

**Communications, Electrical, Electronic, Energy,  
Information, Postal, Plumbing and Allied  
Services Union of Australia**

**Plumbing Division – National Office**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2017**

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,  
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – NATIONAL OFFICE**

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**Operating Report  
For the year ended 30 June 2017**

**Principal activities**

The principal activities of the Plumbing Division – National Office during the financial year were to provide representation and support to our members. There were no significant changes to the principal activities during the year.

**Review of results**

The net result of operations for the year was a surplus of \$218,323 (2016 surplus of \$48,687). The organisation continued to represent its members in industrial and other matters, focusing particularly on training and educational projects to advance the industry. During the year, it also paid ongoing attention to corporate governance, ensuring that it complies with legislative requirements. As at reporting date, it had accumulated net assets of \$1.14 million, and it had no interest bearing debt. The organisation is well placed to meet the future needs of the industry and moreover its members, through enhanced representation and training services.

**Significant Changes in the Financial Affairs**

In the opinion of the Members of the Divisional Council, there were no significant changes in the organisation's financial affairs during the financial year.

**Resignation of Members**

As per section 174 of the Fair Work (Registered Organisations) Act 2009, a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.

**Number of Members**

As at 30 June 2017, the number of financial members of the organisation recorded in the register of members was 19,740 (2016: 19,211)

**Number of Employees**

As at 30 June 2017, the number of full time equivalent employees was nil (2016: nil).

**Divisional Council Members**

During the financial year ended 30 June 2017 the following persons were members of the committee of management for the whole period, unless indicated otherwise:

E Setches (General Secretary)	P McCrudden (Divisional President and Trustee)
G O'Halloran (Assistant General Secretary)	D Broadley (Divisional Deputy President)
S McCarney (National Councillor)	G Menzies (Trustee)
N Kelly (Trustee)	T Samartzopoulos (National Councillor)
M Wiech (National Councillor)	

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Operating Report  
For the year ended 30 June 2017 (cont'd)

**Trustee of superannuation entity**

Mr Earl Setches, holds the position as a Director of CBUS Construction & Building Industry Superannuation Scheme, by virtue of his position as an Officer of the Union.

**Future Developments**

In the opinion of the Committee of Management, there is not likely to be any future development that will materially affect the Union's operation in subsequent years.

Signed in accordance with a resolution of the Divisional Council

*Earl Setches*

Dated this 28th day of November 2017

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,  
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – NATIONAL OFFICE

STATEMENT OF PROFIT AND LOSS  
FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 \$	2016 \$
<b>Income</b>			
Per Capita Contributions			
Other Contributions	10 f (i)	609,381	542,016
Interest Received	10 f (ii)	-	-
Grants		5	8
Financial Support - Branches		-	-
Donations		-	-
Other income		-	-
		<u>609,386</u>	<u>542,024</u>
<b>Expenses</b>			
General Secretary and President Expense Allowance	7	42,800	42,800
Overnight, Tea Money and Other Allowances		15,390	23,113
Expenses incurred with holding meeting of members or any conferences or meetings of councils, committees, panels or other bodies		92,552	60,339
Advertising		8,000	8,883
Affiliation Fees – CEPU		34,745	56,454
Affiliation Fees - Political Party - Other		-	-
Audit Fees and Other Services		-	-
Bank Charges	11	19,830	6,100
Delegate Fees		176	160
Bad & Doubtful Debts Expense		1,595	2,552
Depreciation		-	-
Entertainment Expenses		2,979	3,412
Consideration to employers for payroll deductions		8,056	10,270
Penalties – via RO Act or RO Regulations		-	-
Grants		-	-
Conferences and meetings – Fees & allowances		-	-
Donations		-	-
Campaign Expenses	12	97,060	16,440
Work Cover Premium	13	5,000	-
Legal and Professional Fees – Litigation		358	300
Legal and Professional Fees – Other (including Royal Commission)		-	15,554
Long Service Leave		33,275	207,337
Industrial Relations Levy – CEPU		530	1,467
Other Compulsory or Voluntary Levy		-	24,000
Postage, Stationery & Printing		-	-
Subscriptions – Non Political		17,672	64
Management Fees – Victorian Branch		590	339
Superannuation	14	-	-
Payroll Tax and FBT Expenses	7	4,708	4,708
Telephone		3,335	2,064
Taxis and Parking		162	2,019
Motor Vehicle Expenses		1,172	4,455
Termination Payments	7	1,078	507
		<u>391,063</u>	<u>493,337</u>
<b>Net (Loss) / Profit for the Year</b>		<u>218,323</u>	<u>48,687</u>

