

Financial Statements

Together Queensland, Industrial Union of Employees

ABN 44 901 734 369

Year-ended 30 June 2016

Together Queensland, Industrial Union of Employees
ABN 44 901 734 369

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Together Queensland, Industrial Union of Employees
ABN 44 901 734 369
Accounting Officer's Certificate

In accordance with Section 43(1)(a) of the **Industrial Relations Regulation 2011**, I, Alexander Patrick Scott, being the Secretary of Together Queensland, Industrial Union of Employees, certify that as at 30 June 2016:

1. There were 26,959 members of the Union, of whom 26,246 were financial and 713 were not financial.
2. In my opinion the accounts show a true and fair view of the Union's financial affairs at 30 June 2016.
3. (a) A record was kept of all accounts paid by, or collected from the union members, and;
(b) all amounts so paid or collected have been credited to a financial institution account to which the amounts must be credited under the Union's rules.
4. Each expenditure by the Union was approved under the Union's rules before it was incurred.
5. No payments were made from a special account of the Union other than for the purpose for which the account was operated.
6. No loan or other financial benefits were given by the Union to its employees or officers.
7. The Union's members' register was kept under the Act.

Signed this Twentieth Day of December 2016.



Alexander Patrick Scott
Secretary

Together Queensland, Industrial Union of Employees
ABN 44 901 734 369
Executive Committee Certificate

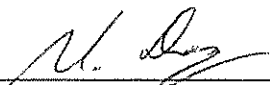
In accordance with Section 43(1)(b) of the **Industrial Relations Regulation 2011** and in accordance with a resolution of the Executive Committee of Together Queensland, Industrial Union of Employees we state that in the opinion of the Executive Committee:

- (a) the accompanying accounts for the financial year ended 30 June 2016 show a true and fair view of the financial affairs of the Union as at the end of the year;
- (b) the organisation was solvent during the whole of the year;
- (c) during the financial year to which the accounts relate, meetings of the Executive Committee were held under the Union's rules;
- (d) no Executive Committee member knows if any of the Union's records* or rules, or copies of them, have not been given to the Union's members under the **Industrial Relations Act 1999**, this regulation or the rules as the case may be;

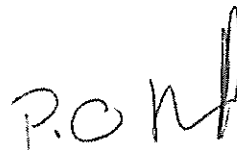
* a record does not include a document containing information given to a member of the Union under section 556 of the Act;

- (e) the audit report and accounts for the Union's financial year immediately before the year the accounts are about have been:
 - (a) presented to a presentation meeting of the Union under Section 565 of the Act and;
 - (b) given to its members under Section 566 of the Act.

Signed this Twentieth Day of December 2016.



Vivienne Joy Doogan
President



Paul Damien O'Driscoll
Treasurer

Together Queensland, Industrial Union of Employees

ABN 44 901 734 369

Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2016

	Note	2016	2015
		\$	\$
Revenue	4	-	8,656,746
Other income	5	24,000	2,979,047
Employee expenses	8	-	(9,111,511)
Affiliation expenses	6	-	(262,426)
Computer expenses		-	(81,753)
Conferences, seminars and functions costs		-	(17,720)
Delegate expenses		-	(101,052)
Depreciation and amortisation expense	14	(83,673)	(138,971)
Industrial expenses		-	(1,531,739)
Insurance expense		-	(115,933)
Membership expenses		-	(263,674)
Motor vehicle expense		-	(93,661)
Office supplies		-	(145,726)
Other expenses	7	(53,295)	(210,655)
Postal communications		-	(221,120)
Professional expenses		(7,500)	(291,073)
Promotional expenses		-	(78,636)
Property expenses		-	(529,454)
Subscription collection costs		-	(62,757)
Telephone expenses		-	(136,155)
Transfer to Together Branch of the ASU	19	(5,791,512)	-
Web, U-mail and Webinar Expenses		-	(1,906)
Loss before financing income		(5,911,980)	(1,760,129)
Financial income	10	-	265,416
Net financing income		-	265,416
Loss before tax		(5,911,980)	(1,494,713)
Income tax expense	1(m)	-	-
Loss for the year		(5,911,980)	(1,494,713)
Other Comprehensive Income			
Items that may be reclassified to profit or loss			
Available-for-sale financial assets reclassified to profit or loss	18	4,000	-
Other comprehensive income / (loss)		4,000	-
Total comprehensive loss for the year		(5,907,980)	(1,494,713)

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes to the financial statements.

