

TRANSPORT WORKERS UNION OF AUSTRALIA - VICTORIA/ TASMANIA BRANCH
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 SEPTEMBER 2024

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TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH
COMMITTEE OF MANAGEMENT’S OPERATING REPORT
FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Operating Report

The Committee of Management presents its report on the operations of the Transport Workers Union of Australia – Victoria/ Tasmania Branch (the Branch) for the period 1 January 2024 - 2 September 2024.

Principal Activities

The principal activities of the Union during the financial year were the provision of industrial, professional and managerial services to the members consistent with the objects and rules of the Union and in particular, protecting and improving the interests of members. The Branch produced a range of publications for its members.

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

Operating Result

The operating deficit for the period 1 January 2024 – 2 September 2024 amounted to \$926,087. The operating deficit was influenced by:

1. The Branch was disbanded on 3 September 2024 as a result of the resolution passed by the National Council of the Transport Workers Union of Australia.
2. Upon the Branch being disbanded, a number of the Branch’s leadership and staff were made redundant. As a result, an amount of \$814,635 was recognised in these financial statements at 2 September 2024.
3. The Branch reviewed its application of AASB 119 – Employee Benefits and identified a number of additional on-costs for inclusion in the provision. As a result, an increase in total provisions occurred on leave balances for the period ended 2 September 2024.

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH
COMMITTEE OF MANAGEMENT’S OPERATING REPORT (CONTINUED)
FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Significant Changes in Financial Affairs

On 3 September 2024, under the Union’s rules, the Transport Workers Union of Australia National Council resolved to:

- Disbanded the Transport Workers Union of Australia - VIC/ TAS Branch;
- Allocated the members, assets and liabilities of the former VIC/ TAS Branch to the NSW/ QLD Interim Governance Branch; and
- Renamed the NSW/ Qld (Interim Governance) Branch the NSW/ Qld/ VIC-TAS (Interim Governance) Branch.

As a result, the following significant changes in financial affairs have occurred:

1. The VIC/ TAS Branch ceased operations on 2 September 2024. As a result, these financial statements are the final set of the Victoria/ Tasmania Branch.
2. All assets and liabilities of the Branch were transferred to the Transport Workers Union – New South Wales/ Queensland (Interim Governance).
3. Assets and liabilities were classified as current under AASB 101 – Presentation of Financial Statements, given that all balances were transferred to the Interim Governance Branch.
4. Coverage of membership for the states of Victoria and Tasmania was transferred to the Interim Governance Branch.
5. Staff were transferred to the Interim Governance Branch with responsibility for the operations coming under the direction of that Branch’s Committee of Management.
6. A number of members of the Branch’s leadership team (Secretary, Assistant Secretary and a number of senior staff) were made redundant.
7. The Victoria/ Tasmania Branch Committee of Management ceased to hold office, with all responsibilities for the operations in Victoria/ Tasmania coming under the coverage of the Interim Governance Branch Committee of Management.

After Balance Date Events

As detailed in the operating results and significant changes in financial affairs, the Branch was disbanded on 3 September 2024. As a result, these financial statements have been prepared on a liquidated basis, as all assets/ liabilities have subsequently transferred to the Interim Governance Branch. No other significant after balance date events have occurred.

Members Right to Resign

All members of the Transport Workers’ Union of Australia (Victoria/ Tasmania Branch) have the right to resign from the Union in accordance with *Rule 11, Resignation from Membership*, of the Rules of the Transport Workers’ Union of Australia and Chapter 6, Part 3 of the *Fair Work (Registered Organisations) Act 2009*.

This is by providing notice addressed and delivered to the Secretary of the Branch.

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

COMMITTEE OF MANAGEMENT'S OPERATING REPORT (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Number of Employees

The number of persons who were, at the end of the period to which the report relates, employees of the Branch, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis is 23.36.

Number of Members

Total number of members at 2 September 2024: 17,857.

Members of the Committee of Management

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

Name	Position	Period of Office
John Rowe	Branch President	01/01/2024 – 02/09/2024
Clive Dennis	Branch Vice President	01/01/2024 – 02/09/2024
Kevin Whelan	Branch Trustee	01/01/2024 – 02/09/2024
Dissio Markos	Branch Trustee Branch Assistant Secretary	01/01/2024 – 29/03/2024 29/03/2024 – 02/09/2024
Dean Sloan	Branch Trustee	29/03/2024 – 02/09/2024
Michael McNess	Branch Secretary	01/01/2024 – 29/03/2024
Mehmet Suleyman	Branch Secretary Branch Assistant Secretary	29/03/2024 – 02/09/2024 01/01/2024 – 28/03/2024
Ian Munro	Committee Member	01/01/2024 – 02/09/2024
James Huges	Committee Member	01/01/2024 – 02/09/2024
Mandeep Baines	Committee Member	01/01/2024 – 11/06/2024
Anne McDowell	Committee Member	01/01/2024 – 31/07/2024
John Englehart	Committee Member	01/01/2024 – 02/09/2024
Maria Xenophontos	Committee Member	01/01/2024 – 02/09/2024
Greg Annett	Committee Member	01/01/2024 – 27/02/2024
James Scott	Committee Member	01/01/2024 – 02/09/2024
Anthony De Romeis	Committee Member	01/01/2024 – 02/09/2024
Imran Malik	Committee Member	01/01/2024 – 02/09/2024
Benjamin Fennell	Committee Member	30/04/2024 – 02/09/2024
Jaskaran Basanti	Committee Member	31/07/2024 – 02/09/2024

**TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH
 COMMITTEE OF MANAGEMENT’S OPERATING REPORT (CONTINUED)
 FOR THE PERIOD ENDED 2 SEPTEMBER 2024**

Officer or Members who are superannuation Fund Trustees/ Directors of a Company that is a Superannuation fund Trustee

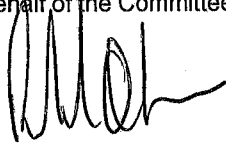
The following Officers/ members/ employees of the organisation are Directors of companies that are trustees of superannuation funds where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation

Officer/Member/ Employee	Trustee Company	Entity/Scheme	Position	Period
Mehmet Suleyman (Branch Secretary)	TWU Nominees Pty Ltd	TWU Super	Director	20/06//2024 02/09/2024
Michael McNess (Former Branch Secretary)	TWU Nominees Pty Ltd	TWU Super	Director	01/01/2024 – 11/04/2024

Auditor’s Independence Declaration

A copy of the auditor's independence declaration is set out on page 7.

