

**Health Services Union**

s.268 *Fair Work (Registered Organisations) Act 2009*

**Certificate by prescribed designated officer**

Certificate for the year ended 30 June 2021

I Lloyd Williams, being the National Secretary of the Health Services Union certify:

- that the documents lodged herewith are copies of the full report for the Health Services Union for the period ended referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 1<sup>st</sup> September 2021; and
- that the full report was presented to a meeting of the National Executive of the reporting unit on 21<sup>st</sup> October 2021 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:

Name of prescribed designated officer: Lloyd Williams

Title of prescribed designated officer: National Secretary

Dated:



## Financial Statements 2020–21

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HEALTH SERVICES UNION NATIONAL OFFICE

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Health Services Union National Office, which comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2021, notes to the financial statements, including a summary of significant accounting policies; the national executive 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 Health Service Union National Office as at 30 June 2021, 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 National Executive 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.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE  
HEALTH SERVICES UNION NATIONAL OFFICE**

**Responsibilities of the National Executive for the Financial Report**

The National Executive 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 National Executive 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 National Executive 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 National Executive 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 National Executive.
- Conclude on the appropriateness of the National Executive'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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE  
HEALTH SERVICES UNION NATIONAL OFFICE**

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 National Executive 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.

**Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of section 257(7) of the RO Act, we are required to describe any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act.

Our opinion on the financial report is not modified in respect of section 252 and 257(2) of the RO Act because, in our opinion, it has been appropriately addressed by the reporting unit and is not considered material in the context of the audit of the financial report as a whole.

*Hall Chadwick*

Hall Chadwick (NSW)  
Level 40, 2 Park Street  
Sydney NSW 2000

*Annel*

**Graham Webb**

Partner

Dated: 19 August 2021

Registration Number: AA2017/22

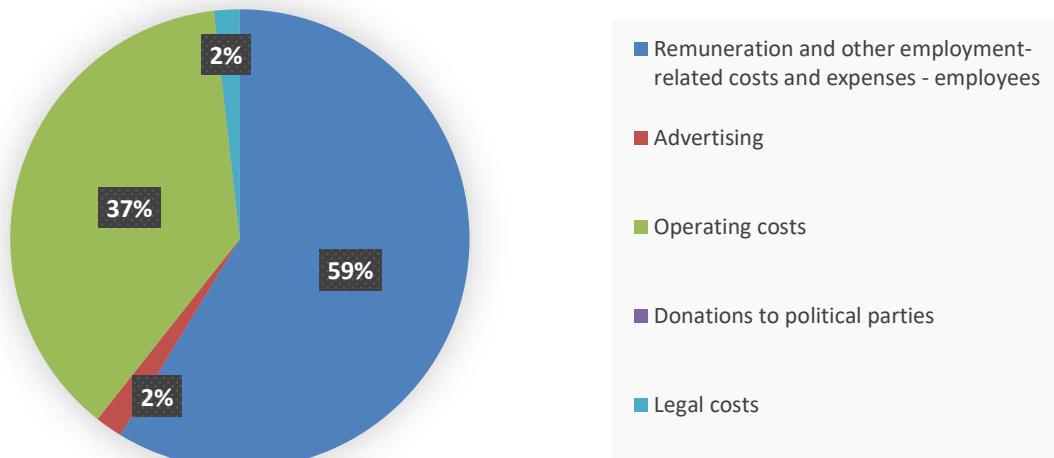
# Health Services Union

## Report required under subsection 255(2a)

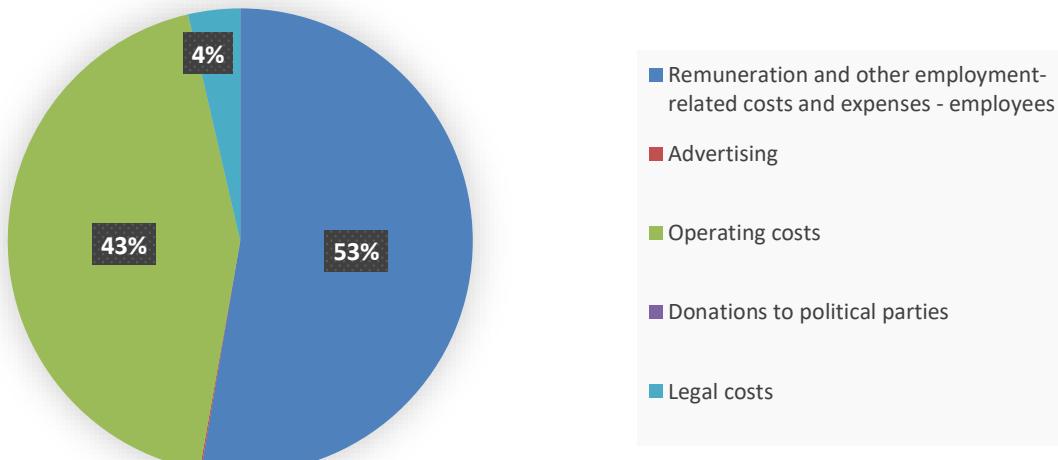
for the year ended 30 June 2021

The National Executive presents the expenditure report as required under subsection 255(2A) on the reporting unit for the year ended 30 June 2021.

### 2021 - Expenditure as required under s.255(2A) RO Act



### 2020 - Expenditure as required under s.255(2A) RO Act



Signature of designated officer:

Name and title of designated officer:

Lloyd Williams, National Secretary

Dated: 19/08/2021

# **Health Services Union**

## **Operating report**

*for the year ended 30 June 2021*

The National Executive presents its operating report on the reporting unit for the year ended 30 June 2021.

### **Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year**

*The principal activity of the organisation during the year was that of a registered trade union. No significant change occurred in the nature of those activities during the year.*

### **Significant changes in financial affairs**

*During the year the following significant changes in financial affairs occurred.*

<b>Significant Change</b>	<b>Nature of Change</b>
Membership subscriptions increased by 26%	South Australia/Northern Territory Branch membership subscriptions increased during the year due to higher member numbers and a fee increase in November 2020.
Capitation fees and other revenue from another reporting unit increased by 6%	Capitation fees and other revenue from another reporting unit increased largely due to higher member numbers than in the prior year.
Employee expenses increased by 12%	Employee expenses increased during the year due to an increase in FTE (12.43 at 30 June 2021 vs. 11.63 at 30 June 2020). Additionally, the year ended 30 June 2021 was the first full year for several positions (which were only employed for a portion of the prior year).
Other expenses decreased by 29%	Other expenses decreased due to less travel and accommodation, utilising more video conferencing technology, largely driven by COVID-19 restrictions.

