Australian Government
Registered Organisations Commission

11 August 2021

Brian Bintley
Branch Secretary (Plumbing Division WA)
Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - Plumbing Division - Western Australian Divisional Branch

Sent via email: brian@pteu.asn.au
CC: michael.shulman@stannards.com.au

Dear Brian Bintley,

Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - Plumbing Division - Western Australian Divisional Branch
Financial Report for the year ended 31 March 2021 – (FR2021/22)

I acknowledge receipt of the financial report for the year ended 31 March 2021 for the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - Plumbing Division - Western Australian Divisional Branch (**the reporting unit**). The financial report was lodged with the Registered Organisations Commission (**ROC**) on 28 July 2021.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

I make the following comments to assist you when you next prepare a financial report. The ROC will confirm these concerns have been addressed prior to filing next year's report.

Operating Report

Review of principal activities

Subsection 254(2)(a) of the Fair Work (Registered Organisations) Act 2009 (**RO Act**) requires an operating report to contain a review of the principal activities of the reporting unit, the results of those activities and any significant changes in the nature of the those activities. I note that the operating report provides a review of the principal activities and a statement regarding significant changes but does not explain the results of these activities. Please note that subsection 254(2)(a) of the RO Act does not require a financial result. It requires a description of the results from providing services to members.

Statement of comprehensive income

Notes to the financial statements

I acknowledge the receipt of your email dated 10 August 2021 regarding a misstatement within the Notes to the financial statements and further information regarding a Revenue item. The email states that the words "did not" were incorrectly omitted in Note 1 (h) *Revenue* under the subheading *'Income of the Union as a Not-for-Profit Entity.'* The email confirms the paragraph should have been written as follows:

*During the year, the Union **did not** receive cash consideration from the following arrangements whereby that consideration will be recognised as income upon receipt:*

- donations and voluntary contribution from members (including whip arounds); and

- certain government grants.

<u>AASB 15 - Separate disclosure of revenue from contracts with customers</u>

Australian Accounting Standard AASB 15 *Revenue from Contracts with Customers* paragraph 113(a) requires an entity to disclose revenue from contracts with customers separately unless already disclosed separately in the statement of comprehensive income.

It appears that no such disclosure has been made.

Please note that in future years the reporting unit's General Purpose Financial Report (**GPFR**) must include all relevant and required financial disclosures in accordance with AASB 15.

<u>AASB 15 - Disaggregation of revenue from contracts with customers</u>

AASB 15 paragraph 114 requires an entity to disaggregate revenue from contracts with customers into categories that depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors.

It appears that no such disclosure has been made.

Please note that in future years the reporting unit's GPFR must include all relevant and required financial disclosures in accordance with AASB 15.

<u>AASB 1058 - Separate disclosure of income of not-for-profit entities</u>

Your email of 10 August 2021 also states that an item listed under Note 3 *Revenue* under *Covid-19 Subsidies* is in relation to a payment from the Australian Taxation Office for a PAYG Cash Boost Subsidy. It appears that this type of government subsidy falls under the scope of Australian Accounting Standard AASB 1058 *Income of Not-for-Profit Entities*.

AASB 1058 paragraph 26 requires an entity to disclose income recognised during the period, disaggregated into categories that reflect how the nature and amount of income are affected by economic factors based on the following categories:

a. grants, bequests and donations of cash, other financial assets and goods;
b. recognised volunteer services; and
c. for government departments and other public sector entities, appropriation amounts recognised as income, by class of appropriation.

Please note that in future years the reporting unit's GPFR must include all relevant and required financial disclosures in accordance with AASB 1058.

Presentation of next year's financial report

Application of AASB 15 and AASB 1058 for next year's financial report will likely amend the presentation or classification of items in the statement of comprehensive income and/or notes within the financial statement. Comparative information should also be reclassified in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the section 253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the section 253 reporting guidelines and Australian Accounting Standards. Access to this information may be obtained via this link.

If you have any queries regarding this letter, please contact me on (03) 9603 0841 or by email at Mihiri.jayawardane@roc.gov.au.

Yours sincerely,

Mihiri Jayawardane
Registered Organisations Commission

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA

PLUMBING DIVISION – WESTERN AUSTRALIA BRANCH

FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021

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

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Operating Report
For the year ended 31 March 2021

Principal activities
The principal activities of the CEPU Western Australia Branch during the financial year were to provide representation and support to its members. There were no significant changes in the nature of those activities during the year.

Review of results
The net result of operations for the year was a loss of $74,338 (2020: profit of $45,976). The organisation represents its members in industrial and other matters, focusing particularly on training and educational projects to advance the industry. During the year, it also paid particular attention to corporate governance, ensuring that it complies with legislative requirements. As at reporting date, the organisation has a net equity deficit of $357,091 (2020: net equity deficit $282,753). The organisation is however placed to meet the future needs of the industry and moreover its members, through expected future cash inflows. The activities of the Union did not change significantly during the reporting period.