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



.....
 Richard Olsen
 Interim Governance Branch Secretary

10 March 2025

Sydney

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE COMMITTEE OF MANAGEMENT OF THE
TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH**

As lead auditor for the audit of the Transport Workers' Union of Australia – Victoria/ Tasmania Branch for the period 1 January 2024 to 2 September 2024; I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

MGI Audit Pty Ltd



G I Kent

Director – Audit & Assurance

Brisbane

10 March 2025

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

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE PERIOD ENDED 2 SEPTEMBER 2024

On 10 March 2025, the Committee of Management of the Transport Workers Union of Australia – New South Wales/ Queensland/ Victoria – Tasmania (Interim Governance) Branch being the Committee of Management responsible for the now disbanded Transport Workers Union Victoria/ Tasmania Branch passed the following resolution to the General Purpose Financial statements (GPFR) of the reporting unit for the financial period ended 2 September 2024.

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (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 and
 - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation;
 - iii. the financial records of the reporting unit have been kept and maintained in accordance with the *RO Act*;
 - iv. where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation;
 - v. where information has been sought in any request of a member of the reporting unit or the General Manager duly made under section 272 of the *RO Act*, that information has been provided to the member or the General Manager; and
 - vi. where any order for inspection of financial records made by the Fair Work Commission under section 273 of the *RO Act* during the year, there has been compliance.

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

Name of Designated Officer: Richard Olsen

Title of Designated Officer: Interim Governance Branch Secretary

Signature:

Date: 10 March 2025

Independent Audit Report to the Members of Transport Workers' Union of Australia – Victoria/ Tasmania Branch

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of the Transport Workers' Union of Australia – Victoria/ Tasmania Branch (the Branch), which comprises the statement of financial position as at 2 September 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period ended, notes to the financial statements, including a summary of significant accounting policies; the Committee of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Transport Workers' Union of Australia – Victoria/ Tasmania Branch as at 2 September 2024, and its financial performance and its cash flows for the period ended on that date in accordance with:

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

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

Basis for Opinion

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

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

Emphasis of Matter Regarding Liquidation Valuation Basis

Without qualifying the opinion expressed above, attention is drawn to Note 1 in the financial report which states that the report of the Branch has been prepared on a liquidation basis, given the disbandment of the operations of the Transport Workers Union – Victoria/ Tasmania Branch as a stand-alone reporting unit. As a result, the assets and liabilities of the Branch have been measured at their estimated net realisable value and expected settlement amounts respectively.

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

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

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

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

Responsibilities of Committee of Management for the Financial Report

The Committee of Management of the Branch 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 Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Branch or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Branch'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.

Auditor's Responsibilities for the Audit of the Financial Report (Continued)

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

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

Declaration

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

MGI Audit Pty Ltd



G I Kent

Director – Audit & Assurance

Brisbane

10 March 2025

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

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

		1 Jan 2024 – 2 Sept 2024	1 Jan 2023 – 31 Dec 2023
		\$	\$
Revenue from contracts with customers	Notes 3		
Membership subscriptions		5,186,461	6,891,738
Total revenue from contracts with customers		<u>5,186,461</u>	<u>6,891,738</u>
Other income			
Gain on sale of property, plant and equipment		-	5,454
Secondment income	3A	-	51,325
Grants or donations	3B	15,700	33,550
Interest income	3C	195,896	234,482
Other income	3D	199,329	289,260
Total other income		<u>410,925</u>	<u>614,071</u>
Total revenue		<u>5,597,386</u>	<u>7,505,809</u>
Expenses			
Employee expenses	4A	(4,443,276)	(4,314,046)
Sustentation fees	4B	(863,312)	(1,215,703)
Affiliation fees	4C	(86,242)	(116,375)
Audit and accounting fees	14	(35,050)	(14,200)
Legal costs	4D	(69,646)	(95,180)
Grants or donations	4E	(20,418)	(2,909)
Depreciation and amortisation	4F	(37,655)	(54,410)
Finance costs	4G	(13,280)	(19,115)
Impairment of assets	4H	-	(8,723)
Administration expenses	4I	(715,204)	(979,875)
Conference and meeting expenses	4J	(89,845)	(100,161)
Other expenses	4K	(149,545)	(215,088)
Total expenses		<u>(6,523,473)</u>	<u>(7,135,785)</u>
(Deficit)/ surplus for the year		<u>(926,087)</u>	370,024
Other comprehensive income			
Revaluation of land and buildings (net of income tax)		100,000	-
Total comprehensive income for the year		<u>(826,087)</u>	<u>370,024</u>

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

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

STATEMENT OF FINANCIAL POSITION
AS AT 2 SEPTEMBER 2024

	Notes	2 Sept 2024 \$	31 Dec 2023 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	781,423	507,877
Trade and other receivables	5B	67,016	28,654
Other current assets	5C	700,893	648,856
Investments	5D	5,968,780	5,953,237
Land and buildings	6A	8,500,000	-
Plant and equipment	6B	167,249	-
Motor vehicles	6C	-	-
Right-of-use assets	6D	55,571	-
Total current assets		16,240,932	7,138,624
Non-Current Assets			
Land and buildings	6A	-	8,400,000
Plant and equipment	6B	-	99,930
Motor vehicles	6C	-	-
Right-of-use assets	6D	-	69,243
Total non-current assets		-	8,569,173
Total assets		16,240,932	15,707,797
LIABILITIES			
Current Liabilities			
Trade payables	7A	433,154	258,103
Other payables	7B	463,736	494,210
Employee provisions	8A	2,385,707	1,117,378
Lease liabilities	9A	55,848	20,240
Total current liabilities		3,338,445	1,889,931
Non-Current Liabilities			
Employee provisions	8A	-	40,289
Lease liabilities	9A	-	49,003
Total non-current liabilities		-	89,292
Total liabilities		3,338,445	1,979,223
Net assets		12,902,487	13,728,574
EQUITY			
Reserves	10A	5,026,881	4,926,881
Retained earnings		7,875,606	8,801,693
Total equity		12,902,487	13,728,574