The accompanying notes form part of these financial statements

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,  
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – NATIONAL OFFICE**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2017**

	2017 \$	2016 \$
<b>Profit/(loss) for the period</b>	218,323	48,687
<b>Other comprehensive income for the period</b>	-	-
<b>Total comprehensive income/(loss) for the period</b>	218,323	48,687
<b>Total comprehensive income/(loss) attributable to: Members of the organisation</b>	218,323	48,687

The accompanying notes form part of these financial statements

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,  
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – NATIONAL OFFICE

STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2017

	Notes	2017 \$	2016 \$
<b>Current Assets</b>			
Cash and Cash Equivalents	3	14,387	94,829
Receivables	4	1,167,620	877,767
Total Current Assets		1,182,007	972,596
<b>Non Current Assets</b>			
Plant and Equipment	5	6,129	9,108
Total Non Current Assets		6,129	9,108
Total Assets		1,188,136	981,704
<b>Current Liabilities</b>			
Payables	6	17,901	30,322
Provisions	8	29,573	29,043
Total Current Liabilities		47,474	59,365
Total Liabilities		47,474	59,365
<b>Net Assets</b>		1,141,662	922,339
<b>Equity</b>			
General Fund	15	1,140,662	922,339
Total Equity		1,140,662	922,339

The accompanying notes form part of these financial statements

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STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
Accumulated Profit/(Deficit) – Beginning of the Year	922,339	873,652
Profit/(Loss) for the Year	218,323	48,687
Total Accumulated Profit/(Deficit) – End of the Year	1,140,662	922,339

The accompanying notes form part of these financial statements

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2017**

	Notes	2017 Inflows/ (Outflows) \$	2016 Inflows/ (Outflows) \$
<b>Cash flows from Operating Activities</b>			
Per Capita Contributions and other Branch receipts		334,528	509,546
Interest Received		5	8
Payments to CEPU		(34,745)	(56,454)
Payments to Branches		-	-
Payments to Suppliers and Employees		(380,230)	(435,786)
<b>Net Cash/(Used In)/Provided by Operating Activities</b>	9(b)	<b>(80,442)</b>	<b>17,314</b>
<b>Cash Flows from Investing Activities</b>			
Payments for purchase of Plant and Equipment		-	(4,039)
<b>Net Cash Used in Investing Activities</b>		<b>-</b>	<b>(4,039)</b>
<b>Cash Flows from Financial Activities</b>			
Advance to State Branch		-	-
<b>Net Cash Used in Financing Activities</b>		<b>-</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash Held</b>		<b>(80,442)</b>	<b>13,275</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>		<b>94,829</b>	<b>81,554</b>
<b>Cash and Cash Equivalents at End of Year</b>	9(a)	<b>14,387</b>	<b>94,829</b>

The accompanying notes form part of these financial statements



**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

**1. Summary of Accounting Policies**

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Fair Work (Registered Organisations) Regulations 2009 and the Fair Work (Registered Organisations) Act 2009.

**Basis of Preparation**

The financial report complies with Australian Accounting Standards which include Australian Equivalents to International Financial Reporting Standards (AIFRS).

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. The Union is a 'not for profit' organisation.

Cost is based on fair values of consideration given in exchange for assets.

The accounting policies set out below have been consistently applied, unless otherwise stated.

**Accounting Policies**

**(a) Property, Plant and Equipment**

**Cost and valuation**

Plant and equipment are measured at cost or on a fair value basis. At each reporting date, the value of assets in this asset class is reviewed to ensure that it does not differ materially from the asset's book value at that date. Any significant increase or decrease is recognised in accordance with accounting standards.

All other fixed assets are also measured at the lower of cost and fair value.

