



**HEALTH SERVICE UNION OF WESTERN AUSTRALIA
(UNION OF WORKERS)
ABN 94 472 768 794**

**SPECIAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

HEALTH SERVICES UNION OF WESTERN AUSTRALIA (UNION OF WORKERS)
ABN 94 472 768 794

| Table of Contents | Page |
|--|-------------|
| Statement by the Committee | 1 |
| Statement of Profit or Loss and Other Comprehensive Income | 2 |
| Statement of Financial Position | 4 |
| Statement of Changes in Equity | 5 |
| Statement of Cash Flows | 6 |
| Notes to the Financial Statements | 7 |
| Auditors' Independence Declaration | 13 |
| Independent Auditors' Report | 14 |

HEALTH SERVICES UNION OF WESTERN AUSTRALIA (UNION OF WORKERS)

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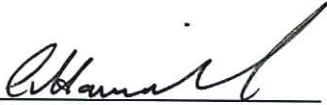
STATEMENT BY THE COMMITTEE
FOR THE YEAR ENDED 30 SEPTEMBER 2021

The Committee has determined that Health Services Union of Western Australia (Union of Workers) (the "Union") is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee, the financial report as set out on the following pages:

- a) Presents a true and fair view of the financial position of the Union as at 30 September 2021 and its performance for the year ended on that date.
- b) At the date of this statement, there are reasonable grounds to believe that the Union will be able to pay its debts as and when they fall due.

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



Cheryl Hamill
President



Naomi McCrae
Secretary

Dated at Perth, WA this 16 day of November 2021

HEALTH SERVICES UNION OF WESTERN AUSTRALIA (UNION OF WORKERS)
ABN 94 472 768 794

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2021

| | 2021 | 2020 |
|---|-------------------------|-------------------------|
| | \$ | \$ |
| INCOME | | |
| Subscriptions from Members - HSU | 3,467,679 | 3,218,387 |
| Government Grant | - | 117,500 |
| Interest | 3,430 | 4,243 |
| TOTAL INCOME | <u>3,471,109</u> | <u>3,340,130</u> |
| EXPENDITURE | | |
| ADMINISTRATION | | |
| Computer Maintenance Fees | 36,594 | 25,662 |
| General Postage | 3,716 | 4,539 |
| Equipment Purchases and Repairs | 2,306 | 2,345 |
| Stationery and Office Supplies | 15,670 | 20,811 |
| Telephone and Electricity | 36,891 | 31,585 |
| Leasing Charges | 30,636 | 31,541 |
| Other Administrative Costs | 1,839 | 1,187 |
| Audit Fees | 7,708 | 7,608 |
| | <u>135,360</u> | <u>125,278</u> |
| DEPRECIATION | | |
| Plant and Equipment | 27,648 | 76,204 |
| Right of Use Assets | 38,089 | 19,783 |
| | <u>65,737</u> | <u>95,987</u> |
| FINANCE | | |
| Banking Taxes, Fees and Sundries | 47,793 | 45,041 |
| ME Loan | - | 740 |
| | <u>47,793</u> | <u>45,781</u> |
| Transfers to Health Services Union of Australia WA Branch | <u>167,182</u> | <u>163,871</u> |
| | 167,182 | 163,871 |
| INDUSTRIAL | | |
| Affiliation - TLC | 37,139 | 36,117 |
| Industrial Campaigns and Research | 47,692 | 81,866 |
| Industrial Conventions and Seminars | 825 | 3,013 |
| Legal Opinions and Fees | - | 8,209 |
| | <u>85,656</u> | <u>129,205</u> |
| MEMBERS AND COMMITTEE | | |
| Bereavement Fund Payments | 15,000 | 10,000 |
| Committee Expenses and Honoraria | 17,196 | 23,421 |
| Committee and Staff Insurance | 36,438 | 18,619 |
| Delegates Conferences and Job Reps Training | 2,525 | 824 |
| Meeting of Members, Committees and Sub Committee | 3,232 | 3,138 |
| Members Insurance | 169,769 | 151,434 |
| Membership Promotions and Sponsorships | 2,379 | 6,354 |
| Other | 1,000 | 500 |
| | <u>247,539</u> | <u>214,290</u> |

The accompanying notes form part of these financial statements.

