AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION - QUEENSLAND TOGETHER BRANCH

ABN 97 853 552 816

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

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AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION - QUEENSLAND TOGETHER BRANCH

COMMITTEE OF MANAGEMENT'S OPERATING REPORT

FOR THE YEAR ENDED 30 JUNE 2018

Operating Report

In accordance with section 254 of the *Fair Work (Registered Organisations) Act 2009* ("Act") the Committee of Management ("the Committee") presents its Operating Report on the Australian Municipal, Administrative, Clerical and Services Union - Queensland Together Branch ("the Branch"), for the year ended 30 June 2018.

Principal Activities

The principal activities of the Branch during the year fell in the following categories:

- Organising existing members and new members
- Bargaining, negotiating and arbitrating for improvements in wages and conditions of employment for members of the Branch.
- Representing members in work related grievances or other matters
- Undertaking training and development for delegates of the Branch.

Over the year the Branch negotiated many Collective Agreements delivering improvements in wages and conditions to ASU members.

There have been no changes in the principal activities of the Branch during the year.

Operating Results

The consolidated deficit for the financial year amounted to $284,070 (2017 – surplus $128,473).

Significant Changes in Financial Affairs

There have been no significant changes to financial affairs of the union during the 2018 financial year. The Committee of Management acknowledge that on 30 June 2018 the Branch agreed to wind the wholly owned subsidiary (Working for Queenslanders Limited). As a result, the consolidated financial statements detailed the operations of the consolidated entity until 30 June 2018.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Branch, the results of those operations or the state of affairs of the Branch in future financial years.

Future Developments

Likely developments in the operations of the Branch or the expected result of those operations in future financial years have not been included in this report as such information is likely to result in unreasonable prejudice to the Branch.

Environmental Issues

The Branch's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Members Right to Resign

A member may resign from the Branch by written notice addressed and delivered to the Secretary of the Branch in which membership is held.

Membership of the Branch

Total number of members as at 30 June 2018: 27,340 (2017: 26,760).

Employees of the Branch

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 and part-time employees measured on a full-time equivalent basis is 68.51 (2017: 69.65).

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 a position is as follows:

Name	**Period of appointment**		
Sharon Abbott	01/07/2017	to	30/06/2018
Elizabeth Barnes	01/07/2017	to	30/06/2018
Ray Booker	01/07/2017	to	30/06/2018
Michelle Byard	01/07/2017	to	30/06/2018
Kerry Celledoni	01/07/2017	to	29/12/2017
Christine Collyer	01/07/2017	to	30/06/2018
Peter Devey	01/07/2017	to	30/06/2018
Sandy Donald	01/07/2017	to	30/06/2018
Vivienne Doogan	01/07/2017	to	30/06/2018
Kate Flanders	01/07/2017	to	30/06/2018
Eva Foster	01/07/2017	to	30/06/2018
Rohan Huguenin	01/07/2017	to	30/06/2018
Ruth McFarlane	01/07/2017	to	30/06/2018
Maureen McKirdy	01/07/2017	to	30/06/2018
Irene Monro	01/07/2017	to	30/06/2018
Paul O'Driscoll	01/07/2017	to	30/06/2018
Joanne O'Shanesy	01/07/2017	to	30/06/2018
Angie Saville-Balsamo	01/07/2017	to	30/06/2018
Alex Scott	01/07/2017	to	30/06/2018
Mark Starkey	01/07/2017	to	30/06/2018

Indemnifying Officers or Auditors

The Branch has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor:

- indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against liability for the costs or expenses to defend legal proceedings.

Wages Recovery Activity

The Branch has not undertaken any recovery of wages activity for the financial years ended 30 June 2018 and 30 June 2017.

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION - QUEENSLAND TOGETHER BRANCH

COMMITTEE OF MANAGEMENT'S OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

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

Those who hold a position of trustee or director of an entity, scheme or company as described in s.254 (2) (d) of the *Fair Work (Registered Organisations) Act 2009*, where a criterion of such entity is that the holder of such position must be a member or official of a registered organisation are as follows:

Ruth McFarlane - Member and Committee of Management Member of the Branch
- Trustee of Q Super

Disclosure Statements - Remuneration and Non-Cash Benefits of Highest Paid Officers

The five highest paid offices of the Branch for the disclosure period ended 30 June 2018 and the amounts of the relevant remuneration paid to them and the value or form of non-cash benefits received by them are set out in the table below:

Remuneration is defined as per the Branch's Rules (rule 57A xvi) as follows:

- Includes pay, wages, salary, fees, allowances, leave, benefits or other entitlements (employer superannuation); but
- Does not include a non-cash benefit; and
- Does not include the reimbursement or payment of reasonable expenses for the cost incurred in the course of the officer carrying out the officers' duties.

	Name of Officer	Actual amount of relevant remuneration	Value of non-cash benefits	Form of non-cash benefits
1	Alex Scott Branch Secretary	$219,970	$24,325	Motor Vehicle and car park
2	Vivienne Doogan Branch President	$191,134	$12,835	Motor Vehicle operating costs and car park
3	Irene Monro Assistant Branch Secretary	$174,421	$11,154	Motor Vehicle operating costs and car park
4	Kate Flanders Assistant Branch Secretary	125,071	21,134	Motor Vehicle and car park
5	Joanne O'Shanesy	61,172	Nil	N/A

Disclosure Statements – Officers' Material Personal Interests

No officer of the Branch has disclosed any material personal interests that they or a relative of theirs has in a matter that relates to the affairs of the Branch in the year ended 30 June 2018.

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION - QUEENSLAND TOGETHER BRANCH

COMMITTEE OF MANAGEMENT'S OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

Disclosure by Branch of Payments to Related Parties or Declared Persons

The Branch has made no reportable payments to any related party or declared person or body of the Branch in the year ended 30 June 2018.

Auditor's Independence Declaration

A copy of the auditor's independence declaration is set out on page 8.

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:

....

Alex Scott
Branch Secretary

14 November 2018

South Brisbane

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION - QUEENSLAND TOGETHER BRANCH

COMMITTEE OF MANAGEMENT STATEMENT

FOR THE YEAR ENDED 30 JUNE 2018

On 14 November 2018, the Committee of Management of the Branch passed the following resolution to the General Purpose Financial statements (GPFR) of the reporting unit for the financial year ended 30 June 2018.

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

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

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

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

(d) there are reasonable grounds to believe that the Branch 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 the rules of the union concerned; and

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

iii. the financial records of the Branch 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 Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or Commissioner; and

vi. there have been no orders for inspection of financial records made by the Fair Work Commission under section 273 of the RO Act during the year.

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

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

Name of Designated Officer:	Alex Scott
Title of Designated Officer:	Branch Secretary
Signature:	....
Date:	14 November 2018

accountants + auditors

GPO Box 1087
Brisbane Qld 4001 Australia
t: +61 7 3002 4800
f: +61 7 3229 5603

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

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

AUDITOR'S INDEPENDENCE DECLARATION

TO THE COMMITTEE OF MANAGEMENT OF AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION – QUEENSLAND TOGETHER BRANCH

As lead auditor for the audit of the Australian Municipal, Administrative, Clerical and Services Union – Queensland Together Branch for the year ended 30 June 2018; 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.