**Depreciation**

Depreciation is calculated on the prime cost or diminishing value method and is brought to account over the estimated economic lives of all equipment and art works. Depreciation rates applied are:

	2017	2016
Art work	2.5%	2.5%
Furniture and Office Equipment	25%	25%

**(b) Employee Benefits**

**Short-term employee benefits**

Provision is made for the Union's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and vesting sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Union's obligations for short-term employee benefits such as wages, salaries and vesting sick leave are recognised as part of current trade and other payables in the statement of financial position. The Union's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017 (cont'd)**

**1. Summary of Accounting Policies (cont'd)**

**(b) Employee Benefits (cont'd)**

**Long-term employee benefits**

Provision is made for employee's long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any measurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Union's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Union does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Contributions are made by the Union to employee superannuation funds and are expensed when incurred. The Union is not obliged to contribute to these funds other than to meet its liabilities under the superannuation guarantee system and is under no obligation to make up any shortfall in the funds' assets to meet payments due to employees.

The number of staff employed at 30 June 2017 was nil (2016: nil).

**(c) Income Tax**

No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 50-15 of the Income Tax Assessment Act 1997.

**(d) Revenue Recognition**

Per capita and other contributions income are recognised in the statement of profit and loss on an accrual basis. Amounts recognised are calculated based on membership at each branch. Interest revenue is recognised on an accrual basis. Other revenue is recognised on an accrual basis.

**(e) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset a part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

**(f) Bad and Doubtful Debts**

Bad debts are written off when identified. If no provision for bad and doubtful debts has previously been recognised, write offs for bad debts are recognised as expenses in the income statement.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017 (cont'd)

**1. Summary of Accounting Policies (cont'd)**

**(g) Impairment of Assets**

At each reporting date, the Union reviews carrying amounts of its assets to determine whether there is any indication that those assets have been impaired. If such indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over the recoverable amount is expenses to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**(h) Cash and Cash Equivalents**

For the purpose of the Cash Flow Statement, cash and cash equivalents include cash on Hand, cash at bank and investments in money market instruments net of bank overdraft.

**(i) Recovery of Wages Activity**

There was no 'recovery of wages' activity in 2017 and/or 2016.

**(j) Critical Accounting Estimates and Judgements**

The Committee of Management evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Union.

*Key Estimates – Impairment*

The Union assesses impairment at each reporting date by evaluating conditions specific to it that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined and reflected in this report.

**(k) Fair value measurement**

The Union measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Union would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs).

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017 (cont'd)**

**1. Summary of Accounting Policies (cont'd)**

**(k) Fair value measurement (cont'd)**

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statement.

**(l) New Accounting Standards for Application in Future Periods**

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Union, together with an assessment of the potential impact of such pronouncements on the Union when adopted in future periods, are discussed below:

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

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

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

The Committee of Management anticipates that the adoption of AASB 9 will not have an impact on the Union's financial instruments.

- AASB 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods commencing on or after 1 January 2018).

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

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017 (cont'd)**

**1. Summary of Accounting Policies (cont'd)**

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

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

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

The Committee of Management anticipates that the adoption of AASB 15 will not have an impact on the Union's financial statements.

**AASB 16: Leases** (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

Although the Committee of Management anticipate that the adoption of AASB 16 will impact the Union's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

**AASB 2014-10: Amendments to Australian Accounting Standards – Sale of Contribution of Assets between an investor and its Associate or Joint Venture** (applicable to annual reporting periods beginning on or after 1 January 2018, as deferred by AASB 2015-10: *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128*).

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017 (cont'd)**

**1. Summary of Accounting Policies (cont'd)**

This Standard amends AASB 10: *Consolidated Financial Statements* with regards to a parent losing control over a subsidiary that is not a "business" as defined in AASB 3: *Business Combinations* to an associate or joint venture, and requires that:

- A gain or loss (including any amounts in other comprehensive income (OCI)) be recognised only to the extent of the unrelated investor's interest in that associate or joint venture;
- The remaining gain or loss be eliminated against the carrying amount of the investment in that associate or joint venture; and
- Any gain or loss from remeasuring the remaining investment in the former subsidiary at fair value also be recognised only to the extent of the unrelated investor's interest in the associate or joint venture.
- The remaining gain or loss should be eliminated against the carrying amount of the remaining investment.

