

Auditor's Independence Declaration to the Branch Executive of
Australian Education Union Tasmanian Branch

In relation to our audit of the financial report of the Australian Education Union Tasmanian Branch for the financial year ended 30 June 2023, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements as set out in the *Fair Work (Registered Organisations) Act 2009*; and any applicable code of professional conduct.



NICK CARTER

Partner

Wise Lord & Ferguson

1/160 Collins Street
HOBART TAS 7000

Dated: 3/11/2023

INDEPENDENT AUDITOR'S REPORT

Members of the Australian Education Union Tasmanian Branch

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Education Union Tasmanian Branch (the reporting unit), which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, the committee of management statement, the subsection 255(2A) report and the officer declaration statement.

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

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by 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 reporting unit 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 reporting unit 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 our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. we have nothing to report in this regard.

Responsibilities of Committee of Management for the Financial Report

The committee of management of the reporting unit 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 reporting unit'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 reporting unit 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 our 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the reporting unit'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 reporting unit'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 reporting unit 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 reporting unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the reporting unit audit. We remain solely responsible for our audit opinion.

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

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

Wise Lord & Ferguson

WISE LORD & FERGUSON



NICK CARTER

Partner

Wise Lord & Ferguson

Member Chartered Accountants Australia & New Zealand CAANZ

Registered Company Auditor: 450133

Registration number (as registered by the Commissioner under the RO Act): AA2017/125

Holder of Public Practice Certificate

1/160 Collins Street

HOBART TAS 7000

Date: 3/11/2023

Australian Education
Union Tasmanian Branch
Financial Statements
30 June 2023

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
OPERATING REPORT
FOR THE PERIOD ENDED 30 JUNE 2023

The Branch Executive presents its report of the Australian Education Union Tasmanian Branch for the financial year ended 30 June 2023.

Principal Activities

The principal activities of the Union during the financial year were:

- To maintain and improve the working conditions and professional welfare of its members;
- Be a professionally managed and democratic Union which provides maximum opportunities for membership involvement in its activities;
- Provide a wide range of appropriate services and benefits to members; and
- Work towards ensuring a just and equitable society, including by promoting actively public education, training and unionism.

It is noted that during the financial year the activities of the Union were suitably carried out. No significant change in the nature of these activities occurred during the year.

The surplus from ordinary activities amounted to \$103,792 for the period ended 30 June 2023 (2022: \$128,139).

Financial Affairs

No significant changes were noted to the financial affairs of the Union during the year.

Right to Resign

Resignation from membership and termination of eligibility for membership is regulated by Rule 17 of the Federal Rules.

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

Superannuation Trustees/Directors

There are no members of the Branch Council that are trustees or directors of a superannuation entity or an exempt public sector superannuation scheme.

Number of Members

The Union had 5,099 members at the end of the reporting period (2022: 5,128).

Number of employees

The Union employed 20 staff, expressed as FTE18.8, as at 30 June 2023 (2022: 22 employees, expressed as 18.9 FTE).

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
OPERATING REPORT
FOR THE PERIOD ENDED 30 JUNE 2023

Payments to Employers

The Union did not make any payments during the financial year to employers as consideration for the employers making payroll deductions of membership subscriptions.

Names of Committee of Management Members and Period Positions Held During the Financial Year

Names and positions of the Committee of Management for the financial year 1 July 2022 to 30 June 2023 were:

Branch President

GENFORD, David

Branch Deputy Presidents

DoE

CORNELIUS, Lucie

Support Staff

JACKSON, Mandy

Secondary Colleges

RUSSELL, Laura

TAFE Division

SABOL, Tristan

(Elected through Casual Vacancy 12 May 2023)

Branch Executive

COOMBES, Terri

BUGG, Claire

JALES, Alison

(Resigned 20 August 2022)

JANSEN-MUNDAY, Nanna

OLDFIELD, Shane

(Resigned 24 February 2023)

YOUNG, Peter

COATES, Joy

(Elected through Casual Vacancy 11th May 2023)

REVELL-COOK, Peta-Maree

(Elected through Casual Vacancy 11th May 2023)

Indigenous Representative

Position Vacant

DoE Sector

Branch Council Delegate – DoE North-West Region

FOGG, Samuel

HABERLE, Raymond

KING, Belinda

TAYLOR, Lisa

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
OPERATING REPORT
FOR THE PERIOD ENDED 30 JUNE 2023

Branch Council Delegate – DoE Southern Region

ANDERSON, Rachel
CLIFFORD, Nicolas
COOMBES, Terri
DEVEREUX, Lucy
DUNCAN, Lauren
LAIRD-VALENTINE, Margaret
JANSEN-MUNDAY, Nanna
PAPWORTH, Hannah
PARK, Georgia
SMIT, Henk
THOMAS, Ryan (Resigned 1 September 2022)
VICKERS, Dianne (Resigned 25 May 2023)
WICKHAM, Marney