Significant Changes in the State of Affairs
In the opinion of the Members of the Committee of Management, there were no significant changes in the organisation's state of affairs during the financial year.

Resignation of Members
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 31 March 2021, the number of members of the organisation recorded in the register of members was 438 (2020: 463).

Number of Employees
As at 31 March 2021, the number of full-time equivalent employees is 1 (2020: 2).

Committee of Management
The Committee of Management members are as follows:-

J. Mousakas (President)	P. Newton*	J. Daly*	L. Mullins
A. Power (President)	J. Davies*	A. Dennison*	T. Hardie*
B. Bintley (Secretary)*			

Committee members indicated with (*) held their positions throughout the full year in accordance with the rules of the organisation. Jake Mousakas was elected as President on 10 May 2021.
Andrew Power served as President from 1 April 2020 to 8 June 2020 and Larry Mullins served as a Committee Member from 1 April 2020 to 9 December 2020.

No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

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 Committee of Management.

....
Brian Bintley – Secretary
Designated Officer

Dated this 8 day of June 2021

CERTIFICATE OF COMMITTEE OF MANAGEMENT

The Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Plumbing Division – Western Australia Branch passed the following resolution on 8 June 2021 in relation to the general purpose financial report of the reporting unit for the financial year ended 31 March 2021.

The Committee of Management declares in relation to the general purpose financial report that in its opinion:

(a) the financial statements and notes comply with Australian Accounting Standards and the Reporting Guidelines of the Commissioner, Registered Organisations Commission including any other requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act;

(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) during the financial year to which the general purpose financial report relates and since the end of that year:

i. meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned;

ii. the financial affairs of the 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 the Commissioner, Registered Organisations Commission;

v. there have been no orders for inspection of financial records made by the Fair Work Commission under section 273 of the Fair Work (Registered Organisations) Act 2009 during the year; and

vi. where the Union comprises of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable in a manner consistent with each of the other reporting units of the organisation.

Resolved by the Committee of Management:

Brian Bintley

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Brian Bintley – Secretary
Designated Officer

Dated this 8 day of June 2021

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER
FOR THE YEAR ENDED 31 MARCH 2021

I, Brian Bintley, Secretary of CEPU (WA Plumbing Division) certify:

(i) That the documents lodged herewith are copies of the full report for the CEPU (WA Plumbing Division) for the period ended referred to in Section 268 of the *Fair Work (Registered Organisations) Act 2009*; and

(ii) That the full report was provided to members of the reporting unit on 21/06/2021; and

(iii) That the full report was presented to a meeting of the committee of management of the reporting unit on 21/07/2021 in accordance with Section 266 of the *Fair Work (Registered Organisations) Act 2009*.

....
Brian Bintley - Secretary
Designated Officer

Dated: 21st July 2021

OFFICER DECLARATION STATEMENT

I, Brian Bintley, being the Secretary of the Branch, declare that all activities (including $nil activities) required to be disclosed during the reporting period ended 31 March 2021 have been described in the financial report.

....
Brian Bintley - Secretary
Designated Officer

Dated: 8th June 2021

stannards
ACCOUNTANTS and ADVISORS

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 – WESTERN AUSTRALIA BRANCH

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2021 there have been:-

(iv) no contraventions of the auditor independence requirements in relation to the audit; and

(v) no contraventions of any applicable code of professional conduct in relation to the audit.

Stannards Accountants and Advisors

Stannards Accountants and Advisors

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

Dated this 8th day of June 2021

EXPENDITURE REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Committee of Management of the Union presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 March 2021.

	2021 **$**	**2020** **$**
CATEGORIES OF EXPENDITURE		
Remuneration and other employment-related costs and expenses - employees	143,106	178,461
Advertising	-	-
Operating Costs	116,967	57,423
Donations to Political Parties	-	-
Legal Costs	5,169	304
Total	265,242	236,188