### **Right of members to resign**

*Subject to the rules of the organisation and Section 174 of the Fair Work (Registered Organisation) Act 2009, members have the rights to resign from membership of the organisation by written notice addressed to and delivered to the Secretary of the relevant Branch.*

### **Officers or members who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position**

<b>Officer/Member</b>	<b>Trustee Company</b>	<b>Entity/Scheme</b>	<b>Period</b>
Lloyd Williams	H.E.S.T Australia Limited	HESTA Superfund	1/7/2020 to 30/6/2021
Rosemary Kelly	First State Superannuation Trustee Corporation	FSS Super	1/7/2020 to 30/6/2021
Naomi McCrae	Government Employees Superannuation Board	GESB Super	1/7/2020 to 30/06/2021

## Number of members

The number of persons that were at the end of the financial year recorded in the register of members for Section 230 of Fair Work (Registered Organisation) Act 2009 and who were taken to be members of the registered organisation under Section 244 of the Fair Work (Registered Organisations) Act was 96,590 (2020: 92,418).

Branch	Number of Members
New South Wales/ACT/Queensland Branch	46,812
South Australia/Northern Territory Branch	1,334
Tasmania Branch	8,713
Victoria No. 1 Branch	15,179
Victoria No. 2 Branch	10,218
Victoria No. 3 Branch	5,296
Victoria No. 4 Branch	2,623
Western Australia Branch	6,415

## Number of employees

The number of persons who were at the end of the financial year employees of the organisation including both full time and part-time employees on a full time equivalent was 12.43 (2020: 11.63).

## Names of National Executive members and period positions held during the financial year\*

Officer	Position	Period
Lloyd Williams	National Secretary	1 July 2020 to 30 June 2021
Tim Jacobson	National Assistant Secretary	1 July 2020 to 30 June 2021
Gerard Hayes	National President	1 July 2020 to 30 June 2021
Diana Asmar	National Senior Vice President	1 July 2020 to 30 June 2021
Kate Marshall	National Junior Vice President	1 July 2020 to 30 June 2021
Mark Sterrey	National Trustee	1 July 2020 to 30 June 2021
Naomi McCrae	National Trustee	20 September 2020 to 30 June 2021
Naomi McCrae	National Executive Member	1 July 2020 to 20 September 2020
Adrian Barrett	National Executive Member	10 February 2021 to 30 June 2021
David Eden	National Executive Member	1 July 2020 to 30 June 2021
Billy Elrick	National Executive Member	15 August 2020 to 30 June 2021
Paul Elliott	National Executive Member	1 July 2020 to 30 June 2021
Paul Healey	National Executive Member	1 July 2020 to 30 June 2021
Craig McGregor	National Executive Member	1 July 2020 to 30 June 2021
Robbie Moore	National Executive Member	1 July 2020 to 30 June 2021
Jorge Navas	National Executive Member	1 July 2020 to 14 August 2020
Chris Panizza	National Executive Member	20 September 2020 to 31 December 2020
Lynne Russell	National Executive Member	1 July 2020 to 30 June 2021

\*Under r23B(a)(i) **Tenure of Office** National Officers are elected by ballot of the National Council and take up the elected position at the end of the annual meeting of national council ‘...and shall take office from the completion of the annual meeting of National Council in the year of their election and shall hold office for a period of four years or until successors thereto have been elected and taken office.’ The previous National Officers hold office until the conclusion of the annual meeting. Where a Branch Secretary is elected as a National Officer, there is a flow through effect to the members of National Executive. National Executive is made up of the National Officers and the Secretary of each Branch. A person cannot hold both roles on National Executive simultaneously.

Signature of designated officer:



Name and title of designated officer: Lloyd Williams, National Secretary

Dated: 19/08/2021

## **Health Services Union**

### **National Executive statement**

*for the year ended 30 June 2021*

On the 19<sup>th</sup> August 2021 the National Executive of the Health Services Union passed the following resolution in relation to the general purpose financial report (**GPFR**) for the year ended 30 June 2021:

The National Executive declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the **RO Act**);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the National Executive were held in accordance with the rules of the organisation including the rules of the National Union concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the National Office have been kept and maintained in accordance with the RO Act; and
  - (iv) the financial records of the National Office have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or the 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.

This declaration is made in accordance with a resolution of the National Executive.

Signature of designated officer:



Name and title of designated officer:

Lloyd Williams  
National Secretary

Dated: 19/08/2021

**Health Services Union**  
**Statement of comprehensive income**  
*for the year ended 30 June 2021*

	Notes	2021	2020
		\$	\$
<b>Revenue from contracts with customers</b>			
Membership subscriptions	3	<b>508,753</b>	403,387
Capitation fees and other revenue from another reporting unit	3A	<b>2,426,385</b>	2,278,896
Sponsorship income		-	30,000
<b>Total revenue from contracts with customers</b>		<b>2,935,138</b>	2,712,283
<b>Income for furthering objectives</b>			
Grants and/or donations	3D	<b>50,000</b>	63,455
<b>Total income for furthering objectives</b>		<b>50,000</b>	63,455
<b>Other Income</b>			
Net gains from sale of assets	3E	-	7,100
Investment income	3B	<b>8,855</b>	10,377
Other income	3C	<b>83,849</b>	63,846
<b>Total other income</b>		<b>92,704</b>	81,323
<b>Total income</b>		<b>3,077,842</b>	2,857,061
<b>Expenses</b>			
Employee expenses	4A	<b>(1,539,272)</b>	(1,371,806)
Capitation fees and other expenses to another reporting unit	4B	<b>(19,876)</b>	(58,254)
Affiliation fees	4C	<b>(526,939)</b>	(547,062)
Administration expenses	4D	<b>(228,914)</b>	(288,330)
Grants or donations	4E	<b>(1,000)</b>	(3,000)
Depreciation and amortisation	4F	<b>(92,383)</b>	(83,492)
Finance costs	4G	<b>(3,754)</b>	(8,578)
Legal costs	4H	<b>(45,409)</b>	(92,385)
Audit fees	12	<b>(22,704)</b>	(22,438)
Other expenses	4I	<b>(127,284)</b>	(179,818)
<b>Total expenses</b>		<b>(2,607,535)</b>	(2,655,163)
<b>Surplus for the year</b>		<b>470,307</b>	201,898
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<b>470,307</b>	201,898