The application of AASB 2014-10 will result in a change in accounting policies for transactions of loss of control over subsidiaries (involving an associate or joint venture) that are businesses per AASB 3 for which gains or losses were previously recognised only to the extent of the unrelated investor's interest.

The transitional provisions require that the Standard should be applied prospectively to sales or contributions of subsidiaries to associates or joint ventures occurring on or after 1 January 2018. Although the Committee of Management anticipate that the adoption of AASB 2014-10 may have an impact on the Union's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

**m) Going Concern**

The Union is not reliant on the agreed financial support of any entity nor has it agreed to provide financial support to any entity so they can continue as a going concern.

**2. Information to be provided to Members or The Commissioner, Registered Organisations Commission**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272 which reads as follows:-

- (1) A Member of an organisation, or the Commissioner, Registered Organisations Commission, may apply to the organisation for specified prescribed information in relation to the organisation 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 organisation.
- (3) An organisation must comply with an application made under subsection (1).

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017 (CONT'D)**

	2017 \$	2016 \$
<b>3. Cash and Cash Equivalents</b>		
Cash at Bank	14,387	94,829
	<u>14,387</u>	<u>94,829</u>
<b>4. Receivables</b>		
Sundry Debtors	15,000	-
Advances and per capita due by branches	1,152,620	877,767
Provision for Bad and Doubtful Debts	-	-
	<u>1,167,620</u>	<u>877,767</u>
<b>5. Plant and Equipment</b>		
Artwork at Cost	3,864	3,864
Less accumulated Depreciation	(870)	(774)
	<u>2,994</u>	<u>3,090</u>
Equipment at Cost	20,333	20,333
Less accumulated Depreciation	(17,198)	(14,315)
	<u>3,135</u>	<u>6,018</u>
Total Plant and Equipment	<u>6,129</u>	<u>9,108</u>

Movements in carrying amounts for plant and equipment between the beginning and the end of the current financial year:

<b>2017</b>	Equipment \$	Artwork \$	Total \$
Balance at Beginning of Year	6,018	3,090	9,108
Additions	-	-	-
Depreciation Expense	(2,883)	(96)	(2,979)
Carrying Amounts at End of Year	<u>3,135</u>	<u>2,994</u>	<u>6,129</u>

<b>2016</b>	Equipment \$	Artwork \$	Total \$
Balance at Beginning of Year	5,295	3,186	8,481
Additions	4,039	-	4,039
Depreciation Expense	(3,316)	(96)	(3,412)
Carrying Amounts at End of Year	<u>6,018</u>	<u>3,090</u>	<u>9,108</u>

	2017 \$	2016 \$
<b>6. Payables</b>		
Creditors and Accrued Expenses	<u>17,901</u>	<u>30,322</u>

There were \$nil (2016: \$nil) of legal fees and/or payroll deductions from employers included in creditors and accrued expenses.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017 (CONT'D)**

**7. Employee Benefits**

Employee Benefits paid during the year:

<u>2017</u>	<u>Elected Officials \$</u>	<u>Administration &amp; Industrial Staff \$</u>	<u>Total</u>
Wages and Salaries and Allowances	42,800	-	42,800
Annual Leave and Sick Leave	-	-	-
Long Service Leave and Retirement Gratuity	530	-	530
Termination	-	-	-
Superannuation	4,708	-	4,708
Total	48,038	-	48,038

**2016**

Wages and Salaries and Allowances	42,800	-	42,800
Annual Leave and Sick Leave	-	-	-
Long Service Leave and Retirement Gratuity	1,470	-	1,470
Termination Payment	-	-	-
Superannuation	4,708	-	4,708
Total	48,978	-	48,978

**8. Provisions**

	<u>2017 \$</u>	<u>2016 \$</u>
Current		
Employee Benefits	29,573	29,043
	<u>29,573</u>	<u>29,043</u>
Provision for long service leave in respect to:		
Elected Officials	7,038	6,508
Provisions for Retirement Gratuity in respect to:		
Elected Officials	22,535	22,535
	<u>29,573</u>	<u>29,043</u>

There are no other provisions for annual leave, separation and redundancy or other payables for officeholders or other employees (2016: \$nil).