Branch Council Delegate – DoE Northern Region

COATES, Joy
DJAKIC, Murat
DUNCAN, David
CORNELIUS, Lucie
GEALE, Sallyann

Branch Deputy President - Support Staff

JACKSON, Mandy

Branch Council Delegate – Support Staff

ADAMS, Tanya
FODEN, Susan
GREEVES, Rebecca
STEVENS, Jo
WATSON, Tania

Secondary Colleges Sector

Branch Deputy President – Secondary Colleges

RUSSELL, Laura

Vice-President – Secondary Colleges

BROAD, James

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
OPERATING REPORT
FOR THE PERIOD ENDED 30 JUNE 2023

Branch Council Delegate – Secondary Colleges

BROAD, James
HICKS, Peter
PRESTON, Matthew
REVELL-COOK, Peta-Maree
RUSSELL, Laura
SIMPSON, Bradley

TAFE Division

Branch Deputy President – TAFE Division

SABOL, Tristan (Elected through Casual Vacancy 12 May 2023)
Simon Bailey (Resigned 3 April 2023)

Vice President - TAFE Division

SABOL, Tristan (Elected to Higher Office)
VON SAMORZEWSKI, Damien

Branch Council Delegates - TAFE Division

HOLGATE, Barbara
LOONE, Simone (Resigned 29 September 2022)
SABOL, Tristan (Elected to Higher Office)
McKINNON, Cameron
THOLLAR, Fiona
BREWER, Deborah
WRIGHT, Benjamin (Resigned 15 March 2023)

TAFE Division

Delegates to TAFE Division Council

LOONE, Simone (Resigned 29 September 2022)
MCKINNON, Cameron
SABOL, Tristan

Women's Officer – TAFE Division

BREWER, Deborah

Executive Representative of Support Staff Members – TAFE Division

FRECH, Nicolas

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
OPERATING REPORT
FOR THE PERIOD ENDED 30 JUNE 2023

Executive - TAFE Division

BAILEY, Simon

BREWER, Deb

FRECH, Nicolas

LOONE, Simone

(Resigned 29 September 2022)

SABOL, Tristan

VON SAMORZEWSKI, Damien

WRIGHT, Benjamin

(Resigned 15 March 2023)

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
OPERATING REPORT
FOR THE PERIOD ENDED 30 JUNE 2023

The members of the Committee of Management who held office during the financial year received no remuneration.

Signed in accordance with a resolution of the Branch Executive:



David Genford
Branch President

Dated: 3/11/23

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
SUBSECTION 255(2A) REPORT
FOR THE PERIOD ENDED 30 JUNE 2023

The Branch Executive presents the expenditure report as required under subsection 255(2A) of the Australian Education Union Tasmanian Branch for the financial year ended 30 June 2023.

	2023	2022
	\$	\$
Categories of Expenditures		
Remuneration and other employment-related costs and expenses - employees	2,608,484	2,474,979
Advertising	2,464	660
Operating costs	910,576	877,386
Donations to political parties	-	-
Legal costs	18,993	1,716
	<u>3,540,517</u>	<u>3,354,741</u>



David Genford
Branch President

Dated: 3/11/23

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
OFFICER DECLARATION STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2023

I, David Genford, being the Branch President of the Australian Education Union Tasmanian Branch, declare that the following activities did not occur during the reporting period ending 30 June 2023.

The reporting unit did not:

- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission;
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit;
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity; or
- have another entity administer the financial affairs of the reporting unit.

CG

David Genford
Branch President

Dated: 3/11/23

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
BRANCH EXECUTIVE DECLARATION
FOR THE PERIOD ENDED 30 JUNE 2023

On the 3 / 11 / 2023 the Branch Executive of the Union passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2023:

The Branch Executive of the Union declares that in its opinion:

- (a) the financial statements and notes comply with 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 Union for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Union will be able to pay its debt as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned;
 - (ii) the financial affairs of the Union have been managed in accordance with the rules of the organisation including the rules of a branch concerned;
 - (iii) the financial records of the Union have been kept and maintained in accordance with the RO Act;
 - (iv) as far as is practical and reasonable, the financial records of the Union have been kept in a consistent manner to other national union branches;
 - (v) where information has been sought in any request by a member of the Union or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) in relation to the recovery of wages activity, no activity of this nature has been undertaken.