M.G.I

MGI Audit Pty Ltd

G I Kent

Director – Audit & Assurance

Brisbane

9 November 2018

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION - QUEENSLAND TOGETHER BRANCH

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	Notes	Consolidated 2018 $	Consolidated 2017 $	Parent 2018	Parent 2017 $
Revenue					
Membership subscription		**13,071,989**	12,638,328	**13,071,989**	12,638,328
Capitation fees	3A	-	-	-	-
Levies	3B	-	-	-	-
Interest	3C	**206,158**	207,884	**206,158**	207,687
Other revenue	3D	**162,984**	193,899	**162,984**	193,899
Total revenue		**13,441,131**	13,040,111	**13,441,131**	13,039,914
Other Income					
Grants and/or donations	3E	-	-	-	-
Net gains from sale of assets	3F	-	-	-	-
Total other income		-	-	-	-
Total income		**13,441,131**	13,040,111	**13,441,131**	13,039,914
Expenses					
Employee expenses	4A	**(8,861,055)**	(8,502,566)	**(8,861,055)**	(8,502,566)
Capitation fees	4B	**(768,135)**	(759,793)	**(768,135)**	(759,793)
Affiliation fees	4C	**(292,532)**	(263,225)	**(292,532)**	(263,225)
Administration expenses	4D	**(1,096,924)**	(1,097,594)	**(1,096,924)**	(1,097,594)
Grants or donations	4E	**(50)**	(2,850)	**(50)**	(2,850)
Depreciation and amortisation	4F	**(85,907)**	(124,521)	**(85,907)**	(124,521)
Legal costs	4G	**(294,579)**	(100,352)	**(294,579)**	(100,352)
Audit and other professional fees	4H	**(47,545)**	(90,752)	**(47,545)**	(55,540)
Service agreement expenses	4I	**(24,000)**	(24,000)	**(24,000)**	(24,000)
Finance costs	4J	**(90,841)**	(89,812)	**(90,841)**	(89,498)
Impairment	4K	**(3,902)**	-	-	(39,321)
Other expenses	4L	**(2,159,731)**	(1,856,173)	**(2,159,731)**	(1,856,083)
Total expenses		**(13,725,201)**	(12,911,638)	**(13,721,299)**	(12,915,343)
Profit (loss) for the year		**(284,070)**	128,473	**(280,168)**	124,571
Other comprehensive income					
Other Comprehensive income (net of income tax)		-	-		-
Total comprehensive income for the year		**(284,070)**	128,473	**(280,168)**	124,571

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

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION - QUEENSLAND TOGETHER BRANCH

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

		Consolidated		Parent	
		2018	2017	**2018**	2017
	Notes	$	$	$	$
ASSETS					
Current Assets					
Cash and cash equivalents	5A	**9,129,823**	9,441,717	**9,129,823**	9,437,815
Trade and other receivables	5B	**127,264**	97,466	**127,264**	97,466
Other current assets	5C	**480,768**	342,234	**480,768**	342,234
Total current assets		**9,737,855**	9,881,417	**9,737,855**	9,877,515
Non-Current Assets					
Property, plant and equipment	6	**386,274**	222,973	**386,274**	222,973
Total non-current assets		**386,274**	222,973	**386,274**	222,973
Total assets		**10,124,129**	10,104,390	**10,124,129**	10,100,488
LIABILITIES					
Current Liabilities					
Trade payables	7A	**112,847**	222,190	**112,847**	222,190
Other payables	7B	**723,153**	457,059	**723,153**	457,059
Employee provisions	8A	**2,537,434**	2,417,199	**2,537,434**	2,417,199
Total current liabilities		**3,373,434**	3,096,448	**3,373,434**	3,096,448
Non-Current Liabilities					
Employee provisions	8A	**95,962**	69,139	**95,962**	69,139
Other provisions	8B	**30,000**	30,000	**30,000**	30,000
Total non-current liabilities		**125,962**	99,139	**125,962**	99,139
Total liabilities		**3,499,396**	3,195,587	**3,499,396**	3,195,587
Net assets		**6,624,734**	6,908,803	**6,624,734**	6,904,901
EQUITY					
Retained earnings		**6,624,733**	6,908,803	**6,624,733**	6,904,901
Total equity		**6,624,733**	6,908,803	**6,624,733**	6,904,901

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

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION - QUEENSLAND TOGETHER BRANCH

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

Consolidated	Notes	Retained earnings	Total equity
		$	$
Balance as at 1 July 2016		6,780,330	6,780,330
Surplus for the year		128,473	128,473
Other comprehensive income for the year		-	-
Closing balance as at 30 June 2017		6,908,803	6,908,803
Deficit for the year		**(284,070)**	**(284,070)**
Other comprehensive income for the year		**-**	**-**
Closing balance as at 30 June 2018		**6,624,733**	**6,624,733**

Parent	Retained earnings	Total equity
	$	$
Balance as at 1 July 2016	6,780,330	6,780,330
Surplus for the year	124,571	124,571
Other comprehensive income for the year	-	-
Closing balance as at 30 June 2017	6,904,901	6,904,901
Deficit for the year	**(280,168)**	**(280,168)**
Other comprehensive income for the year	**-**	**-**
Closing balance as at 30 June 2018	**6,624,733**	**6,624,733**

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

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION - QUEENSLAND TOGETHER BRANCH

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

		Consolidated		Parent	
		2018	2017	**2018**	2017
	Notes	**$**	$	**$**	$
OPERATING ACTIVITIES					
Cash received					
Receipts from other reporting units	9B	**18,216**	9,371	**18,216**	9,371
Receipts from members and other customers		**14,767,541**	14,060,379	**14,767,541**	14,276,469
Interest		**207,331**	153,979	**207,331**	153,782
Cash used					
Employees and suppliers		**(14,150,630)**	(13,008,840)	**(14,146,728)**	(13,151,241)
Payment to other reporting units	9B	**(905,144)**	(882,539)	**(905,144)**	(882,539)
Net cash provided by/ (used in) operating activities	9A	**(62,686)**	332,350	**(58,784)**	405,842
INVESTING ACTIVITIES					
Cash received					
Proceeds from the sale of plant and equipment		**-**	-	**-**	-
Cash used					
Purchase of plant and equipment		**(249,208)**	(123,990)	**(249,208)**	(123,990)
Net cash provided by/ (used in) investing activities		**(249,208)**	(123,990)	**(249,208)**	(123,990)
FINANCING ACTIVITIES			-	**-**	-
Net increase/ (decrease) in cash held		**(311,894)**	208,360	**(307,992)**	281,852
Cash & cash equivalents at the beginning of the reporting period		**9,441,717**	9,233,357	**9,437,815**	9,155,963
Cash & cash equivalents at the end of the reporting period		**9,129,823**	9,441,717	**9,129,823**	9,437,815

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

RECOVERY OF WAGES ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2018

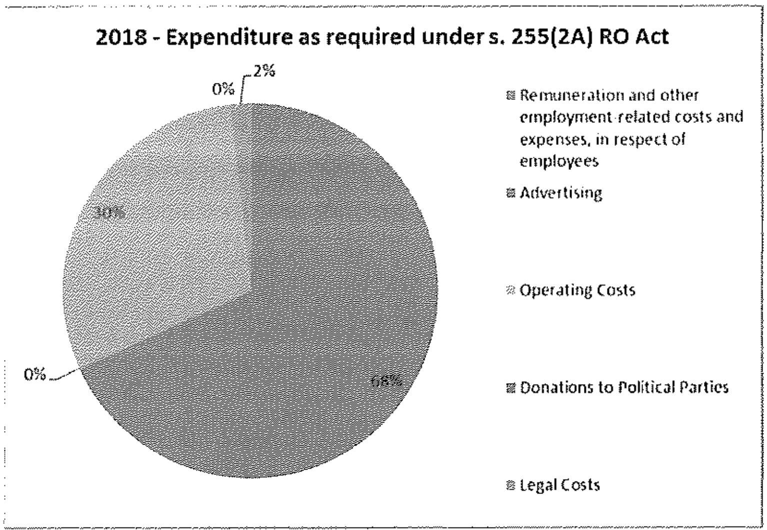
	Consolidated		Parent	
	2018	2017	**2018**	2017
	$	$	$	$
Cash assets in respect of recovered money at beginning of year	-	-	-	-
Receipts				
Amounts recovered from employers in respect of wages etc.	-	-	-	-
Interest received on recovered money	-	-	-	-
Total receipts	-	-	-	-
Payments				
Deductions of amounts due in respect of membership for:				
12 months or less	-	-	-	-
Greater than 12 months	-	-	-	-
Deductions of donations or other contributions to accounts or funds of:				
The reporting unit:				
name of account	-	-	-	-
name of fund	-	-	-	-
Name of other reporting unit of the organisation:				
name of account	-	-	-	-
name of fund	-	-	-	-
Name of other entity:				
name of account	-	-	-	-
name of fund	-	-	-	-
Deductions of fees or reimbursement of expenses	-	-	-	-
Payments to workers in respect of recovered money	-	-	-	-
Total payments	-	-	-	-
Cash assets in respect of recovered money at end of year	-	-	-	-
Number of workers to which the monies recovered relates	-	-	-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed				
Payable balance	-	-	-	-
Number of workers the payable relates to	-	-	-	-

