are consistent with those of the previous financial year.

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

***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 are detailed below. It is not expected to have a material impact on the Reporting Unit.

<b>AASB No.</b>	<b>Title</b>	<b>Application date of standard</b>	<b>Issue date</b>
AASB 2014-10	Amendments to AASs – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2025	March 2020
AASB 2020-1	Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current	1 January 2024	March 2020
AASB 2020-3	Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments	1 January 2022	June 2020
AASB 2021-2	Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates	1 January 2023	March 2021
AASB 17	Insurance Contracts	1 January 2023	July 2020

**1.6 Current versus non-current classification**

The Australian Services Union (Western Australian 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.

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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 Australian Services Union (Western Australian Branch) classifies all other liabilities as non-current.

### **1.7 Revenue**

The Australian Services Union (Western Australian 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 Australian Services Union (Western Australian Branch) has a contract with a customer, the Australian Services Union (Western Australian Branch) recognises revenue when or as it transfers control of goods or services to the customer. The Australian Services Union (Western Australian 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 Australian Services Union (Western Australian Branch).

If there is only one distinct membership service promised in the arrangement, the Australian Services Union (Western Australian 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 Australian Services Union (Western Australian Branch) 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 Australian Services Union (Western Australian 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 Australian Services Union (Western Australian 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 (for example, books or clothing) or as the service transfers to the customer (for

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example, member services or training course), the Australian Services Union (Western Australian 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 Australian Services Union (Western Australian 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 Australian Services Union (Western Australian Branch) at their standalone selling price, the Australian Services Union (Western Australian Branch) accounts for those sales as a separate contract with a customer.

#### **Capitation fees**

Where the Australian Services Union (Western Australian Branch)'s arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Australian Services Union (Western Australian Branch) recognises the capitation fees promised under that arrangement when or as it transfers the goods or services to the branch or other reporting unit.

In circumstances where the criteria for a contract with a customer are not met, the Australian Services Union (Western Australian 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 Australian Services Union (Western Australian Branch) transfers the goods or services to the member or other party.

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

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

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

During the year, the Australian Services Union (Western Australian Branch) 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 rounds).

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**Volunteer services**

During the year, the Australian Services Union (Western Australian Branch) did not recognise any volunteer services as revenue as the Australian Services Union (Western Australian Branch) did not receive any volunteer services.

**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.

**1.8 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.

**1.9 Leases**

The Australian Services Union (Western Australian Branch) 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.

***The Australian Services Union (Western Australian Branch) as a lessee***

The Australian Services Union (Western Australian Branch) applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Australian Services Union (Western Australian Branch) recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

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***Right-of-use assets***

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

	<b>2023</b>	<b>2022</b>
Land and building	2 years	2 years

***Lease liabilities***

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

In calculating the present value of lease payments, The Australian Services Union (Western Australian Branch) uses the incremental borrowing rate. 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 Australian Services Union (Western Australian Branch)'s short-term leases are those that have a lease term of 12 months or less from the commencement. 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.

**1.10 Borrowing costs**

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

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**1.11 Cash**

Cash is recognised at its nominal amount. Cash and cash equivalents include 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.

**1.12 Financial instruments**

Financial assets and financial liabilities are recognised when the Australian Services Union (Western Australian Branch)'s entity becomes a party to the contractual provisions of the instrument.

**1.13 Financial assets**

**Contract assets and receivables**

A contract asset is recognised when the Australian Services Union (Western Australian Branch)'s right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Australian Services Union (Western Australian 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, 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 Australian Services Union (Western Australian Branch)'s business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Australian Services Union (Western Australian Branch) initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through 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 Australian Services Union (Western Australian 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.

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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 Australian Services Union (Western Australian Branch) 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 Australian Services Union (Western Australian Branch) measures financial assets at amortised cost if both of the following conditions are met:

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

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

The Australian Services Union (Western Australian Branch)'s financial assets at amortised cost includes trade receivables and loans to related parties.