HEALTH SERVICES UNION OF WESTERN AUSTRALIA (UNION OF WORKERS)
ABN 94 472 768 794

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2021

| | 2021 | 2020 |
|---|-------------------------|-------------------------|
| | \$ | \$ |
| EXPENDITURE | | |
| OCCUPANCY OF COOLGARDIE TERRACE | | |
| Cleaning and Maintenance | 23,575 | 15,826 |
| Rates, Taxes and Insurance | 16,982 | 16,899 |
| | <u>40,557</u> | <u>32,725</u> |
| PRINTING AND PUBLICATION | | |
| Membership Card and Other | 5,021 | 7,332 |
| | <u>5,021</u> | <u>7,332</u> |
| STAFF | | |
| Wages and Salaries | 1,975,544 | 1,921,524 |
| Superannuation | 264,710 | 275,681 |
| Insurance, Amenities, Training Courses and Other Expenses | (63,955) | (2,692) |
| Long Service Leave and Annual Leave Provisions | (91,742) | (145,331) |
| Payroll Tax | 79,839 | 86,708 |
| | <u>2,164,396</u> | <u>2,135,890</u> |
| TRAVELLING | | |
| Country and Other | 4,802 | 9,113 |
| Vehicle Expenses and Allowance | 18,127 | 17,477 |
| Vehicle Lease | 3,750 | 34,568 |
| Fringe Benefit Tax | 14,659 | 20,527 |
| | <u>41,338</u> | <u>81,685</u> |
| OTHER EXPENSES | | |
| Loss on Sale of Equipment | 2,410 | - |
| | <u>2,410</u> | <u>-</u> |
| TOTAL OPERATING EXPENSES | <u>3,002,989</u> | <u>3,032,044</u> |
| NET SURPLUS FOR THE YEAR | <u>468,120</u> | <u>308,086</u> |
| OTHER COMPREHENSIVE INCOME | | |
| Revaluation Increment | 500,000 | - |
| TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR | <u>500,000</u> | <u>-</u> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | <u>968,120</u> | <u>308,086</u> |

The accompanying notes form part of these financial statements.

HEALTH SERVICES UNION OF WESTERN AUSTRALIA (UNION OF WORKERS)
ABN 94 472 768 794

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021

| | Note | 2021 \$ | 2020 \$ |
|---|------|-------------------------|-------------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and Cash Equivalents | 3 | 1,266,739 | 1,054,027 |
| Trade and Other Receivables | | 90,668 | 75,633 |
| Prepayments | | <u>226,141</u> | <u>126,805</u> |
| Total Current Assets | | <u>1,583,548</u> | <u>1,256,465</u> |
| Non-Current Assets | | | |
| Freehold Property at Valuation - 8 Coolgardie Tce | 4 | 1,680,000 | 1,180,000 |
| Plant, Equipment and Office Fit Out | 4 | 84,035 | 82,746 |
| Right of Use Assets | 5 | <u>56,396</u> | <u>39,565</u> |
| Total Non-Current Assets | | <u>1,820,431</u> | <u>1,302,311</u> |
| Total Assets | | <u><u>3,403,979</u></u> | <u><u>2,558,776</u></u> |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade and Other Payables | 6 | 176,729 | 229,979 |
| Provision for Employee Benefits | 7 | 487,172 | 557,927 |
| Lease Liabilities | 5 | <u>31,300</u> | <u>19,060</u> |
| Total Current Liabilities | | <u>695,201</u> | <u>806,966</u> |
| Non Current Liabilities | | | |
| Provision for Employee Benefits | 7 | 31,637 | 52,625 |
| Lease Liabilities | 5 | <u>32,080</u> | <u>22,244</u> |
| Total Non Current Liabilities | | <u>63,717</u> | <u>74,869</u> |
| Total Liabilities | | <u>758,918</u> | <u>881,835</u> |
| Net Assets | | <u><u>2,645,061</u></u> | <u><u>1,676,941</u></u> |
| EQUITY | | | |
| Retained Earnings | | 1,335,061 | 866,941 |
| Revaluation Surplus | | <u>1,310,000</u> | <u>810,000</u> |
| Total Equity | | <u><u>2,645,061</u></u> | <u><u>1,676,941</u></u> |

The accompanying notes form part of these financial statements.