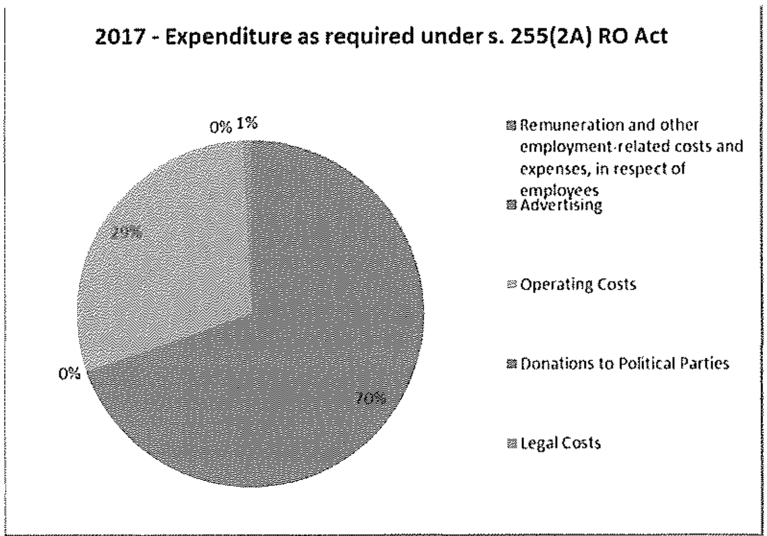
The above statement should be read in conjunction with the notes.

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION - QUEENSLAND TOGETHER BRANCH

REPORT REQUIRED UNDER SUBSECTION 255(2A) OF THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009
FOR THE YEAR ENDED 30 JUNE 2018

The Committee of Management presents the expenditure report as required under subsection 255(2A) of the *Fair Work (Registered Organisations) Act 2009* on the Consolidated Entity for the year ended 30 June 2018:





Alex Scott
Branch Secretary

14 November 2018
South Brisbane

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION - QUEENSLAND TOGETHER BRANCH

REPORT REQUIRED UNDER SUBSECTION 255(2A) OF THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009
FOR THE YEAR ENDED 30 JUNE 2018

For the purposes of the subsection 255(2A) statement, the following assumptions were utilised:

Remuneration and other employment-related costs and expenses, in respect of employees

Costs comprise of:
- Salaries and wages
- Superannuation
- Payroll tax
- Fringe benefits tax
- Clothing and motor vehicle allowances
- Workers compensation and other employment insurances
- All other employment associated costs (for example, staff amenities, training etc.).

Donations to Political Parties

Donations to political parties comprise of:
- Cash donations
- In-kind donations (when determined by Branch Executive to be a donation)

Legal Costs

Legal costs comprise of all costs associated with the engaging external legal services as well as any court fees and charges. In house industrial staff costs are disclosed in remuneration and other employment costs and expenses.

Operating Costs

All costs associated with the Branch pursuing the objects of the Union were deemed by the Committee of Management to be an operating cost (unless disclosed elsewhere within the subsection 255(2A) Statement).

Advertising Costs

Advertising costs include any costs incurred by the Branch for the promotion of a product, service or idea. Advertising costs include paid advertising space in print or online, broadcast and/or radio and direct mail advertising.

AUSTRALIAN MUNICIPAL, ADMINISTRATIVE, CLERICAL AND SERVICES UNION - QUEENSLAND TOGETHER BRANCH

INDEX TO THE NOTES OF THE FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009.*Complaince with Australia Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by IASB. For the purpose of preparing the general purpose financial statements, the Australian Municipal, Administrative, Clerical and Services Union - Queensland Together Branch is a not-for-profit entity.

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

1.2 Comparative amounts

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

1.3 Significant accounting judgements and estimates

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.

<u>Key Estimates</u>
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.

<u>Key Judgements</u>
Useful lives of property, plant and equipment
Property, 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.3 Significant accounting judgements and estimates (Continued)

On-cost for employee entitlement provision
The Branch revised its estimate for on-costs for employee provision during the year to include superannuation, workcover 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 except for the following standards and amendments, which have been adopted for the first time this financial year

- AASB 2016-2 *Amendment to Australian Accounting Standards – Disclosure Initiative Amendments to AASB 107,* which amends AASB 107 *Statement of Cash Flows* (August 2015) to require entities preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and no-cash changes.

  The Branch has provided the information for both current and comparative period in Note 9E & 9F.

Future Australian Accounting Standards Requirements

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

AASB 9: Financial Instruments and associates Amending Standards
(applicable to annual reporting periods beginning on or after 1 January 2018)

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

Key changes that may affect the Branch on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.4 New Australian Accounting Standards (Continued)

AASB 9: Financial Instruments and associates Amending Standards (Continued)

Although the Committee of Management anticipate that the adoption of AASB 9 may have an impact on the Branch's financial instruments, it is impractical at this stage to provide a reasonable estimate of such impact.

AASB 15: Revenue from Contracts with Customers
(applicable for annual reporting periods beginning on or after 1 January 2018)

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with the customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to perform obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhance disclosures regarding revenue.

The Committee of Management anticipate that the adoption of AASB 15 will not have a significant impact on the Branch's financial statements.

AASB 16: Leases
(applicable for annual reporting periods beginning on or after 1 January 2018)

AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.

A lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. As a consequence, a lessee recognises depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows applying AASB 107 Statement of Cash Flows.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

AASB 16: Leases (continued)

Assets and liabilities arising from a lease are initially measures on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments), and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or note to exercise an option to terminate the lease.

Although the Committee of Management anticipate that the adoption of AASSB 16 may have an impact on the Branch's financial statements, it is impractical at this stage to provide a reasonable estimate of such impact.

1.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Australian Municipal, Administrative, Clerical and Services Union - Queensland Together Branch and entities controlled by the Branch (its subsidiaries). Control is achieved where the Branch is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the entity

Specifically, the Branch controls an investee if and only if it has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

When the Branch has less than a majority of the voting or similar rights of an investee, the Branch considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- Relevant activities of the investee and who has control over them
- Existing or future administrative or statutory arrangements that may give rise to rights/control (or change the previous control assessment)
- Whether rights are substantive or protective in nature and whether rights presently exercisable or will be exercisable when decisions about relevant activities are being made
- Exposure or rights to financial and non-financial returns (direct or indirect) and the ability to influence those returns
- Whether the investor is exercising its decision-making abilities as a principal or agent
- Rights arising from other contractual arrangements

The Branch re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Branch obtains control over the subsidiary and ceases when it loses control of the subsidiary.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Branch gains control until the date it ceases to control the subsidiary.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.5 Basis of consolidation (Continued)

Income and expense of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Branch and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Branch.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Branch's ownership interests in subsidiaries that do not result in the Branch losing control are accounted for as equity transactions. The carrying amounts of the Branch's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Branch

When the Branch loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Branch] had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under *AASB 139 'Financial Instruments: Recognition and Measurement'* or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.6 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

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

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

1.7 Gains

Sale of assets

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

1.8 Capitation fees and levies

Capitation fees and levies are recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

1.10 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.11 Borrowing costs

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

1.12 Cash

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

1.13 Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.14 Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:
- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Branch manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.14 Financial assets (Continued)

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Branch's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the Branch has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

Available-for-sale

Listed shares and listed redeemable notes held by the Branch that are traded in an active market are classified as available-for-sale and are stated at fair value. The Branch also has investments in unlisted shares that are not traded in an active market but that are also classified as available-for-sale financial assets and stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Branch right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.14 Financial assets (Continued)

Loan and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Branch's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.14 Financial assets (Continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Derecognition of financial assets

The Branch derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.15 Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:
- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Branch manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:
- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Branch's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Branch derecognises financial liabilities when, and only when, the Branch's obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.16 Contingent Liabilities and Contingent Assets

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

1.17 Property, Plant and Equipment

Asset Recognition Threshold

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

Depreciation

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

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

	2018	2017
Plant and equipment	**2 to 12 years**	2 to 12 years
Motor Vehicles	**6 to 7 years**	6 to 7 years

Derecognition

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.18 Impairment for 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.