#### **Financial assets at fair value through other comprehensive income**

The Australian Services Union (Western Australian 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 other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in 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.



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The Australian Services Union (Western Australian Branch)'s debt instruments at fair value through other comprehensive income includes investments in quoted debt instruments included under other non-current financial assets.

#### **Investments in equity instruments designated at fair value through other comprehensive income**

Upon initial recognition, the Australian Services Union (Western Australian Branch) can elect to classify irrevocably its equity investments as equity instruments designated at fair value through other comprehensive income 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 profit or loss when the right of payment has been established, except when the Australian Services Union (Western Australian 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 other comprehensive income are not subject to impairment assessment.

The Australian Services Union (Western Australian Branch) elected to classify irrevocably its listed and non-listed equity investments under this category.

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

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

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 Australian Services Union (Western Australian 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:

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- a) The Australian Services Union (Western Australian Branch) has transferred substantially all the risks and rewards of the asset, or
- b) The Australian Services Union (Western Australian Branch) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Australian Services Union (Western Australian 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 Australian Services Union (Western Australian 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**

##### **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 (**ECLs**) at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

##### **(i) Trade receivables**

For trade receivables that do not have a significant financing component, the Australian Services Union (Western Australian Branch) 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 Australian Services Union (Western Australian Branch) does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Australian Services Union (Western Australian 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.

##### **(ii) Debt instruments other than trade receivables**

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Australian Services Union (Western Australian Branch) recognises an allowance for expected credit losses using the general approach.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Australian Services Union (Western

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Australian Branch) expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

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

The Australian Services Union (Western Australian Branch) considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Australian Services Union (Western Australian Branch) may also consider a financial asset to be in default when internal or external information indicates that the Australian Services Union (Western Australian Branch) is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### 1.14 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 Australian Services Union (Western Australian Branch)'s financial liabilities include trade and other payables.

##### **Subsequent measurement**

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

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

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

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

##### **Financial liabilities at amortised cost**

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

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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.

#### **1.15 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 Australian Services Union (Western Australian Branch) transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Australian Services Union (Western Australian Branch) performs under the contract (i.e., transfers control of the related goods or services to the customer).

##### **Refund liabilities**

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

#### **1.16 Contingent Liabilities and Contingent Assets**

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

#### **1.17 Land, Buildings, Plant and Equipment**

##### ***Asset Recognition Threshold***

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

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##### ***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:

	2023	2022
Land & buildings	2.5%	2.5%
Plant and equipment	5% - 40%	5% - 40%

##### ***Derecognition***

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

#### **1.18 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 the 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 Australian Services Union (Western Australian Branch) were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

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### **1.19 Taxation**

The Australian Services Union (Western Australian 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 (ATO); 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 ATO is classified within operating cash flows.

### **1.20 Fair value measurement**

The Australian Services Union (Western Australian Branch) measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 16 Fair value measurement.

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

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

#### Note 2 Events after the reporting period

There were no events that occurred after 30 June 2023, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Australian Services Union (Western Australian Branch).

#### Note 3 Revenue and Income

##### Disaggregation of revenue from contracts with customers

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

	2023	2022
	\$	\$
<b>Type of customer</b>		
Members	3,008,757	3,066,372
Other reporting units	-	-
Government	-	-
Other parties *	89,198	45,088
<b>Total revenue from contracts with customers</b>	<u>3,097,955</u>	<u>3,111,461</u>

\* It includes \$32,454 profit on sale of assets (2022: nil).