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



David Genford
Branch President

Dated: 3/11/23

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 30 JUNE 2023

	Notes	2023 \$	2022 \$
REVENUE	3		
Membership subscriptions		3,582,235	3,619,063
Board sitting fees		-	-
Investment income and interest		177,123	59,778
Rental revenue		41,190	25,669
Other revenue		33,837	18,114
Capitation fees and other revenue from another reporting unit		-	-
Revenue from recovery of wages activity		-	-
Levies		-	-
TOTAL REVENUE		3,834,385	3,722,624
OTHER INCOME			
Grants and/or donations		-	-
Net movement in managed investments		-	(44,213)
TOTAL OTHER INCOME		-	(44,213)
TOTAL INCOME		3,834,385	3,678,411
EXPENSES			
Employee expenses	4(a)	2,608,484	2,469,479
Capitation fees and other expense to another reporting unit	4(b)	203,473	193,052
Affiliation fees	4(c)	87,746	95,531
Administration expenses	4(d)	579,388	532,850
Grants or donations	4(e)	-	6,500
Depreciation and amortisation	4(f)	189,092	195,531
Interest expense		775	782
Legal costs	4(g)	18,993	1,716
Net losses from sale of assets		984	-
Other expenses	4(h)	41,658	54,831
TOTAL EXPENSES		3,730,593	3,550,272
SURPLUS FOR THE YEAR		103,792	128,139
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		103,792	128,139

The accompanying notes form part of these financial statements.

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	Notes	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5(a)	1,449,692	1,419,249
Trade and other receivables	5(b)	167,794	132,682
TOTAL CURRENT ASSETS		1,617,486	1,551,931
NON-CURRENT ASSETS			
Land and buildings	6(a)	1,866,247	1,924,287
Plant and equipment	6(b)	81,306	83,136
Motor vehicles	6(c)	77,725	135,619
Intangibles	6(d)	65,697	81,513
Right-of-use assets	6(e)	118,404	18,687
Other non-current assets	6(f)	3,101,145	2,924,022
TOTAL NON-CURRENT ASSETS		5,310,524	5,167,264
TOTAL ASSETS		6,928,010	6,719,195
LIABILITIES			
CURRENT LIABILITIES			
Trade payables	7(a)	94,597	73,622
Other payables	7(b)	94,625	111,604
Employee provisions	8	172,682	170,807
Lease liabilities	6(e)	37,053	19,410
TOTAL CURRENT LIABILITIES		480,548	375,443
NON-CURRENT LIABILITIES			
Employee provisions	8	182,278	192,249
Other non-current liabilities	9	14,766	4,877
Lease liabilities	6(e)	81,591	-
TOTAL NON-CURRENT LIABILITIES		197,044	197,126
TOTAL LIABILITIES		677,592	572,569
NET ASSETS		6,250,418	6,146,626
EQUITY			
Retained profits	10(a)	4,782,988	4,679,196
Reserves	10(b)	1,467,430	1,467,430
TOTAL EQUITY		6,250,418	6,146,626

The accompanying notes form part of these financial statements.

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 JUNE 2023

	Retained Earnings \$	General Reserve \$	Asset Revaluation Reserve \$	Total Equity \$
Closing balance as at 30 June 2021	4,551,057	725,031	742,399	6,018,487
Surplus for the year	128,139	-	-	128,139
Closing balance as at 30 June 2022	4,679,196	725,031	742,399	6,146,626
Surplus for the year	103,792			103,792
Closing balance as at 30 June 2023	4,782,988	725,031	742,399	6,250,418

The accompanying notes form part of these financial statements.

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 JUNE 2023

	Notes	2023 \$	2022 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from members		3,547,639	3,614,236
Other income		59,840	25,595
Receipts from other units/controlled entity(s)		-	-
Cash used			
Employees		(2,613,001)	(2,367,510)
Suppliers		(911,200)	(872,731)
Payment to other units/controlled entity(s)		-	-
Net cash from / (used by) operating activities	12	83,278	399,590
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of fixed assets		-	-
Trust funds received		-	-
Cash used			
Repayments from / (Loans to) members		4,919	476
Purchase of plant and equipment		(33,813)	(22,818)
Net cash from / (used by) investing activities		(28,894)	(22,342)
FINANCING ACTIVITIES			
Cash used			
Repayment of lease liabilities		(23,941)	(21,865)
Net cash from / (used by) financing activities		(23,941)	(21,865)
Net increase / (decrease) in cash held		30,443	355,383
Cash and cash equivalents at the beginning of the period		1,419,249	1,063,866
Cash and cash equivalents at the end of the period	5(a)	1,449,692	1,419,249

The accompanying notes form part of these financial statements.