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

**Health Services Union**  
**Statement of financial position**  
*as at 30 June 2021*

	Notes	2021	2020
		\$	\$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5A	<b>2,472,648</b>	1,955,016
Trade and other receivables	5B	<b>205,839</b>	316,823
Other current assets	5C	<b>46,026</b>	51,061
<b>Total current assets</b>		<b>2,724,513</b>	2,322,900
<b>Non-current Assets</b>			
Plant and equipment	6A	<b>120,123</b>	147,068
Buildings	6B	<b>1,255,172</b>	1,290,248
Right-of-use assets	6C	<b>12,222</b>	74,957
<b>Total non-current assets</b>		<b>1,387,517</b>	1,512,273
<b>Total assets</b>		<b>4,112,030</b>	3,835,173
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	7A	<b>57,661</b>	132,265
Other payables	7B	<b>113,734</b>	89,652
Borrowings	7C	-	21,973
Employee provisions	8A	<b>405,470</b>	506,497
Contract liabilities	5B	<b>565,041</b>	520,521
Lease liabilities	6C	<b>5,878</b>	24,445
<b>Total current liabilities</b>		<b>1,147,784</b>	1,295,353
<b>Non-current Liabilities</b>			
Lease liabilities	6C	<b>7,066</b>	52,947
<b>Total non-current liabilities</b>		<b>7,066</b>	52,947
<b>Total liabilities</b>		<b>1,154,850</b>	1,348,300
<b>Net assets</b>		<b>2,957,180</b>	2,486,873
<b>EQUITY</b>			
Retained earnings		<b>2,957,180</b>	2,486,873
<b>Total equity</b>		<b>2,957,180</b>	2,486,873

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

**Health Services Union**  
**Statement of changes in equity**  
*for the year ended 30 June 2021*

	Retained earnings	Total equity
	\$	\$
<b>Balance as at 1 July 2019</b>	2,284,975	2,284,975
Surplus for the year	201,898	201,898
<b>Closing balance as at 30 June 2020</b>	<b>2,486,873</b>	<b>2,486,873</b>
Surplus for the year	470,307	470,307
<b>Closing balance as at 30 June 2021</b>	<b>2,957,180</b>	<b>2,957,180</b>

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

**Health Services Union**  
**Statement of cash flows**  
*for the year ended 30 June 2021*

	Notes	2021	2020
		\$	\$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Membership subscriptions – South Australia/Northern Territory Branch		<b>559,629</b>	443,726
Receipts from other reporting units	9B	<b>2,833,752</b>	2,500,088
Grants		<b>50,000</b>	63,455
Interest		<b>8,855</b>	12,297
Other		<b>90,175</b>	48,694
<b>Cash used</b>			
Payments to employees		<b>(1,547,896)</b>	(1,151,077)
Payments to suppliers		<b>(1,383,347)</b>	(1,367,542)
Payments to other reporting units	9B	<b>(35,734)</b>	(87,451)
Interest payments and other finance costs		<b>(3,754)</b>	(8,578)
<b>Net cash from operating activities</b>	9A	<b>571,680</b>	453,612
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sale of plant and equipment		-	32,915
<b>Cash used</b>			
Purchase of plant and equipment		<b>(6,334)</b>	(121,824)
<b>Net cash (used by) investing activities</b>		<b>(6,334)</b>	(88,909)
<b>FINANCING ACTIVITIES</b>			
<b>Cash used</b>			
Repayment of borrowings		<b>(21,973)</b>	(78,308)
Repayment of lease liabilities		<b>(25,741)</b>	(16,582)
<b>Net cash (used by) financing activities</b>		<b>(47,714)</b>	(94,890)
<b>Net increase in cash held</b>		<b>547,632</b>	269,813
Cash & cash equivalents at the beginning of the reporting period		<b>1,955,016</b>	1,685,203
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	5A	<b>2,472,648</b>	1,955,016

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

**Index to the notes of the financial statements**

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- Note 3 Revenue and income
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- Note 7 Current Liabilities
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**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 1 Summary of significant accounting policies**

**1.1 Basis of preparation of the financial statements**

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

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

**1.2 Comparative amounts**

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

**1.3 Significant accounting judgements and estimates**

There have not been any material accounting assumptions or estimates that have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**1.4 New Australian Accounting Standards**

***Adoption of New Australian Accounting Standards and amendments***

The accounting policies adopted are consistent with those of the previous financial year except for the following accounting standards and amendments, which have been adopted for the first time this financial year:

- AASB 2018-7 *Amendments to Australian Accounting Standards – Definition of Material*. Application of this standard is discussed further below.

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

***Impact on adoption of AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material***

The amendments provide a new definition of material that states, “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.” The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

***Adoption of New Australian Accounting Standards and amendments (cont'd)***

information is material if it could reasonably be expected to influence decisions made by the primary users.

These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Health Services Union.

**Future Australian Accounting Standards**

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 Health Services Union include:

***AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current***

This Standard amends AASB 101 *Presentation of Financial Statements* to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. This Standard applies to annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted.

The Health Services Union does not expect the adoption of this amendment to have an impact on its financial statements.

## **1.5 Current versus non-current classification**

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

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

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**1.5 Current versus non-current classification (cont'd)**

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 Health Services Union classifies all other liabilities as non-current.

**1.6 Revenue**

The Health Services Union enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, sponsorship income and grants.

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

**Revenue from contracts with customers**

Where the Health Services Union has a contract with a customer, the Health Services Union recognises revenue when or as it transfers control of goods or services to the customer. The Health Services 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 Health Services Union.

If there is only one distinct membership service promised in the arrangement, the Health Services 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 Health Services 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 Health Services Union allocates the transaction price to each performance obligation based on the relative standalone selling price 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 Health Services 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 Health Services 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 Health Services 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.

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**1.6 Revenue (cont'd)**

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

**Capitation fees**

Where the Health Services Union's arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Health Services Union recognises the capitation fees promised under that arrangement when or as it transfers the participation and voting rights on the national council.

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

**Income of the Health Services Union as a Not-for-Profit Entity**

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

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

The Health Services Union receives cash consideration from the following arrangements whereby that consideration is recognised as income upon receipt:

- government grants (cash flow boost and refund of payroll tax as part of the government's economic stimulus package for COVID-19)

**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 comprehensive income when the asset is derecognised.

**Interest income**

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

**1.7 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.

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

### **1.7 Employee benefits (cont'd)**

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

Provision is made for separation and redundancy benefit payments. The Health Services Union recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

### **1.8 Leases**

The Health Services 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.

#### **Health Services Union as a lessee**

The Health Services Union applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Health Services 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 Health Services 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:

	<b>2021</b>	<b>2020</b>
Buildings	<b>4-5 years</b>	4-5 years
Plant and equipment	<b>4-5 years</b>	4-5 years

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**1.8 Leases (cont'd)**

If ownership of the leased asset transfers to the Health Services 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 Health Services 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 Health Services Union and payments of penalties for terminating the lease, if the lease term reflects the Health Services 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 Health Services 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.