HEALTH SERVICES UNION OF WESTERN AUSTRALIA (UNION OF WORKERS)
ABN 94 472 768 794

STATEMENT OF CHANGES IN EQUITY
AS AT 30 SEPTEMBER 2021

| | Retained Earnings \$ | Revaluation Surplus \$ | Total \$ |
|---|-------------------------------------|---------------------------------------|---------------------|
| Balance at 1 October 2019 | 558,855 | 810,000 | 1,368,855 |
| Net Surplus for The Year | 308,086 | - | 308,086 |
| Other Comprehensive Income | - | - | - |
| Total Comprehensive Income For The Year | <u>308,086</u> | <u>-</u> | <u>308,086</u> |
| Balance at 30 September 2020 | <u>866,941</u> | <u>810,000</u> | <u>1,676,941</u> |
| Revaluation Surplus for the Year | | | |
| Net Surplus for The Year | 468,120 | - | 468,120 |
| Other Comprehensive Income | - | 500,000 | 500,000 |
| Total Comprehensive Income For The Year | <u>468,120</u> | <u>500,000</u> | <u>968,120</u> |
| Balance at 30 September 2021 | <u>1,335,061</u> | <u>1,310,000</u> | <u>2,645,061</u> |

The accompanying notes form part of these financial statements.

HEALTH SERVICES UNION OF WESTERN AUSTRALIA (UNION OF WORKERS)
ABN 94 472 768 794

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

| | Note | 2021 \$ | 2020 \$ |
|--|----------|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from Customers | | 3,452,644 | 3,197,824 |
| Receipts from Government Grants | | - | 117,500 |
| Payments to Suppliers and Employees | | (3,174,753) | (3,062,138) |
| Interest Received | | 3,430 | 4,243 |
| Net Cash Provided by Operating Activities | 8 | <u>281,321</u> | <u>257,429</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of Plant and Equipment | | (31,347) | (9,050) |
| Net Cash Used in Investing Activities | | <u>(31,347)</u> | <u>(9,050)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayments of Lease Liabilities | | (37,262) | (20,761) |
| Proceeds from Loans | | - | 740 |
| Net Cash Used in Financing Activities | | <u>(37,262)</u> | <u>(20,021)</u> |
| NET INCREASE IN CASH HELD | | 212,712 | 228,358 |
| Cash at Beginning of Financial Year | | 1,054,027 | 825,669 |
| Cash at End of Financial Year | 3 | <u>1,266,739</u> | <u>1,054,027</u> |

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Note 1. Summary of Significant Accounting Policies

This special purpose financial report has been prepared for distribution to the members to fulfill the Committee's financial reporting requirements under the Union's constitution. The accounting policies used in the preparation of this report, as described below, are consistent with the financial reporting requirements of the Union's constitution and with previous years and are, in the opinion of the Committee, appropriate to meet the needs of members.

Special Purpose Financial Report

The Union is not a reporting entity because in the Committee's opinion, it is unlikely that users exist who are unable to command the preparation of reports tailored so as to satisfy all of their information needs. This is therefore a special purpose financial report that has been prepared for the use of members.

The report has been prepared in accordance with the following Australian Accounting Standards:

AASB 107: Statement of Cash flows

AASB 110: Events after the Balance Sheet Date

No other applicable Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

Basis of Accounting

The financial statements have been prepared on an accruals basis and in accordance with the historical cost convention and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a). Income Tax

The Union is tax exempt under Division 50 of the *Income Tax Assessment Act of 1997*.

(b). Property, Plant and Equipment

Property, plant, and equipment are brought to account at cost or at fair value or the committee's valuation less, where applicable, any accumulated depreciation and impairment. The carrying amount of property, plant, and equipment is reviewed by the committee to ensure it is not in excess of the recoverable amount from those assets.

Depreciation

The depreciable amount of all classes fixed assets other than building and office fit out costs are depreciated on a diminishing value basis over the useful lives to the Union commencing from the time the asset is held ready for use.