....
Brian Bintley - Secretary
Designated Officer

Dated: 8th June 2021

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

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 $	2020 $
Revenue	3	190,904	282,155
Expenses			
Affiliations		-	1,646
Audit Fees: -			
Financial Statements Audit		3,400	5,000
Other Services		409	4,150
Bank Charges		431	960
Conferences and Meeting Expenses		276	-
Consideration to employers for making payroll deductions		-	-
Contractor Expenses		53,115	
Depreciation		9,275	4,015
Donations		720	147
Dues & Subscriptions		5,220	4,530
Grants		-	-
Legal Fees – Other Matters (Litigation: $nil)		5,169	304
Levies (Compulsory) – excluding National Office per capita		-	-
Office Supplies		-	802
Penalties – RO Act or RO Regulations		-	-
Postage		183	13
Printing		4,556	5,128
Per Capita Payments – National Office		15,887	-
Travel & Accommodation		-	50
Telephone		1,552	1,678
Motor Vehicle Operating Expenses: -			
MV Insurance & Registration		2,882	4,964
MV Parking & Tolls		536	764
MV Repair & Maintenance		1,500	442
MV Petrol		4,866	5,394
Employment Expenses: -			
Wages & Salaries		114,881	177,535
Meal Allow (Tea Money)		1,325	1,725
Superannuation		10,918	14,802
Salary Sacrifice – Superannuation		3,448	4,490
FBT		3,755	6,219
Provision – Annual Leave		5,006	128
Provision – Long Service Leave & Retirement		8,853	(18,494)
Workers' Compensation		1,394	1,530
Management Service Fee		4,794	4,797
Entertainment		367	104
Other Expenses		-	620
Staff Amenities		-	493
Sundry Expenses		524	2,252
Total Expenses		265,242	236,188
Net (Loss) / Profit		(74,338)	45,967

The accompanying notes form part of this Financial Report

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021

	2021 $	2020 $
(Loss) / Profit for the year	(74,338)	45,967
Other comprehensive income for the year		-
Total comprehensive (loss) /income for the year	(74,338)	45,967
Total comprehensive (loss) / income attributable to:		
Members of the organisation	(74,338)	45,967

The accompanying notes form part of this Financial Report

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Notes	2021 $	2020 $
Current Assets			
Cash on Hand	4	9,643	10,214
Trade and Other Receivables	5	12,064	18,094
Accrued Income		14,427	73,482
Total Current Assets		36,134	101,790
Non Current Assets			
Property, Plant and Equipment	6	17,633	23,748
Total Non Current Assets		17,633	23,748
Total Assets		53,767	125,538
Current Liabilities			
Trade Payables	7	34,637	29,929
Non Interest Bearing Liabilities	8	313,407	329,407
Provisions	9	62,814	13,868
Total Current Liabilities		410,858	373,204
Non Current Liabilities			
Provisions	9	-	35,087
Total Non Current Liabilities		-	35,087
Total Liabilities		410,858	408,291
Net Assets Deficiency		(357,091)	(282,753)
Equity			
Accumulated Deficit		(357,091)	(282,753)
Total Equity Deficit		(357,091)	(282,753)

The accompanying notes form part of this Financial Report

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

	2021 $	2020 $
Accumulated (Deficit) – Beginning of the Year	(282,753)	(328,720)
(Loss) / Profit for the Year	(74,338)	45,967
Total Accumulated (Deficit) / Profit – End of the Year	(357,091)	(282,753)

The accompanying notes form part of this Financial Report

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 Inflows/ (Outflows) $	2020 Inflows/ (Outflows) $
Cash flows from Operating Activities			
Membership Fees		216,953	223,942
Other Receipts		40,914	11,779
Interest Received		-	-
Payments to Creditors and Employees		(237,467)	(248,085)
Net Cash Provided by Operating Activities	11(b)	20,400	(12,364)
Cash flows from Investing Activities			
Payments for Property, Plant and Equipment		(3,160)	(1,156)
Net Cash Provided by / (Used in) Investing Activities		(3,160)	(1,156)
Cash flows from Financing Activities			
Monies received from/(paid to) CEPU – Plumbing Div - National Office		33,000	17,820
Monies received from/(paid to) CEPU – National Council		(1,811)	(1,527)
Monies received from/(paid to) CEPU – Plumbing Div - Victoria Branch		(49,000)	(3,750)
Net Cash Provided by/(Used) in Financing Activities		(17,811)	12,543
Net Increase/(Decrease) in Cash and Cash Equivalents		(571)	(977)
Cash and Cash Equivalents at Beginning of Year		10,214	11,191
Cash and Cash Equivalents at End of Year	11(a)	9,643	10,214

The accompanying notes form part of this Financial Report

1. Statement of Significant 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 Fair Work (Registered Organisations) Act 2009. The Union is a 'not for profit' entity.

Basis of Preparation

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

In accordance with generally accepted accounting principles for these types of organisations, membership contributions are accounted for on an accruals basis. 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 following is a summary of the material policies adopted by the Union in the preparation of the financial statements.

a) Statement of Compliance

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

b) Going Concern

A going concern basis of accounting has been adopted notwithstanding the net equity deficiency of the Union given expected future cash inflows of the Branch from membership and other income sources.

c) Impairment of Assets

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

d) Plant and Equipment

Plant and equipment are brought to account at cost less, where applicable, any accumulated depreciation or amortisation.

