



17 December 2021

Gemma Naylor  
Executive Officer  
Australian Principals Federation

Sent via email: [gnaylor@apf.net.au](mailto:gnaylor@apf.net.au)  
CC: [danielle@completeaudit.com.au](mailto:danielle@completeaudit.com.au)

Dear Gemma Naylor,

**Australian Principals Federation  
Financial Report for the year ended 30 June 2021 – (FR2021/213)**

I acknowledge receipt of the financial report for the year ended 30 June 2021 for the Australian Principals Federation (**the reporting unit**). The documents were lodged with the Registered Organisations Commission (**the ROC**) on 15 December 2021.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009 (RO Act)* have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2022 may be subject to an advanced compliance review.

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.

**You must rotate your registered auditor**

Correspondence was provided to the reporting unit on 9 June 2021, which alerted you that your registered auditor is approaching their statutory limit on how many consecutive financial years they are permitted to audit your financial report. The financial report lodged identifies that Danielle Ewart was the reporting unit's registered auditor for this financial year. Our records indicate that you have now used your current registered auditor for five consecutive financial years, which is the statutory limit under section 256A.

Please ensure that Danielle Ewart is not assigned to audit the financial report of the reporting unit for at least the following two financial years. Further information on the rotation of registered auditor requirement can be found via [this link](#).

## **AASB 15 - Disclosures of revenue from contracts with customers**

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.

AASB 15 paragraph 114 also 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 also 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.

### **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 s.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 s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 9603 0764 or via email at [kylie.ngo@roc.gov.au](mailto:kylie.ngo@roc.gov.au).

Yours sincerely,



**Kylie Ngo**  
**Registered Organisations Commission**



**Australian Principals Federation**

ABN: 19 687 105 636

**APF**

Suite 311/19 Milton Parade  
Malvern 3144  
Tel: 0412 584 002  
Email: [apf@apf.net.au](mailto:apf@apf.net.au)

**Certificate for the period ended 30<sup>th</sup> June 2021– Australian Principals Federation  
Federal Office  
s.268 Fair Work (Registered Organisations) Act 2009**

I, Bevan Ripp, being the Senior Vice President of the Australian Principals Federation Federal office certify :

- that the documents lodged herewith are copies of the full report for the Australian Principals Federation Federal Office for the period ended 30<sup>th</sup> June 2021 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 9<sup>th</sup> September 2021 and
- that the full report was presented to the *Committee of Management* of the reporting unit on 9<sup>th</sup> December 2021 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Bevan Ripp  
Senior Vice President Federal Office  
Date: 9<sup>th</sup> December 2021

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

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**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**OPERATING REPORT FOR THE FINANCIAL YEAR 2021**

The committee of management presents its operating report for the reporting unit for the year ended 30<sup>th</sup> of June 2021.

**Review of principal activities**

The Federal Office of the Australian Principals' Federation (APF) oversees the activities of the Victorian and Western Australian state branches.

The Federal Office is also responsible for highlighting Principal Class issues on the national stage and advocating a national position. This is a difficult role given that APF officially represents two states with the remaining states and territories have no independent voice. Work is continuing to incorporate other states and territories, formally and informally, in developing a truly independent and national voice for Principal Class Officers.

**Significant changes in financial affairs**

In the financial year 2020-2021 the per capita contribution from branches to the Federal Office was \$5.00. There was no decrease from the previous year. The capitation fee is designed to provide a working fund to develop the APF presence on the national stage. Previously there was an internal debt between the federal and Victorian branches, which has since been paid off.

As required by regulation all officers that are concerned with financial decision making of the Federal office, received accredited training by the National Union of Workers for WA and Victorian officers on 14<sup>th</sup> February 2018. Post the election held in 2019 for positions to commence on 1 January 2020, a detailed application was submitted to ROC on 20 May 2020, for exemption from further training for all new office holders and those who were previously trained and had changed their role. The exemption was granted for all members, and this was conveyed to us in a document signed by Patrick Coyle, delegating for the Registered Organisation Commissioner, dated 22<sup>nd</sup> June 2020. Since this time there has not been an election held within this financial year.