1.19 Taxation

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

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

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.20 Fair value measurement

The Branch measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 14.

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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.20 Fair value measurement (continued)

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.

1.21 Going concern

The Branch is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

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

NOTE 2 EVENTS AFTER REPORTING DATE

There were no events that occurred after 30 June 2018, and/ or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch

	Consolidated		Parent	
	2018	2017	**2018**	2017
	$	$	$	$
NOTE 3 INCOME				
Note 3A: Capitation fees	-	-	-	-
Total capitation fees	-	-	-	-
Note 3B: Levies	-	-	-	-
Total levies	-	-	-	-
Note 3C: Interest				
Deposits	**206,158**	207,884	**206,158**	207,687
Total interest	**206,158**	207,884	**206,158**	207,687
Note 3D: Other Revenue				
Sponsorship income	**7,591**	7,591	**7,591**	7,591
Rental income	**27,450**	4,400	**27,450**	4,400
Contribution from Queensland Together, Industrial Union of Employees on IT review	**85,000**	-	**85,000**	-
Proceeds from Queensland Together, Industrial Union of Employees on sale of fixed assets	**14,545**	85,505	**14,545**	85,505
Financial support to another reporting unit	-	-	-	-
Other	**28,398**	96,403	**28,398**	96,403
Total other revenue	**162,984**	193,899	**162,984**	193,899
Note 3E: Grants or donations				
Grants	-	-	-	-
Donations	-	-	-	-
Total grants or donations	-	-	-	-
Note 3F: Net gains from sale of assets				
Land and buildings	-	-	-	-
Plant and equipment	-	-	-	-
Intangibles	-	-	-	-
Total net gain from sale of assets	-	-	-	-

NOTE 4 EXPENSES

Note 4A: Employee expenses

	Consolidated		Parent	
	2018	2017	**2018**	2017
	$	$	**$**	$
Holders of office:				
Wages and salaries	**586,897**	475,049	**586,897**	475,049
Superannuation	**98,730**	100,472	**98,730**	100,472
Leave and other entitlements	**87,176**	63,648	**87,176**	63,648
Separation and redundancies	**-**	-	**-**	-
Other employee expenses	**-**	-	**-**	-
Subtotal employee expenses holders of office	**772,803**	639,169	**772,803**	639,169
Employees other than office holders:				
Wages and salaries	**6,168,370**	6,151,608	**6,168,370**	6,151,608
Superannuation	**1,005,283**	984,462	**1,005,283**	984,462
Leave and other entitlements	**914,599**	727,327	**914,599**	727,327
Separation and redundancies	**-**	-	**-**	-
Other employee expenses	**-**	-	**-**	-
Subtotal employee expenses employees other than office holders	**8,088,252**	7,863,397	**8,088,252**	7,863,397
Total employee expenses	**8,861,055**	8,502,566	**8,861,055**	8,502,566

Note 4B: Capitation fees

	Consolidated 2018	Consolidated 2017	Parent 2018	Parent 2017
Australian Municipal, Administrative, Clerical and Services Union (ASU – National Office)	**768,135**	759,793	**768,135**	759,793
Total capitation fees	**768,135**	759,793	**768,135**	759,793

	Consolidated		Parent	
	2018	2017	2018	2017
		$		$
Note 4C: Affiliation fees				
Australian Labor Party (State of Queensland)	**21,434**	20,972	**21,434**	20,972
Queensland Council of Unions	**188,223**	161,101	**188,223**	161,101
Union Shopper	**67,450**	67,552	**67,450**	67,552
Queensland Community Alliance	**12,000**	12,000	**12,000**	12,000
Prison Officers Association of Australia	**3,000**	1,500	**3,000**	1,500
Brisbane Labour History Association	**100**	100	**100**	100
Optum Health & Technology (Australia) Pty Ltd	**325**	-	**325**	-
Total affiliation fees	**292,532**	263,225	**292,532**	263,225

Note 4D: Administration expenses

Consideration to employers for payroll deductions	2,599	3,411	2,599	3,411
Compulsory levies				
ASU National Office (NADC Levy)	4,477	4,476	4,477	4,476
Queensland Council of Union (Election Levy)	95,454	-	95,454	-
Fees/allowances - meeting and conferences	-	-	-	-
Conference and meeting expenses	160,786	186,017	160,786	186,017
Conference/ Branch/ Council allowances	30,413	33,320	30,413	33,320
Executive expenses	19,008	16,674	19,008	16,674
Membership expenses	12,607	101,060	12,607	101,060
Subscriptions – refunds	14,213	7,890	14,213	7,890
Office expenses (rent, occupancy costs etc.)	644,663	648,741	644,663	648,741
Repairs and maintenance	72,938	53,481	72,938	53,481
Other administration expenses	39,766	42,524	39,766	42,524
Subtotal administration expense	**1,096,924**	**1,097,594**	**1,096,924**	**1,097,594**

Purpose of Levies

NADC Levy

The purpose of the levy raised by the ASU – National Office is to fund activities with respect to members within the National Airline Industry Division.

Queensland Council of Unions

The Queensland Council of Unions raised a levy on affiliated unions to assist in funding of campaigning activities.

	Consolidated		Parent	
	2018	2017	**2018**	2017
	$	$	$	$
Note 4E: Grants or donations				
Grants:				
Total paid that were $1,000 or less	-	-	-	-
Total paid that exceeded $1,000	-	-	-	-
Donations:				
Total paid that were $1,000 or less	**50**	2,850	**50**	2,850
Total paid that exceeded $1,000	-	-	-	-
Total grants or donations	**50**	2,850	**50**	2,850
Note 4F: Depreciation and amortisation				
Depreciation				
Property, plant and equipment	**43,540**	94,337	**43,540**	94,337
Motor vehicles	**42,367**	30,184	**42,367**	30,184
Total depreciation	**85,907**	124,521	**85,907**	124,521
Amortisation	-	-	-	-
Total amortisation	-	-	-	-
Total depreciation and amortisation	**85,907**	124,521	**85,907**	124,521
Note 4G: Legal costs				
Litigation	**151,979**	15,002	**151,979**	15,002
Other legal matters	**142,600**	85,350	**142,600**	85,350
Total legal costs	**294,579**	100,352	**294,579**	100,352
Note 4H: Audit and professional fees				
External audit fees	**34,292**	46,200	**34,292**	46,200
Professional fees	**13,253**	44,552	**13,253**	9,340
Total audit and professional fees	**47,545**	90,752	**47,545**	55,540
Note 4I: Service agreement expenses				
Together Queensland, Industrial Union of Employees	**24,000**	24,000	**24,000**	24,000
Total service agreement expenses	**24,000**	24,000	**24,000**	24,000
Note 4J: Finance costs				
Bank fees and charges	**90,841**	89,812	**90,841**	89,498
Total service agreement expenses	**90,841**	89,812	**90,841**	89,498