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

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 2 SEPTEMBER 2024**

	Retained Earnings \$	Revaluation Reserve \$	Total equity \$
Balance as at 1 January 2023	8,431,669	4,926,881	13,358,550
Surplus for the year	370,024	-	370,024
<i>Other comprehensive income</i>			
Gain on revaluation of property, plant and equipment	-	-	-
Closing balance as at 31 December 2023	8,801,693	4,926,881	13,728,574
Deficit for the year	(926,087)		(926,087)
<i>Other comprehensive income</i>			
Gain on revaluation of property, plant and equipment	-	100,000	100,000
Closing balance as at 2 September 2024	7,875,606	5,026,881	12,902,487

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

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

**STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 2 SEPTEMBER 2024**

	Notes	1 Jan 2024 – 2 Sept 2024	1 Jan 2023 – 31 Dec 2023
		\$	\$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	11B	29,117	51,325
Receipts from other customers		5,970,973	7,790,473
Interest received		158,667	89,423
Cash used			
Finance Costs		(11,435)	-
Payments to employees and suppliers		(4,757,255)	(6,360,023)
Payments to other reporting units	11B	(994,435)	(1,268,961)
Net cash provided by operating activities	11A	395,632	302,237
INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	5,455
Purchase of plant and equipment		(91,303)	(66,898)
Purchase of investments		(15,543)	-
Net cash provided by investing activities		(106,846)	(61,443)
FINANCING ACTIVITIES			
Repayment of lease liabilities		(15,240)	(19,654)
Net cash used in financing activities		(15,240)	(19,654)
Net increase in cash held		273,546	221,140
Cash & cash equivalents at the beginning of the reporting period		507,877	286,737
Cash & cash equivalents at the end of the reporting period	11A	781,423	507,877


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

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

**REPORT REQUIRED UNDER SUBSECTION 255(2A) OF THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009
FOR THE PERIOD ENDED 2 SEPTEMBER 2024**

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Branch for the period ended 2 September 2024:

Categories of Expenditure	1 Jan 2024 – 2 Sept 2024 \$	1 Jan 2023 – 31 Dec 2023 \$
Remuneration and other employment-related costs and expenses – employees	4,443,276	4,072,472
Advertising	-	-
Operating costs	1,990,133	2,911,814
Donations to political parties	20,418	-
Legal costs	69,646	95,180



Richard Olsen
Branch Secretary

Sydney
10 March 2025

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 SEPTEMBER 2024**

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TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

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

Liquidated Basis of Preparation

As referred to in the Operating Report, the Branch was disbanded as a result of the resolution passed by the Transport Workers Union National Council. As a result this is the final financial report of the Branch as a standalone reporting unit. The impact of the National Council resolution was the following:

1. The Branch ceased operations on 2 September 2024.
2. All assets and liabilities of the Branch were transferred to the Transport Workers Union – New South Wales/ Queensland (Interim Governance) Branch (which has subsequently renamed itself as the Transport Workers Union – New South Wales/ Queensland/ Victoria-Tasmania (Interim Governance) Branch).
3. Assets and liabilities were classified as current under AASB 101 – Presentation of Financial Statements, given that all balances were transferred to the Interim Governance Branch.
4. Coverage of membership for the states of Victoria and Tasmania has transferred to the Interim Governance Branch.
5. Staff were transferred to the Interim Governance Branch with responsibility for the operations coming under the direction of the Committee of Management.
6. A number of members of the Branch's leadership team (Secretary, Assistant Secretary, senior staff) were made redundant.
7. The entire Victoria/ Tasmania Branch Committee of Management ceased to hold office, with all responsibilities for the operations in Victoria/ Tasmania coming under the coverage of the Interim Governance Branch Committee of Management.

As the Branch was disbanded on 2 September 2024 and therefore no longer operating out the Victoria/ Tasmania Branch in its current form, the Committee of Management of the Interim Governance Branch (being the Committee of Management responsible for the preparation of these final financial statements) have determined that the going concern basis of preparation is no longer appropriate. Accordingly, the financial statements are not prepared on a going concern basis. The Committee of Management have applied the requirements of paragraph 25 of AASB 101 Presentation of Financial Statements which states that *'when the financial report is not prepared on a going concern basis, that fact shall be disclosed, together with the basis on which the financial report is prepared and the reason why the entity is not regarded as a going concern'*.

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements(Continued)

Impact of adopting the liquidation basis of preparation on measurement, classification of assets and liabilities, and disclosures in the financial report

Under the liquidation basis of preparation, assets and liabilities are measured at their liquidation value. The liquidation value of assets is their net realisable value. Net realisable value is based on the proceeds receivable on disposal less restructure and liquidation costs as detailed in the accounting policies noted below. The liquidation value of liabilities is their expected settlement amount as detailed in the accounting policies noted below. Any gains or losses resulting from measuring assets and liabilities to the liquidation value are recognised in profit or loss.

Under the liquidation basis of accounting, all assets and liabilities are classified as current. In adopting the liquidation basis, the Committee of Management have continued to apply the disclosure requirements of Australian Accounting Standards, to the extent they are relevant to the liquidation basis, and have modified them where this is considered appropriate. In particular, the financial report does not include all of the disclosures required by the following standards on the basis that the disclosures are not considered relevant for decision-making by users as described below:

- *AASB 5 Non-current Assets Held for Sale and Discontinued Operations*
Given that the entire reporting unit is to be discontinued, the disclosures under AASB 5 that separate between continuing and discontinuing operations are not considered relevant to users.
- *AASB 7 Financial Instruments: Disclosures*
The information on exposures to financial risks are not considered relevant to users given that the financial risk exposures are not representative of the risks that will exist going forward.

The accounting policies adopted are consistent with those of the previous financial year except for changes specified related to the adoption of the liquidation basis of preparation. Comparative information has not been restated, and is measured and presented on a going concern basis.

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 1 Summary of significant accounting policies

1.2 Comparative amounts

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. The Comparative figures relate to the period 1 January 2023 to 31 December 2023, whereas the current financial period relates to the period 1 January 2024 to 2 September 2024 (the date the Branch was disbanded).

1.3 Significant accounting judgements and estimates

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

Key Estimates

Impairment – general

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

No impairment has been recognised in respect of the current year.

Key Judgements

Useful lives of plant and equipment

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

Provision for impairment of receivables

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

On-cost for employee entitlement provision

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

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

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

Future Australian Accounting Standards Requirements

At the date of authorisation of these financial statements, no new Standards and amendments to existing Standards, and Interpretations have been published by the Australian Accounting Standards Board (AASB).