**Related parties**

The APF Federal Office does not have any relationships with any other organisation.

**Right to resign**

A members' right to resign is regulated by Section 174 of the Fair Work (Registered Organisations) Act 2009 and is covered by Rule 12 which provides *inter alia* that a member may resign by written notice addressed and delivered to the President.

**Officers and employees who are superannuation fund trustee(s) or director of a company that is superannuation fund trustee**

The APF Federal Office has no officers or members who are trustees of a superannuation entity or of an exempt public sector superannuation scheme or as a director of a company that is a trustee of such an entity or scheme.

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**OPERATING REPORT FOR THE FINANCIAL YEAR 2021**

**Number of Members**

The number of members of the APF as at 30 June 2021 continues to grow, with increasing growth in Western Australia of 586 members and 678 in Victoria giving a total of 1,264.

**Number of Employees**

The APF Federal Office had no employees in the reporting period.

**Committee of Management (APF Federal Council)**

For the Financial Year 1/07/2020 to 30/06/2021 the individuals listed below held office of the Australian Principals Federation Federal Office. All committee of management members have as their constituency the state of Western Australia or Victoria as per APF rules. Elections for vacancies are ongoing.

Table 1:

<b>First Name</b>	<b>Last Name</b>	<b>State</b>	<b>Sector</b>
VACANT	VACANT	WA	Primary
Leigh	Cottrill (Retired 29/01/21)	WA	Secondary
Rod	Kendall	Victoria	Secondary
Kya	Graves	WA	Secondary
Bevan	Ripp	WA	Primary
Julie	Podbury (Retired 18 <sup>th</sup> Jan 2021)	Victoria	Secondary
Bronwyn	Morgan	Victoria	Primary
Chris	Chant	Victoria	Primary

**Officers and employees who are directors of a company or member of a board**

The APF Federal Office has no officers or employees who are directors of a company or member of a board.



Bevan Ripp  
Senior Vice President  
9 September 2021

**THE AUSTRALIAN PRICIPALS FEDERATION  
FEDERAL OFFICE**

**COMMITTEE OF MANAGEMENT STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2021**

On 9 September 2021 the Committee of Management of The Australian Principals Federation Federal Office passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2021.

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
  - (vi) where any order of inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

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



Bevan Ripp  
Senior Vice President  
9 September 2021



**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2021**

	NOTE	2021 \$	2020 \$
<b>INCOME</b>			
Subscriptions		0	0
Capitation Fees	3	5,646	10,900
Levies		0	0
Interest		21	94
Grants or Donations	3	0	0
Other Revenue	3	0	0
		-----	-----
		5,667	10,994
		-----	-----
<b>LESS EXPENDITURE</b>			
Employee Expenses		0	0
Capitation Fees		0	0
Affiliation Fees		0	0
Administration Expenses	4	0	0
Grants or Donations	4	0	0
Depreciation		0	0
Legal Costs	4	0	0
Audit Fees		1,000	1,000
Bad Debts		0	0
Meeting Expenses		0	1,870
Fees and Allowances		0	0
Penalties under the RO Act		0	0
		-----	-----
		1,000	2,870
		-----	-----
Other Comprehensive Income		0	0
		-----	-----
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>4,667</b>	<b>8,124</b>
		=====	=====

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

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2021**

	NOTE	2021 \$	2020 \$
<b>CURRENT ASSETS</b>			
Cash	5	22,647	17,980
Receivables		0	0
		<u>22,647</u>	<u>17,980</u>
<b>TOTAL CURRENT ASSETS</b>		<b>22,647</b>	<b>17,980</b>
		<u>22,647</u>	<u>17,980</u>
<b>TOTAL ASSETS</b>			
		<b>22,647</b>	<b>17,980</b>
<b>CURRENT LIABILITIES</b>			
Creditors		0	0
Employee Benefits		0	0
GST Liabilities		0	0
		<u>0</u>	<u>0</u>
<b>TOTAL CURRENT LIABILITIES</b>		<b>0</b>	<b>0</b>
		<u>0</u>	<u>0</u>
<b>NON-CURRENT LIABILITIES</b>			
Employee Benefits		0	0
		<u>0</u>	<u>0</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>0</b>	<b>0</b>
		<u>0</u>	<u>0</u>
<b>TOTAL LIABILITIES</b>		<b>0</b>	<b>0</b>
		<u>0</u>	<u>0</u>
<b>NET ASSETS</b>		<b>22,647</b>	<b>17,980</b>
		<u>22,647</u>	<u>17,980</u>
<b>MEMBERS' EQUITY</b>			
Retained Profits/(Accumulated Losses)		22,647	17,980
		<u>22,647</u>	<u>17,980</u>