**Provision for Employee Benefits**

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Union does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Union does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.



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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017 (cont'd)**

	2017 \$	2016 \$
<b>9. Note to Cash Flow Statement</b>		
(a) Reconciliation of Cash and Cash Equivalents		
For the purposes of the Cash Flow Statement, cash and cash equivalents include cash on hand and at bank. Cash and cash equivalents at the end of the reporting period are reconciled to related items in the balance sheet as follows:		
Cash at Bank	14,387	94,829
	<u>14,387</u>	<u>94,829</u>
(b) Reconciliation of Net Cash Provided by Operating Activities to Net (Loss) / Profit		
Net (Loss) / Profit	218,323	48,687
Depreciation	2,979	3,412
<b>Change in Assets and Liabilities</b>		
Increase/(Decrease) in Trade Creditors and Accruals and Provisions	(11,891)	(2,307)
Decrease/(Increase) in Receivables	(289,853)	(32,478)
Net Cash Provided by Operating Activities	<u>(80,442)</u>	<u>17,314</u>

**10. Related Party Information**

(a) The names of persons who formed part of the Divisional Council during the year were:

E Setches	G O'Halloran	D Broadley
P McCrudden	S McCarney	M Wiech
G Menzies	N Kelly	T Samartzopoulos

(b) Amounts received or due and receivable from the Union (ie. allowances paid) to the Divisional Council members were \$42,800 (2016: \$42,800). An amount of \$530 was provided for long service leave (2016: \$1,470).

(c) Amounts paid to a superannuation scheme in respect of retirement of the Divisional Council members were \$4,708 (2016: \$4,708).

(d) Other transactions between the Divisional Council were conducted on normal commercial terms in respect of the supply.

(e) Remuneration of Key Officers	Remuneration 2017		Post – Employment Benefits		Other Benefits	
	2017	2016	2017	2016	2017	2016
E. Setches	\$21,400	\$21,400	\$2,354	\$2,354	-	-
P. McCrudden	\$21,400	\$21,400	\$2,354	\$2,354	-	-

No termination benefit or share based payments were received by any officer this year.

The officeholders received no 'non cash' benefits (2016: \$nil). No officeholder of the Union during the year and/or the prior year had any material personal interest in a matter that he/she has or did acquire, or a relative of the officeholder has or did acquire.

No officeholder or officer of the Union (this year or last year) received any remuneration in their own name because they were a member of, or held position with a Board or other organisation because:-

- The officeholder held such a position with the Board or other organisation only because they were an officeholder of the Union; or
- They were nominated for the position by the Union; or

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- iii) They received remuneration from any third party, in connection with the performance of their duties as an officeholder of the Union.

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FOR THE YEAR ENDED 30 JUNE 2017 (cont'd)**

	2017 \$	2016 \$
<b>10. Related Party Information (cont'd)</b>		
(f) Transactions between the national office and state branches:		
(i) Per capita Contributions		
Victorian Branch	333,656	278,957
Western Australia	19,723	22,465
New South Wales Branch	109,483	95,727
ACT Branch	-	-
Queensland Branch	146,519	144,875
Total	<u>609,381</u>	<u>542,024</u>
(ii) Other Levies (Voluntary or Compulsory)		
Victorian Branch	-	-
Western Australia	-	-
New South Wales Branch	-	-
ACT Branch	-	-
Queensland Branch	-	-
Total	<u>-</u>	<u>-</u>
(iii) Amounts receivable/(payable) at reporting date – other branches		
Victoria Branch	750,917	732,260
Western Australia Branch	69,502	49,779
New South Wales Branch	185,682	95,728
Queensland Branch	146,519	-
ACT Branch	-	-
	<u>1,152,620</u>	<u>877,767</u>
<b>Balances Reconciliation- related entities</b>		
Victoria Branch		
Carrying amount at beginning of the year	732,260	558,490
Per Capita Charge	323,656	278,957
Levy Charge	-	-
Other Charges	-	-
Receipts	(314,999)	(105,187)
Payments	-	-
Carrying amount at end of the year	<u>750,917</u>	<u>732,260</u>
Western Australia Branch		
Carrying amount at beginning of the year	49,779	27,314
Per Capita Charge	19,723	22,465
Levy Charge	-	-
Loan advanced/(Receipts)	-	-
Carrying amount at end of the year	<u>69,502</u>	<u>49,779</u>
New South Wales Branch		
Carrying amount at beginning of the year	95,728	106,449
Per Capita Charge	109,483	95,727
Levy Charge	-	-
Other Charges	-	-
Receipts	(19,529)	(106,448)
Carrying amount at end of the year	<u>185,682</u>	<u>95,728</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017 (cont'd)**