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	Consolidated		Parent	
	2018	2017	**2018**	2017
	$	$	**$**	$
Note 4K: Impairment expenses				
Impairment on receivables (Working for Queenslanders Limited)	**3,902**	-	-	39,321
Total service agreement expenses	**3,902**	-	-	39,321

Note 4L: Other expenses

	Consolidated 2018 $	Consolidated 2017 $	Parent 2018 $	Parent 2017 $
Penalties – via RO Act or the *Fair Work Act 2009*	-	-	-	-
Loss on sale of plant and equipment	-	-	-	-
Advertising expenses	**6,203**	9,868	**6,203**	9,868
Fringe benefit tax	**65,550**	65,733	**65,550**	65,733
FBT expenses (reportable)	**15,481**	9,821	**15,481**	9,821
Insurance	**162,906**	137,031	**162,906**	137,031
Insurance - AHP Indemnity	**115,576**	90,933	**115,576**	90,933
Insurance - Corrections Legal	**120,105**	84,428	**120,105**	84,428
Motor vehicle expenses	**91,536**	112,716	**91,536**	112,716
Mortality benefits payments	**15,360**	14,171	**15,360**	14,171
Travel expenses	**92,578**	86,944	**92,578**	86,944
Postage expenses	**28,777**	29,350	**28,777**	29,350
Telephone expenses	**99,544**	125,616	**99,544**	125,616
Computer expenses	**161,698**	134,583	**161,698**	134,583
Membership IT expenses	**58,557**	40,800	**58,557**	40,800
Office supplies expense	**70,430**	101,232	**70,430**	101,142
Industrial campaigns	**106,734**	142,839	**106,734**	142,839
Payroll tax	**413,989**	405,601	**413,989**	405,601
Honoraria	**18,950**	18,103	**18,950**	18,103
Labour day expenses	**59,858**	57,500	**59,858**	57,500
Election expenses	**285,307**	5,088	**285,307**	5,088
Other expenses	**170,592**	183,816	**170,592**	183,816
Total other expenses	**2,159,731**	1,856,173	**2,159,731**	1,856,083

NOTE 5 CURRENT ASSETS

Note 5A: Cash and Cash Equivalents

	Consolidated 2018 $	Consolidated 2017 $	Parent 2018 $	Parent 2017 $
Cash at bank	**2,936,434**	3,423,998	**2,936,434**	3,420,096
Cash on hand	**1,810**	1,810	**1,810**	1,810
Term deposits	**6,191,579**	6,015,909	**6,191,579**	6,015,909
Total cash and cash equivalents	**9,129,823**	9,441,717	**9,129,823**	9,437,815

	Consolidated		Parent	
	2018	2017	**2018**	2017
	$	$	$	$
Note 5B: Trade and Other Receivables				
Receivables from other reporting units				
Australian Services Union – National Office	-	1,698	-	1,698
Less provision for impairment	-	-	-	-
Total receivables from other reporting units	-	1,698	-	1,698
Other receivables:				
Related party receivable (Together, Queensland Industrial Union of Employees)	**39,545**	15,331	**39,545**	15,331
Other trade and sundry receivables	**87,719**	80,437	**87,719**	80,437
Total other receivables	**127,264**	95,768	**127,264**	95,768
Total trade and other receivables (net)	**127,264**	97,466	**127,264**	97,466

Note 5C: Other Current Assets

Prepayments	**480,768**	342,234	**470,768**	342,234
Total other current assets	**470,768**	342,234	**470,768**	342,234

NOTE 6 NON-CURRENT ASSETS

Property, Plant and Equipment comprises of:

Plant and equipment (Note 6A)	**190,218**	86,681	**190,218**	86,681
Land and Buildings	-	-	-	-
Motor Vehicles (Note 6B)	**196,056**	136,292	**196,056**	136,292
Total land and buildings	**386,274**	222,973	**386,274**	222,973

Land and Buildings

The Together Queensland, Industrial Union of Employees (State Registered Union) owns a 50% interest in the land and buildings located at 32 Peel Street, South Brisbane. An independent valuation was undertaken in July 2017 by Mr Geoffrey Trivett, AAPI CPV (Registered Valuers Number: 983) of GD Trivett & Associates Pt Ltd. This valuation indicated that the value of the land was $3,050,000 and the building was $1,350,000 (total $4,400,000) of which 50% or $2,200,000 relates to the Together Queensland, Industrial Union of Employees.

Under the Deed of Arrangement (refer Note 11A), in the event that these assets were sold, the net proceeds would be passed through to the Branch. The above value is not reflected in the financial statements of the Branch at 30 June 2018.

	Consolidated		Parent	
	2018	2017	**2018**	2017
	$	$	**$**	$
Note 6A: Plant and Equipment				
Plant and equipment:				
at cost	**284,390**	137,314	**284,390**	137,314
accumulated depreciation	**(94,172)**	(50,633)	**(94,172)**	(50,633)
Total plant and equipment	**190,218**	86,681	**190,218**	86,681

Reconciliation of the Opening and Closing Balances of Plant and Equipment

As at 1 July				
Gross book value	**137,314**	194,692	**137,314**	194,692
Accumulated depreciation and impairment	**(50,633)**	(46,084)	**(50,633)**	(46,084)
Net book value 1 July	**86,681**	148,608	**86,681**	148,608
Additions:				
By purchase	**147,077**	32,410	**147,077**	32,410
Depreciation expense	**(43,540)**	(94,337)	**(43,540)**	(94,337)
Disposals	**-**	-	**-**	-
Net book value 30 June	**190,218**	86,681	**190,218**	86,681
Net book value as of 30 June represented by:				
Gross book value	**284,390**	137,314	**284,390**	137,314
Accumulated depreciation and impairment	**(94,172)**	(50,633)	**(94,172)**	(50,633)
Net book value 30 June	**190,218**	86,681	**190,218**	86,681

	Consolidated		Parent	
	2018	2017	**2018**	2017
	$	$	**$**	$

Note 6B: Motor Vehicles

Motor Vehicles:				
at cost	**276,192**	174,061	**276,192**	174,061
accumulated depreciation	**(80,136)**	(37,769)	**(80,136)**	(37,769)
Total motor vehicles	**196,056**	136,292	**196,056**	136,292

Reconciliation of the Opening and Closing Balances of Motor Vehicles

As at 1 July				
Gross book value	**174,061**	82,481	**174,061**	82,481
Accumulated depreciation and impairment	**(37,769)**	(7,585)	**(37,769)**	(7,585)
Net book value 1 July	**136,292**	74,896	**136,292**	74,896
Additions:				
By purchase	**102,131**	91,580	**102,131**	91,580
Depreciation expense	**(42,367)**	(30,184)	**(42,367)**	(30,184)
Disposals	**-**	-	**-**	-
Net book value 30 June	**196,056**	136,292	**196,056**	136,292
Net book value as of 30 June represented by:				
Gross book value	**276,192**	174,061	**276,192**	174,061
Accumulated depreciation and impairment	**(80,136)**	(37,769)	**(80,136)**	(37,769)
Net book value 30 June	**196,056**	136,292	**196,056**	136,292

NOTE 7 CURRENT LIABILITIES

Note 7A: Trade payables

Trade creditors and accruals	**109,960**	209,449	**109,960**	209,449
Subtotal trade creditors	**109,960**	209,449	**109,960**	209,449
Payables to other reporting units				
ASU - Queensland (Services & Northern Administrative) Branch	**2,887**	12,741	**2,887**	12,741
Subtotal payables to other reporting units	**2,887**	12,741	**2,887**	12,741
Total trade payables	**112,847**	222,190	**112,847**	222,190

Settlement is usually made within 30 days.