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 1 Summary of significant accounting policies (Continued)

1.5 Revenue

The Branch enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, levies, grants, and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

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

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

Membership subscriptions

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

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

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

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

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

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 1 Summary of significant accounting policies (Continued)

1.5 Revenue (continued)

Levies

Levies paid by a member (or other party) in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the Branch transfers the promised goods or services to the customer.

In circumstances where the criteria for a contract with a customer are not met, the Branch will recognise levies as income upon receipt.

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

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

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

Income recognised from transfers

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

Interest income

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

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 2 SEPTEMBER 2024**

Note 1 Summary of significant accounting policies (Continued)

1.6 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.

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 1 Summary of significant accounting policies (Continued)

1.7 Leases

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

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

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Branch;
- the Branch has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract;
- the Branch has the right to direct the use of the identified asset throughout the period of use.
- The Branch assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

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

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

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

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

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

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 1 Summary of significant accounting policies (Continued)

1.8 Cash

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

1.9 Financial instruments

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

1.10 Financial assets

Contract assets and receivables

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

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

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

Initial recognition and Measurement

Financial assets are classified, at initial recognition, 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 Branch's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Branch initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

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

The Branch's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 1 Summary of significant accounting policies (Continued)

1.10 Financial assets (continued)

Subsequent measurement

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

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

Financial assets at amortised cost

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

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

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

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

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

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

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

Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

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

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 1 Summary of significant accounting policies (Continued)

1.10 Financial assets (continued)

Derecognition

A financial asset is derecognised when:

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

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

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

Offsetting

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

Expected credit losses

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

(i) Trade receivables

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

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 1 Summary of significant accounting policies (Continued)

1.10 Financial assets (continued)

(ii) Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the 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 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 Branch considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Branch may also consider a financial asset to be in default when internal or external information indicates that the Branch is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

1.11 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 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.

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 1 Summary of significant accounting policies (Continued)

1.11 Financial Liabilities (Continued)

Financial liabilities at amortised cost

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

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

Derecognition

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

1.12 Contingent Liabilities and Contingent Assets

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

1.13 Liabilities relating to contracts with customers

Contract liabilities

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

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 Branch refund liabilities arise from customers' right of return. The liability is measured at the amount the Branch ultimately expects it will have to return to the customer. The Branch updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 1 Summary of significant accounting policies (Continued)

1.14 Property, Plant and Equipment

Asset Recognition Threshold

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

Revaluations – Land and Buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at 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 reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus/ deficit. Revaluation decrements for a class of asset are recognised directly in the profit and 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 and the asset is restated to the revalued amount.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Committee of Management to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows, which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with that item will flow to the Branch and the costs of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 1 Summary of significant accounting policies (Continued)

1.14 Plant and Equipment (Continued)

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:

	2024	2023
Land and buildings	40 years	40 years
Plant and equipment	3 - 20 years	1.5 - 5 years
Motor vehicles	4 - 8 years	4 - 8 years

Derecognition

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

1.16 Impairment of non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated, and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Branch were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 1 Summary of significant accounting policies (Continued)

1.17 Taxation

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

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

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

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

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

1.18 Fair value measurement

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

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

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

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

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

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 1 Summary of significant accounting policies (Continued)

1.18 Fair value measurement (continued)

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

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

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

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

Note 2 Events after the reporting period

Other than the disbandment of the Victoria/ Tasmania Branch as a standalone reporting unit (refer commentary at Note 1.1), there has been no events that have occurred after 2 September 2024 and /or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch.

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

	1 Jan 2024 – 2 Sept 2024	1 Jan 2023 – 31 Dec 2023
	\$	\$

Note 3 Revenue and income

Disaggregation of revenue from contracts with customers

A disaggregation of the Branch's revenue by type of arrangements is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of revenue by type of customer.

Type of customer

Members	5,186,461	6,891,738
Total revenue from contracts with customers	5,186,461	6,891,738

Note 3A: Secondment income

Wage reimbursement from Transport Workers Union of Australia (National Council)	-	51,325
Total secondment income	-	51,325

Note 3B: Grants or donations

Grants – Industrial Relations Victoria	15,700	23,550
Grants – National Heavy Vehicle Regulator	-	10,000
Total grants or donations	15,700	33,550

Note 3C: Interest income

Deposits	195,896	234,482
Total interest income	195,896	234,482

Note 3D: Other revenue

Occupational Health & Safety course fees	13,854	29,131
Events, exhibitions and sponsorship income	51,364	72,273
Marketing and partnership income	74,653	111,982
Other income	59,458	75,874
Total other revenue	199,329	289,260

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

	1 Jan 2024 – 2 Sept 2024	1 Jan 2023 – 31 Dec 2023
	\$	\$
Note 4 Expenses		
Note 4A: Employee expenses		
 Holders of office:		
Wages and salaries	514,179	596,716
Superannuation	87,477	125,219
Leave and other entitlements	66,729	290,632
Separation and redundancies	578,334	-
Subtotal employee expenses holders of office	<u>1,246,719</u>	<u>1,012,567</u>
 Employees other than office holders:		
Wages and salaries	2,184,623	2,318,231
Superannuation	312,030	436,648
Leave and other entitlements	346,676	387,620
Separation and redundancies	236,301	-
Subtotal employee expenses employees other than office holders	<u>3,079,630</u>	<u>3,142,499</u>
 Add: Payroll tax expense/ FBT expense	 <u>116,927</u>	 <u>158,980</u>
Total employee expenses	<u><u>4,443,276</u></u>	<u><u>4,314,046</u></u>
 Note 4B: Sustentation fees		
Transport Workers Union of Australia (National Council)	<u>863,312</u>	<u>1,215,703</u>
Total Sustentation fees	<u><u>863,312</u></u>	<u><u>1,215,703</u></u>
 Note 4C: Affiliation fees		
Australian Labor Party (VIC Branch)	46,670	64,588
Australian Labor Party (TAS Branch)	2,848	3,024
Ballarat Trades Hall	1,760	2,278
Bendigo Trades Hall Council	890	1,779
Geelong Trades Hall Council	3,403	6,611
Gippsland Trades & Labour Council Inc.	753	929
Goulburn Valley Trades & Labour Council	2,334	3,113
North East and Border Trades & Labour Council	1,144	1,504
South West Trades & Labour Council	996	1,308
Sunraysia Trades & Labour Council	-	236
Victorian Trades & Hall Council	19,193	24,564
Unions Tasmania	6,251	6,441
Total affiliation fees	<u>86,242</u>	<u>116,375</u>