Office fit out costs are capitalised and depreciated over 5 years.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Note 1. Summary of Significant Accounting Policies (Continued)

(c). Employee Entitlements

Provision is made for the Union's liability for employee entitlements arising from services rendered by employees up to balance date. These entitlements include wages and salaries, annual leave, and long service leave. Employee entitlements have been measured at the current values of leave owing to the respective employee, plus related on-costs. The calculation has been made for all employees from the date of commencement and the liability is classified as current for all employees who have completed seven years of continuous service at the reporting date.

Contributions are made by the Union to an approved employee superannuation fund and are recorded as expenses when paid.

(d). Goods and Services Tax

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

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

(e). Comparatives

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

(f). 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 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 amortised on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Note 1. Summary of Significant Accounting Policies (Continued)

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.

In calculating the present value of lease payments, the Union uses the implicit the interest rate or incremental borrowing rate if the implicit lease rate is not readily determinable, Union to use as applicable. 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.

Peppercorn or below market leases

The Union has elected to recognise the fair value of the leased property at inception of the lease. The difference between the fair value of the leased asset and the lease liability measured at the present value of the 'peppercorn' lease rental, is recognised as income.

Short-term leases and leases of low-value assets

The Union's short-term leases are those that have a lease term of 12 months or less from the commencement. It also applies the lease of low-value assets recognition exemption to leases that are below \$7,000. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Note 2. Capital Commitment

The Union has no capital commitments at balance date.

HEALTH SERVICES UNION OF WESTERN AUSTRALIA (UNION OF WORKERS)
ABN 94 472 768 794

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

| | 2021 | 2020 |
|--|------------------|------------------|
| | \$ | \$ |
| Note 3. Cash and Cash Equivalent | | |
| HSU Operating Account | 4,419 | 2,905 |
| HSU Savings Account | 725,092 | 529,322 |
| HSU Members Equity Account | 536,728 | 521,300 |
| Petty Cash | 500 | 500 |
| | <u>1,266,739</u> | <u>1,054,027</u> |
| Note 4. Property, Plant and Equipment | | |
| Freehold Property at Valuation - 8 Coolgardie Tce | <u>1,680,000</u> | <u>1,180,000</u> |
| Property Improvement at Cost | 972,061 | 972,061 |
| Less: Accumulated Depreciation | <u>(972,061)</u> | <u>(969,470)</u> |
| | <u>-</u> | <u>2,591</u> |
| Fitting and Office Machinery at Cost | 346,655 | 375,486 |
| Less: Accumulated Depreciation | <u>(265,807)</u> | <u>(299,314)</u> |
| | <u>80,848</u> | <u>76,172</u> |
| Motor Vehicles at Cost | 22,250 | 22,250 |
| Less: Accumulated Depreciation | <u>(19,063)</u> | <u>(18,267)</u> |
| | <u>3,187</u> | <u>3,983</u> |
| Plant, Equipment and Office Fit Out | <u>84,035</u> | <u>82,746</u> |
| Total Property, Plant and Equipment | <u>1,764,035</u> | <u>1,262,746</u> |
| Note 5. Right of Use Assets and Lease Liabilities | | |
| Right of Use Assets - Vehicles | | |
| Cost | 114,268 | 59,348.00 |
| Accumulated Depreciation | <u>(57,872)</u> | <u>(19,783)</u> |
| | <u>56,396</u> | <u>39,565</u> |
| Lease Liabilities | | |
| Current | 31,300 | 19,060 |
| Non-current | <u>32,080</u> | <u>22,244</u> |
| | <u>63,380</u> | <u>41,304</u> |

HEALTH SERVICES UNION OF WESTERN AUSTRALIA (UNION OF WORKERS)
ABN 94 472 768 794

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

| | 2021 | 2020 |
|---|----------------|----------------|
| | \$ | \$ |
| Note 6. Trade and Other Payables | | |
| Trade Creditors | 26,252 | 39,009 |
| Fees Received in Advance | 40,211 | 42,348 |
| Superannuation Payable | 37,517 | 30,262 |
| GST Payable | 14,691 | 20,502 |
| PAYG Withholding Payable | 56,552 | 34,532 |
| CSHISC/GESB Board Payable | - | 62,118 |
| Union Fees Payable | 1,506 | 1,208 |
| | <u>176,729</u> | <u>229,979</u> |