<b>10. Related Party Information (cont'd)</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Queensland Branch		
Carrying amount at beginning of the year	-	153,036
Per Capita Charge	146,519	144,875
Levy Charge	-	-
Other Income	-	-
Receipts	-	(297,911)
Carrying amount at end of the year	146,519	-
ACT Branch		
Carrying amount at beginning of the year	-	-
Loan advanced	-	-
Per Capita Charge	-	-
Levy Charge	-	-
Loan forgiveness	-	-
Carrying amount at end of the year	-	-
<b>11. Auditor's Remuneration</b>		
Audit of financial report	7,000	6,100
Other services	12,830	-
	19,830	6,100
<b>12. Donations</b>		
Political Party	80,000	8,221
Non Political Party	17,060	8,219
	97,060	16,440
Donations > \$1,000	97,060	16,218
Donations < \$1,000	-	222
	97,060	16,440
<b>13. Campaign Expenses</b>		
Contribution to Trade Union Industrial Campaign Fund	-	-
Contribution to Political Parties	5,000	-
	5,000	-
<b>14. Management Fees</b>		
Amount paid to Victorian Branch for secondment of official	-	-
<b>15. General Fund</b>		
Retained Surplus at beginning of year	922,339	873,652
Net Profit/(Loss)	218,323	48,687
Retained Surplus at end of year	1,140,662	922,339

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017 (cont'd)**

**16. Financial Instruments**

The Union's financial instruments consist mainly of cash at bank, accounts receivable and payable and loans. The overall risk management strategy seeks to assist the Union in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The main purpose is to raise finance for the Union operations. The Union does not have any derivatives instruments at 30 June 2017 and is not exposed to foreign currencies fluctuations.

**(a) Credit Risk**

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

	2017 Not Due Not Impaired \$	2017 Past Due or Impaired \$	2016 Not Due Not Impaired \$	2016 Past Due or Impaired \$
Advances and per capita amounts due by branches	1,152,620	-	877,767	-
	1,152,620	-	877,767	-

These amounts are owing by related entities. They are not secured but are considered a low credit risk based on experience of repayment.

**(b) Interest rate risk**

The Union's maximum exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised are as follows:

Financial Instruments	Non-interest bearing		Floating interest rate		Total	
	2017 \$	2016 \$	2017 \$	2016 \$	2017 \$	2016 \$
(i) Financial Assets						
Cash and Bank deposits	-	-	14,387	94,829	14,387	94,829
Receivables	1,167,620	877,767	-	-	1,167,620	877,767
Total financial assets	1,167,620	877,767	14,387	94,829	1,182,007	972,596
(ii) Financial liabilities						
Accounts Payable	17,901	30,322	-	-	17,901	30,322
Total Financial liabilities	17,901	30,322	-	-	17,901	30,322
Net financial Assets	1,149,719	847,445	14,387	94,829	1,164,106	942,274

(iii) Weighted average interest rate of financial assets and liabilities above:

	2017	2016
Cash and Bank Deposits	0.01%	0.01%

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FOR THE YEAR ENDED 30 JUNE 2017 (cont'd)**

**(c) Net fair values**

The net fair values of the Union's financial assets and financial liabilities are not expected to be significantly different from each class of asset and liability as disclosed above and recognised in the Statement of Financial Position as at 30 June 2017.

**(d) Sensitivity Analysis**

No sensitivity analysis disclosure has been included as the impact of movements in market interest rates on the equity of the Unions is not considered material.