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 2 SEPTEMBER 2024

	1 Jan 2024 – 2 Sept 2024	1 Jan 2023 – 31 Dec 2023
	\$	\$
Note 4 Expenses (Continued)		
Note 4D: Legal costs		
Litigation	28,774	95,180
Other legal matters	40,872	-
Total legal costs	<u>69,646</u>	<u>95,180</u>
Note 4E: Grants or donations		
Donations:		
Total paid that were \$1,000 or less	918	2,909
Total paid that exceeded \$1,000	19,500	-
Total grants or donations	<u>20,418</u>	<u>2,909</u>
Note 4F: Depreciation and amortisation		
<i>Depreciation</i>		
Land and buildings	-	-
Plant and equipment	23,983	36,251
Motor Vehicles	-	-
Total depreciation	<u>23,983</u>	<u>36,251</u>
<i>Amortisation expense</i>		
Right of use assets – plant and equipment	13,672	18,159
Total amortisation	<u>13,672</u>	<u>18,159</u>
Total depreciation and amortisation	<u>37,655</u>	<u>54,410</u>
Note 4G: Finance costs		
Bank fees and charges	11,435	15,611
Interest on leasing arrangements	1,845	3,504
Total finance costs	<u>13,280</u>	<u>19,115</u>
Note 4H: Impairment of assets		
Bad debts	-	8,723
Total impairment of assets	<u>-</u>	<u>8,723</u>

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

	1 Jan 2024 – 2 Sept 2024	1 Jan 2023 – 31 Dec 2023
	\$	\$
Note 4 Expenses (Continued)		
Note 4I: Administration expense		
Insurance expenses	94,448	100,771
Property expenses	190,987	230,024
Motor vehicle expenses	24,903	61,786
Advertising/ promotional expenses	12,555	5,663
<i>Campaign Contributions</i>		
Transport Workers Union of Australia (National Council) for the growth and campaigning fund	11,367	23,188
Transport Workers Union of Australia (National Council) for the training fund	5,684	5,797
Telephone/ IT expenses	101,797	145,573
Printing, stationery and postage	55,783	85,715
Travel expenses	108,776	206,619
Subscriptions	4,456	9,178
Other administration expenses	104,448	105,561
Total administration expense	715,204	979,875
Note 4J: Conference and meeting expense		
Delegates conference	36,160	18,768
Other conference and meeting expenses	53,685	81,393
Total conference and meeting expense	89,845	100,161
Note 4K: Other expenses		
TWU News Editor	48,719	86,972
Course Expenses	35,739	37,223
Hire expenses	8,819	20,243
Member expenses	27,827	25,630
Staff Training	23,505	4,699
Other	4,936	40,321
Total other expenses	149,545	215,088

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

	2 Sept 2024	31 Dec 2023
	\$	\$
Note 5 Current Assets		
Note 5A: Cash and Cash Equivalents		
Cash on hand	1,200	1,200
Cash at bank – current account	780,223	506,677
Total cash and cash equivalents	<u>781,423</u>	<u>507,877</u>
Note 5B: Trade and Other Receivables		
Receivables from other reporting units		
Transport Workers Union of Australia (National Council)	2,500	-
Total receivables from other reporting units	<u>2,500</u>	<u>-</u>
Other receivables:		
Other trade receivables	72,166	36,304
Less: Provision for doubtful debtors	(7,650)	(7,650)
Total other receivables	<u>64,516</u>	<u>28,654</u>
Total trade and other receivables (net)	<u>67,016</u>	<u>28,654</u>
Note 5C: Other Current Assets		
Prepayments	217,004	118,934
Accrued interest income	188,081	150,852
Accrued membership income	249,151	365,434
Other accrued income	46,657	13,636
Total other current assets	<u>700,893</u>	<u>648,856</u>
Note 5D: Investments		
Term Deposits	5,968,780	5,953,237
Total investments	<u>5,968,780</u>	<u>5,953,237</u>

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

	2 Sept 2024	31 Dec 2023
	\$	\$
Note 6		
Non-current Assets		
Note 6A: Land and Buildings		
Land and Buildings:		
at fair value – 52-56 Rouse Street, Port Melbourne	8,500,000	8,400,000
accumulated depreciation	-	-
Total Land and Buildings	8,500,000	8,400,000

Reconciliation of Opening and Closing Balances of Land and Buildings

As at 1 January		
Gross book value	8,400,000	8,400,000
Accumulated depreciation and impairment	-	-
Net book value at beginning of year	8,400,000	8,400,000
Additions:		
By purchase	-	-
By revaluation	100,000	-
Depreciation expense	-	-
Disposals:		
By sale	-	-
Net book value at end of year	8,500,000	8,400,000
Net book value at end of year represented by:		
Gross book value	8,500,000	8,400,000
Accumulated depreciation and impairment	-	-
Net book value at end of year	8,500,000	8,400,000

Valuation Details

52-56 Rouse Street, Port Melbourne

On 29 November 2024 (effective 2 September 2024), the land and buildings at 52-56 Rouse St, Port Melbourne was valued by Mr Peter Iliadis AAPI CPV of Jones Lang LaSalle Advisory Services Pty Ltd. The land and buildings valuation was based on a highest and best use, which was determined as a commercial office building used for administrative purposes (the assets current use)

Fair value is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. Fair value is determined by direct reference to recent market transactions on arm's length terms for land and buildings comparable in size and location to those held by the Branch and to market based yields for comparable properties. Key assumptions utilised in the valuation were:

- Capitalisation Rate 6%
- Total leasing area 1,334 m²
- Net Market Rental m² \$350 m²

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 2 SEPTEMBER 2024

	2 Sept 2024	31 Dec 2023
	\$	\$
Note 6		
Non-current Assets		
Note 6B: Plant and Equipment		
Plant and Equipment:		
at cost	694,996	1,622,111
accumulated depreciation	(527,747)	(1,522,181)
Total plant and equipment	<u>167,249</u>	<u>99,930</u>