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	2023	2022
	\$	\$
<b>Note 3A: Capitation fees and other revenue from another reporting unit</b>		
Capitation fees	-	-
<b>Subtotal capitation fees</b>	-	-
<b>Other revenue from another reporting unit:</b>		
Other revenue	-	-
<b>Subtotal other revenue from another reporting unit</b>	-	-
<b>Total capitation fees and another revenue from other reporting unit</b>	-	-
 <b>Note 3B: Levies</b>		
Levies	-	-
<b>Total levies</b>	-	-
 <b>Note 3C: Interest</b>		
Deposits	14,654	4,113
Loans	-	-
<b>Total interest</b>	14,654	4,113
 <b>Note 3D: Grants or donations</b>		
Grants	-	-
Donations	-	-
<b>Total grants or donations</b>	-	-
 <b>Note 3E: Revenue from recovery of wages activity</b>		
Amounts recovered from employers in respect of wages	-	-
Interest received on recovered money	-	-
<b>Total revenue from recovery of wages activity</b>	-	-
 <b>Note 3F: Income recognised from volunteer services</b>		
Amounts recognised from volunteer services	-	-
<b>Total income recognised from volunteer services</b>	-	-



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**Note 4 Expenses**

**Note 4A: Employee expenses**

	2023	2022
	\$	\$
<b>Holders of office:</b>		
Wages and salaries	340,404	347,291
Superannuation	55,039	47,872
Leave and other entitlements	25,937	(11,051)
Separation and redundancies	-	-
Other employee expenses	24,925	4,075
<b>Subtotal employee expenses holders of office</b>	<b>446,305</b>	<b>388,187</b>
<b>Employees other than office holders:</b>		
Wages and salaries	1,475,807	1,405,942
Superannuation	194,761	198,018
Leave and other entitlements	8,794	88,683
Separation and redundancies	-	-
Other employee expenses	177,008	147,898
<b>Subtotal employee expenses employees other than office holders</b>	<b>1,856,370</b>	<b>1,840,540</b>
<b>Total employee expenses</b>	<b>2,302,675</b>	<b>2,228,727</b>

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

**Capitation fees**

Australian Services Union	191,491	194,140
<b>Subtotal capitation fees</b>	<b>191,491</b>	<b>194,140</b>

**Other expense to another reporting unit**

Other expense	-	-
<b>Subtotal other expense to another reporting unit</b>	<b>-</b>	<b>-</b>
<b>Total capitation fees and other expense to another reporting unit</b>	<b>191,491</b>	<b>194,140</b>

**Note 4C: Affiliation fees**

Australian Services Union	4,922	5,577
WA Labor	47,279	-
Unions WA	45,191	43,766
<b>Total affiliation fees/subscriptions</b>	<b>97,392</b>	<b>49,343</b>

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**Note 4D: Administration expenses**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Total paid to employers for payroll deductions of membership subscriptions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	-
Contractors/consultants	-	-
Property expenses	-	-
Office expenses	70,873	69,033
Information communications technology	44,260	56,406
Other	167,753	134,104
<b>Subtotal administration expense</b>	<b>282,886</b>	<b>259,543</b>
Operating lease rentals:		
Short term, low value and variable lease payments	-	516
<b>Total administration expenses</b>	<b>282,886</b>	<b>260,059</b>

**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	-	-
Total expensed that exceeded \$1,000	2,285	122,364
<b>Total grants or donations</b>	<b>2,285</b>	<b>122,364</b>

**Note 4F: Depreciation and amortisation**

Depreciation		
Buildings	5,034	6,750
Plant and equipment	62,215	61,075
<b>Total depreciation</b>	<b>67,249</b>	<b>67,825</b>
Amortisation		
Buildings	16,791	16,791
<b>Total amortisation</b>	<b>16,791</b>	<b>16,791</b>
<b>Total depreciation and amortisation</b>	<b>84,040</b>	<b>84,616</b>

**Note 4G: Finance costs**

Leases	889	1,580
Overdrafts/loans	-	-
Unwinding of discount	-	-
<b>Total finance costs</b>	<b>889</b>	<b>1,580</b>

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**Note 4H: Legal costs**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Litigation	-	-
Other legal costs	50,480	12,411
<b>Total legal costs</b>	<b>50,480</b>	<b>12,411</b>

**Note 4I: Write-down and impairment of assets**

Asset write-downs and impairments of:

Land and buildings	-	-
Plant and equipment	-	-
Intangible assets	-	-
Other	-	-
<b>Total write-down and impairment of assets</b>	<b>-</b>	<b>-</b>