Depreciation is calculated using the prime cost and diminishing value methods and is brought to account over the estimated economic lives of all buildings, motor vehicles, equipment, furniture and fittings. Depreciation rates applied are:

The depreciation rates used for each class of asset are:

	2021	2020
Furniture and Office Equipment	33.33%	33.33%
Motor Vehicles	25.00%	25.00%

e) Income Tax

No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 50-5 of the Income Tax Assessment Act 1997. An obligation for fringe benefits tax and goods and services tax still exists and has been accounted for by the Union.

f) Employee Benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled in full within one year together with entitlements arising from wages and salaries, have been measured at the nominal amounts expected to be paid when the liability is settled plus relates on-costs. Other employee benefits payable have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Retiring allowance, applicable only to officials, is accrued in accordance with clause 51.4 & 51.5 of the Rules.

Long service leave provisions in relation to officials is recognised in the accounts, in accordance with clause 51.7 and 51.9 of the Rules. Long service leave for non-officials is accrued based on probability of pay-out and years of service.

Contributions made by the Union to employee superannuation funds are charged as expenses when incurred.

The number of employees at the end of the year was 1.

g) Leases

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

The Union as a lessee

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

Right-of-use assets

The Union recognises right-of-use assets at the commencement date of the lease (ie. 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:

	2021	2020
Plant & Equipment	3-5 years	3-5 years

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

Lease liabilities

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

g) Leases (cont'd)

In calculating the present value of lease payments, the Union uses the implicit the interest 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 (eg 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.

h) Revenue

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

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

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

Membership subscriptions

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

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

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

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

Levies

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

In circumstances where the criteria for a contract with a customer are not met, the Union will recognise levies as income upon receipt.

h) Revenue (cont'd)

Income of the Union as a Not-for-Profit Entity

Consideration is received by the Union to enable the entity to further its objectives. The Union recognises each of these amounts of consideration as income when the consideration is received (which is when the 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 Union's recognition of the cash contribution does not give to any related liabilities.

During the year, the Union received cash consideration from the following arrangements whereby that consideration will be recognised as income upon receipt:

- donations and voluntary contribution from members (including whip arounds); and
- certain government grants.

Volunteer services

During the year, the Union received no volunteer services. In those circumstances where it does receive volunteer services and the fair value of the volunteer services can be measured reliably, the Union recognises the fair value of volunteer services received as income together with a corresponding expense where the economic benefits of the volunteer services are consumed as the services are acquired. Where the volunteer services will contribute to the development of an asset, the fair value is included in the carrying amount of that asset.

Income recognised from transfers

Where, as part of an enforceable agreement, the Union receives consideration to acquire or construct a non-financial asset such as property, plant and equipment to an identified specification and for the Union's own use, a liability is recognised for the obligation to acquire or construct the asset. Income is recognised as the obligation to acquire or construct the asset is satisfied, which is typically over time. The asset that is being acquired or constructed is recognised in accordance with the policy on property, plant and equipment.

Gains from sale of assets

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

Interest income

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

i) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash in banks at highly liquid investments with a maturity of 3 months or less. It is recognised at its nominal amount.

j) Trade and other receivables

Trade and other receivables are recognised initially at fair value and generally due for settlement within 30 days.

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

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

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 Union recognises an allowance for expected credit losses using the 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 Union expects to receive, discounted at an approximation of the original effective interest rate.

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 Union considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Union may also consider a financial asset to be in default when internal or external information indicates that the 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.

k) Trade and other payables

Trade payables and other accounts payable are recognised when the Union becomes obliged to make future payments resulting from the purchase of goods and services. Trade accounts payable are normally settled within 30 days.

l) Goods and Services Tax (GST)

Revenue, 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 assets or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

m) Fair Value Measurements

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 value 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).

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.

n) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Union commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs except where the instrument is classified as "at fair value through profit or loss" in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15: *Revenue from Contracts with Customers*.

n) Financial Instruments (cont'd)

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:
- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit or loss if the financial liability is:
- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in the profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:
- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit-taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in effective hedging relationships).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial Assets

Financial assets are subsequently measured at:
- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

n) Financial Instruments (cont'd)

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The entity initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different basis;
- it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the entity made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Union's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

n) Financial Instruments (cont'd)

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the entity no longer controls the asset (ie has no practical ability to make unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which the entity elected to classify under fair value through comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

The entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets;
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the profitability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The entity used the following approaches to impairment, as applicable under AASB9:

- the general approach;
- the simplified approach;
- the purchased or originated credit-impaired approach; and
- low credit risk operational simplification.

n) Financial Instruments (cont'd)

General approach

Under the general approach, at each reporting period, the entity assesses whether the financial instruments are credit-impaired, and:

- If the credit risk of the financial instrument has increased significantly since initial recognition, the entity measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- If there is no significant increase in credit risk since initial recognition, the entity measures the loss allowance for the financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used taking into consideration various data to get to an expected credit loss (ie delivery of its customer base, appropriate groupings of its historical loss experience, etc).