Together Queensland, Industrial Union of Employees
ABN 44 901 734 369
Statement of Financial Position
As at 30 June 2016

	Note	2016 \$	2015 \$
Assets			
Cash and cash equivalents	11	84,955	8,382,286
Other receivables, deposits and prepayments	12	-	352,672
Available-for-sale financial assets	13	35,000	-
Total current assets		119,955	8,734,958
Available-for-sale financial assets	13	-	71,100
Property, plant and equipment	14	2,184,464	2,479,667
Total non-current assets		2,184,464	2,550,767
Total assets		2,304,419	11,285,725
Liabilities			
Trade and other payables	15	7,500	1,661,749
Provisions	17	-	1,253,437
Total current liabilities		7,500	2,915,186
Provisions	17	-	165,640
Total non-current liabilities		-	165,640
Total liabilities		7,500	3,080,826
Net assets		2,296,919	8,204,899
Equity			
Accumulated funds		1,887,919	7,799,899
Other reserves	18	409,000	405,000
Total equity		2,296,919	8,204,899

The Statement of Financial Position is to be read in conjunction with the accompanying notes to the financial statements.

Together Queensland, Industrial Union of Employees
ABN 44 901 734 369
Statement of Cash Flows
For the year ended 30 June 2016

	2016	2015
Note	\$	\$
Cash flows from operating activities		
Cash receipts from customers	24,000	13,072,085
Transfer to AMACSU Queensland Together Branch	(8,332,286)	-
Cash paid to suppliers and employees	(407)	(14,657,156)
Net cash flow from operating activities	<u>(8,308,693)</u>	<u>(1,585,071)</u>
Cash flows from investing activities		
Interest and distributions received	-	265,416
Acquisition of property, plant and equipment	-	(175,228)
Proceeds from sale of property, plant and equipment	11,362	27,000
Proceeds from held-for-sale investments	-	6,524,034
Net cash outflow from investing activities	<u>11,362</u>	<u>6,641,222</u>
Cash flows from financing activities		
Net cash inflow/(outflow) from financing activities	<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents	(8,297,331)	5,056,151
Cash and cash equivalents at 1 July	8,382,286	3,326,135
Cash and cash equivalents at year end	<u>11</u> <u>84,955</u>	<u>8,382,286</u>

The Statement of Cash Flows is to be read in conjunction with the accompanying notes to the financial statements.

Together Queensland, Industrial Union of Employees
ABN 44 901 734 369
Statement of Changes in Equity
For the year ended 30 June 2016

	Accumulated Funds \$	Available- for-sale Reserve \$	Asset Revaluation Surplus \$	Total Equity \$
At 1 July 2014	9,294,612	(4,000)	409,000	9,699,612
Total comprehensive income for the year				
Profit/(loss) for the year	(1,494,713)	-	-	(1,494,713)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	(1,494,713)	-	-	(1,494,713)
At 30 June 2015	7,799,899	(4,000)	409,000	8,204,899
Total comprehensive income for the year				
Profit/(loss) for the year	(5,911,980)	-	-	(5,911,980)
Other comprehensive income	-	4,000	-	4,000
Total comprehensive income for the year	(5,911,980)	4,000	-	(5,907,980)
At 30 June 2016	1,887,919	-	409,000	2,296,919

The Statement of Changes in Equity is to be read in conjunction with the accompanying notes to the financial statements.

Together Queensland, Industrial Union of Employees

Notes to the financial statements

Corporate Information

Together Queensland, Industrial Union of Employees (the "Union") is domiciled in Australia. The Union's principal place of business is Level 1, 27 Peel Street, South Brisbane Qld 4101.

The financial statements of the Union were authorised for issue by the executive committee on the Twentieth Day of December 2016.

Together Queensland, Industrial Union of Employees is a not-for-profit entity for the purposes of preparing these financial statements.

The financial statements are presented in Australian dollars.

1. Summary of Significant Accounting Policies

(a) Statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Industrial Relations Act 1999.

(b) Basis of preparation

The financial statements are prepared on a historical cost basis, except for available-for-sale financial assets that have been measured at fair value.

The concept of accruals accounting has been adopted in preparation of the financial statements except for member subscriptions revenue as per Note 1(k).

The preparation of financial statements in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by the Union.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of Australian Accounting Standards that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 3.

The accounting policies set out below have been applied consistently to all periods presented in the financial statements.

Together Queensland, Industrial Union of Employees Notes to the financial statements

1. Significant accounting policies (continued)

(c) Basis of consolidation

Subsidiaries

The consolidated financial statements comprise the financial statements of Together Queensland, Industrial Union of Employees and its subsidiary at 30 June each year ("the Group"). The group has control over an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity, and has the ability to use its power to affect those returns. Subsidiaries are consolidated from the date on which control is transferred to the group and are deconsolidated from the date that control ceases. The financial statements of subsidiaries are prepared for the same reporting period as the parent, using consistent accounting policies.