**Short-term leases and leases of low-value assets**

The Health Services 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 \$5,000. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

**1.9 Borrowing costs**

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

**1.10 Cash**

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

**1.11 Financial instruments**

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

## **1.12 Financial assets**

### **Contract assets and receivables**

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

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

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

### **Initial recognition and measurement**

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (**OCI**), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Health Services Union's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Health Services Union initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

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

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

### **Subsequent measurement**

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

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

### **Financial assets at amortised cost**

The Health Services Union measures financial assets at amortised cost if both of the following conditions are met:

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

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

## **1.12 Financial assets (cont'd)**

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

The Health Services Union's financial assets at amortised cost include trade receivables.

### **Derecognition**

A financial asset is derecognised when:

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

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

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

### **Offsetting**

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

### **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 (**ECLs**) at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

##### **(i) Trade receivables**

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

Therefore, the Health Services Union does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL's at each reporting date. The Health Services Union has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Historically, all HSU

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**1.12 Financial assets (cont'd)**

branches have paid their capitation/ACTU affiliation fees and the Health Services Union expects this trend to continue and has therefore not recognised any loss allowance.

**(ii) Debt instruments other than trade receivables**

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Health Services Union recognises an allowance for ECLs using a general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Health Services Union expects to receive, discounted at an approximation of the original effective interest rate (EIR).

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Health Services Union considers a financial asset in default when contractual payments (other than from a Branch) are 90 days past due. However, in certain cases, the Health Services Union may also consider a financial asset to be in default when internal or external information indicates that the Health Services Union is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**1.13 Financial Liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, at amortised cost or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

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

**Subsequent measurement**

**Financial liabilities at amortised cost**

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

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

## **1.13 Financial Liabilities (cont'd)**

### **Derecognition**

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

## **1.14 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 Health Services Union transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Health Services 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 Health Services Union refund liabilities arise from customers' right of return. The liability is measured at the amount the Health Services Union ultimately expects it will have to return to the customer. The Health Services Union updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

## **1.15 Contingent liabilities and contingent assets**

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

## **1.16 Land, buildings, plant and equipment**

### ***Asset Recognition Threshold***

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

### ***Depreciation***

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

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

### **1.16 Land, buildings, plant and equipment (cont'd)**

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

	<b>2021</b>	<b>2020</b>
Plant and equipment	<b>2.5 to 10 years</b>	2.5 to 10 years
Buildings	<b>40 years</b>	40 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.

### **1.17 Impairment for non-financial assets**

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

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

### **1.18 Taxation**

The Health Services 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**).

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

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

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

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

### **1.19 Going concern**

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

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

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 2 Events after the reporting period**

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

**Note 3 Revenue and income**

**Disaggregation of revenue from contracts with customers**

A disaggregation of the Health Services Union's revenue by type of arrangement 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.

	<b>2021</b>	<b>2020</b>
	\$	\$
<b>Type of customer</b>		
Members – South Australia/Northern Territory Branch	508,753	403,387
Other reporting units	2,426,385	2,278,896
Other parties	-	30,000
<b>Total revenue from contracts with customers</b>	<b>2,935,138</b>	2,712,283

**Disaggregation of income for furthering activities**

A disaggregation of the Health Services 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.

<b>Income funding sources</b>	<b>2021</b>	<b>2020</b>
	\$	\$
Government	50,000	63,455
<b>Total income for furthering activities</b>	<b>50,000</b>	63,455

**Note 3A: Capitation fees and other revenue from another reporting unit**

	<b>2021</b>	<b>2020</b>
	\$	\$
<b>Capitation fees:</b>		
New South Wales/ACT/Queensland Branch	887,608	799,782
South Australia/Northern Territory Branch	-	17,779
Tasmania Branch	162,884	159,956
Victoria No. 1 Branch	298,383	285,515
Victoria No. 2 Branch	195,432	193,379
Victoria No. 3 Branch	102,260	94,860
Victoria No. 4 Branch	50,337	48,324
Western Australia Branch	127,368	125,456
<b>Subtotal capitation fees</b>	<b>1,824,272</b>	1,725,051

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 3A: Capitation fees and other revenue from another reporting unit (cont'd)**

	<b>2021</b>	<b>2020</b>
	\$	\$
<b>Other revenue from another reporting unit:</b>		
New South Wales/ACT/Queensland Branch	284,128	250,610
South Australia/Northern Territory Branch	15,965	14,602
Tasmania Branch	54,030	53,045
Victoria No. 1 Branch	93,423	91,060
Victoria No. 2 Branch	64,403	60,221
Victoria No. 3 Branch	33,251	30,242
Victoria No. 4 Branch	16,187	15,275
Western Australia Branch	40,726	38,790
<b>Subtotal other revenue from another reporting unit</b>	<b>602,113</b>	553,845
<b>Total capitation fees and other revenue from another reporting unit</b>	<b>2,426,385</b>	2,278,896

**Note 3B: Investment income**

Interest	8,855	10,377
Deposits		
<b>Total investment income</b>	<b>8,855</b>	10,377

**Note 3C: Other income**

Director's Fees	83,849	63,846
<b>Total other income</b>	<b>83,849</b>	63,846

In accordance with the union's policy, all director's fees earned by any officers/employees who are directors of a company or trustee of a superannuation scheme due to their positions of the Health Services Union, are paid directly to the Health Services Union with any related superannuation paid to the officers superannuation fund.

**Note 3D: Grants and/or donations**

Grants	50,000	63,455
Donations	-	-
<b>Total grants or donations</b>	<b>50,000</b>	63,455

<b>2021</b>	<b>2020</b>
\$	\$

**Note 3E: Net gains from sale of assets**

Plant and equipment	-	7,100
<b>Total net gain from sale of assets</b>	<b>-</b>	7,100

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 4 Expenses**

	<b>2021</b>	<b>2020</b>
	\$	\$
<b>Note 4A: Employee expenses</b>		
<b>Holders of office:</b>		
Wages and salaries	447,509	316,101
Superannuation	42,509	28,507
Leave and other entitlements	6,029	53,378
Payroll tax*	24,147	12,078
Separation and redundancies	-	-
Other employee expenses	-	-
<b>Subtotal employee expenses holders of office</b>	<b>520,194</b>	410,064
 <b>Employees other than office holders:</b>		
Wages and salaries	809,521	804,357
Superannuation	111,524	94,784
Leave and other entitlements	46,924	44,411
Payroll tax*	51,109	18,190
Separation and redundancies	-	-
Other employee expenses	-	-
<b>Subtotal employee expenses employees other than office holders</b>	<b>1,019,078</b>	961,742
<b>Total employee expenses</b>	<b>1,539,272</b>	1,371,806

\*State Revenue Office Victoria provided a refund and waiver of payroll tax for the 2019-2020 financial year as part of the government's economic stimulus package for COVID-19.