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Australian Education Union Tasmanian Branch is a not-for-profit entity. Disclosures made in the financial statements with zero values in both financial years are disclosed only due to the mandatory requirements of the Registered Organisations Commission.

The financial report covers the Australian Education Union Tasmanian Branch as an individual entity. The Australian Education Union Tasmanian Branch is a trade union in Tasmania governed by the *Fair Work (Registered Organisations) Act 2009*.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. The financial statements have been prepared on a historical cost basis, except for certain classes of property, plant and equipment and investment properties, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. The financial statements are presented in Australian dollars.

(b) Going Concern

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

Australian Education Union Tasmanian Branch has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis

(c) Comparative Amounts

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

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Accounting Judgements and Estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. 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 and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is described in Note 8 where judgements have been made in relation to the value of employee entitlements and Note 6 where judgements have been made in relation to the value of right-of-use assets.

(d) New Australian Accounting Standards

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

Future Australian Accounting Standards Requirements.

No new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected to have a future financial impact on the Union.

(e) Current Versus Non-Current Classification

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

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Current versus non-current classification (Continued)

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

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

The Union classifies all other liabilities as non-current.

(f) Revenue

The Union enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, levies, interest, and rental income.

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

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Revenue (Continued)

Revenue from Contracts with Customers

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

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

Membership Subscriptions

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

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

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

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

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

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Revenue (Continued)

Capitation Fees

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

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

Levies

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

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

Volunteer Services

During the year, the Union did not recognise any volunteer services as revenue because it could not reliably measure the fair value of those services.

Gains from Sale of Assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

Interest Income

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

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Revenue (Continued)

Rental Income

Leases in which the Union as a lessor, does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the relevant lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(g) Cash and Cash Equivalents

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

(h) Trade Debtors and Other Receivables

Trade receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

(i) Other Current Assets

Managed Investments are classified as fair value through profit or loss with any gains or losses arising on measurement recognised in profit or loss. Mortgage Fund investments are valued at amortised cost using the effective interest rate method.

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Financial Instruments

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

Financial Assets

i) Initial recognition and measurement

The Union's financial assets include trade receivables and loans to related parties.

The Union's financial assets are classified as financial assets subsequently measured at amortised cost because both of the following conditions are met:

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

The classification of financial assets is performed at an instrument level at initial recognition of the financial asset.

The Union initially measures a financial asset at its fair value plus transaction costs. However, contract assets and trade receivables that do not contain a significant financing component are measured at the transaction price as determined in accordance with the revenue policy in Note 1(f).

ii) Subsequent measurement

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

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Financial Instruments (Continued)

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

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

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

iv) Derecognition

Financial assets are derecognised when the rights to receive cash flows from the asset have expired. For receivables and contract assets, the Union directly reduces the gross carrying amount of a receivable or contract asset when it has no reasonable expectations of recovering the receivable or contract asset in its entirety or a portion thereof.

v) Impairment

Expected credit losses

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

Trade receivables

For trade receivables that do not have a significant financing component, the Union applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Union does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Financial Instruments (Continued)

Debt instruments other than trade receivables

The Union recognises an allowance for ECLs for all contract assets, receivables and any other financial assets measured at amortisation cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the reporting unit expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Financial Instruments (Continued)

Financial Liabilities

i) Initial recognition and measurement

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

The Unions financial liabilities are classified as financial liabilities subsequently measured at amortised cost.

These financial liabilities are recognised initially at fair value and net of directly attributable transaction costs.

ii) Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, trade payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs.

Derecognition

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

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) 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.

(l) Liabilities Relating to Contracts with Customers

Contract Liabilities

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

Refund Liabilities

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

(m) Land, Buildings, Plant and Equipment

Asset Recognition

Purchases of land, buildings, plant and equipment are recognised at cost in the Statement of Financial Position. The initial cost of an asset does not include an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. Any such costs would be insignificant.

Recoverable Amount

Non-current assets measured using the cost basis are not carried at an amount above their recoverable amount, and where a carrying value exceeds this recoverable amount, the asset is written down.

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Land, Buildings, Plant and Equipment (Continued)

Depreciation

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

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

	2023	2022
Land and buildings	50 years	50 years
Plant and equipment	4 to 5 years	4 to 5 years
Computer equipment	2.5 to 3 years	2.5 to 3 years
Motor vehicles	4 to 5 years	4 to 5 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.

(q) Intangibles

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

	2023	2022
Intangibles	10 years	10 years

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Intangibles (Continued)

Derecognition

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

(r) Impairment of Non-Financial Assets

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

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

(s) Trade and Other Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Union.