All intercompany balances and transactions have been eliminated.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income and statement of financial position respectively.

(d) Property, plant and equipment

Land and buildings are measured at fair value less accumulated depreciation. Any accumulated depreciation at revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated as the revalued amount of the asset. A revaluation surplus is credited to other comprehensive income (Revaluation surplus) unless it reverses a revaluation decrease on the same asset previously recognised in profit or loss. A revaluation deficit is recognised in profit or loss unless it directly offsets a previous revaluation surplus on the same asset in the asset revaluation surplus. On disposal, any revaluation surplus relating to sold assets is transferred to retained earnings. Independent valuations are performed regularly to ensure that the carrying amounts of land and buildings do not differ materially from that fair value at the end of the reporting period.

All other plant and equipment is stated at historical cost, including costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, less depreciation and any impairment.

Leased assets

Leases in terms of which the Union assumes substantially all the risks and rewards of ownership are classified as finance leases. Lease payments are accounted for as described in accounting policy (I).

Subsequent costs

The Union recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the Union and the cost of the item can be measured reliably. All other costs are recognised in the statement of comprehensive income as an expense as incurred.

Depreciation

Depreciation is charged to the statement of comprehensive income on both a straight-line and diminishing basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives in the current and comparative periods are as follows:

- buildings 25 years
- furniture and fittings 4 – 12 years
- office equipment 2 - 10 years
- motor vehicles 6^{2/3} years

The residual value, if not insignificant, is reassessed annually.

Together Queensland, Industrial Union of Employees

Notes to the financial statements

1. Significant accounting policies (continued)

(e) Investments and other financial assets

All investments and other financial assets are initially stated at cost, being the fair value of consideration given plus acquisition costs. Purchases and sales of investments are recognised on trade date which is the date on which the Union commits to purchase or sell the asset. Accounting policies for each category of investments and other financial assets subsequent to initial recognition are set out below.

Available-for-sale financial assets

Available-for-sale financial assets comprise investments in a property trust and are classified as non-current assets (unless management intends to dispose of the investment within 12 months of the end of the reporting period). After initial recognition, these investments are measured at fair value with gains or losses recognised in other comprehensive income (available-for-sale investments reserve). Where there is a significant or prolonged decline in the fair value of an available-for-sale financial asset (which constitutes objective evidence of impairment) the full amount including any amount previously charged to other comprehensive income is recognised in profit or loss. Purchases and sales of available-for-sale financial assets are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in other comprehensive income. On sale, the amount held in available-for-sale reserves associated with that asset is recognised in profit or loss as a reclassification adjustment. Interest on corporate bonds classified as available-for-sale is calculated using the effective interest rate method and is recognised in finance income in profit or loss.

In measuring fair value, revaluation increments are recognised in the fair value reserve except that amounts reversing a decrement previously recognised as an expense are recognised as revenues. Revaluation decrements are offset against revaluation increments.

(f) Trade and other receivables

Trade and other receivables are stated at their cost less impairment losses (see accounting policy (h)).

(g) Cash and cash equivalents

For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand and at bank, deposits held at call with financial institutions, other short term, highly liquid investments with maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

(h) Impairment

The carrying amounts of the Union's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated (see below).

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through profit or loss.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (group of units) and then, to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

Together Queensland, Industrial Union of Employees

Notes to the financial statements

1. Significant accounting policies (continued)

(h) Impairment (continued)

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Reversals of impairment

An impairment loss in respect of an investment in an equity instrument classified as available-for-sale is not reversed through profit or loss. If the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss shall be reversed, with the amount of the reversal recognised in profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(i) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution retirement plans are recognised as an expense in the statement of profit or loss and other comprehensive income as incurred.

Long-term service benefits

The Union's net obligation in respect of long-term service benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to the Commonwealth Government bonds at the balance sheet date which have maturity dates approximating to the terms of the Union's obligations.

Wages, salaries, annual leave and non-monetary benefits

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date, are calculated at undiscounted amounts based on remuneration wage and salary rates that the Union expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.

Non-accumulating non-monetary benefits, such as cars and free or subsidised goods and services, are expensed based on the net marginal cost to the Union as the benefits are taken by the employees.

Together Queensland, Industrial Union of Employees

Notes to the financial statements

1. Significant accounting policies (continued)

(j) Trade and other payables

Trade and other payables are stated at cost.