**Note 4B: Capitation fees and other expenses to another reporting unit**

**Capitation fees**

Capitation fees – South Australia/Northern Territory Branch	-	17,779
<b>Subtotal capitation fees</b>	<b>-</b>	<b>17,779</b>

**Other expenses to another reporting unit**

Victoria No. 2 Branch – salary reimbursement	19,876	40,475
<b>Subtotal other expenses to another reporting unit</b>	<b>19,876</b>	<b>40,475</b>
<b>Total capitation fees and other expenses to another reporting unit</b>	<b>19,876</b>	<b>58,254</b>

Capitation fees relate to the capitation fees the National Office has charged the South Australia/Northern Territory Branch and these are included in capitation fee revenue at note 3A Capitation fees and other revenue from another reporting unit. Given the South Australia/Northern Territory Branch forms part of the National Office Reporting Unit, no capitation fees were paid to another reporting unit.

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 4C: Affiliation fees**

	<b>2021</b>	2020
	\$	\$
Active Left – South Australia/Northern Territory Branch	500	-
ACTU Affiliation fees	517,373	538,845
ALP Affiliation fees – South Australia/Northern Territory Branch	645	750
National Aged Care Alliance	833	495
Climate and Health Alliance Affiliation fees	2,000	2,000
Union Aid Abroad APHEDA Affiliation fees	1,044	1,014
SA May Day Collective	700	-
SA Unions Affiliation fees	3,844	3,958
<b>Total affiliation fees/subscriptions</b>	<b>526,939</b>	547,062

**Note 4D: Administration expenses**

Conference and meeting expenses	1,836	18,713
Staff & visitor amenities	10,363	7,156
Computer expenses	57,343	60,530
Electricity	6,649	6,535
Insurance	40,697	25,634
Campaign expenses	35,520	2,059
Bank fees	4,828	4,655
Staff training	3,300	3,481
Office expenses	48,822	83,045
Contractors/consultants	18,281	67,957
Car rental	-	575
Recruitment expenses	1,275	7,990
<b>Subtotal administration expenses</b>	<b>228,914</b>	288,330

Operating lease rentals:

Short term, low value and variable lease payments	-	-
<b>Total administration expenses</b>	<b>228,914</b>	288,330

**Note 4E: Grants or donations**

Grants:

Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-

Donations:

Total expensed that were \$1,000 or less	1,000	1,000
Total expensed that exceeded \$1,000	-	2,000
<b>Total grants or donations</b>	<b>1,000</b>	3,000

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 4F: Depreciation and amortisation**

	<b>2021</b>	2020
	\$	\$
Depreciation		
Plant and equipment	33,279	29,399
Buildings	35,076	35,076
Right-of-use assets	24,028	19,017
<b>Total depreciation</b>	<b>92,383</b>	83,492

**Note 4G: Finance costs**

Loans	923	4,025
Interest expense on lease liabilities	2,831	4,553
<b>Total finance costs</b>	<b>3,754</b>	8,578

**Note 4H: Legal costs**

Litigation	6,300	-
Industrial legal	12,174	86,145
Other legal costs	26,935	6,240
<b>Total legal costs</b>	<b>45,409</b>	92,385

**Note 4I: Other expenses**

Advertising	48,551	2,435
Fringe benefits tax	8,618	16,694
Workcover	12,906	11,278
Motor vehicle expense	9,248	9,353
Travel and accommodation	47,961	140,058
<b>Total other expenses</b>	<b>127,284</b>	179,818

**Note 5 Current Assets**

**Note 5A: Cash and cash equivalents**

	<b>2021</b>	2020
	\$	\$
Cash at bank	2,412,648	1,895,016
Short term deposits	60,000	60,000
<b>Total cash and cash equivalents</b>	<b>2,472,648</b>	1,955,016

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 5B: Trade and other receivables**

**Receivables from other reporting units**

	<b>2021</b>	2020
	\$	\$
Tasmania Branch	-	57,598
Victoria No. 1 Branch	53,264	102,984
Victoria No. 2 Branch	70,716	69,632
Victoria No. 4 Branch	18,214	17,401
Western Australia Branch	46,087	45,500
<b>Total receivables from other reporting units</b>	<b>188,281</b>	293,115
<b>Less allowance for expected credit losses</b>	-	-
<b>Total allowance for expected credit losses</b>	-	-
<b>Receivable from other reporting units (net)</b>	<b>188,281</b>	293,115

**Other receivables:**

Other	17,558	23,708
<b>Total other receivables</b>	<b>17,558</b>	23,708
<b>Total trade and other receivables (net)</b>	<b>205,839</b>	316,823

	<b>2021</b>	2020
	\$	\$

The Health Services Union has recognised the following assets and liabilities related to contracts with customers:

<b>Receivables</b>	<b>189,281</b>	<b>297,015</b>
Receivables - current	189,281	297,015
Receivables - non-current	-	-
<b>Contract liabilities</b>	<b>565,041</b>	<b>520,521</b>
Contract liabilities - current	565,041	520,521
Contract liabilities - non-current	-	-

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period was \$520,521.

**Note 5C: Other current assets**

	<b>2021</b>	2020
	\$	\$
Prepayments	46,026	51,061
<b>Total other current assets</b>	<b>46,026</b>	51,061

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 6 Non-current Assets and Non-current Liabilities**

**Note 6A: Plant and equipment**

	<b>2021</b>	2020
	\$	\$
Plant and equipment:		
at cost	208,150	201,816
accumulated depreciation	(88,027)	(54,748)
<b>Total plant and equipment</b>	<b>120,123</b>	<b>147,068</b>

**Note 6B: Buildings**

	<b>2021</b>	2020
	\$	\$
Buildings:		
at cost	1,403,070	1,403,070
accumulated depreciation	(147,898)	(112,822)
<b>Total buildings</b>	<b>1,255,172</b>	<b>1,290,248</b>

The Health Services Union engaged an external, independent and qualified valuer to determine the fair value of the Health Services Union's buildings as at 20<sup>th</sup> May 2021. The fair value was assessed as \$1,425,000. The National Executive has opted not to revalue the property and remain on the "cost" model in accordance with its current accounting policy.