(t) 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 due 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 are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Leases

The Union assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Union as a Lessee

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

Right-of-Use Assets

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

	2023	2022
Land and Building	4 Years	4 Years
Other Equipment	4 Years	4 Years

If ownership of the leased asset transfers to the Union at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease Liabilities

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

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Leases (Continued)

In calculating the present value of lease payments, the Union uses the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(v) Other Income

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

(w) Taxation

The Union 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).

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

- where the amount of GST incurred is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; 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 in the Statement of Financial Position. Commitments and contingencies are disclosed net of the amount of GST recoverable from or payable to, the taxation authority.

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.

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) Information to be Provided to Members or Commissioner

In accordance with the requirement of the Fair Work (Registered Organisations) Act 2009, as amended, the attention of members is drawn to the provisions of subsection (1), (2) and (3) of section 272 which reads as follows:

- i. 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.
- ii. 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.
- iii. A reporting unit must comply with an application made under subsection (1).

(y) Fair Work Disclosures

Users of these financial statements should note that nil disclosures are made to comply with the reporting requirements of the *Fair Work (Registered Organisations) Act 2009*.

NOTE 2 EVENTS AFTER THE REPORTING PERIOD

There has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Association, the results of those operations, or the state of affairs of the Association in subsequent financial periods.

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

	2023	2022
	\$	\$

NOTE 3 REVENUE

During the 2023 financial year, AEU did not receive any revenue from capitation fees, levies, grants or donations, or from recovery of wages activity. The union has not received financial support from any other reporting units.

Disaggregation of revenue from contracts with customers

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

Type of Customer

Members	3,582,235	3,619,063
Other reporting units	-	-
Government	-	-
Other parties	252,150	59,348
Total revenue from contracts with customers	3,834,385	3,678,411

Disaggregation of income for furthering activities

A disaggregation of the Union's income by type of arrangement is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of income by funding source:

Income funding sources

Members	-	-
Other reporting units	-	-
Government	-	-
Other parties	-	-
Total income for furthering activities	-	-

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 4 EXPENSES		
(a) Employee expenses		
Holders of office		
Wages and salaries	153,761	140,607
Superannuation	16,401	13,804
Leave and other entitlements	24,513	22,415
Executive expenses	25,698	20,336
Employee expenses - holders of office	220,373	197,162
Employees other than office holders		
Wages and salaries	2,004,819	1,844,229
Superannuation	229,540	227,303
Leave and other entitlements	153,752	200,785
Separation and redundancies	-	-
Employee expenses - employees other than office holders	2,388,111	2,272,317
Total employee expenses	2,608,484	2,469,479
There are no other expenses relating to redundancies or other liabilities for office holders and other employees of the Union. No fees have been incurred as consideration for employers making payroll deductions for membership subscriptions.		
(b) Capitation fees		
AEU Federal capitation fees	203,473	193,052
Total capitation fees	203,473	193,052
(c) Affiliation fees		
ACTU affiliation	33,880	33,652
Unions Tasmania affiliation	42,306	41,882
Education International affiliation	11,560	19,997
Total affiliation fees	87,746	95,531

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 4 EXPENSES (CONTINUED)		
(d) Administration expenses		
Accounting and auditing	32,545	17,450
Bank charges	47,495	54,481
Branch Council expenses	22,659	19,597
Compulsory levies (public education levy – AEU Federal Office)	20,610	20,648
Computer maintenance and database upgrades	76,531	77,975
Conference and meeting expenses	16,572	10,113
Consultancy advice	15,592	8,346
Fees/allowances – meeting and conferences	30,426	28,594
Industrial campaigns expenses	26,666	24,207
Insurance expenses	61,559	70,603
Member expenses	26,858	21,521
Postage, printing and stationery	13,701	6,214
Property expenses	93,785	73,284
Repairs and maintenance	17,657	27,753
Research expenses	1,465	1,539
Telephone expenses	27,313	25,467
Total paid to employers for payroll deductions of membership subscriptions	-	-
Travel and motor vehicle expenses	47,954	45,058
Total administration expenses	579,388	532,850
(e) Grants or donations		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	5,500
Donations:		
Total paid that were \$1,000 or less	-	1,000
Total paid that exceeded \$1,000	-	-
Total grants or donations	-	6,500