(k) Revenue

Member subscriptions

Revenue from member subscriptions is recognised on a cash basis in accordance with the Industrial Relations Act 1999.

Rental income

Rental income is recognised in the statement of profit or loss and other comprehensive income on a straight line basis over the term of the lease.

Interest Income

Interest income is recognised in the statement of profit or loss and other comprehensive income as it accrues, using the effective interest method.

(l) Expenses

Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Net financing costs

Net financing costs comprise interest payable on borrowings calculated using the effective interest method, other finance charges relating to borrowings and interest receivable on funds invested.

The interest expense component of finance lease payments is recognised in the statement of profit or loss and other comprehensive income using the effective interest method.

(m) Income tax

The Union is exempt from income tax by virtue of Section 50-15 of the Income Tax Assessment Act 1997.

(n) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

(o) Adoption of new and revised Accounting Standards

New and amended standards and interpretations

Several new and amended standards and interpretations have become mandatory for the first time for the period beginning 1 July 2015. The adoption of these standards and interpretations did not have any material impact on the current or any prior period and is not likely to materially affect future periods.

Several new and amended standards and interpretations will become mandatory for the first time for the period beginning 1 July 2016. The adoption of these standards and interpretations is not expected to have a material impact on future periods.

Together Queensland, Industrial Union of Employees

Notes to the financial statements

2. Parent Entity Information

The following information relates to the parent entity, Together Queensland, Industrial Union of Employees. The information presented has been prepared using accounting policies that are consistent with those presented in Note 1.

	2016 \$	2015 \$
Current assets	119,955	8,886,617
Non-current assets	2,184,464	2,550,757
Total assets	2,304,419	11,437,374
Current liabilities	7,500	3,066,835
Non-current liabilities	-	165,640
Total liabilities	7,500	3,232,475
Net assets	2,296,919	8,204,899
Accumulated funds	1,887,919	7,799,899
Other reserves	409,000	405,000
Total equity	2,296,919	8,204,899
Profit/ (loss) for the year	(5,911,980)	(1,494,713)
Other comprehensive income	4,000	-
Total comprehensive income for the year	(5,907,980)	(1,494,713)

3. Accounting estimates and judgements

Critical judgements

Management have made the following judgements when applying the Group's accounting policies:

Control of Working for Queenslanders Limited

The definition of 'control' included in AASB 10 Consolidated Financial Statements is when the parent 'is exposed to, or has rights to, variable returns from its involvement with the subsidiary, and has the ability to use its power to affect those returns.'

Up until 1 July 2015, the judgement was made that Together Queensland, Industrial Union of Employees is exposed to, or has rights to, variable returns from its involvement with Working for Queenslanders Limited, and has the ability to use its power to affect those returns. This judgement was made because every director on the Board of Directors of Working for Queenslanders was a member of the Executive of Together Queensland, Industrial Union of Employees, every member of Working for Queenslanders also had to be a member of the State Council of Together Queensland, Industrial Union of Employees, and the directors of Working for Queenslanders had the power to appoint or remove members.

Following the transfer of net assets of \$5,791,512 to the Australian Municipal, Administrative, Clerical and Services Union (AMACSU) as disclosed in Note 19, and that all elected office bearers of AMACSU(QTB) are automatically elected office bearers of Together Queensland, Industrial Union of Employees, Working for Queenslanders Limited is no longer responsible for campaigning on behalf of Together Queensland, Industrial Union of Employees. The control of Working for Queenslanders Limited was deemed to pass to the AMACSU on 1 July 2015. This judgement was made, since, on that date, the exposure to, or rights to, variable returns transferred to AMACSU.

Together Queensland, Industrial Union of Employees

Notes to the financial statements

	2016 \$	2015 \$
4. Revenue		
Members subscriptions	-	8,491,900
Members subscriptions – Campaign Levy	-	164,846
	<u>-</u>	<u>8,656,746</u>
5. Other income		
Service income	-	2,651,524
Rental income	-	7,300
Donations	-	62
Profit on sale of non current assets	-	2,586
Other income	24,000	317,575
	<u>24,000</u>	<u>2,979,047</u>
6. Affiliation expenses		
Queensland Council of Unions	-	170,116
Other	-	92,310
Total affiliation fees	<u>-</u>	<u>262,426</u>
7. Other expenses		
Impairment expenses/Loss on sale of Property, Plant and Equipment	12,788	17,910
Donations and grants	-	11,000
General administrative expenses	507	181,745
Impairment of available-for-sale financial assets	40,000	-
	<u>53,295</u>	<u>210,655</u>
8. Employee expense		
Wages and salaries	-	7,358,100
Superannuation contributions	-	1,054,750
Payroll tax	-	403,464
Ombudsman	-	3,626
Honoraria *	-	46,732
Increase in liability for long service leave	-	75,553
Increase / (decrease) in liability for annual leave	-	81,161
Fringe benefits tax	-	62,006
Training - staff	-	26,119
	<u>-</u>	<u>9,111,511</u>