Reconciliation of Opening and Closing Balances of plant and equipment

As at 1 January		
Gross book value	1,622,111	1,746,228
Accumulated depreciation and impairment	(1,522,181)	(1,676,944)
Net book value at beginning of year	<u>99,930</u>	<u>69,284</u>
Additions:		
By purchase	91,302	66,897
Depreciation expense	(23,983)	(36,251)
Disposals:		
By sale	-	-
Net book value at end of year	<u>167,249</u>	<u>99,930</u>
Net book value at end of year represented by:		
Gross book value	694,996	1,622,111
Accumulated depreciation and impairment	(527,747)	(1,522,181)
Net book value at end of year	<u>167,249</u>	<u>99,930</u>

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

	2 Sept 2024	31 Dec 2023
	\$	\$
Note 6 Non-current Assets		
Note 6C: Motor Vehicles		
Motor Vehicles:		
at cost	-	29,450
accumulated depreciation	-	(29,450)
Total motor vehicles	<u>-</u>	<u>-</u>

Reconciliation of Opening and Closing Balances of motor vehicles

As at 1 January		
Gross book value	-	29,450
Accumulated depreciation and impairment	-	(29,450)
Net book value at beginning of year	<u>-</u>	<u>-</u>
Additions:		
By purchase	-	-
Depreciation expense	-	-
Disposals:		
By sale	-	-
Net book value at end of year	<u>-</u>	<u>-</u>
Net book value at end of year represented by:		
Gross book value	-	-
Accumulated depreciation and impairment	-	-
Net book value at end of year	<u>-</u>	<u>-</u>

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

	2 Sept 2024	31 Dec 2023
	\$	\$
Note 6D: Right of Use Assets		
Plant and equipment – right of use		
at cost	102,826	102,826
accumulated amortisation	(47,255)	(33,583)
Total right of use assets	55,571	69,243

Reconciliation of Opening and Closing Balances of Right of Use Assets

As at 1 January		
Gross book value	102,826	102,826
Accumulated depreciation and impairment	(33,583)	(15,424)
Net book value at beginning of year	69,243	87,402
Additions:		
By purchase/ leasing arrangement	-	-
Amortisation expense	(13,672)	(18,159)
Disposals:		
By sale	-	-
Net book value at end of year	55,571	69,243
Net book value at end of year represented by:		
Gross book value	102,826	102,826
Accumulated depreciation and impairment	(47,255)	(33,583)
Net book value at end of year	55,571	69,243

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 2 SEPTEMBER 2024**

	2 Sept 2024	31 Dec 2023
	\$	\$
Note 7 Current Liabilities		
Note 7A: Trade payables		
Trade creditors and accrued expenses	248,462	91,555
Subtotal trade payables	<u>248,462</u>	<u>91,555</u>
Payables to other reporting units		
Transport Workers Union of Australia (National Council)	133,609	166,548
Subtotal payables to other reporting units	<u>133,609</u>	<u>166,548</u>
Payables to other related parties		
Transport Workers Union of NSW (State Registered Union)	51,083	-
Subtotal payables to other related parties	<u>51,083</u>	<u>-</u>
Total trade payables	<u><u>433,154</u></u>	<u><u>258,103</u></u>

Settlement is usually made within 30 days.

Note 7B: Other payables

Superannuation payable	131,449	169,865
GST payable (net)	91,820	69,032
Delegate commission	74,157	85,000
Legal costs		
Other legal matters	10,729	-
Growth/ campaign and training contribution (Transport Workers Union of Australia (National Council)	17,051	-
Credit card	16,239	11,311
Income received in advance	26,488	61,174
Other	95,803	97,828
Total other payables	<u>463,736</u>	<u>494,210</u>
Total other payables are expected to be settled in:		
No more than 12 months	463,736	494,210
More than 12 months	-	-
Total other payables	<u><u>463,736</u></u>	<u><u>494,210</u></u>

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

	2 Sept 2024	31 Dec 2023
	\$	\$
Note 8 Provisions		
Note 8A: Employee Provisions		
Office Holders:		
Annual leave	209,219	138,431
Long service leave	152,553	215,817
Separations and redundancies	578,334	-
<i>Subtotal employee provisions—office holders</i>	940,106	354,248
Employees other than office holders:		
Annual leave	572,695	390,541
Long service leave	636,605	412,878
Separations and redundancies	236,301	-
<i>Subtotal employee provisions—employees other than office holders</i>	1,445,601	803,419
Total employee provisions	2,385,707	1,157,667
Current	2,385,707	1,117,378
Non-Current	-	40,289
<i>Total employee provisions</i>	2,385,707	1,157,667

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

2 Sept 2024 31 Dec 2023
\$ \$

Note 9 Borrowings

Note 9A: Lease liabilities

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

Current	55,848	20,240
Non-Current	-	49,003
Total leases	55,848	69,243

The Branch leases photocopiers that are held at the office located in Port Melbourne. Each lease is reflected in the statement of financial position as a right-to-use asset and a lease liability.

Leases are either non-cancellable or may only be cancelled by incurring a substantial termination fee. The Branch is prohibited from selling or pledging the underlying leased assets as security.

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

Right of use asset	No of right of use assets leased	Range of remaining term	Average remaining term	No of leases with extension options	No of leases with options to purchase	No of leases with variable payments linked to index	No of leases with termination options
Equipment leases	1	2.58 years*	2.58 years	-	-	-	-

* Lease commitments have been assumed by the Interim Governance Branch upon transfer of net assets upon the disbandment of the Branch.

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 9A Leases (continued)

Future minimum lease payments were as follows:

	Minimum lease payments due						Total
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	After 5 years	
2 September 2024							
Lease payments	59,042	-	-	-	-	-	59,042
Future finance charges	(3,184)	-	-	-	-	-	(3,184)
Net present value	55,858	-	-	-	-	-	55,858
31 December 2023							
Lease payments	22,855	22,855	22,855	5,715	-	-	74,280
Future finance charges	(2,616)	(1,686)	(714)	(21)	-	-	(5,037)
Net present value	20,239	21,169	22,141	5,694	-	-	69,243

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

	2 Sept 2024	31 Dec 2023
	\$	\$

Note 10 Reserves

The asset revaluation reserve records the revaluation of land and buildings held by the Branch.