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2023

	2023 \$	2022 \$
NOTE 4 EXPENSES (CONTINUED)		
(f) Depreciation and amortisation		
Land and buildings	58,040	57,362
Plant and equipment	34,639	36,086
Motor vehicles	57,894	64,277
Software	15,816	16,256
Right-of-use assets	22,703	21,550
Total depreciation and amortisation	189,092	195,531
(g) Legal costs		
Litigation	18,993	1,716
Other legal matters	-	-
Total legal costs	18,993	1,716
(h) Other expenses		
Contribution to International Trust Fund	23,745	23,745
Sundry	959	12,154
Bad debts	16,954	18,932
Penalties – via RO Act or Fair Work Act 2009	-	-
Total other expenses	41,658	55,831
NOTE 5 CURRENT ASSETS		
(a) Cash and cash equivalents		
Cash at bank	1,449,464	1,419,021
Cash on hand	228	228
Total cash and cash equivalents	1,449,692	1,419,249
(b) Trade and other receivables		
Sundry debtors	38,183	22,012
Loans to members	1,580	6,499
Prepayments	50,761	44,543
Accrued membership subscriptions	113,156	78,560
Total current receivables	203,680	151,614
Less allowance for expected credit losses	35,886	18,932
Total current receivables (net)	167,794	132,682

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

	2023	2022
	\$	\$

NOTE 5 CURRENT ASSETS (CONTINUED)

(b) Trade and other receivables

Sundry debtors are non-interest bearing and generally collected on 30 day terms.

The Australian Education Union Tasmanian Branch does not have monies receivable from other reporting units at 30 June 2023.

The Union has recognised the following assets related to contracts with customers:

Receivables	167,794	132,682
Receivables – current	167,794	132,682
Receivables – non-current	-	-
Contract assets	-	-
Contract assets – current	-	-
Contract assets – non-current	-	-

NOTE 6 NON-CURRENT ASSETS

(a) Land and buildings

At deemed cost	2,866,272	2,866,272
Accumulated depreciation	(1,000,025)	(941,985)
Total land and buildings	1,866,247	1,924,287

On the transition to AIFRS a determination was made that land and buildings be valued at deemed cost. Prior years included land and buildings at executive branch valuation.

Reconciliation of the opening and closing balances of land and buildings

Net book value 1 July	1,924,287	1,981,649
Additions	-	-
Depreciation expense	(58,040)	(57,362)
Net book value 30 June	1,866,247	1,924,287

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 6 NON-CURRENT ASSETS (CONTINUED)		
<i>Reconciliation of the opening and closing balances of land and buildings (continued)</i>		
Net book value as of 30 June represented by		
Gross book value	2,866,272	2,866,272
Accumulated depreciation and impairment	(1,000,025)	(941,985)
Net book value 30 June	<u>1,866,247</u>	<u>1,924,287</u>
 (b) Plant and equipment		
At cost	472,778	454,957
Accumulated depreciation	(391,472)	(371,821)
Total plant and equipment	<u>81,306</u>	<u>83,136</u>
 <i>Reconciliation of the opening and closing balances of plant and equipment</i>		
Net book value 1 July	83,136	96,404
Additions	33,813	22,818
Disposals	(1,004)	-
Depreciation expense	(34,639)	(36,086)
Net book value 30 June	<u>81,306</u>	<u>83,136</u>
Net book value as of 30 June represented by		
Gross book value	472,778	454,957
Accumulated depreciation and impairment	(391,472)	(371,821)
Net book value 30 June	<u>81,306</u>	<u>83,136</u>
 (c) Motor Vehicles		
At cost	323,341	323,341
Accumulated depreciation	(245,616)	(187,722)
Total motor vehicles	<u>77,725</u>	<u>135,619</u>

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

	2023 \$	2022 \$
NOTE 6 NON-CURRENT ASSETS (CONTINUED)		
<i>Reconciliation of the opening and closing balances of motor vehicles</i>		
Net book value 1 July	135,619	199,896
Additions	-	-
Disposals	-	-
Depreciation expense	(57,894)	(64,277)
Net book value 30 June	<u>77,725</u>	<u>135,619</u>
Net book value as of 30 June represented by		
Gross book value	323,341	323,341
Accumulated depreciation and impairment	(245,616)	(187,722)
Net book value 30 June	<u>77,725</u>	<u>135,619</u>
(d) Intangibles		
Computer software at cost:		
Internally developed	159,892	159,892
Accumulated amortisation	(94,195)	(78,379)
Total intangibles	<u>65,697</u>	<u>81,513</u>
<i>Reconciliation of the opening and closing balances of intangibles</i>		
Net book value 1 July	81,513	97,769
Transfer from work in progress	-	-
Amortisation	(15,816)	(16,256)
Net book value 30 June	<u>65,697</u>	<u>81,513</u>
Net book value as of 30 June represented by		
Gross book value	159,892	159,892
Accumulated amortisation and impairment	(94,195)	(78,379)
Net book value 30 June	<u>65,697</u>	<u>81,513</u>