* Honoraria are paid to holders of office in the Union

Together Queensland, Industrial Union of Employees

Notes to the financial statements

	2016 \$	2015 \$
9. Auditors' remuneration		
Audit services		
Auditors of the Company		
<i>BDO Audit Pty Ltd: Audit of financial reports</i>	7,500	34,453
<i>Non-audit services</i>	-	5,700
	<u>7,500</u>	<u>40,153</u>
10. Financial income		
Interest income	-	265,416
	<u>-</u>	<u>265,416</u>
11. Cash and cash equivalents		
Cash at hand	-	1,810
Cash at bank	84,955	2,436,778
Short-term bank deposits	-	5,943,698
	<u>84,955</u>	<u>8,382,286</u>
Reconciliation of Cash		
The above figures are reconciled to the cash at the end of the financial year as shown in the Statement of Cash Flows as follows:		
Balances as above	84,955	8,382,286
Balances per Statement of Cash Flows	<u>84,955</u>	<u>8,382,286</u>
12. Other receivables, deposits and prepayments		
Current		
Other receivables	-	49,226
Prepayments	-	302,896
Deposits	-	550
	<u>-</u>	<u>352,672</u>

Together Queensland, Industrial Union of Employees Notes to the financial statements

13. Financial Investments

Current financial investments

	2016 \$	2015 \$
Available-for-sale financial assets - units property trust	35,000	-
	<u>35,000</u>	<u>-</u>

Non-current financial investments

Available-for-sale financial assets - units property trust	-	71,100
	<u>-</u>	<u>71,100</u>

The union holds 38,000 units of the 760,000 units in the Trades and Labour Council Trust Rockhampton. On 4 November 2016, the Rockhampton Trade Union Centre was put up for auction. As a result, the available-for-sale financial asset is classified as a current asset as management intends to dispose of the asset within 12 months of the end of the reporting period.

Together Queensland, Industrial Union of Employees Notes to the financial statements

14. Property, plant and equipment

Cost	Land	Buildings	Furniture and fittings	Office equipment	Motor vehicles	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2014	1,325,000	750,000	29,618	597,653	329,788	3,032,059
Additions	-	-	406	29,964	144,858	175,228
Disposals	-	-	-	(95,696)	(70,694)	(166,390)
Balance at 30 June 2015	1,325,000	750,000	30,024	531,921	403,952	3,040,897
Balance at 1 July 2015	1,325,000	750,000	30,024	531,921	403,952	3,040,897
Transfer to Together Branch of the ASU	-	-	(30,024)	(531,921)	-	(561,945)
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	(74,113)	(74,113)
Balance at 30 June 2016	1,325,000	750,000	-	-	329,839	2,404,839

Depreciation and amortisation

Balance at 30 June 2014	-	-	18,119	373,280	154,926	546,325
Depreciation and amortisation charge for the year	-	30,000	2,301	63,116	43,554	138,971
Disposals	-	-	-	(82,251)	(41,815)	(124,066)
Balance at 30 June 2015	-	30,000	20,420	354,145	156,665	561,230
Balance at 1 July 2015	-	30,000	20,420	354,145	156,665	561,230
Transfer to Together Branch of the ASU	-	-	(20,420)	(354,145)	-	(374,565)
Depreciation and amortisation charge for the year	-	30,000	-	-	53,673	83,673
Disposals	-	-	-	-	(49,963)	(49,963)
Balance at 30 June 2016	-	60,000	-	-	160,375	220,375

Carrying amounts

At 1 July 2014	1,325,000	750,000	11,499	224,373	174,862	2,485,734
At 30 June 2015	1,325,000	720,000	9,604	177,776	247,287	2,479,667
At 30 June 2016	1,325,000	690,000	-	-	169,464	2,184,464

Valuations

An independent valuation of land and buildings was undertaken at 1 April 2014 by Mr Geoff Trivett, AAPI certified, Registered Valuer No. 983, of G.D. Trivett & Associates. This valuation indicated a value of the land of \$2,650,000 and of the buildings of \$1,500,000, with Together Queensland, Industrial Union of Employees holding a 50% interest in the land and buildings. The valuation approach was by way of reconciliation of the capitalisation of net income and direct comparison methods of valuation.