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

**THE AUSTRALIAN PRICIPALS FEDERATION  
FEDERAL OFFICE**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2021**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Balance as at 1 July 2020	17,980	9,856
Profit (Loss) for the year	4,667	8,124
Voluntary contributions	0	0
Transfers	0	0
Balance as at 30 June 2021	<u>22,647</u>	<u>17,980</u>

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

**THE AUSTRALIAN PRICIPALS FEDERATION  
FEDERAL OFFICE**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2021**

	NOTE	2021 \$	2020 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
<b>Cash Received</b>			
Receipts from capitation fees – Vic Branch		3,091	2,162
Receipts from capitation fees – WA Branch		2,555	4,773
Receipts from other revenue		0	0
Interest received		21	94
<b>Cash Used</b>			
Payments to suppliers		(1,000)	(3,493)
Net cash provided by (used in) operating activities	6	4,667	3,536
<b>Net increase (decrease) in cash held</b>		4,667	3,536
Cash at the beginning of the financial year		17,980	14,444
<b>Cash at the end of the financial year</b>	5	22,647	17,980

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

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(a) Basis of Preparation**

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

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

**(b) Comparative Amounts**

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

**(c) Revenue Recognition**

The Federation enters into an arrangement where it receives consideration from another party. This arrangement includes consideration in the form of capitation fees.

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

**Capitation fees**

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

In circumstances where the criteria for a contract with a customer are not met, the Federation will recognize the capitation fees as income upon receipt.

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Income of The Australian Principals Federation as a Not-For-Profit Entity**

Consideration is received by the Federation to enable the entity to further its objectives. The Federation recognizes each of these amounts of consideration as income when the consideration is received 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 Federation recognition of the cash contribution does not give rise to any related liabilities.

**Interest income**

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

**(d) Income Tax**

The Australian Principals Federation Federal Office is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

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

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

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

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

**(e) Impairment of assets**

Assets are reviewed for impairment whenever events or changes in circumstances indicated 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. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

**(f) Cash and cash equivalents**

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

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(g) Receivables**

Receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off.

**(h) Creditors and Borrowings**

These amounts represent liabilities for goods and services provided to the Federation prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

**(i) 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.

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

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**(k) New Australian Accounting Standards**

**Adoption of New Australian Accounting Standard Requirements**

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

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

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

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

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(1) Future Australian Accounting Standard Requirements**

The Federation has assessed the impact of new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period and is not expecting a significant impact on the financial statements.

**2. EVENTS AFTER THE REPORTING PERIOD**

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



**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

	<b>2021</b>	<b>2020</b>
<b>3. INCOME</b>	<b>\$</b>	<b>\$</b>
<b>Capitation Fees</b>		
Victorian Branch	3,091	6,127
Western Australia Branch	2,555	4,773
	-----	-----
	5,646	10,900
<b>Grants or Donations</b>		
Grants	0	0
Donations	0	0
	-----	-----
	0	0
	=====	=====
Other Revenue	0	0
	-----	-----
	0	0
	=====	=====
<b>4. EXPENSES</b>		
Operating profit (loss) includes the following specific expenses:		
<b>Legal Costs</b>		
Litigation	0	0
Other legal matters	0	0
	-----	-----
	0	0
	=====	=====
<b>Administration Expenses</b>		
Consideration to employers for payroll deductions	0	0
Compulsory levies	0	0
Consultants	0	0
	-----	-----
	0	0
	=====	=====
<b>Grants or Donations</b>		
Grants:		
Total expensed that were \$1,000 or less	0	0
Total expensed that exceeded \$1,000	0	0
Donations:		
Total expensed that were \$1,000 or less	0	0
Total expensed that exceeded \$1,000	0	0
	-----	-----
	0	0
	=====	=====