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 6 NON-CURRENT ASSETS (CONTINUED)	2023	2022
	\$	\$

(e) Leases

Union as a lessee

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

As at 1 July	18,687	40,237
Additions	122,897	-
Amortisation expense	(22,703)	(21,550)
Impairment	-	-
Disposals	(477)	-
As at 30 June	118,404	18,687

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

As at 1 July	19,410	41,275
Additions	122,897	-
Accretion of interest	775	782
Disposals	(497)	-
Payments	(23,941)	(22,647)
As at 30 June	118,644	19,410

Current	37,053	19,410
Non-current	81,591	-
Total lease liabilities	118,644	19,410

The maturity analysis of lease liabilities is disclosed in Note 14.

The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets	22,703	21,550
Interest expense on lease liabilities	775	782
Expense relating to short-term leases	-	-
Expense relating to leases of low-value assets (included in administrative expenses)	-	-
Total amount recognised in profit or loss	23,478	22,332

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 6 NON-CURRENT ASSETS (CONTINUED)	2023	2022
	\$	\$

(f) Other non-current assets

Financial assets at fair value through profit and loss

Managed investment	1,125,709	1,011,073
Mortgage fund investment	1,975,436	1,912,949
Total other financial assets	3,101,145	2,924,022

Managed Investment and Mortgage Fund Investment are held for long-term planned purposes and are not held for trading. The Union has elected to designate as at fair value through profit and loss.

NOTE 7 CURRENT LIABILITIES

Trade payables

Trade creditors	5,973	10,648
Accrued expenses	88,624	62,974
Total trade payables	94,597	73,622

Trade payables are non-interest bearing and are usually settled within 30 days.

The Australian Education Union Tasmanian Branch does not have monies payable to other reporting units at 30 June 2023.

The Union has recognised the following liabilities related to contracts with customers:

Other contract liabilities	94,597	73,622
Contract liabilities – current	94,597	73,622
Contract liabilities – non-current	-	-

Unsatisfied performance obligations

The Union expects that the remaining performance obligations will be met in the next financial year. These performance obligations primarily relate to member subscription contracts and grant program contracts.

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
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	2023	2022
	\$	\$
(a) Other payables		
GST payable	50,442	71,000
PAYG withholding tax	44,183	39,339
Consideration to employers for payroll deduction	-	1,265
Legal costs	-	-
Total other payables	94,625	111,604

Wages and salaries and employee payroll deductions were fully paid as at 30 June 2023.

NOTE 8 EMPLOYEE PROVISIONS

Holders of office

Annual leave	18,334	12,822
Long service leave	1,565	1,521
Employee provisions - holders of office	19,899	14,343

Employees other than office holders

Annual leave	221,873	223,670
Long service leave	113,188	125,043
Employee provisions - employees other than office holders	335,061	188,623
	354,960	363,056

Current	172,682	170,807
Non-current	182,278	192,249
Total employee provisions	354,960	363,056

There are no other provisions relating to redundancies or other liabilities for office holders and other employees of the Union.

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 9 OTHER NON-CURRENT LIABILITIES

Other non-current liabilities

Amy Rowntree Memorial Fund	4,877	4,877
Security Bond Hobart Office	9,889	-
Total other non-current liabilities	14,766	4,877

NOTE 10 EQUITY

(a) Retained profits

Balance at the beginning of the year	4,679,196	4,551,057
Surplus for the year	103,792	128,139
Balance at end of year	4,782,988	4,679,196

(b) General reserve

Balance as at beginning of the year	725,031	725,031
Transferred in or out	-	-
Balance at end of year	725,031	725,031

Asset revaluation reserve

Balance as at beginning of the year	742,399	742,399
Transferred in or out	-	-
Balance at end of year	742,399	742,399
Total reserves	1,467,430	1,467,430

There are no other funds relating to compulsory levies or voluntary contributions maintained by the Union.

NOTE 11 REMUNERATION OF AUDITORS

Value of the services provided by WLF Accounting & Advisory

Financial statement audit services	13,400	12,670
Other services	19,145	4,780
Total remuneration of auditors	32,545	17,450

Other services includes the preparation of the financial statements in the Registered Organisations Commission model financial statements format.