Together Queensland, Industrial Union of Employees

Notes to the financial statements

14. Property, plant and equipment (continued)

	2016	2015
	\$	\$
If the land and buildings were stated on a historical cost basis, the amounts would be as follows:		
Land		
Cost	1,050,000	1,050,000
Accumulated depreciation	-	-
Net carrying amount	<u>1,050,000</u>	<u>1,050,000</u>
Buildings		
Cost	700,000	700,000
Accumulated depreciation	(140,000)	(112,000)
Net carrying amount	<u>560,000</u>	<u>588,000</u>

15. Trade and other payables

	Note	2016	2015
		\$	\$
Current trade and other payables			
Trade payables		7,500	1,073
Other payables		-	380,159
Levies liability	23	-	225,882
Liability for annual leave		-	1,054,635
		<u>7,500</u>	<u>1,661,749</u>

16. Lease Commitments

The union leases 851 m2 on level1 at 27 Peel Street. All lease commitments have been assumed by the Australian Municipal, Administrative, Clerical and Services Union on 1 July 2015.

	2016	2015
	\$	\$
Less than one year	-	344,336
Between one and five years	-	1,112,438
More than five years	-	-
	<u>-</u>	<u>1,456,774</u>

17. Provisions

Current

	2016	2015
	\$	\$
Liability for long service leave	-	1,253,437
	<u>-</u>	<u>1,253,437</u>

Non Current

Liability for long service leave	-	135,640
Provision – Buildings-27 Peel Street –Make Good	-	30,000
	<u>-</u>	<u>165,640</u>

Together Queensland, Industrial Union of Employees

Notes to the financial statements

18. Reserves

Available-for-sale reserve

The available-for-sale investments revaluation reserve comprises changes in the fair value of available-for-sale investments which are recognised in other comprehensive income and are recognised in profit or loss when the investments are sold or impaired.

Asset revaluation surplus

The asset revaluation surplus records increments and decrements on the revaluation of individual parcels of land and buildings. On disposal, the balance in the asset revaluation surplus relating to the asset is transferred to retained earnings.

	2016	2015
	\$	\$
Available-for-sale reserve		
Balance at start of period	(4,000)	(4,000)
Movements in reserves for the year		
Available-for-sale financial assets – reconciled to profit or loss	4,000	-
Balance at period end	<u>-</u>	<u>(4,000)</u>
Asset revaluation reserve		
Balance at start of period	409,000	409,000
Movements in reserves for the year		
Fair Value Reserve – revaluation 32 Peel Street	-	-
Balance at period end	<u>409,000</u>	<u>409,000</u>

19. Transfer of net assets to the Australian Municipal, Administrative, Clerical and Services Union Queensland Together Branch

On 1 July 2015, Together Queensland Industrial Union of Employees transferred a total of \$5,791,512 net assets to the Australian Municipal, Administrative, Clerical and Services Union (AMACSU), a related party of Together Queensland Industrial Union of Employees, for \$nil consideration. This was accounted for as a contribution expense on 1 July 2015. This transaction is in line with the obligations under the Deed of Agreement entered into on 25 November 2014.

Under this Deed, AMACSU assumed the known and unknown future liabilities of Together Queensland Industrial Union of Employees on 1 July 2015.

Together Queensland Industrial Union of Employees remains a going concern on the basis that the Executive have made the assessment that they will be able to meet their debts as and when they fall due.

The assets that remained in Together Queensland Industrial Union of Employees on 1 July 2015 consisted of:

Cash and cash equivalents	\$50,000
Available-for-sale financial assets	\$71,100
Property, plant and equipment	<u>\$2,292,287</u>
Total	<u>\$2,413,387</u>

Together Queensland, Industrial Union of Employees Notes to the financial statements

20. Financial instruments

Credit risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation, resulting in the Group incurring a financial loss. To mitigate the credit risk associated with balances of cash and cash equivalents and deposits held with banks and financial institutions, the Executive Committee have established a policy that these can only be held with AAA rated entities.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Effective interest rates and repricing analysis

In respect of income-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at the year-end date and the periods in which they reprice.