Asset Revaluation Fund

Balance at start of year	4,926,881	4,926,881
Transferred to reserve	100,000	-
Transferred out of reserve	-	-
Balance at end of year	5,026,881	4,926,881

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

1 Jan 2024 – 2 Sept 2024
\$

1 Jan 2023 – 31 Dec 2023
\$

Note 11 Cash Flow

Note 11A: Cash Flow Reconciliation

Reconciliation of cash and cash equivalents as per Statement of Financial Position to Cash Flow Statement:

Cash and cash equivalents as per:

Cash flow statement	781,423	507,877
Statement of financial position	781,423	507,877
Difference	-	-

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

(Deficit)/ surplus for the year	(926,087)	370,024
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Adjustments for non-cash items

Depreciation/ amortisation	37,656	54,410
Non-cash interest on leasing arrangements	1,845	-
Gain on disposal of property, plant and equipment	-	-
(Gain)/ loss on revaluation of investments	-	-
Other non-cash items	-	2,195

Changes in assets/ liabilities

(Increase)/ decrease in net receivables	(38,362)	(112,741)
(Increase)/ decrease in other current assets	(52,037)	65,899
Increase/ (decrease) in trade and other payables	144,577	32,196
Increase/ (decrease) in provisions	1,228,040	(109,746)
Net cash used in operating activities	395,632	302,237

Note 11B: Cash flow information

Cash inflows from other reporting units		
Transport Workers Union of Australia – National Council	29,117	51,325
Total cash inflows	29,117	51,325

Cash outflows to other reporting units		
Transport Workers Union of Australia – National Council	(994,435)	(1,268,961)
Total cash outflows	(994,435)	(1,268,961)

Note: Cash flow information to/ from other reporting units disclosed include 10% GST on applicable transactions.

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

2 Sept 2024 31 Dec 2023
\$ **\$**

Note 11 Cash Flow (Continued)

Note 11C: Non-cash transactions

There have been no non-cash financing or investing activities during the year (2023: Nil).

Note 11D: Net debt reconciliation

Cash and cash equivalents	781,423	507,877
Borrowings – repayable within one year	(20,855)	(20,240)
Borrowings – repayable after one year	(34,993)	(49,003)
Net debt	725,575	438,634

Note 11E: Reconciliation of movements of liabilities to cash flows arising from financing activities

	Other Assets	Liabilities from financing activities		
	Cash assets	Borrowings – due within 1 year	Borrowings – due after 1 year	Total
Net debt at 1 January 2023	286,736	(19,351)	(69,546)	197,839
Cash flows	221,141	(889)	20,543	240,795
Net debt at 31 December 2023	507,877	(20,240)	(49,003)	438,634
Cash flows	273,546	(615)	14,010	286,941
Net debt at 2 September 2024	781,423	(20,855)	(34,993)	725,575

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 2 SEPTEMBER 2024**

	1 Jan 2024 – 2 Sept 2024	1 Jan 2023 – 31 Dec 2023
	\$	\$

Note 12 Contingent Liabilities, Assets and Commitments

Note 12A: Commitments and Contingencies

Capital commitments

At 2 September 2024 the Branch did not have any capital commitments (2023: Nil).

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

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

Note 13 Related Party Disclosures

**Note 13A: Related Party Transactions for the Reporting Period
Holders of office and related reporting units**

For financial reporting purposes, under the *Fair Work (Registered Organisations) Act 2009*, the Transport Workers' Union of Australia is divided into the following separate reporting units (and deemed related parties):

TWU – National Council
TWU – NSW/ QLD (Interim Governance) Branch
TWU – SA/ NT Branch
TWU – WA Branch

Other Related Parties

Transport Workers Union – NSW (TWU NSW)

The Transport Workers Union – NSW (being a state registered trade union) has members on its Committee of Management that are consistent with that of the Branch.

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

Revenue received from TWU – National Council includes the following:

Reimbursement of expenses	26,469	51,325
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Expenses paid to TWU – National Council includes the following:

Sustentation fees	863,312	1,215,703
Campaign & Training Contribution	17,051	28,985
Legal fees/ meeting fees/ research expenses	10,775	40,294

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 13 Related Party Disclosures (Continued)

**Note 13A: Related Party Transactions for the Reporting Period
Holders of office and related reporting units (Continued)**

	2 Sept 2024	31 Dec 2023
	\$	\$
Amounts owed by TWU – National Office includes the following:		
Reimbursement of expenses	2,500	-
Amounts owed to TWU – National Office includes the following:		
Sustentation fees/ contribution	133,609	166,548
Campaign contribution accrual	17,051	-
Amounts owed to TWU – NSW Branch includes the following:		
Reimbursement of expenses	51,083	-

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the period ended 2 September 2024, the Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2023: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 13 Related Party Disclosures (Continued)

	1 Jan 2024 – 2 Sept 2024	1 Jan 2023 – 31 Dec 2023
	\$	\$

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

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

Short-term employee benefits

Salary (including annual leave taken)	519,334	377,936
Other	46,867	44,821

Total short-term employee benefits	566,201	422,757
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Post-employment benefits:

Superannuation	87,477	70,336
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Total post-employment benefits	87,477	70,336
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Other long-term benefits:

Long-service leave	14,707	-
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Total other long-term benefits	14,707	-
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Termination benefits

Separation/ redundancies	578,334	-
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	578,334	-
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Total	1,246,719	493,093
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No other transactions occurred during the year with elected officers, close family members or other related parties than those related to their membership or employment and on terms no more favourable than those applicable to any other member of employee.

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

	2024	2023
	\$	\$
Note 14 Remuneration of Auditors		
Financial statement audit services – MGI Audit Pty Ltd	35,000	-
Financial statement audit services – Ryecrofts Pty Ltd	-	14,200
Other services	50	-
Total remuneration of auditors	35,050	14,200

Note 15 Financial Instruments

Financial Risk Management Policy

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

(a) Credit Risk

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

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

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

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

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

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

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 15 Financial Instruments (Continued)

	Within trading terms	0 to 30 days	31 to 60 days	61 + days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	69,740	-	-	2,426	72,166
Receivables from other reporting units	-	1,366	-	1,134	2,500
Total	69,740	1,366	-	3,560	74,666

	Within trading terms	0 to 30 days	31 to 60 days	61 to 90 days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	28,654	-	-	-	28,654
Receivables from other reporting units	-	-	-	-	-
Total	28,654	-	-	-	28,654

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

Credit risk related to balances with banks and other financial institutions is managed by the Committee of Management in accordance with approved policy. Such policy requires that surplus funds are only invested with counterparties with a strong reputation and backed by the Commonwealth Government's bank guarantee. At 2 September 2024, all funds were held by financial institutions backed by the Commonwealth Government's bank guarantee.