Purchased or originated credit-impaired approach

For financial assets that are considered to be credit-impaired (not on acquisition or originations), the Union measures any change in lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (eg default or past due event);
- a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- the likelihood that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the entity assumes that the credit risk has not increased significantly since initial recognition and, accordingly, can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such a determination that the financial asset has low credit risk, the entity applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

n) Financial Instruments (cont'd)

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has a strong capacity to meets its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Recognition of expected credit losses in financial statements.

At each reporting date, the Union recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit and loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

Financial instruments are initially measured at cost on trade date, which includes the transaction costs, when the related contractual rights or obligations exist.

Subsequent to the initial recognition, the Committee of Management assess whether there is objective evidence that a financial instrument has been impaired. A prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen, impairment losses are recognised In the Income Statement.

o) Capitation Fees

These fees are recognised on an accruals basis, and recorded as an expense in the year to which they relate.

p) 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.

q) 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 the Financial Report.

r) Comparative Information

Where necessary comparative amounts have been reclassified to facilitate preparation of the current year accounts.

s) Employee benefits

The Union applies AASB 119: Employee Benefits and the relevant consequential amendments arising from the related Amending Standards.

For the purpose of measurement, AASB 119 defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. Under AASB 119, as the Union expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows, obligations for annual leave entitlements now meet the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

t) Acquisition of assets and or liabilities that do not constitute a business combination

The Union did not acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, or a restructure of the branches of the organisation, or a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.

u) New Accounting Standards for Application in Future Periods

There are no new Accounting Standards issued by the AASB that are not yet mandatorily applicable to the Union, that are expected to have a significant impact on the Union when adopted in future periods.

2. Information to be provided to Members or 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-section (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).

3 Revenue

	2021 $	2020 $
Revenue		
Membership Subscriptions	157,898	262,468
Capitation Fees	-	-
Directors Fees	-	-
Donations	-	-
Grants	-	-
Sponsorships	-	14,000
Levies	-	-
Interest Income	-	-
Other Income	1,406	5,687
Covid-19 Subsidies	31,600	-
Total Revenue	190,904	282,155

All revenue is sourced in Australia. There are no unsatisfied performance obligations.

	2021 $	2020 $
Revenue by Type of Customer/ Funding Source		
- Members	157,898	262,468
- Government	31,600	-
- Other persons	1,406	19,687
	190,904	**282,155**

4. Cash and Cash Equivalents

	2021 $	2020 $
Cheque Account	9,643	10,214
	9,643	10,214

5. Trade and Other Receivables

	2021 $	2020 $
Trade Receivables – CEPU (Vic)	12,064	10,186
Other Receivables	-	7,908
	12,064	18,094

The credit loss provision was $nil (2020: $nil) and there were no movements during the year.
No receivables were recognised for contracts with customers (2020: $nil)
All receivables were less than 30 days old.
No significant credit risk exists with any single counterparty, nor is there any collateral over receivables.

6. Property, Plant and Equipment

	2021 $	2020 $
Office Equipment		
At Cost	8,127	4,967
Less: Accumulated Depreciation	(4,238)	(2,577)
Total Office Equipment	3,889	2,390
Motor Vehicles		
At Cost	54,522	54,522
Less: Accumulated Depreciation	(40,778)	(33,164)
Total Motor Vehicles	13,744	21,358
Total Property, Plant and Equipment	17,633	23,748

6. Property, Plant and Equipment (cont'd)

	WDV 1/4/20 $	Additions $	Disposals $	Depreciation $	WDV 31/3/21 $
Office Equipment	2,390	3,160	-	(1,661)	3,889
Motor Vehicles	21,358	-	-	(7,614)	13,744
Total	23,748	3,160	-	(9,275)	17,633

7. Trade Creditors

	2021 $	2020 $
Trade Creditors – CEPU Plumbing Div Federal Office	8,738	8,030
Trade Creditors – CEPU Plumbing Div Vic Branch	55	6,060
Trade Creditors – CEPU National Council	-	1,811
Other Payables	25,844	14,028
	34,637	29,929

8. Non Interest Bearing Liabilities

	2021 $	2020 $
Amount Payable to CEPU Plumbing Div Federal Office	295,129	262,129
Amount Payable to CEPU Plumbing Div Vic Branch	18,278	67,278
These amounts are interest free and unsecured	313,407	329,407

9. Provisions

	2021 $	2020 $
Current		
Annual Leave – Elected Officials	18,874	10,036
Annual Leave – Other Staff	-	3,832
Long Service Leave – Elected Officials	43,940	-
Long Service Leave – Other Staff	-	-
	62,814	13,868
Non Current		
Long Service Leave – Elected Officials	-	24,367
Long Service Leave – Other Staff	-	10,720
	-	35,087

There was no separation or redundancy or other provision for elected officials and employees at reporting date (2020: $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.