***Reconciliation of opening and closing balances of buildings, plant and equipment***

	Plant and Equipment \$	Buildings \$	Total \$
<b>As at 1 July 2020</b>			
Gross book value	201,816	1,403,070	1,604,886
Accumulated depreciation and impairment	(54,748)	(112,822)	(167,570)
<b>Net book value 1 July 2020</b>	<b>147,068</b>	<b>1,290,248</b>	<b>1,437,316</b>
<b>Additions:</b>			
By purchase	6,334	-	6,334
Impairments	-	-	-
Depreciation expense	(33,279)	(35,076)	(68,355)
<b>Disposals:</b>			
Other	-	-	-
<b>Net book value 30 June 2021</b>	<b>120,123</b>	<b>1,255,172</b>	<b>1,375,295</b>
<b>Net book value as of 30 June 2021 represented by:</b>			
Gross book value	208,150	1,403,070	1,611,220
Accumulated depreciation and impairment	(88,027)	(147,898)	(235,925)
<b>Net book value 30 June 2021</b>	<b>120,123</b>	<b>1,255,172</b>	<b>1,375,295</b>

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 6B: Buildings (cont'd)**

	<b>Plant and Equipment</b> <b>\$</b>	<b>Buildings</b> <b>\$</b>	<b>Total</b> <b>\$</b>
Gross book value	138,865	1,403,070	1,541,935
Accumulated depreciation and impairment	(58,407)	(77,746)	(136,153)
Net book value 1 July 2019	80,458	1,325,324	1,405,782
Additions:			
By purchase	121,824	-	121,824
Impairments	-	-	-
Depreciation expense	(29,399)	(35,076)	(64,475)
Disposals:			
Other	(25,815)	-	(25,815)
Net book value 30 June 2020	147,068	1,290,248	1,437,316
Net book value as of 30 June 2020 represented by:			
Gross book value	201,816	1,403,070	1,604,886
Accumulated depreciation and impairment	(54,748)	(112,822)	(167,570)
Net book value 30 June 2020	147,068	1,290,248	1,437,316

**Note 6C: Leases**

**Health Services Union as a lessee**

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

	<b>Photocopier</b>	<b>Office Space</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>As at 1 July 2019</b>	21,110	72,864	93,974
Depreciation expense	(4,444)	(14,573)	(19,017)
<b>As at 1 July 2020</b>	16,666	58,291	74,957
Additions - modifications	-	37,072	37,072
Disposals - terminations	-	(75,779)	(75,779)
Depreciation expense	(4,444)	(19,584)	(24,028)
<b>As at 30 June 2021</b>	<b>12,222</b>	<b>-</b>	<b>12,222</b>

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>As at 1 July</b>	77,392	93,974
Additions - modifications	37,072	-
Disposals - terminations	(75,779)	-
Accretion of interest	2,831	4,553
Payments	(28,572)	(21,135)
<b>As at 30 June</b>	<b>12,944</b>	<b>77,392</b>
Current	5,878	24,445
Non-current	7,066	52,947

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 6C: Leases (cont'd)**

The maturity analysis of lease liabilities is disclosed in Note 13E Liquidity risk.

	<b>2021</b>	2020
	\$	\$
The following are the amounts recognised in profit or loss:		
Depreciation expense of right-of-use assets	24,028	19,017
Interest expense on lease liabilities	2,831	4,553
Expense relating to short-term leases	-	-
<b>Total amount recognised in profit or loss</b>	<b>26,859</b>	<b>23,570</b>

**Note 7 Current Liabilities**

**Note 7A: Trade payables**

	<b>2021</b>	2020
	\$	\$
Trade creditors and accruals		
<b>Subtotal trade creditors</b>	<b>32,869</b>	128,570
	<b>32,869</b>	128,570

**Payables to other reporting units**

	<b>2021</b>	2020
	\$	\$
Tasmania Branch		
Tasmania Branch	8,623	-
Victoria No.1 Branch	6,292	-
Victoria No.2 Branch	6,250	3,695
Victoria No.3 Branch	3,627	-
<b>Subtotal payables to other reporting units</b>	<b>24,792</b>	3,695
<b>Total trade payables</b>	<b>57,661</b>	132,265

Settlement is usually made within 30 days.

**Note 7B: Other payables**

Superannuation	5,317	-
PAYG Withholding Tax	45,930	28,782
GST payable	61,457	60,870
Legal costs	-	-
Litigation	-	-
Other legal costs	1,030	-
<b>Total other payables</b>	<b>113,734</b>	89,652

Total other payables are expected to be settled in:

No more than 12 months	113,734	89,652
<b>Total other payables</b>	<b>113,734</b>	89,652

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 7C: Borrowings**

	<b>2021</b>	<b>2020</b>
	\$	\$
Loan for purchase of building expected to be settled in:		
No more than 12 months	-	21,973
<b>Total borrowings</b>	<b>-</b>	<b>21,973</b>

On 12 April 2017, the Health Services Union borrowed \$910,000 to purchase the new office building. The loan bears an interest rate of 5.75% (2020: 5.75%) and has a repayment period of 15 years. The loan was repaid in full during the year.

**Note 8 Provisions**

**Note 8A: Employee provisions**

	<b>2021</b>	<b>2020</b>
	\$	\$
<b>Office holders:</b>		
Annual leave and ADO	16,346	105,194
Long service leave	129,593	210,019
<b>Subtotal employee provisions—office holders</b>	<b>145,939</b>	315,213
<b>Employees other than office holders:</b>		
Annual leave and ADO	177,521	122,354
Long service leave	82,010	68,930
<b>Subtotal employee provisions—employees other than office holders</b>	<b>259,531</b>	191,284
<b>Total employee provisions</b>	<b>405,470</b>	506,497
 Current	405,470	506,497
Non-current	-	-
<b>Total employee provisions</b>	<b>405,470</b>	506,497

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 9 Cash Flow**

**Note 9A: Cash flow reconciliation**

	<b>2021</b>	<b>2020</b>
	\$	\$
<b>Reconciliation of cash and cash equivalents as per balance sheet to cash flow statement:</b>		
<b>Cash and cash equivalents as per:</b>		
Cash flow statement	2,472,648	1,955,016
Balance sheet	<u>2,472,648</u>	<u>1,955,016</u>
<b>Difference</b>	<u>-</u>	<u>-</u>
<b>Reconciliation of surplus to net cash from operating activities:</b>		
Surplus for the year	470,307	201,898
<b>Adjustments for non-cash items</b>		
Depreciation	92,383	83,492
Gain on disposal of plant and equipment	-	(7,100)
<b>Changes in assets/liabilities</b>		
Decrease/(increase) in trade and other receivables	110,984	(94,381)
Decrease/(increase) in prepayments	5,035	(9,600)
Increase/(decrease) in trade and other payables	(50,522)	56,161
Increase/(decrease) in employee provisions	(101,027)	188,277
Increase in contract liabilities	44,520	34,865
<b>Net cash from operating activities</b>	<b><u>571,680</u></b>	<b><u>453,612</u></b>