	Note	Effective interest rate	2016				2015						
			Total	1 year	1-2 years	2-5 years	More than 5 years	Effective interest rate	Total	1 year	1-2 years	2-5 years	More than 5 years
<i>Financial assets</i>													
Other receivables, deposits and prepayments	12	-	-	-	-	-	-	-	-	352,672	352,672	-	-
Cash and cash equivalents	11	0%	84,955	84,955	-	-	-	-	0.57%	8,382,286	8,382,286	-	-
			84,955	84,955	-	-	-	-		8,734,958	8,734,958	-	-
<i>Financial liabilities</i>													
Trade and other payables	15	-	7,500	7,500	-	-	-	-	-	381,232	381,232	-	-
			7,500	7,500	-	-	-	-		381,232	381,232	-	-

Together Queensland, Industrial Union of Employees

Notes to the financial statements

21. Capital and other commitments

	2016 \$	2015 \$
Employee compensation commitments		
Key management personnel		
<i>Commitments under non-cancellable employment contracts not provided for in the financial statements and payable:</i>		
Within one year	-	-
One year or later and no later than five years	-	-
Later than five years	-	-
	<u>-</u>	<u>-</u>

The staff of Together Queensland, Industrial Union of Employees, including the President, Secretary and Assistant Secretaries were paid by the Australian Municipal, Administrative, Clerical and Services Union, Queensland Together Branch from 1 July 2015.

22. Contingencies

The executive committee are of the opinion that provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required.

	2016 \$	2015 \$
Contingent liabilities considered remote		
<i>Guarantees</i>		
Commonwealth Bank of Australia	-	180,000
	<u>-</u>	<u>180,000</u>

Together Queensland, Industrial Union of Employees

Notes to the financial statements

23. Other levies

The Union arranged for insurance to be provided for certain sections of the membership in Queensland Health, Queensland Education and the Department of Housing. The insurance was to be offset by compulsory levies imposed on those members to whom the insurance cover was available.

The balance of the Professional Indemnity Levy account as at 30 June 2016 was \$Nil (30 June 2015: \$179,114).

This balance is retained to help offset any potential future increases in premiums upon renewal of the policy.

	2016	2015
	\$	\$
Balance at period start	179,114	173,022
Levy collected	-	89,932
Insurance premium paid	-	(83,840)
Transferred to Queensland Together Branch of the ASU	(179,114)	-
Balance at period end	<u>-</u>	<u>179,114</u>

The Union arranged for insurance to be provided for membership in the Department of Corrective Services. This is offset by compulsory levies imposed on those members to whom the insurance cover was available.

The balance of the Custodial Corrections Legal Insurance account as at 30 June 2016 was \$NIL (30 June 2015: \$46,768). This balance is retained to help offset any potential future increases in premiums upon renewal of the policy.

	2016	2015
	\$	\$
Balance at period start	46,768	60,303
Levy collected	-	50,500
Insurance premium paid	-	(64,035)
Transferred to Queensland Together Branch of the ASU	(46,768)	-
Balance at period end	<u>-</u>	<u>46,768</u>
Total Levies	<u>-</u>	<u>225,882</u>

24. Industrial Relations Act 1999

In accordance with the requirements of the Industrial Relations Act 1999 the attention of the members is drawn to the provisions of section 556, subsections (1), (2), (3) and (4) which read as follows:

- (1) A member of an organisation may apply to the organisation for information that it must under a regulation, give its members.
- (2) An application may be made by the registrar for a member.
- (3) The organisation must give the member or, if the registrar applied for a member, the registrar, the information applied for in the way prescribed under a regulation.
- (4) If the information is given to the registrar, the registrar must give the information to the member for whom the registrar made the application.

Together Queensland, Industrial Union of Employees

Notes to the financial statements

25. Reconciliation of cash flows from operating activities

	Note	2016	2015
Cash flows from operating activities		\$	\$
Loss for the period		(5,911,980)	(1,494,713)
<i>Adjustments for:</i>			
Depreciation	14	83,673	138,971
Gain on sale of non current assets		-	(2,586)
Impairment on available-for-sale financial assets	7	40,000	-
Loss on sale of non current assets	7	12,788	17,910
Investment income		-	(265,416)
Property, plant and equipment transferred to AMACSU for \$nil consideration	14	187,380	-
Operating loss before changes in working capital and provisions		(5,588,139)	(1,605,834)
Decrease in trade and other receivables (excluding advances)		352,672	256,908
(Decrease) in trade and other payables		(1,654,249)	(216,698)
(Decrease) in provisions		(1,418,977)	(19,447)
Net cash from operating activities		(8,308,693)	(1,585,071)

26. Fair value measurement

The following assets and liabilities are recognised and measured at fair value on a recurring basis:

- Land and buildings
- Available-for-sale financial assets

Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed are categorised according to the fair value hierarchy as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Recognised fair value measurements

The following table sets out the group's assets and liabilities that are measured and recognised at fair value in the financial statements.