**Note 4J: Net losses from sale of assets**

Land and buildings	-	-
Plant and equipment	10	124
Intangibles	-	-
<b>Total net losses from asset sales</b>	<b>10</b>	<b>124</b>

**Note 4K: Other expenses**

Penalties - via RO Act or the <i>Fair Work Act 2009</i>	-	-
Organising expenses	117,766	213,015
Other expenses	5,438	5,791
<b>Total other expenses</b>	<b>123,204</b>	<b>218,807</b>

**Note 5      Current Assets**

**Note 5A: Cash and Cash Equivalents**

Cash at bank	6,584	64,839
Cash on hand	-	50
Short term deposits	984,614	1,031,836
Other	-	-
<b>Total cash and cash equivalents</b>	<b>991,198</b>	<b>1,096,724</b>

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**Note 5B: Trade and Other Receivables**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Receivables from other reporting unit[s]</b>		
Receivables from other reporting units	-	-
<b>Total receivables from other reporting unit[s]</b>	-	-
<b>Less allowance for expected credit losses</b>		
Provision for expected credit losses	-	-
<b>Total allowance</b>	-	-
<b>Receivable from other reporting unit[s] (net)</b>	-	-
<b>Other receivables:</b>		
Interest receivable	147	52
Other trade receivables	22,740	27,728
<b>Total other receivables</b>	22,887	27,780
<b>Total trade and other receivables (net)</b>	22,887	27,780

**Note 5C: Other Current Assets**

Rental bond	4,830	4,830
Prepaid expenses	45,378	23,414
<b>Total other current assets</b>	50,208	28,244

**Note 6      Non-current Assets**

**Note 6A: Land and buildings**

Land and buildings:		
fair value	2,067,500	2,066,750
at cost	-	-
accumulated depreciation	(11,784)	(6,750)
<b>Total land and buildings</b>	2,055,716	2,060,000

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**Reconciliation of Opening and Closing Balances of Land and Buildings**

	2023	2022
	\$	\$
<b>Opening balances</b>		
Gross book value	2,130,000	2,130,000
Accumulated depreciation and impairment	(70,000)	-
<b>Net book value at beginning of year</b>	<b>2,060,000</b>	<b>2,130,000</b>
Additions:		
By purchase	750	-
From acquisition of entities	-	-
Revaluations	-	-
Impairments	-	(63,250)
Depreciation expense	(5,034)	(6,750)
Other movement	-	-
Disposals:		
From disposal of entities	-	-
Other	-	-
<b>Net book value at end of year</b>	<b>2,055,716</b>	<b>2,060,000</b>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	2,130,000	2,130,000
Accumulated depreciation and impairment	(75,034)	(70,000)
<b>Net book value 30 June</b>	<b>2,055,716</b>	<b>2,060,000</b>

The revalued land and buildings consist of the property at 102 East Parade, East Perth. Management determined that this constitute one class of assets under AASB 13, based on the nature, characteristics and risk of the property.

The fair value of the properties was determined using the market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for the difference in the nature, location or condition of the specific property. The property was last revalued on 25 June 2021 by independent valuation conducted by Valuations WA.

The Union's national office (the Australian Municipal, Administrative, Clerical and Services Union) is the registered owner of the property. Under rule 21 of the national rules, the Union's national office delegates sole control, custody, administration and management of the property to the Union (Australian Services Union Western Australian Branch).