	Note	Consolidated 2018 $	Consolidated 2017 $	Parent 2018 $	Parent 2017 $
Note 7B: Other payables					
Wages and salaries		**126,071**	111,805	**126,071**	111,805
Superannuation		**107,492**	112,692	**107,492**	112,692
Consideration to employers for payroll deductions		**-**	-	**-**	-
Legal costs					
Litigation		**3,645**	2,711	**3,645**	2,711
Other legal matters		**-**	15,826	**-**	15,826
Income received in advance		**287,408**	50,648	**287,408**	50,648
GST payable		**198,537**	163,377	**198,537**	163,377
Other		**-**	-	**-**	-
Total other payables		**723,153**	457,059	**723,153**	457,059
Total other payables are expected to be settled in:					
No more than 12 months		**723,153**	457,059	**723,153**	457,059
More than 12 months		**-**	-	**-**	-
Total other payables		**723,153**	457,059	**723,153**	457,059

NOTE 8 PROVISIONS

Note 8A: Employee Provisions

	Consolidated 2018 $	Consolidated 2017 $	Parent 2018 $	Parent 2017 $
Office Holders:				
Annual leave	**154,817**	159,469	**154,817**	159,469
ADO leave	**2,919**	-	**2,919**	-
Long service leave	**184,837**	192,971	**184,837**	192,971
Separations and redundancies	**-**	-	**-**	-
Other	**-**	-	**-**	-
Subtotal employee provisions—office holders	**342,573**	352,440	**342,573**	352,440
Employees other than office holders:				
Annual leave	**767,358**	748,075	**767,358**	748,075
ADO leave	**50,022**	-	**50,022**	-
Long service leave	**1,473,443**	1,385,823	**1,473,443**	1,385,823
Separations and redundancies	**-**	-	**-**	-
Other	**-**	-	**-**	-
Subtotal employee provisions—employees other than office holders	**2,290,823**	2,133,898	**2,290,823**	2,133,898
Total employee provisions	**2,633,396**	2,486,338	**2,633,396**	2,486,338
Current	**2,537,434**	2,417,199	**2,537,434**	2,417,199
Non-Current	**95,962**	69,139	**95,962**	69,139
Total employee provisions	**2,633,396**	2,486,338	**2,633,396**	2,486,338

	Consolidated		Parent	
	2018	2017	**2018**	2017
	$	$	**$**	$
Note 8B: Other Provisions				
Make good provision – 27 Peel Street, South Brisbane	**30,000**	30,000	**30,000**	30,000
Total other provisions	**30,000**	30,000	**30,000**	30,000

NOTE 9 CASH FLOW

Note 9A: Cash Flow Reconciliation

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

	Consolidated 2018	Consolidated 2017	Parent 2018	Parent 2017
Cash and cash equivalents as per:				
Cash flow statement	**9,129,823**	9,441,717	**9,129,823**	9,437,815
Balance sheet	**9,129,823**	9,441,717	**9,129,823**	9,437,815
Difference	**-**	-	**-**	-
Reconciliation of surplus/ (deficit) to net cash from operating activities:				
(Deficit)/ surplus for the year	**(284,070)**	128,473	**(280,168)**	124,571
Adjustments for non-cash items				
Depreciation/amortisation	**85,907**	124,521	**85,907**	124,521
Gain on disposal of assets	**-**	-	**-**	-
Changes in assets/liabilities				
(Increase)/decrease in net receivables	**(29,798)**	(36,613)	**(29,798)**	179,477
(Increase)/decrease in prepayments	**(138,534)**	(42,516)	**(138,534)**	(42,516)
Increase/(decrease) in trade and other payables	**156,751**	180,129	**156,751**	41,433
Increase/(decrease) in employee provisions	**147,058**	(21,644)	**147,058**	(21,644)
Net cash provided by/ (used in) operating activities	**62,686**	332,350	**58,784**	405,842

	Consolidated		Parent	
	2018	2017	**2018**	2017
	$	$	**$**	$
Note 9B: Cash flow information				
Cash inflows				
ASU – (Queensland Services and Northern Administrative Branch)	**14,469**	7,261	**14,469**	7,261
ASU – National Office	**3,747**	2,110	**3,747**	2,110
Total cash inflows	**18,216**	9,371	**18,216**	9,371
Cash outflows				
ASU (Queensland Services and Northern Administrative Branch)	**(43,761)**	(26,421)	**(43,761)**	(26,421)
ASU – National Office	**(861,383)**	(856,118)	**(861,383)**	(856,118)
Total cash outflows	**(905,144)**	(882,539)	**(905,144)**	(882,539)

Note 9C: Credit standby arrangements and loan facilities

The Branch did not have any credit facilities during the 2018 financial year (2017: Nil).

Note 9D: Non-cash transactions

There have been no non-cash financing or investing activities during the 2018 financial year (2017: Nil).

	Consolidated		Parent	
	2018	2017	**2018**	2017
	$	$	**$**	$
Note 9E: Net debt reconciliation				
Cash and cash equivalents	**9,129,823**	9,441,717	**9,129,823**	9,437,815
Borrowings – repayable within one year	**-**	-	**-**	-
Borrowings – repayable after one year	**-**	-	**-**	-
Net debt	**9,129,823**	9,441,717	**9,129,823**	9,437,815

Note 9F: Reconciliation of movements of liabilities to cash flows arising from financing activities

Consolidated

	Other Assets	Liabilities from financing activities		
	Cash assets	Borrowings – due within 1 year	Borrowings – due after 1 year	Total
Net debt at 1 July 2016	9,233,357	-	-	9,233,357
Cash flows	208,360	-	-	208,360
Net debt at 30 June 2017	9,441,717	-	-	9,441,717
Cash flows	**(311,894)**	-	-	**(311,894)**
Net debt at 30 June 2018	**9,129,823**	-	-	**9,129,823**

Parent

	Other Assets	Liabilities from financing activities		
	Cash assets	Borrowings – due within 1 year	Borrowings – due after 1 year	Total
Net debt at 1 July 2016	9,155,963	-	-	9,155,963
Cash flows	281,852	-	-	281,852
Net debt at 30 June 2017	9,437,815	-	-	9,437,815
Cash flows	**(307,992)**	-	-	**(307,992)**
Net debt at 30 June 2018	**9,129,823**	-	-	**9,129,823**

NOTE 10 CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

Note 10A: Commitments and Contingencies

Operating lease commitments—as lessee

The Branch leases 851 m2 on Level 1 at 27 Peel Street, South Brisbane as well as regional offices in Cairns, Townsville and Rockhampton. The lease at the South Brisbane premises expires on 30 June 2019, which increases at a rate of 3.75% each year.

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

	Consolidated		Parent	
	2018	2017	**2018**	2017
	$	$	**$**	$
Within one year	**461,515**	424,510	**461,515**	424,510
After one year but not more than five years	**194,390**	589,888	**194,390**	589,888
More than five years	**-**	-	**-**	-
	655,905	1,014,398	**655,905**	1,014,398

Operating lease commitments—as lessor

The Branch leases sub-leases to 4 other unions at the Rockhampton regional office.

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

Within one year	**31,278**	31,278	**31,278**	31,278
After one year but not more than five years	**95,858**	131,767	**95,858**	131,767
More than five years	**-**	-	**-**	-
	127,136	163,045	**127,136**	163,045

Capital commitments

At 30 June 2018 the Branch did not have any capital commitments (2017: Nil).