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2023

	2023 \$	2022 \$
NOTE 12 CASH FLOW		
CASH FLOW RECONCILIATION		
Surplus for the year	103,792	128,139
Adjustments for non-cash items		
Bad Debt Expense	16,954	18,932
Depreciation and amortisation	189,092	195,531
Net (profit) / loss on disposal of plant and equipment	984	-
Net market movement in investments	(177,123)	(15,565)
Changes in assets and liabilities		
(Increase) / decrease in trade and other receivables	(56,985)	(18,139)
(Increase) / decrease in other non-current assets	-	-
(Decrease) / increase in trade payables	(4,675)	(29,306)
(Decrease) / increase in other payables	19,335	16,656
(Decrease) / increase in employee provisions	(8,096)	103,342
Net cash from / (used by) operating activities	83,278	399,590
(a) CASH FLOW INFORMATION		
Cash inflows		
Operating activities	3,607,479	3,699,609
Investing activities	-	-
Financing activities	-	-
Total cash inflows	3,607,479	3,699,609
Cash outflows		
Operating activities	3,524,201	3,240,241
Investing activities	28,894	82,120
Financing activities	23,914	21,865
Total cash outflows	3,577,036	3,344,226

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 13 RELATED PARTY DISCLOSURES

(a) Related Parties

The Branch Executive of the Australian Education Union Tasmanian Branch during the financial year were:

David Genford	President
Mandy Jackson	Deputy President – Support Staff
Laura Russell	Deputy President – Secondary Colleges
Tristan Sabol	Deputy President – TAFE Division
Terri Coombes	
Claire Bugg	
Joy Coates	
Nanna Jansen-Munday	
Peta-Maree Revell-Cook	
Peter Young	

2023	2022
\$	\$

The following cash flows occurred between the Australian Education Union Tasmanian Branch and other related reporting units for the period.

Net Cash flows (to) / from other reporting units

Australian Education Union - Federal Office	(293,107)	(319,472)
Australian Education Union - ACT Branch	-	-
Australian Education Union - VIC Branch	-	-
Australian Education Union - SA Branch	-	-
Australian Education Union - NT Branch	-	-
New South Wales Teachers Federation Branch	-	-
Queensland Teachers Union	-	-

The Union did not make a payment to a former related party of the Union.

(b) International Trust Fund

This fund has been set up under Australian Education Union Rules and is audited separately. Australian Education Union branches contribute to the fund.

Contribution by Australian Education Union Tasmanian Branch	23,745	23,745
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AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 14 FINANCIAL INSTRUMENTS

The Union's principle financial assets comprise cash, cash investments and trade debtors whilst its principle financial liabilities comprise trade payables.

The entity has exposure to the following risks from its use of financial instruments:

(a) Credit risk

Credit risk is the risk of financial loss to the Union if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Unions receivables from customers.

The Union's maximum exposure to credit risk at balance date in relation to each class of recognised financial assets, is the carrying amount of those assets as indicated in the balance sheet.

The Union does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Union.

(b) Interest rate risk

Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

The majority of the Unions financial assets are held in interest bearing assets that are expected to mature within three months or in financial assets that reset to the prevalent market interest rate on a monthly or quarterly basis. As a result, the Union is subject to limited exposure to interest rate risk due to fluctuations in the prevailing levels of market interest rates.

An increase / (decrease) in interest rates of 1% will have a corresponding effect on revenue of \$47,186 (2022: \$44,760).

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 15 KEY MANAGEMENT PERSONNEL REMUNERATION		
Short-term employee benefits		
Salary (including annual leave taken)	344,230	325,362
Annual leave accrued	52,959	50,056
Total short-term employee benefits	387,189	375,418
Post-employment benefits		
Superannuation	50,484	46,549
Total post-employment benefits	50,484	46,549
Other long-term benefits		
Long service leave accrued	17,609	16,644
Total other long-term benefits	17,609	16,644
Termination benefits	-	-
Total benefits	465,282	438,611

NOTE 16 UNION DETAILS

The principal place of business of the Union is:

Level 1/32 Patrick Street
HOBART TAS 7000

NOTE 17 SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

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

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

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 17 SEGMENT REPORTING

The Australian Education Union Tasmanian Branch operates in one geographical segment being Tasmania.

NOTE 18 RELIANCE AND PROVISION OF FINANCIAL SUPPORT

The Australian Education Union Tasmanian Branch does not place any reliance on the agreed financial support of another reporting unit of the organisation to operate as a going concern. No financial support was received from another reporting unit during the financial period.

The Australian Education Union Tasmanian Branch has not entered into any agreement to provide financial support to another reporting unit of the organisation to assist it to operate as a going concern.

NOTE 19 RECOVERY OF WAGES

There was no recovery of wages activity for the 2022 or 2023 financials years.

NOTE 20 ACQUISITION OF ASSETS AND/OR LIABILITIES THAT DO NOT CONSTITUTE A BUSINESS COMBINATION

There were no assets or liabilities acquired during the 2022 or 2023 financial years as a result of an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches or the branches of the Union, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.