**(e) Liquidity Risk**

All financial liabilities are due and payable within 1 year. The entity manages liquidity risk by review of cash projections, cash commitments and other operating commitments in Committee of Management meetings.

**17. Recovery of Wages Activity**

The Union has not undertaken recovery of wages activity nor has derived revenues for the financial year in respect of such activity. Disclosure in accordance with section 253 (2)(b)(ii) of the Fair Work (Registered Organisation) Act 2009 is not applicable.

**18. Fair Value Measurement**

The Union measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- freehold land and buildings.

The Union does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

**a. Fair Value Hierarchy**

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

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

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017 (cont'd)**

**18. Fair Value Measurement (cont'd)**

**a. Fair Value Hierarchy (cont'd)**

**b.**

**Valuation techniques**

The Union selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the company are consistent with one or more of the following valuation approaches:-

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities/
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the company gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following tables provide the fair values of the Union's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation with the fair value hierarchy.

	30 June 2017			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Recurring fair value measurements</b>				
<i>Financial assets</i>	-	-	-	-
Financial assets at fair value through profit and loss:	-	-	-	-
<b>Total financial assets recognised at fair value</b>	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
<b>Total non-financial assets recognised at fair value</b>	-	-	-	-

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017 (cont'd)

18. Fair Value Measurement (cont'd)

	30 June 2016			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Recurring fair value measurements</b>				
<i>Financial assets</i>	-	-	-	-
Financial assets at fair value through profit and loss:	-	-	-	-
<b>Total financial assets recognised at fair value</b>	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
<b>Total non-financial assets recognised at fair value</b>	-	-	-	-

b. Valuation Techniques and Inputs Used to Measure Level 2 Fair Values

Description	Fair Value at 30 June 2017 & 30 June 2016 \$	Valuation Technique(s)	Inputs Used
<i>Financial assets</i>			
Financial assets at fair value through profit or loss:	-	Market approach: valuation techniques that reflect prices and other relevant information generated by market transactions for identical or similar assets	Market unit price
<i>Non-financial assets</i>			
Financial assets at fair value	-	Market approach: valuation techniques that reflect the current equivalent market price of an asset at its current service capacity	Price per square metre, market borrowing rate

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017 (cont'd)**

**18 Fair Value Measurement (cont'd)**

**c. Disclosed Fair Value Measurements**

The following assets and liabilities are not measured at fair value in the statement of financial position, but their fair values are disclosed in the notes:-

- accounts receivable and other debtors; and
- accounts payable and other payables.

The following table provides the level of the fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation techniques(s) and inputs used:

Description	Fair Value at Hierarchy Level	Valuation Technique(s)	Inputs Used
<i>Assets</i>			
Accounts receivable and other debtors	3	Income approach using discounted cash flow methodology	Market interest rates for similar assets
<i>Liabilities</i>			
Accounts payable and other payables	3	Income approach using discounted cash flow methodology	Market interest rates for similar assets

**19 Commitments**

Capital expenditure commitments - \$nil (2016 : \$nil).

**20 Contingent Liability**

There was no contingent liability at 30 June 2017 (2016: \$nil)

**21 Segment Reporting**

The Union Provides services to members employed in executing plumbing, gas fitting, pipe fittings and domestic engineering works.

**22 Union's Details**

The principal place of business of the branch is:

52 Victoria Street  
CARLTON SOUTH VIC 3013



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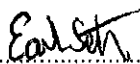
**DIVISIONAL COUNCIL STATEMENT**

On the ~~18th~~ <sup>19th</sup> November of 2017, the Divisional Council of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Plumbing Division – National Office passed the following resolution in relation to the general purpose financial report of the reporting unit for the financial year ended 30 June 2017.