10. Employee Benefits

Employee benefits paid/accrued during the year / period	**Elected Officials**		**Other Staff**		**Total**	
	2021 $	**2020 $**	**2021 $**	**2020 $**	**2021 $**	**2020 $**
Wages and Salaries and Allowances	114,881	122,879	-	54,656	114,881	177,535
Annual Leave	5,006	1,408	-	(1,280)	5,006	128
Long Service Leave	8,853	(19,727)	-	1,233	8,853	(18,494)
Separations and redundancies	-	-	-	-	-	-
	128,740	104,560	-	54,609	128,740	159,169
Superannuation	14,366	14,200		5,092	14,366	19,292
Other Employee Expenses	-	-	-	-	-	-
Total	143,106	118,760	-	59,701	143,106	178,461

Termination costs of $nil were incurred this year for Elected Officials and Other Staff (2020: $nil).

11. Cash Flow Information

a. Reconciliation of Cash
Cash at the end of the reporting period is reconciled to the related items in the statement of financial position as follows: -

	2021 $	2020 $
Cash at Bank	9,643	10,214

b. Reconciliation of Net Cash Provided by Operating Activities to Net Profit
Cash at the end of the reporting period is reconciled to the related items in the statement of financial position as follows: -

	2021 $	2020 $
Net (Loss) / Profit	(74,338)	45,967
Non Cash and Other Items		
Depreciation	9,275	4,015
Provision for Employee Benefits	13,859	(18,366)
Per Capita Charge	15,887	-
Other Non Cash Related Party Items	(23,062)	(1,646)
Changes in Operating Assets and Liabilities		
(Increase) / Decrease in Trade & Other Receivables	7,908	(7,700)
(Increase) / Decrease in Accrued Income	59,055	(38,526)
(Decrease) in Trade Creditors, Accruals and GST Payables	11,816	3,892
	20,400	(12,364)

12. Related Party Information

a. The names or persons who formed part of the Committee of Management at reporting date were: -

President	Committee Members
J. Mousakas	P. Newton
A. Power	A. Dennison
	L. Mullins
Secretary	J. Daly
B. Bintley	T. Hardie
	J Davies

Andrew Power and Larry Mullins resigned 8 June 2020 and 9 December 2020 respectively.
Jake Mousakas was elected on 10 May 2021.

12. Related Party Information (cont'd)

b. Key Management Personnel Remuneration for the Reporting Period

	2021 $	2020 $
Short-term employee benefits		
Salary	114,881	177,535
Annual leave	5,006	128
Performance bonus	-	-
Total short-term employee benefits	119,887	177,663
Post-employment benefits		
Superannuation	14,366	19,292
Total post-employment benefits	14,366	19,292
Other long-term benefits		
Long-service leave & retiring allowances	8,853	(18,494)
Total long-term benefits	8,853	(18,494)
Termination benefits	-	-
Total Remuneration	**143,106**	**178,461**

Loans to/from key management personnel	-	-
Other transactions with key management personnel	-	-
	-	-

c. Benefits

The officeholders received no 'non cash' benefits. No officeholder of the Branch during the year and/or in the prior period 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 Branch (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: -

i) The officeholder held such a position with the Board or other organisation only because they were an officeholder of the Branch; or
ii) They were nominated for the position by the Branch; or
iii) They received remuneration from any third party, in connection with the performance of their duties as an officeholder of the Branch

d. All transactions between the Committee Members and the Union were conducted on normal commercial terms in respect of subscriptions and supply of other goods and services.

e. Transactions with Federal Office, Branches and Related entities.