	2023	2022
	\$	\$
<b>Note 6B: Plant and equipment</b>		
Plant and equipment:		
at cost	574,409	496,221
accumulated depreciation	(339,447)	(346,703)
<b>Total plant and equipment</b>	<b>234,962</b>	<b>149,518</b>

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***Reconciliation of Opening and Closing Balances of Plant and Equipment***

	<b>2023</b>	2022
	\$	\$
<b>Opening balance</b>		
Gross book value	461,816	461,816
Accumulated depreciation and impairment	(346,703)	(286,037)
<b>Net book value at beginning of year</b>	<b>149,518</b>	<b>175,779</b>
Additions:		
By purchase	164,307	34,405
From acquisition of entities (including restructuring)	-	-
Impairments	-	-
Depreciation expense	(62,215)	(60,666)
Other movement (asset write-off)	(185)	-
Other movement (asset write-off depreciation adjustment)	175	-
Disposals	(16,638)	-
Add back depreciation on disposals	-	-
<b>Net book value at end of year</b>	<b>234,962</b>	<b>149,518</b>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	574,409	496,221
Accumulated depreciation and impairment	(339,447)	(346,703)
<b>Net book value 30 June</b>	<b>234,962</b>	<b>149,518</b>

**Note 6C: Leases**

***Australian Services Union (Western Australian Branch as a lessee)***

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

	<b>Property</b>
	\$
<b>As at 1 July 2021</b>	-
Additions	44,776
Depreciation expense	(16,791)
Impairment	-
Disposal	-
Other movement	-
<b>As at 1 July 2022</b>	<b>27,985</b>
Additions	-
Depreciation expense	(16,791)
Impairment	-
Disposal	-
Other movement [give details below]	-
<b>As at 30 June 2023</b>	<b>11,194</b>

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

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>As at beginning of year</b>	29,104	-
Additions	-	44,776
Accretion of interest	889	-
Payments	(18,108)	(15,672)
<b>As at end of year</b>	11,885	29,104
Current	11,885	17,219
Non-current	-	11,885

The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets	16,791	16,791
Interest expense on lease liabilities	889	1,580
Expense relating to short-term leases	-	-
Expense relating to leases of low-value assets (included in administrative expenses)	-	-
Variable lease payments	-	-
<b>Total amount recognised in profit or loss</b>	17,680	18,371

The following provides information on the Australian Services Union (Western Australian Branch)'s variable lease payments, including the magnitude in relation to fixed payments:

	<b>Fixed payments</b>	<b>Variable payments</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>2023</b>			
Fixed rent	18,108	-	18,108
Variable rent with minimum payment	-	-	-
Variable rent only	-	-	-
	18,108	-	18,108
<b>2022</b>			
Fixed rent	44,776	-	44,776
Variable rent with minimum payment	-	-	-
Variable rent only	-	-	-
	44,776	-	44,776

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**Note 7      Current Liabilities**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Note 7A: Trade payables</b>		
Trade creditors and accruals	109,060	84,761
Operating lease rentals	-	-
<b>Subtotal trade creditors</b>	109,060	84,761
<b>Payables to other reporting unit[s]</b>		
Payables	-	-
<b>Subtotal payables to other reporting unit[s]</b>	-	-
<b>Total trade payables</b>	109,060	84,761

Settlement is usually made within 30 days.

**Note 7B: Other payables**

Wages and salaries	-	-
Superannuation	10,649	11,194
Payable to employers for making payroll deductions of membership subscriptions	-	-
Legal costs		
Litigation	-	-
Other legal costs	-	-
Prepayments received/unearned revenue	54,714	59,791
GST payable	40,142	46,919
Other	49,834	44,775
<b>Total other payables</b>	155,339	162,679
Total other payables are expected to be settled in:		
No more than 12 months	155,339	162,679
More than 12 months	-	-
<b>Total other payables</b>	155,339	162,679



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**Note 8 Provisions**

**Note 8A: Employee Provisions**

	2023	2022
	\$	\$
<b>Office Holders:</b>		
Annual leave	46,740	42,819
Long service leave	209,886	189,152
Separations and redundancies	-	-
Other	3,886	2,604
<b><i>Subtotal employee provisions—office holders</i></b>	<b>260,512</b>	<b>234,575</b>
<b>Employees other than office holders:</b>		
Annual leave	190,732	199,117
Long service leave	244,950	226,790
Separations and redundancies	-	-
Other	8,203	9,184
<b><i>Subtotal employee provisions—employees other than office holders</i></b>	<b>443,885</b>	<b>435,091</b>
<b>Total employee provisions</b>	<b>704,397</b>	<b>669,666</b>
Current	704,397	669,666
Non Current	-	-
<b><i>Total employee provisions</i></b>	<b>704,397</b>	<b>669,666</b>