Other contingent assets or liabilities

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

NOTE 11 RELATED PARTY DISCLOSURES

Note 11A: Related Party Transactions for the Reporting Period

Related reporting units

For financial reporting purposes, under the *Fair Work (Registered Organisations) Act 2009*, the Australian, Municipal, Administrative, Clerical and Services Union is divided into the following separate reporting units (and deemed related parties):

Australian Municipal, Administrative, Clerical and Services Union – National Office (ASU – National Office)
Australian Municipal, Administrative, Clerical and Services Union – Queensland Together Branch (ASU – Queensland Together Branch)
Australian Municipal, Administrative, Clerical and Services Union – New South Wales Local Government, Clerical, Administrative, Energy, Airlines and Utilities Branch (ASU – NSW United Services Branch)
Australian Municipal, Administrative, Clerical and Services Union – New South Wales and Australian Capital Territory Branch (ASU – NSW & ACT Branch)
Australian Municipal, Administrative, Clerical and Services Union – Victoria/ Tasmania Authorities and Services Branch (ASU – VIC/ TAS Authorities Branch)
Australian Municipal, Administrative, Clerical and Services Union – Victoria Private Sector Branch (ASU – VIC Private Sector Branch)
Australian Municipal, Administrative, Clerical and Services Union – South Australia/ Northern Territory Branch (ASU – SA/ NT Branch)
Australian Municipal, Administrative, Clerical and Services Union – Western Australia Branch (ASU – WA Branch)
Australian Municipal, Administrative, Clerical and Services Union – Taxation Officers' Branch (ASU – Tax Officers' Branch)

In addition, the Branch's state registered body – Together Queensland, Industrial Union of Employees is a related party, as there are common members on both committees of management.

Note 11A: Related Party Transactions for the Reporting Period (Continued)

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

	Consolidated		Parent	
	2018	2017	**2018**	2017
	$	$	$	$
Revenue received from ASU – National Office includes the following:				
Reimbursement of office and administration expenses	**1,863**	2,110	**1,863**	2,110
Expenses paid to ASU – National Office includes the following:				
Capitation fees	**768,135**	759,793	**768,135**	759,793
National airline industry division levy	**4,477**	4,476	**4,447**	4,477
ACTU levy, insurance premium and other costs recharged	**10,463**	14,019	**10,463**	14,019
Amounts owed by ASU – National Office include the following:				
Reimbursement of travel costs and other expenses	-	1,698	-	1,698
Revenue received from ASU – Queensland (Services & Northern Administrative) Branch includes the following:				
Reimbursement of property expenses on building located at 32 Peel Street, South Brisbane	**13,153**	3,118	**13,153**	3,118
Reimbursement of printing expenses	-	3,483	-	3,483
Expenses paid to ASU – Queensland (Services & Northern Administrative) Branch includes the following:				
Rent	**7,800**	5,520	**7,800**	5,200
Reimbursement of property expenses on building located at 32 Peel Street, South Brisbane	**20,942**	27,380	**20,942**	27,380
Reimbursement of training expenses	**2,083**	-	**2,083**	-
Amounts owed to ASU – Queensland (Services & Northern Administrative) Branch include the following:				
Property expenses	**596**	12,741	**596**	12,741
Training expenses	**2,291**	-	**2,291**	-

Note 11A: Related Party Transactions for the Reporting Period (Continued)

	Consolidated		Parent	
	2018	2017	**2018**	2017
	$	$	**$**	$
Revenues received from Together Queensland, Industrial Union of Employees includes the following:				
Net sales proceeds on the sale of unit trust and motor vehicles	**14,545**	85,805	**14,545**	85,805
Contribution towards IT review	**85,000**	-	**85,000**	-
Reimbursement of professional fees (originally paid by the Branch on behalf of Together Queensland, Industrial Union of Employees)	**15,000**	-	**15,000**	-
Expenses paid to Together Queensland, Industrial Union of Employees includes the following:				
Service agreement expenses	**24,000**	24,000	**24,000**	24,000
Amounts owed by the Together Queensland, Industrial Union of Employees include the following:				
Sales proceeds on the sale of motor vehicles	**14,545**	-	**14,545**	-
Contribution towards IT review	**25,000**	-	**25,000**	-

Transfer of Assets from Together Queensland, Industrial Union of Employees

A Deed of Agreement was entered into between the Branch and Together Queensland, Industrial Union of Employees (the state registered union) that outlined in exchange for the transfer of net assets, the Branch would:

1. be responsible for all liabilities of Together Queensland, Industrial Union of Employees (both actual and any contingent) prior to 1 July 2015;

2. from 1 July 2015 be liable for the payment of accrued employee entitlements and well as payment of all future employment costs;

3. require all membership subscriptions are to be receipted into the Branch's authorised bank accounts; and

4. be responsible for the ongoing day-to-day operations of the Branch.

5. In the event that Together Queensland, Industrial Union of Employees sold any remaining assets (which comprise of 50% ownership of the land and buildings located at 32 Peel Street, South Brisbane, investment in unlisted unit trust and motor vehicles) that the net proceeds will be paid to the Branch.

Note 11A: Related Party Transactions for the Reporting Period (Continued)

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2018, the Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2017: 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.

Note 11B: Key Management Personnel Remuneration for the Reporting Period

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

- Vivienne Doogan (Branch President)
- Alexander Scott (Branch Secretary)
- Irene Monro (Assistant Branch Secretary)
- Katherine Flanders (Assistant Branch Secretary)
- All remaining members of the Committee of Management.

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

	Consolidated		Parent	
	2018	2017	**2018**	2017
	$	$	$	$
Short-term employee benefits				
Salary (including annual leave taken)	**586,897**	475,049	**586,897**	475,049
Annual leave and ADO accrued	**67,893**	48,036	**67,893**	48,036
Non-cash benefits	**69,548**	58,200	**69,548**	58,200
Other	**19,200**	19,284	**19,200**	19,284
Total short-term employee benefits	**743,538**	600,569	**743,538**	600,569
Post-employment benefits:				
Superannuation	**98,730**	100,472	**98,730**	100,472
Total post-employment benefits	**98,730**	100,472	**98,730**	100,472
Other long-term benefits:				
Long-service leave	**19,283**	15,612	**19,283**	15,612
Total other long-term benefits	**19,283**	15,612	**19,283**	15,612
Termination benefits	**-**	-	**-**	-
Total	**861,551**	716,653	**861,551**	716,653

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.

	Consolidated		Parent	
	2018	2017	**2018**	2017
	$	$	**$**	$

NOTE 12 REMUNERATION OF AUDITORS AND OTHER PROFESSIONAL FEES

	Consolidated 2018 $	Consolidated 2017 $	Parent 2018 $	Parent 2017 $
Value of the services provided				
Financial statement audit services	**34,292**	46,200	**34,292**	46,200
Other services	**-**	-	**-**	-
	34,292	46,200	**34,292**	46,200
Professional Fees (not provided by external auditor)	**13,253**	44,552	**13,253**	9,340
Total remuneration of auditors and other professional fees	**47,545**	90,752	**47,545**	55,540

There were no non-audit services provided by the external auditor during the year.

NOTE 13 FINANCIAL INSTRUMENTS

Financial Risk Management Policy

Branch Executive 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 Executive meets on a monthly basis to review the financial exposure of the Branch.

(a) Credit Risk

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

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

The 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.

NOTE 13 FINANCIAL INSTRUMENTS (CONTINUED)

Ageing of financial assets that were past due but not impaired for 2018—Consolidated

	0 to 30 days	**31 to 60 days**	**61 to 90 days**	**90+ days**	**Total**
	$	**$**	**$**	**$**	**$**
Trade and other receivables	**127,264**	-	-	-	**127,264**
Total	**127,264**	-	-	-	**127,264**

Ageing of financial assets that were past due but not impaired for 2017—Consolidated

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Trade and other receivables	97,466	-	-	-	97,466
Total	97,466	-	-	-	97,466

Ageing of financial assets that were past due but not impaired for 2018—Parent

	0 to 30 days	**31 to 60 days**	**61 to 90 days**	**90+ days**	**Total**
	$	**$**	**$**	**$**	**$**
Trade and other receivables	**127,264**	-	-	-	**127,264**
Total	**127,264**	-	-	-	**127,264**

Ageing of financial assets that were past due but not impaired for 2017—Parent

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Trade and other receivables	97,466	-	-	-	97,466
Total	97,466	-	-	-	97,466

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 30 June 2018, 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 30 June 2018 (2017: Nil).