Per Capital Payment	2021 $	2020 $
During the year, the Western Australia Branch of the Union incurred to the Federal Office a per capita payment calculated in accordance with the rules	15,887	-

12. Related Party Information (cont'd)

f. Related Party balances at year end (unsecured and interest free)

Amounts receivable/(payable) at reporting date – Federal office and other branches	2021 $	2020 $
Federal Office	(303,867)	(270,159)
Victoria Branch	(6,269)	(63,152)
CEPU National	-	(1,811)
	(310,136)	(335,122)
Balance Reconciliation- related entities		
Federal Office		
Carrying amount at beginning of the year	(270,159)	(252,339)
Per capita charge	(15,887)	-
Sundry	15,179	-
Receipts	(33,000)	(17,820)
Payments made	-	-
Carrying amount at end of the year	(303,867)	(270,159)
Victoria Branch		
Carrying amount at beginning of the year	(63,152)	(66,902)
Sundry	7,883	-
Receipts	(2,775)	(1,811)
Payments made	51,775	5,561
Carrying amount at end of the year	(6,269)	(63,152)
CEPU National Council		
Carrying amount at beginning of the year	(1,811)	(1,692)
Sundry	-	(1,646)
Payments made	1,811	1,527
Carrying amount at end of the year	-	(1,811)

13. Donations

	2021 $	2020 $
Political Party	-	-
Other	720	147
	720	147
Donations < $1,000	720	147
Donations > $1,000	-	-
	720	147

14. Affiliation Fees

	2021 $	2020 $
Political Party	-	-
Other – (including CEPU National Council)	-	1,646
	-	1,646
Affiliation Fees < $1,000	-	-
Affiliation Fees > $1,000	-	1,646
	-	1,646

15. Commitments

Capital expenditure commitments as at 31 March 2021 were $nil (2020: $nil).

16. Contingent Liability

There was no contingent liability at 31 March 2021 (2020: $nil).

17. Segment Liability

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

18. Union's Details

The principal place of business of the branch is:

Unit 24/257 Balcatta Road, Balcatta WA 6021

19. Other Matters

The Union does not have any formal agreement to provide or receive financial support to/(from) another reporting unit to ensure its ability to continue as a going concern.

The Union has not acquired or disposed of assets or liabilities as part of a business combination.

Amounts accrued as trade payables in respect of legal costs (other matters) were $5,169 net of GST (2020: $nil) and litigation $nil (2020: $nil).

Amounts accrued as trade payables in respect of consideration to employers for making payroll deductions were $nil (2020: $nil)

The affairs of the Branch were not administered by another reporting unit. No payments were made by the reporting unit to former related parties in 2021 (2020: $nil).

There were no fees or allowances paid to attend conferences or meetings as a representative of the Union.

20. Financial Instruments

a. Financial Risk Management

The entity's financial instruments consist of deposits with banks, non interest bearing liability and accounts receivables and payable.

The entity does not have any derivative instruments at 31 March 2021.

The purpose of the financial instruments is to raise finances for the operations of the entity.

i. Treasury Risk Management

The Committee of Management meets on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

20. Financial Instruments (Cont'd)

ii. Financial Risk

The main risks the entity is exposed to through its financial instruments are liquidity risk, interest rate risk and credit risk.

Foreign Currency
The entity is not exposed to fluctuations in foreign currency.

Liquidity Risk
The entity manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Credit Risk
The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of provisions for impairment of those assets as disclosed in the statement of financial position and notes to the financial statements.

The entity has no material credit risk exposure to a group of debtors under financial transactions entered into by the entity.

20. Financial Instruments (cont'd)

iii. Interest Rate Risk

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

Financial Instruments	Floating Interest Rate		Fixed Interest Rate maturing in: less than 1 year		Fixed Interest Rate maturing in: 1 year or more		Non Interest Bearing		Total Carrying Amount as per Statement of Financial Position		Weighted Average Effecting Interest Rate	
	2021 $	2020 $	2021 $	2020 $	2021 $	2020 $	2021 $	2020 $	2021 $	2020 $	2021 %	2020 %
(i) Financial Assets:-												
Cash and Cash Equivalents	9,643	10,214	-	-	-	-	-	-	9,643	10,214	1.0	1.9
Receivables	-	-	-	-	-	-	12,064	18,094	12,064	18,094		
Other Financial Assets	-	-	-	-	-	-	-	-	-	-		
Total	9,643	10,214	-	-	-	-	12,064	18,094	21,707	28,308		
(ii) Financial Liabilities:-												
Interest Bearing Debt	-	-	-	-	-	-	-	-	-	-		
Non Interest Bearing Liabilities	-	-	-	-	-	-	348,044	359,336	348,044	359,336		
Total	-	-	-	-	-	-	348,044	359,336	348,044	359,336		
Net Financial Assets/(Liabilities)	9,643	10,214	-	-	-	-	(335,980)	(341,242)	(326,337)	(331,028)		

20. Financial Instruments (Cont'd)

b. Net Fair Values

The net fair value of the investments in commercial bills/securities at 31 March 2021 is estimated at $nil (carrying amount $nil). The net fair value of the Union's other financial assets and financial liabilities are not expected to be significantly different from the class of asset and liabilities as disclosed and recognised in the statement of financial position as at 31 March 2021.

c. Sensitivity Analysis

Interest rate risk
The entity has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in this risk.