**Note 9B: Cash flow information**

**Cash inflows**

New South Wales/ACT/Queensland Branch	1,322,095	1,177,606
Tasmania Branch	297,544	178,814
Victoria No. 1 Branch	509,679	385,282
Victoria No. 2 Branch	294,124	369,449
Victoria No. 3 Branch	151,906	138,631
Victoria No. 4 Branch	73,176	69,960
Western Australia Branch	185,228	180,346
<b>Total cash inflows</b>	<b><u>2,833,752</u></b>	<b><u>2,500,088</u></b>

The cash inflow from Victoria No. 2 Branch includes \$8,305 for the transfer of employee provisions – office holders (long service leave) for the South Australia/Northern Territory Branch Secretary that are recorded as a liability as disclosed at note 8A Employee provisions (2020: \$90,489 for the National Secretary – annual leave and long service leave).

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 9B: Cash flow information (cont'd)**

Cash outflows

	<b>2021</b>	2020
	\$	\$
New South Wales/ACT/Queensland Branch	5,837	12,711
Tasmania Branch	-	11,585
Victoria No.1 Branch	-	6,230
Victoria No. 2 Branch	28,776	47,893
Victoria No. 3 Branch	-	4,187
Victoria No. 4 Branch	-	893
Western Australia Branch	1,121	3,952
<b>Total cash outflows</b>	<b>35,734</b>	<b>87,451</b>

**Note 10 Contingent Liabilities, Assets and Commitments**

**Note 10A: Commitments and contingencies**

**Capital commitments**

At 30 June 2021 the Health Services Union has commitments of \$Nil (2020: \$Nil).

**Note 11 Related Party Disclosures**

**Note 11A: Related party transactions for the reporting period**

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year. Please also refer to notes 3A Capitation fees and other revenue from another reporting unit, 4B Capitation fees and other expenses to another reporting unit, 5B Trade and other receivables, 7A Trade payables, and 9B Cash flow information where transactions and balances with Branches have been disclosed.

Date	Name	Nature of relationship	Purpose of payment	2021 \$	2020 \$
1/7/2020 – 30/6/2021	New South Wales/ ACT/ Queensland Branch	Branch	Reimbursement of National Office travel expenses paid for by Branch	5,332	11,592
1/7/2020 – 30/6/2021	Tasmania Branch	Branch	Reimbursement of National Office travel expenses paid for by Branch	3,445	5,533
1/7/2020 – 30/6/2021	Victoria No. 2 Branch	Branch	Reimbursement of National Office travel expenses / other expenses paid for by Branch	2,798	4,385
1/7/2020 – 30/6/2021	Victoria No. 3 Branch	Branch	Reimbursement of National Office travel expenses paid for by Branch	-	933
1/7/2020 – 30/6/2021	Victoria No. 4 Branch	Branch	Reimbursement of National Office travel expenses paid for by Branch	-	811
1/7/2020 – 30/6/2021	Western Australia Branch	Branch	Reimbursement of National Office travel expenses paid for by Branch	1,019	3,593
1/7/2019 – 30/9/2019	Juanita Navas - Nguyen	Daughter (SA/NT) Branch Secretary	Wages – Casual Bookkeeper Superannuation	-	10,973 1,042

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 11 Related Party Disclosures (cont'd)**

**Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2021, the Health Services Union has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2020: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

No expected credit losses have been raised in relation to any outstanding balances.

**Note 11B: Key management personnel remuneration for the reporting period**

	<b>2021</b>	<b>2020</b>
	\$	\$
<b>Short-term employee benefits</b>		
Salary (including annual leave taken)	447,509	316,102
Annual leave accrued	16,346	105,194
Performance bonus	-	-
<b>Total short-term employee benefits</b>	<b>463,855</b>	<b>421,296</b>
 <b>Post-employment benefits:</b>		
Superannuation	42,509	28,507
<b>Total post-employment benefits</b>	<b>42,509</b>	<b>28,507</b>
 <b>Other long-term benefits:</b>		
Long-service leave	129,593	210,019
<b>Total other long-term benefits</b>	<b>129,593</b>	<b>210,019</b>
 <b>Termination benefits</b>		
<b>Total key management personnel remuneration</b>	<b>635,957</b>	<b>659,822</b>

**Note 12 Remuneration of Auditors**

**Value of the services provided**

Financial statement audit services	21,154	21,000
Other services	1,550	1,438
<b>Total remuneration of auditors</b>	<b>22,704</b>	<b>22,438</b>

Other services provided by the auditors of the financial statements relate to auditing the South Australia/Northern Territory Branch Electoral Commission SA Associated Entity returns.

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 13    Financial Instruments**

**Credit risk**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to financial loss to the organisation.

Credit risk is managed through maintaining procedures (such as the utilisation of systems for approval, granting and removal of credit limits, regular monitoring of exposure against such limits and monitoring of the financial stability of significant customers and counterparties) ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness.

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

There is no collateral held by the organisation securing amounts receivable and other debtors.

**Note 13    Financial Instruments (cont'd)**

The Health Services Union has no significant concentrations of credit risk with any single counterparty or group of counterparties.

**Liquidity risk**

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

- Only investing surplus cash with major financial institutions
- Proactively monitoring the recovery of accounts receivable

**Note 13A: Categories of Financial Instruments**

***Financial assets***

	<b>2021</b>	<b>2020</b>
	\$	\$
At amortised cost:		
Trade and other receivables	205,839	316,823
<b>Total</b>	<b>205,839</b>	<b>316,823</b>
 <b><i>Carrying amount of financial assets</i></b>	 <b>205,839</b>	 <b>316,823</b>

***Financial liabilities***

Borrowings	-	21,973
Trade and other payables	171,395	221,917
Lease liabilities	12,944	77,392
<b>Total</b>	<b>184,339</b>	<b>321,282</b>
 <b><i>Carrying amount of financial liabilities</i></b>	 <b>184,339</b>	 <b>321,282</b>

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 13B: Net income and expense from financial liabilities**

	<b>2021</b>	2020
	\$	\$
At amortised cost:		
Interest expense	(923)	(4,025)
Interest on lease liabilities	(2,831)	(4,553)
<b>Net (loss) financial liabilities – at amortised cost</b>	<b>(3,754)</b>	<b>(8,578)</b>
<b>Net (loss) from financial liabilities</b>	<b>(3,754)</b>	<b>(8,578)</b>

**Note 13C: Financial assets and liabilities**

Management of the reporting unit assessed that cash and cash equivalents, trade and other receivables, borrowings and trade and other payables approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate fair values:

- Fair values of the reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The own performance risk as at 30 June 2021 was assessed to be insignificant.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Health Services Union based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 30 June 2021 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated values.