Collateral held as security

The Branch does not hold collateral with respect to its receivables at 2 September 2024 (2023: Nil).

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 2 SEPTEMBER 2024**

Note 15 Financial Instruments (Continued)

(b) Liquidity Risk

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

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

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

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

Financial Instrument Composition and Maturity Analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2 Sept 2024	31 Dec 2023	2 Sept 2024	31 Dec 2023	2 Sept 2024	31 Dec 2023	2 Sept 2024	31 Dec 2023
	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment								
Trade and other payables	(896,890)	(752,313)	-	-	-	-	(896,890)	(752,313)
Borrowings - leases	(55,848)	(20,240)	-	(49,003)	-	-	(55,848)	(69,243)
Total expected outflows	(952,738)	(772,553)	-	(49,003)	-	-	(952,738)	(821,556)
Financial assets – cash flow receivable								
Cash and cash equivalents	781,423	507,877	-	-	-	-	781,423	507,877
Trade and other receivables	67,016	28,654	-	-	-	-	67,016	28,654
Investments	5,968,780	5,953,237	-	-	-	-	5,968,780	5,953,237
Total anticipated inflows	6,817,219	6,489,738	-	-	-	-	6,817,219	6,489,768
Net inflow on financial instruments	5,864,480	5,717,185	-	(49,003)	-	-	5,864,480	5,668,212

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 2 SEPTEMBER 2024**

Note 15 Financial Instruments (Continued)

(c) Market Risk

i. Interest rate risk

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

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

	Weighted Average Effective Interest Rate			
	2 Sept 2024	31 Dec 2023	2 Sept 2024	31 Dec 2023
	%	%	\$	\$
Cash and cash equivalents	0.71	0.71	781,423	507,877
Investments	4.86	4.53	5,968,780	5,953,237

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

Sensitivity Analysis

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

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

	Profit	Equity
	\$	\$
Period ended 2 September 2024		
+2% in interest rates	135,004	135,004
-2% in interest rates	(124,922)	(124,922)
Year ended 31 December 2023		
+2% in interest rates	129,223	129,223
-2% in interest rates	(129,223)	(129,223)

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

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

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 15 Financial Instruments (Continued)

(c) Market Risk (continued)

- ii. Foreign exchange risk
The Branch is not exposed to direct fluctuations in foreign currencies.

- iii. Price risk
The Branch is not exposed to any material commodity price risk.

Note 16 Fair Value Measurements

Fair Values

Fair value estimation

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

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

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

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

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 2 SEPTEMBER 2024**

Note 16 Fair Value Measurements (Continued)

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

	Footnote	2 Sept 2024		31 Dec 2023	
		Carrying value	Fair value	Carrying value	Fair value
		\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	(i)	781,423	781,423	507,877	507,877
Accounts receivable and other debtors	(i)	67,016	67,016	28,654	28,654
Investments	(i)	5,968,780	5,968,780	5,953,237	5,953,237
Total financial assets		6,817,219	6,817,219	6,489,768	6,489,768
Financial liabilities					
Trade payables	(i)	433,154	433,154	258,103	258,103
Other payables	(i)	463,736	463,736	494,210	494,210
Total financial liabilities		896,890	896,890	752,313	752,313

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

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

Fair Value Hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 2 SEPTEMBER 2024**

Note 16 Fair Value Measurements (Continued)

Fair Value Hierarchy (Continued)

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

The 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 – 2 September 2024

	Note	Date of Valuation	Level 1	Level 2	Level 3
			\$	\$	\$
Assets measured at fair value					
Land and buildings – 52-56 Rouse Street, Port Melbourne	6A	2 Sept 2024	-	8,500,000	-
Total			-	8,500,000	-

The Branch does not have any other assets or liabilities that are recorded using a fair value technique.

Fair value hierarchy – 31 December 2023

	Note	Date of Valuation	Level 1	Level 2	Level 3
			\$	\$	\$
Assets measured at fair value					
Land and buildings – 52-56 Rouse Street, Port Melbourne	6A	31 Dec 2020	-	8,400,000	-
Total			-	8,400,000	-

The Branch does not have any assets or liabilities that are recorded using a fair value technique.

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 2 SEPTEMBER 2024

Note 17 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 General Manager:

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

Note 18 Branch Details

The registered office of the Branch is:

Transport Workers Union of Australia – Victoria/ Tasmania Branch
52-56 Rouse Street
PORT MELBOURNE VIC 3207

Note 19 Segment Information

The Branch operates solely in one reporting business segment being the provision of trade union services.

The Branch operates from one reportable geographical segment being Victoria and Tasmania.

TRANSPORT WORKERS UNION OF AUSTRALIA – VICTORIA/ TASMANIA BRANCH

OFFICER DECLARATION STATEMENT

I Richard Olsen, being the Branch Secretary of the Transport Workers' Union of Australia – New South Wales/ Queensland/ Victoria/ Tasmania (Interim Governance) Branch (being the Branch responsible for the presentation of these final Transport Workers Union of Australia – Victoria/ Tasmania Branch declare that the following did not occur during the reporting period ended 2 September 2024:

The reporting unit did not:

- Agree to receive financial support from another reporting unit to continue as a going concern (refer to agreement regarding financial support not dollar amounts)
- Agree to provide financial support to another reporting unit to ensure they continued as a going concern (refer to agreement regarding financial support not dollar amounts)
- Acquired 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 of revocation by the General Manager, Fair Work Commission
- Receive capitation fees from another reporting unit
- Receive revenue via compulsory levies
- Receive revenue from undertaking recovery of wages activity
- Incur fees as consideration for employers making payroll deductions of membership subscriptions
- Pay compulsory levies
- Pay a grant that was \$1,000 or less
- Pay a grant that exceeded \$1,000
- Pay other employee expenses to holders of office
- Pay other employee expenses to employees (other than holders of office)
- Pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- Have a payable to an employer for that employer making payroll deductions of membership subscriptions
- Have a payable in respect of legal costs relating to litigation
- Have other employee provisions in respect of holders of office
- Have other employee provisions in respect of holders of office (other than holders of office)
- Have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- 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



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Richard Olsen

Interim Governance Branch Secretary

10 March 2025