Interest rate sensitivity analysis
At 31 March 2021, the effect on profit and equity as a result of changes in the interest, with all other variable remaining constant, would be as follows

	2021 $	2020 $
Change in profit		
Increase in interest rate by 2%	193	204
Decrease in interest rate by 2%	(193)	(204)
Change in equity		
Increase in interest rate by 2%	193	204
Decrease in interest rate by 2%	(193)	(204)

d. Fair Value Hierarchy

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 assets or liabilities at fair value on a non-recurring basis.

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.

20. Financial Instruments (Cont'd)

d. Fair Value Hierarchy (Cont'd)

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.

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 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 Union 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.

	31 March 2021			
Recurring fair value measurements	**Level 1 $**	**Level 2 $**	**Level 3 $**	**Total $**
Financial assets at fair value through profit or loss:	-	-	-	-
Available-for-sale financial assets:	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-
Non-financial assets				
Freehold land & buildings	-	-	-	-
Total non-financial assets recognised at fair value	-	-	-	-

20. Financial Instruments (Cont'd)

d. Fair Value Hierarchy (Cont'd)

	31 March 2020			
Recurring fair value measurements	**Level 1 $**	**Level 2 $**	**Level 3 $**	**Total $**
Financial assets at fair value through profit or loss:	-	-	-	-
Available-for-sale financial assets:	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-
Non-financial assets				
Freehold land & buildings	-	-	-	-
Total non-financial assets recognised at fair value	-	-	-	-

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

Description	**Fair Value at 31 March 2021 $**	**Fair Value at 31 March 2020 $**	**Valuation Technique(s)**	**Inputs Used**
Non-financial assets				
Financial assets at fair value through profit or loss:	-	-	Market approach using recent observable market data or income approach using discounted cash flows	Price per square metre, market borrowing rate
Available-for-sale financial assets:	-	-	Market approach using recent observable market data or discounted cashflows	Price per share, market borrowing rate
	-	-	-	-

f. 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;
- accounts payable and other payables; and
- hire purchase liabilities.

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:

20. Financial Instruments (Cont'd)

f. Disclosed Fair Value Measurements (Cont'd)

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

Description	Fair Value at Hierarchy Level	Valuation Technique(s)	Inputs Used
Liabilities			
Accounts payable and other payables	3	Income approach using discounted cash flow methodology	Market interest rates for similar assets
Hire purchase liabilities	2	Income approach using discounted cash flow methodology	Current commercial borrowing rates for similar instruments

21. Events Subsequent to Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, the results of those operations, or the state of affairs of the Union in future financial years.

22. Fund Analysis

For the year ended 31 March 2021, there was no applicable fund or account operated in respect of compulsory levies, voluntary contributions or required by the rules of the Branch and there was no transfer and/or withdrawal from a fund, account, asset or controlled entity which is kept for a specific purpose except as disclosed in the Statement of Charges in Equity.

Except as disclosed in the Statement of Charges in Equity there was no balance held within a general fund, nor any compulsory or voluntary contributions and funds invested in specific assets.

Independent Audit Report To The Members of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Plumbing Division – Western Australia Branch ("the Branch")

Report on the Audit of the Financial Report

Auditor's Opinion

We have audited the accompanying general purpose financial report of the Branch, which comprises the statement of financial position as at 31 March, 2021, and the 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, the Committee of Management Statement, the subsection 255 (2A) report and the Officer Declaration Statement.

In our opinion under the Fair Work (Registered Organisations) Act 2009 (RO Act), 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) Any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of 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 31 March 2021, 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, 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.

Information Other than the Financial Report and Auditor's Report Thereon

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information, and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Stannards Accountants and Advisors Pty Ltd
A.C.N. 006 857 441
Postal: PO Box 581, South Yarra, Vic 3141
Level 1, 60 Toorak Road, South Yarra, Vic 3141
Tel: (03) 9867 4433 Fax: (03) 9867 5118
Email: advisors@stannards.com.au
stannards.com.au

Partners
Marino Angelini, CA
Michael Shulman, CA
Nello Traficante, CPA
Jason Wall, CA
Peter Angelini, CA
Nick Jeans, CPA

Independent Audit Report To The Members of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Plumbing Division – Western Australia Branch ("the Branch") (Cont'd)

Committee of Management Responsibility for the Financial Report

The Branch Committee of Management are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the RO Act. 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 Branch'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 Branch or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Branch'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 dur 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 Branch's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.

- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Branch's ability to continue as a going concern. If 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.

Independent Audit Report To The Members of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Plumbing Division – Western Australia Branch ("the Branch") (Cont'd)

- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Branch to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Branch 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.

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.

No revenue has been derived from undertaking recovery of wages activity during the 2021 financial year.

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

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: 8/6/21