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

	<b>Carrying Amount</b>	<b>Fair Value</b>	Carrying amount 2020	Fair Value 2020
	<b>2021</b>	<b>2021</b>		
<b>Financial Assets</b>				
Trade and other receivables	205,839	205,839	316,823	316,823
<b>Total</b>	<b>205,839</b>	<b>205,839</b>	316,823	316,823
<b>Financial Liabilities</b>				
Borrowings	-	-	21,973	21,973
Trade and other payables	171,395	171,395	221,917	221,917
Lease liabilities	12,944	12,944	77,392	77,392
<b>Total</b>	<b>184,339</b>	<b>184,339</b>	321,282	321,282

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 13D: Credit risk**

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The reporting unit's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets as indicated in the balance sheet.

The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements.

	<b>2021</b>	2020
	\$	\$
<b>Financial assets</b>		
Trade and other receivables	205,839	316,823
<b>Total</b>	<b>205,839</b>	316,823
<b>Financial liabilities</b>		
Borrowings	-	21,973
Trade and other payables	171,395	221,917
Lease liabilities	12,944	77,392
<b>Total</b>	<b>184,339</b>	321,282

Currently the Health Services Union does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

Set out below is the information about the credit risk exposure on financial assets using a provision matrix. The expected credit loss rate will be applied to trade and other receivables (other than a receivable from a Branch). This has not been applied in the current or previous financial year as all material trade and other receivables are from Branches.

	Trade and other receivables					
	Days past due					
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
	\$	\$	\$	\$	\$	\$
Expected credit loss rate	0%	0%	2%	2%	2%	-
Estimate total gross carrying amount at default	-	-	-	-	-	-
Expected credit loss	-	-	-	-	-	-

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 13D: Credit risk (cont'd)**

	Trade and other receivables						Total	
	Days past due							
	Current	<30 days	30-60 days	61-90 days	>91 days			
	\$	\$	\$	\$	\$	\$	\$	
Expected credit loss rate	0%	0%	2%	2%	2%			
Estimate total gross carrying amount at default		-	-	-	-		-	
Expected credit loss		-	-	-	-		-	

The Health Services Union's maximum exposure to credit risk for the components of the statement of financial position at 30 June 2021 and 2020 is the carrying amounts as illustrated in Note 13C Financial assets and liabilities.

**Note 13E: Liquidity risk**

Liquidity risk arises when the Health Services Union is unable to meet its financial obligations as they fall due. The Health Services Union operates under a policy of settling financial obligations within 30 days and in the event of a dispute, makes payments within 30 days of the date of resolution. It also continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding cash and cash equivalents. The reporting unit's exposure to liquidity risk is deemed insignificant based on prior periods data and current assessment of risk. Maximum exposure to liquidity risk is the carrying amounts of financial liabilities.

**Contractual maturities for financial liabilities 2021**

	On Demand	1– 2 years		2– 5 years		Total
		\$	\$	\$	\$	
Trade payables	-	171,395	-	-	-	171,395
Borrowings	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>171,395</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>171,395</b>

**Contractual maturities for financial liabilities 2020**

	On Demand	1– 2 years		2– 5 years		Total
		\$	\$	\$	\$	
Trade payables	-	221,917	-	-	-	221,917
Borrowings	-	21,973	-	-	-	21,973
<b>Total</b>	<b>-</b>	<b>243,890</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>243,890</b>

**Lease liability maturities for 2021**

	On Demand	1– 2 years		2– 5 years		Total
		\$	\$	\$	\$	
Photocopier	-	5,878	4,142	2,924	-	12,944
Office space	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>5,878</b>	<b>4,142</b>	<b>2,924</b>	<b>-</b>	<b>12,944</b>

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 13E: Liquidity risk (cont'd)**

Lease liability maturities for 2020

	On Demand	< 1 year	1– 2 years	2– 5 years	>5 years	Total
Photocopier	-	5,685	4,401	7,065	-	17,151
Office space	-	18,760	14,321	27,160	-	60,241
Total	-	24,445	18,722	34,225	-	77,392

**Note 13F: Market Risk**

The Health Services Union does not have any material exposure to market risk.

**Note 13G: Changes in liabilities arising from financing activities**

	1 July 2020	Cash flows	Reclassified as part of disposal group	Foreign exchange movement	Changes in fair values	New Leases / Borrowings	Other	30 June 2021
	\$	\$	\$	\$	\$	\$	\$	\$
Current interest- bearing Borrowings	21,973	(21,973)		-	-	-	-	-
Non- current interest- bearing Borrowings		-	-	-	-	-	-	-
Total liabilities from financing activities	21,973	(21,973)		-	-	-	-	-

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 13G: Changes in liabilities arising from financing activities (cont'd)**

	1 July 2019	Cash flows	Reclassified as part of disposal group	Foreign exchange movement	Changes in fair values	New Leases / Borrowings	Other	30 June 2020
		\$	\$	\$	\$	\$	\$	\$
Current interest- bearing borrowings	83,249	(83,249)		-	-	-	-	21,973 21,973
Non-current interest- bearing borrowings	17,032	4,941		-	-	-	-	(21,973) -
Total liabilities from financing activities	100,281	(78,308)		-	-	-	-	21,973

The 'Other' column includes the effect of reclassification of non-current portion of interest-bearing loans and borrowings. The Health Services Union classifies interest paid as cash flows from operating activities.

**Health Services Union**  
**Notes of the Financial Statements for the year ended 30 June 2021**

**Note 14    Section 272 *Fair Work (Registered Organisations) Act 2009***

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

Information to be provided to members or Commissioner:

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

# Health Services Union

## Officer declaration statement

I, Lloyd Williams, being the National Secretary of the Health Services Union, declare that the following activities did not occur during the reporting period ending 30 June 2021.

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
- receive revenue via compulsory levies/voluntary contributions
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay compulsory levies
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have other employee provisions in respect of employees (other than holders of office)
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signature of designated officer:



Lloyd Williams

National Secretary

Date: 19/08/2021