Note 7. Provision for Employee Benefits

Current

| | | |
|----------------------------------|----------------|----------------|
| Provision for Annual Leave | 252,696 | 275,244 |
| Provision for Long Service Leave | 234,476 | 282,683 |
| | <u>487,172</u> | <u>557,927</u> |

Non-Current

| | | |
|----------------------------------|----------------|----------------|
| Provision for Long Service Leave | 31,637 | 52,625 |
| | <u>31,637</u> | <u>52,625</u> |
| | <u>518,809</u> | <u>610,552</u> |

Note 8. Cash Flow Information

Reconciliation of Cash Flow from Operations with Net Surplus for The Year

| | | |
|---|----------------|----------------|
| Net Surplus for The Year | 468,120 | 308,086 |
| Non-Cash Flows in Profit and Loss: | | |
| Depreciation | 65,737 | 95,987 |
| Interest on Lease Liabilities | 4,418 | 2,717 |
| Loss on asset disposal | 2,410 | - |
| Changes in assets and liabilities: | | |
| (Increase)/Decrease in Trade and Other Receivables | (15,035) | (20,563) |
| (Increase)/Decrease in Prepayments | (99,336) | (10,797) |
| Increase/(Decrease) in Trade and Other Payables | (53,250) | 27,330 |
| Increase/(Decrease) in Provisions for Employee Entitlements | (91,743) | (145,331) |
| Net Cash Provided by Operating Activities | <u>281,321</u> | <u>257,429</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Note 9. Events After The Reporting Period

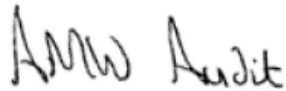
The impact of the COVID-19 pandemic is ongoing and while it has been financially negative for the Union up to 30 June 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Union's operations, the results of those operations, or the Union's state of affairs in future financial years.

**AUDITORS' INDEPENDENCE DECLARATION
TO THE MEMBERS OF
HEALTH SERVICES UNION OF WESTERN AUSTRALIA (UNION OF WORKERS)**

As auditor for the audit of Health Services Union of Western Australia (Union of Workers) for the year ended 30 September 2021, I declare that, to the best of my knowledge and belief, during the year ended 30 September 2021 there has been:

- i. No contraventions of any applicable code of professional conduct in relation to the audit.



AMW AUDIT
Chartered Accountants



MARTIN SHONE
Director & Registered Company Auditor

Dated at Perth, Western Australia this 16th day of November 2021

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF HEALTH SERVICES UNION OF WESTERN AUSTRALIA (UNION OF
WORKERS)**

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Health Services Union of Western Australia (Union of Workers) (the "Union") which comprises the statement of financial position as at 30 September 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the cash flows statement for the year then ended, notes to the financial statements, including a summary of significant accounting policies; and the statement by the committee.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Health Services Union of Western Australia (Union of Workers) as at 30 September 2021, and its financial performance and its cash flows for the year ended on that date in accordance with accounting policies described in Note 1 to the financial report, including:

- a) The Union has kept accounting records in a form that have enabled an informed opinion to be expressed;
- b) All the information, records, documents and explanations that, under Section 65A of the Industrial Relations Act 1979, I required officers of the Union to furnish, were furnished; and
- c) No official of the Union has contravened or failed to comply with Section 74 of the Industrial Relations Act 1979.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Union 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Basis of Accounting

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 committee of management's financial reporting responsibilities. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Committee of Management for the Financial Report

The Committee of Management of the Union is responsible for the preparation of the financial report in accordance with the accounting policies described in Note 1 of the financial statements and for such internal control as committee of management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

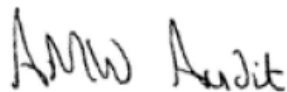
My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Branch's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Branch's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Branch to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Branch to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Branch audit. I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

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



AMW AUDIT

Chartered Accountants

Address: Unit 8, 210 Winton Road, Joondalup, Western Australia



MARTIN SHONE

Director & Registered Company Auditor

RO Registration Number AA2017/8

Dated at Perth, Western Australia this 16th day of November 2021