**Note 9 Non-current Liabilities**

**Note 9A: Other non-current liabilities**

Other non-current liabilities	-	-
<b>Total other non-current liabilities</b>	-	-

**Note 10 Equity**

**Note 10A: Asset Revaluation Reserve**

Asset Revaluation Reserve		
<b>Balance as at start of year</b>	2,052,054	2,115,304
Transferred to reserve	-	(63,250)
Transferred out of reserve	-	-
<b>Balance as at end of year</b>	<b>2,052,054</b>	<b>2,052,054</b>
<b>Total</b>	<b>2,052,054</b>	<b>2,052,054</b>

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**Note 10B: Other Specific disclosures – Funds**

	2023	2022
	\$	\$
<b>Compulsory levy/voluntary contribution fund – if invested in assets</b>	-	-
<b>Other fund(s) required by rules</b>		
<b>Balance as at start of year</b>	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
<b>Balance as at end of year</b>	-	-

**Note 11      Cash Flow**

**Note 11A: Cash Flow Reconciliation**

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

**Cash and cash equivalents as per:**

Cash flow statement	991,198	1,096,724
Balance sheet	991,198	1,096,724
<b><i>Difference</i></b>	-	-

**Reconciliation of profit/(deficit) to net cash from operating activities:**

Profit/(deficit) for the year	(58,557)	(77,491)
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**Adjustments for non-cash items**

Depreciation/amortisation	84,040	86,196
Net write-down of non-financial assets	-	-
Fair value movements in investment property	-	-
Interest expense	889	-
Loss/(Gain) on disposal of assets	(32,444)	-

**Changes in assets/liabilities**

(Increase)/decrease in net receivables	4,893	2,268
(Increase)/decrease in prepayments	(21,964)	36,040
Increase/(decrease) in supplier payables	24,299	5,910
Increase/(decrease) in other payables	(7,340)	-
Increase/(decrease) in employee provisions	34,731	77,631
Increase/(decrease) in leases	-	-
<b>Net cash from (used by) operating activities</b>	28,547	130,554

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**Note 11B: Cash flow information**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Cash inflows	-	-
<b>Total cash inflows</b>	-	-
Cash outflows		
Australian Services Union	196,413	199,717
<b>Total cash outflows</b>	196,413	199,717

**Note 12 Contingent Liabilities, Assets and Commitments**

**Note 12A: Commitments and Contingencies**

**Operating lease commitments—as lessee**

Operating lease for Unit 7 Wesley Business Centre, 4 Stirling St, Bunbury Western Australian. Lease term of 2 years from 12 February 2022.

Future minimum rentals payable under non-cancellable operating leases as at 30 June are:

Within one year	12,072	17,219
After one year but not more than five years	-	11,885
More than five years	-	-
	12,072	29,104

**Capital commitments**

At 30 June 2023, the Australian Services Union (Western Australian Branch) does not have any capital commitments, contingent assets or contingent liabilities.

**Contingent Liability**

The Australian Services Union (Western Australian Branch) has received a Concerns Notice dated 11 May 2021 pursuant to section 14 of the Defamation Act 2005 (WA) relating to the possibility of legal action by a third party. No other information is currently available in relation to this notice and for this reason it is not possible to determine if a liability exists or to quantify possible damages.

On 15 March 2022, a person initiated defamation proceedings in the District Court of Western Australia against the ASU and one of its employees. The ASU did not become aware of those proceedings until around 23 December 2022, when the complainant served the application on the ASU.

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The complainant's statement of claim does not claim any specific amount against the ASU or its employee. Nor has the complainant furnished any evidence in support of its claim. As such, it is impossible to accurately estimate the extent of the potential contingent liability arising from the proceedings.