30 June 2016	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Recurring fair value measurements				
<i>Financial assets</i>				
Available –for-sale financial assets				
- Units property trust	-	35,000	-	35,000
Total financial assets	-	35,000	-	35,000
<i>Non-financial assets</i>				
Land	-	1,325,000	-	1,325,000
Buildings	-	690,000	-	690,000
Total non-financial assets	-	2,015,000	-	2,015,000

Together Queensland, Industrial Union of Employees Notes to the financial statements

26. Fair value measurement (continued)

30 June 2015	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Recurring fair value measurements				
<i>Financial assets</i>				
Available –for-sale financial assets				
- Units property trust	-	71,100	-	71,100
<i>Total financial assets</i>	-	71,100	-	71,100
<i>Non-financial assets</i>				
Land	-	1,325,000	-	1,325,000
Buildings	-	720,000	-	720,000
<i>Total non-financial assets</i>	-	2,045,000	-	2,045,000

Disclosed fair values

Due to their short-term nature, the carrying amount of trade receivables and payables are assumed to approximate their fair values.

Valuation techniques used to derive Level 2 and Level 3 fair values recognised in the financial statements

The following sets out the valuation techniques used to measure fair value within Level 2, including a description of the significant inputs used.

Available-for-sale financial assets – units property trust

The fair value of the units is based on the Union's share of the fair value of the property. The valuation approach for the property is by way of sales prices comparison approach. Sales prices of comparable land in a similar location are adjusted for differences in key attributes such as land size. The valuation model is based on price per square metre.

Land and buildings

The valuation approach was by way of reconciliation of the capitalisation of net income and direct comparison methods of valuation.

27. Related parties and related party transactions

a. Controlled entities

The consolidated financial statements of 2015 incorporate the assets, liabilities and results of the subsidiary, Working for Queenslanders Limited, in accordance with the accounting policy described in Note 1(c).

Working for Queenslanders Limited is a company limited by guarantee that was controlled by Together Queensland, Industrial Union of Employees – refer to Note 3.

b. Key management personnel compensation

	2016 \$	2015 \$
Short-term employee benefits	4,811	1,007,301
Post-employment benefits	-	172,616
Termination benefits	-	189,205
Total	4,811	1,369,122

Together Queensland, Industrial Union of Employees Notes to the financial statements

27. Related parties and related party transactions (continued)

c. Other Related Party Transactions

On 15 May 2015, the Australian Electoral Commission declared the result of ballots held for Senior Executive positions of the Australian, Municipal, Administrative, Clerical and Services Union, Queensland Together Branch. Nine members elected to the Executive were also Executive members of Together Queensland, Industrial Union of Employees.

As such, from 15 May 2015, the two unions are classified as Related Parties.

The transactions between related parties are on normal commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated. The provision of services was made under a Service Agreement signed between the related parties on 1 July 2011.

The following transactions occurred with related parties:

	2016	2015
	\$	\$
Other Income	24,000	-
Service income	-	567,241
Transfer of net assets to the Australian Municipal, Administrative, Clerical and Services Union Queensland Together Branch at \$nil consideration	5,791,512	-

There were no outstanding balances at the end of the reporting period in relation to transactions with related parties.

INDEPENDENT AUDITOR'S REPORT

To the members of Together Queensland, Industrial Union of Employees

Report on the Financial Report

We have audited the accompanying financial report of Together Queensland, Industrial Union of Employees, which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Executive Committee's certificate.

Executive Committee's Responsibility for the Financial Report

The Executive Committee are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting interpretations) and the Industrial Relations Act 1999, and for such internal control as the Executive Committee 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Executive Committee, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Together Queensland, Industrial Union of Employees as at 30 June 2016, and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations).

Report on Other Legal and Regulatory Requirements

In our opinion:

- A. the organisation has kept satisfactory accounting records for the financial period ended June 30, 2016, including records of:
 - i. the sources and nature of the organisations' income; and
 - ii. the nature of and reasons for the organisations' expenditure;
- B. the financial report for the period ended June 30, 2016 is properly drawn up to give a true and fair view of the organisations':
 - i. financial affairs as at the end of the year; and
 - ii. the income and expenditure and surplus or deficit for the year
- C. the financial report has been prepared in accordance with the Industrial Relations Act 1999, Australian Accounting Standards and other mandatory professional reporting requirements
- D. the financial disclosure statement and mid-year financial disclosure statement for the year were prepared under this Act; and
- E. the organisation has the policies it is required to have under section 553A(1).

Where necessary, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Industrial Relations Act 1999 financial reporting requirements. As a result, the financial report may not be suitable for another purpose.

BDO Audit Pty Ltd



T R Mann
Director

Brisbane, 20 December 2016