NOTE 13 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

Consolidated

Financial Instrument Composition and Maturity Analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
	$	$	$	$	$	$	$	$
Financial liabilities due for payment								
Trade payables	**(112,847)**	(222,190)	-	-	-	-	**(112,847)**	(222,190)
Other payables	**(723,153)**	(457,059)	-	-	-	-	**(723,153)**	(457,059)
Total expected outflows	**(836,000)**	(679,249)	-	-	-	-	**(836,000)**	(679,249)
Financial assets – cash flow receivable								
Cash and cash equivalents	**9,129,823**	9,441,717	-	-	-	-	**9,129,823**	9,441,717
Trade and other receivables	**127,262**	97,466	-	-	-	-	**127,262**	97,466
Total anticipated inflows	**9,257,085**	9,539,183	-	-	-	-	**9,257,085**	9,539,183
Net (outflow) / inflow on financial instruments	**8,421,085**	8,859,934	-	-	-	-	**8,421,085**	8,859,934

NOTE 13 FINANCIAL INSTRUMENTS (CONTINUED)

Parent

Financial Instrument Composition and Maturity Analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
	$	$	$	$	$	$	$	$
Financial liabilities due for payment								
Trade payables	**(112,847)**	(222,190)	-	-	-	-	**(112,847)**	(222,190)
Other payables	**(723,153)**	(457,059)	-	-	-	-	**(723,153)**	(457,059)
Total expected outflows	**(836,000)**	(679,249)	-	-	-	-	**(836,000)**	(679,249)
Financial assets – cash flow receivable								
Cash and cash equivalents	**9,129,823**	9,437,815	-	-	-	-	**9,129,823**	9,437,815
Trade and other receivables	**127,262**	97,466	-	-	-	-	**127,262**	97,466
Total anticipated inflows	**9,257,085**	9,535,281	-	-	-	-	**9,257,085**	9,535,281
Net (outflow) / inflow on financial instruments	**8,421,085**	8,856,032	-	-	-	-	**8,421,085**	8,856,032

NOTE 13 FINANCIAL INSTRUMENTS (CONTINUED)

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.

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:

Consolidated

	Weighted Average Effective Interest Rate			
	2018	2017	**2018**	2017
	%	%	**$**	$
Floating rate instruments				
Cash and cash equivalents	**2.39**	2.39	**9,129,823**	9,441,717

Parent

	Weighted Average Effective Interest Rate			
	2018	2017	**2018**	2017
	%	%	**$**	$
Floating rate instruments				
Cash and cash equivalents	**2.39**	2.38	**9,129,823**	9,437,815

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

iii. Price risk
The Branch is no exposed to any material commodity price risk.

NOTE 13 FINANCIAL INSTRUMENTS (CONTINUED)

iv. Interest rate risk

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. 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.

	Consolidated		**Parent**	
	2018	2017	**2018**	2017
	$	$	**$**	$
Change in profit				
- Increase in interest rate by 2%	**182,596**	188,834	**182,596**	188,834
- Decrease in interest rate by 2%	**(218,358)**	(163,769)	**(218,358)**	(163,854)
Change in members equity				
- Increase in interest rate by 2%	**182,596**	188,834	**182,596**	188,834
- Decrease in interest rate by 2%	**(218,358)**	(163,769)	**(218,358)**	(163,854)

No sensitivity analysis has been performed on foreign exchange risk, as the Branch is not exposed to foreign currency fluctuations.

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

NOTE 14 FAIR VALUE MEASUREMENT

Fair Values

Fair value estimation

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

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

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

Differences between fair values and carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the 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.

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

Consolidated		**2018**		**2017**	
	Footnote	**Carrying value**	**Fair value**	**Carrying value**	**Fair value**
		$	**$**	**$**	**$**
Financial assets					
Cash and cash equivalents	(i)	**9,129,823**	**9,129,823**	9,441,717	9,441,717
Accounts receivable and other debtors	(i)	**127,264**	**127,264**	97,466	97,466
Total financial assets		**9,257,087**	**9,257,087**	9,539,183	9,539,183
Financial liabilities					
Accounts payable and other payables	(i)	**836,000**	**836,000**	677,249	677,249
Total financial liabilities		**836,000**	**836,000**	677,249	677,249

NOTE 14 FAIR VALUE MEASUREMENT (CONTINUED)

Parent		2018		2017	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial assets					
Cash and cash equivalents	(i)	**9,129,823**	**9,129,823**	9,437,815	9,437,815
Accounts receivable and other debtors	(i)	**127,264**	**127,264**	97,466	97,466
Total financial assets		**9,257,087**	**9,257,087**	9,535,281	9,535,281
Financial liabilities					
Accounts payable and other payables	(i)	**836,000**	**836,000**	679,249	679,249
Total financial liabilities		**836,000**	**836,000**	679,249	679,249

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.

NOTE 14 FAIR VALUE MEASUREMENT (CONTINUED)

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

The Branch did not have any assets or liabilities that were recorded using the above fair value hierarchy at 30 June 2018 (2017: Nil).

NOTE 15 INFORMATION ABOUT SUBSIDIARIES

The consolidated financial statements of the Branch include:

Name of entity	Principal activity	Country of Incorporation	Interest 2018 %	Interest 2017 %
Working for Queenslanders Limited	Political Activities	Australia	-	100

The Branch wound up Working for Queenslanders Limited effective 30 June 2018.

NOTE 16 SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

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

Information to be provided to members or Commission:

(1) A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) A reporting unit must comply with an application made under subsection (1).

NOTE 17 BRANCH DETAILS

The registered office of the Branch is:

Level 1, 27 Peel Street,
SOUTH BRISBANE QLD 4001

NOTE 18 SEGMENT INFORMATION

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

NOTE 19 OTHER ACQUISITIONS OF ASSETS OR LIABILITIES

During the financial year the Branch has not acquired an asset or liability as a result of:

(a) An amalgamation under Part 2 of Chapter 3 of the *Fair Work (Registered Organisations) Act 2009*.

(b) A restructure of Branches of the organisation.

(c) A determination by the General Manager of the Fair Work Commission under subsection 245(1) of the *Fair Work (Registered Organisations) Act 2009* of an alternative reporting structure for the organisation.

(d) A revocation by the General Manager of the Fair Work Commission under subsection 249(1) of the *Fair Work (Registered Organisations) Act 2009* of a certificate issued to the organisation under subsection 241(1).

(e) A business combination.

accountants + auditors

GPO Box 1087
Brisbane Qld 4001 Australia
t: +61 7 3002 4800
f: +61 7 3229 5603

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

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

Independent Audit Report to the Members of the Australian Municipal, Administrative, Clerical and Services Union – Queensland Together Branch

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of the Australian Municipal, Administrative, Clerical and Services Union – Queensland Together Branch (the Branch) and the Controlled Entity (the Group), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Australian Municipal, Administrative, Clerical and Services Union – Queensland Together Branch and the Controlled Entity as at 30 June 2018, and its financial performance and its cash flows for the year ended on that date in accordance with:

a) the Australian Accounting Standards; and

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

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

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.

- 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.

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

Opinion on the recovery of wages activity financial report

The scope of my work extended to the recovery of wages activity and we have audited the recovery of wages activity financial report for the year ended 30 June 2018.

In our opinion, the financial statements and notes and recovery of wages activity financial report properly and fairly report all information required by the reporting guidelines of the Commissioner, including:

a) any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and

b) any donations or other contributions deducted from recovered money.

Responsibilities

The Committee of Management is responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with the reporting guidelines of the Commission. Our responsibility is to express an opinion on the recovery of wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards.

M.C.I

MGI Audit Pty Ltd

G I Kent

Director – Audit & Assurance

Christchurch
14 November 2018

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