Before commencing District Court proceedings, the complainant had asked for \$42,500 to settle the claim. That amount was agreed to in principle by the ASU. However, the complainant refused to agree to the other terms of the settlement paperwork and elected to continue with his legal case. The ASU believes that the complainant's conduct in refusing the settlement offer may give rise to a full defence to the claim.

The ASU and its employee have pleaded a number of defences against the claim. If those defences succeed, then the ASU have no liability to the complainant and will likely obtain a costs order in its favour against the complainant.

**Note 13 Related Party Disclosures**

**Note 13A: Related Party Transactions for the Reporting Period**

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

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Revenue received from councillors for the following:</b>		
Membership subscriptions	9,587	9,976
<b>Paid to Australian Services Union</b>		
Capitation Fees	191,491	194,140
Affiliation Fees	4,922	5,577

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

**Short-term employee benefits**

Salary (including annual leave taken)	340,404	347,291
Annual leave accrued	3,921	(29,945)
Other	1,282	2,604
<b>Total short-term employee benefits</b>	<u>345,607</u>	<u>319,950</u>

**Post-employment benefits:**

Superannuation	55,039	47,872
<b>Total post-employment benefits</b>	<u>55,039</u>	<u>47,872</u>

**Other long-term benefits:**

Long-service leave	20,734	16,290
<b>Total other long-term benefits</b>	<u>20,734</u>	<u>16,290</u>

**Termination benefits**

<b>Total</b>	<u>421,380</u>	<u>384,112</u>
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**Note 14 Remuneration of Auditors**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Value of the services provided</b>		
Financial statement audit services	21,160	16,780
Other services	-	-
<b>Total remuneration of auditors</b>	<u>21,160</u>	<u>16,780</u>

**Note 15 Financial Instruments**

The Australian Services Union (Western Australian Branch)'s activities do not expose it to many financial risks.

**Foreign currency risk**

The Australian Services Union (Western Australian Branch) is not exposed to any foreign currency risk.

**Credit risk**

The Australian Services Union (Western Australian Branch) is not exposed to any significant credit risk.

**Interest rate risk**

The Australian Services Union (Western Australian Branch)'s main interest rate risk arises from cash deposits. Cash deposits issued at variable rates expose the Australian Services Union (Western Australian Branch) to interest rate risk. Cash deposits at fixed rates expose the Australian Services Union (Western Australian Branch) to fair value risk. The Australian Services Union (Western Australian Branch) maintains approximately 70% of cash reserves in term deposits at a fixed rate to manage exposure to interest rate risk.

**Liquidity Risk**

Vigilant liquidity risk management requires the Australian Services Union (Western Australian Branch) to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The Australian Services Union (Western Australian Branch) manages liquidity risk through budgeting and monitoring cash flows. Budgets are established annually and monitored through bi-monthly meetings of the committee of management.

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**Note 15A: Categories of Financial Instruments**

**Financial Assets**

	2023	2022
	\$	\$
Amortised cost:		
Cash and cash equivalents	991,198	1,096,724
Trade and other receivables	22,887	27,780
<b>Carrying amount of financial assets</b>	<b>1,014,085</b>	<b>1,124,504</b>

**Financial Liabilities**

Amortised cost:		
Trade and other payables	264,399	247,440
Lease liabilities	11,885	29,104
<b>Carrying amount of financial liabilities</b>	<b>276,284</b>	<b>276,544</b>

**Note 15B: Financial Instruments Risks**

**Market Risk**

**Sensitivity analysis of the Interest Rate risk that the Reporting Unit is exposed to for 2023**

Risk variable	Change in risk variable %	Effect on	
		Profit and loss	Equity
		\$	\$
Interest rate risk	1% increase	9,912	9,912
Interest rate risk	1% decrease	(9,912)	(9,912)

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

Risk variable	Change in risk variable %	Effect on	
		Profit and loss	Equity
		\$	\$
Interest rate risk	1% increase	10,967	10,967
Interest rate risk	1% decrease	(10,967)	(10,967)