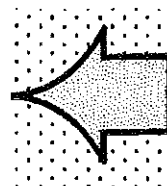
The Divisional Executive declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Reporting Guidelines of the Commissioner, Registered Organisations Commission and Australian Accounting Standards;
  - (b) 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;
  - (c) 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;
  - (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;
  - (e) during the financial year to which the general purpose financial report relates and since the end of that year:
    - i) meetings of the Division Council were held in accordance with the rules of the organisation including the rules of a branch concerned;
    - 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;
    - iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009, and the Fair Work (Registered Organisations) Regulations 2009;
    - iv) the information sought in any request of a member of the reporting unit or the Commissioner, Registered Organisations Commission duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or Commissioner, Registered Organisations Commission;
    - v) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation;
    - vi) no requests were received from any member of the reporting unit or a Commissioner, Registered Organisations Commission for information under section 272 of the Fair Work (Registered Organisations) Act 2009;
- there have been no orders for inspection of financial records made by Fair Work Commission under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period; and
- (f) In relation to recovery wages activity, there was no recovery derived from undertaking recovery of wages activity during the reporting period.

For the Divisional Council



Dated this 25th day of NOVEMBER 2017




**AUDITOR'S INDEPENDENCE DECLARATION**

**TO THE COMMITTEE OF MANAGEMENT OF COMMUNICATIONS, ELECTRICAL, ELECTRONIC,  
ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF  
AUSTRALIA PLUMBING DIVISION – NATIONAL OFFICE**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 there have been:-

- (i) no contraventions of the auditor independence requirements in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

  
Stannards Accountants and Advisors

  
MB Shulman  
Registered Current Company Auditor (163888)  
Holder of Current Public Practice Certificate  
Approved Auditor (FWC Act and Regulations- AA2017/45)

Date this 28<sup>th</sup> day of March 2017

## INDEPENDENT AUDIT REPORT

To the Members of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Plumbing Division – National Office (Union)

### Report on the Audit of the Financial Report

#### *Auditor's Opinion*

We have audited the accompanying general purpose financial report of the Union, which comprises the statement of financial position as at 30 June, 2017, and the statement of profit and loss, statement of comprehensive income, statement of cash flows, statement of changes in equity for the year then ended, a summary of significant accounting policies, other explanatory notes and the Committee of Management Statement.

In our opinion under the Fair Work (Registered Organisations) Act 2009, the general purpose financial report is presented fairly in accordance with any of the following that apply in relation to the reporting unit:

- a) Australian Accounting Standards, and Australian Accounting Interpretations;
- b) in relation to recovery of wages activity;
  - (i) that the scope of the audit encompassed recovery of wages activity
  - (ii) that the financial statements and notes and recovery of wages activity fairly report all information required by the reporting guidelines of the Commissioner, Registered Organisations Commission, including:
    - 1. Any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity; and
    - 2. Any donations or other contributions deducted from recovered money; and
- c) Any other requirements imposed by these Reporting Guidelines or the Fair Work (Registered Organisations) Act 2009.

In our opinion, there were kept by the organisation satisfactory accounting records detailing the source and nature of all income and the nature of all expenditure.

As part of our audit of the organisation for the year ended 30 June 2017, we are of the opinion that the Committee of Management's use of the going concern basis of accounting in the preparation of its financial statements is appropriate.

#### *Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibility under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Branch in accordance with the independence requirements of Corporations Act 2001 and 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 responsibilities in accordance with the Code.

We confirm that the independence declaration by the *Corporations Act 2001*, which has been given to the Committee of Management, would be in the same terms if given to the Committee as at the time of this auditor's report.

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



## INDEPENDENT AUDIT REPORT (Cont'd)

### ***Committee of Management Responsibility for the Financial Report***

The Committee of Management are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Reporting Guidelines of the Commissioner, Registered Organisations Commission. This responsibility includes establishing and maintaining internal controls relevant to the preparation and true and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making estimates that are responsible in the circumstances.

In preparing the financial report, the Committee of Management are 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 intends to liquidate the Union or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Union's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Financial Report***

Our objectives are 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 the 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 auditing 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 Union'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.

**INDEPENDENT AUDIT REPORT**  
**(Cont'd)**


- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Branch's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Branch to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Union to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Union audit. We remain solely responsible for our audit opinion.

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

We also provide the Committee of Management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Committee of Management, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We can describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>.

  
Stannards Accountants and Advisors  
Michael Shulman  
Registered Company Auditor (163888)  
Holder of Current Public Practice Certificate  
Approved Auditor (FWC Act and Regulations – AA2017/45)

Dated: 25/11/17