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**(WESTERN AUSTRALIAN BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS**

**Liquidity Risk**

**Remaining contractual maturities**

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

<b>30 June 2023</b>	<b>On Demand</b>	<b>&lt; 1 year \$</b>	<b>1– 2 years \$</b>	<b>2– 5 years \$</b>	<b>&gt;5 years \$</b>	<b>Total \$</b>
Trade payables	-	264,399	-	-	-	264,399
Lease liabilities	-	12,067	-	-	-	12,067
<b>Total</b>	-	<b>276,466</b>	-	-	-	<b>276,466</b>

<b>30 June 2022</b>	<b>On Demand</b>	<b>&lt; 1 year \$</b>	<b>1– 2 years \$</b>	<b>2– 5 years \$</b>	<b>&gt;5 years \$</b>	<b>Total \$</b>
Trade payables	-	247,440	-	-	-	247,440
Lease liabilities	-	18,108	12,067	-	-	30,175
<b>Total</b>	-	<b>265,548</b>	<b>12,067</b>	-	-	<b>277,615</b>

**Credit Risk**

**Ageing of financial assets not impaired for 2023**

<b>30 June 2023</b>	<b>0 to 30 days \$</b>	<b>31 to 60 days \$</b>	<b>61 to 90 days \$</b>	<b>90+ days \$</b>	<b>Total \$</b>
Trade receivables	18,053	4,199	125	510	22,887
<b>Total</b>	<b>18,053</b>	<b>4,199</b>	<b>125</b>	<b>510</b>	<b>22,887</b>

**Ageing of financial assets not impaired for 2022**

<b>30 June 2022</b>	<b>0 to 30 days \$</b>	<b>31 to 60 days \$</b>	<b>61 to 90 days \$</b>	<b>90+ days \$</b>	<b>Total \$</b>
Trade receivables	20,893	5,888	398	600	27,779
<b>Total</b>	<b>20,893</b>	<b>5,888</b>	<b>398</b>	<b>600</b>	<b>27,779</b>

**AUSTRALIAN SERVICES UNION**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**Note 16 Fair Value Measurement**

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

**Fair value hierarchy – 30 June 2023**

	Date of valuation	Level 1	Level 2	Level 3
<b>Assets measured at fair value</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	
Land and buildings	30-Jun-23	-	2,055,716	-
<b>Total</b>		-	2,055,716	-

**Fair value hierarchy - 30 June 2022**

<b>Assets measured at fair value</b>				
Land and buildings	30-Jun-22	-	2,060,000	-
<b>Total</b>		-	2,060,000	-

**Note 16A: Financial Assets and Liabilities**

Management of the Australian Services Union (Western Australian Branch) assessed that cash, trade receivables and trade payables approximate their carrying amounts largely due to the short term maturities of these instruments.

**Note 17 Administration of financial affairs by a third party**

No third parties administrated the financial affairs of the Australian Services Union (Western Australian Branch) during the financial year ended 30 June 2023 or 30 June 2022.

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

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

Information to be provided to members or Commissioner:

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



**AUSTRALIAN SERVICES UNION  
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**Australian Services Union (Western Australian Branch)**

**OFFICER DECLARATION STATEMENT**

I, Wayne Wood, being the Branch Secretary of the Australian Services Union (Western Australian Branch), declare that the following activities did not occur during the reporting period ending 30 June 2023.

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
- pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by the officer: ..... 

Dated: ..... 

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE COMMITTEE MEMBERS OF AUSTRALIAN SERVICES UNION**

In relation to our audit of the financial report of Australian Services Union for the year ended 30 June 2023, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Accounting Professional and Ethical Standard Board's APES 110 Code of Ethics for Professional Accountants or any applicable code of professional conduct.

*PKF Perth*

PKF PERTH

*Shane Cross*

SHANE CROSS

PARTNER

19 SEPTEMBER 2023  
WEST PERTH,  
WESTERN AUSTRALIA

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