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

	<b>2021</b>	<b>2020</b>
	\$	\$
<b>5. CASH</b>		
Cheque Account	22,647	17,980
	=====	=====
<b>6. CASH FLOW INFORMATION</b>		
Reconciliation of Net Cash Provided by Operating Activities with Net Income:		
Net Income/(loss)	4,667	8,124
Changes in assets and liabilities:		
Decrease/(increase) in receivables	0	0
Increase/(decrease) in creditors	0	0
Increase/(decrease) in GST liabilities	0	(623)
	-----	-----
Net Cash provided by (used in) operating activities	4,667	7,501
	=====	=====
<b>7. REMUNERATION OF AUDITORS</b>		
<b>Value of the services provided</b>		
Financial statement audit services	1,000	1,000
Other services	0	0
	-----	-----
	1,000	1,000
	=====	=====

**8. FINANCIAL SUPPORT**

The Australian Principals Federation Victorian Branch has agreed to provide the Australian Principals Federation Federal Office with financial support to ensure they can continue on a going concern basis. In 2013, the Federal Office also borrowed \$48,390 from the Victorian Branch to cover its debts within the creditor's terms. This agreed financial support will continue for as long as necessary. This is an interest free agreement with repayments being made by way of capitation fees each year. The balance of the loan was repaid during the financial year 2020 financial year.

**9. RELATED PARTY TRANSACTIONS**

There are no transactions between the Federation and committee members for the supply of goods or services other than in the normal relationship between the Federation and a member. Transactions between the Federation and committee members are on the same terms and conditions available to all other members.

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**10. GOING CONCERN**

The Australian Principals Federation Federal Office is reliant on the agreed financial support of the Australian Principals Federation Victorian Branch to continue on a going concern basis. This agreed financial support will continue for as long as necessary. This is an interest free agreement with repayments being made by way of capitation fees each year. The balance of the loan was repaid during the 2020 financial year.

Apart from any other income disclosed, the Federal Office does not receive any other kind of financial support from another reporting unit. The Federal Office does not provide any financial support to any other reporting unit.

**11. ACQUISITION OF ASSETS AND LIABILITIES**

No asset or liability has been acquired throughout the year as a result of:

- (a) an amalgamation under Part 2 of Chapter 3, of the RO Act
- (b) a restructure of the branches of the organisation
- (c) a determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure
- (d) a revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to an organisation under subsection 245(1).

**12. ADDITIONAL DISCLOSURES**

There are been none of the following throughout the year or at year end:

- Expenses incurred as consideration for employers making payroll deductions of membership subscriptions
- Compulsory levies
- Payables incurred as consideration for employers making payroll deductions of membership subscriptions
- Legal costs payable
- No other fund required by the rules
- No receivable with another reporting unit
- No payments to a former related party of the reporting unit

No revenue has been derived from undertaking recovery of wages activity during the reporting period.

**13. ADMINISTRATION OF FINANCIAL AFFAIRS**

Name of entity providing service: The Australian Principals Federation Victorian Branch

Terms and conditions: Employees of the above entity undertake administration tasks free of charge.

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**14. SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009**

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

Information to be provided to members or Commissioner:

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

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021**

**15. FINANCIAL INSTRUMENTS**

(a) Interest Rate Risk

The Federation's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted interest rates on those financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate Within 1 Year		No interest 1 to 5 years		Floating Interest Rate		Fixed Interest Rate Maturing				Total	
	Within 1 Year						Within 1 year		1 to 5 years			
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2021
	%	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial Assets</b>												
Cash at Bank	1.0	1.0	0	0	22,647	17,980	0	0	0	0	22,647	17,980
Receivables			0	0	0	0	0	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>22,647</b>	<b>17,980</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22,647</b>	<b>17,980</b>
<b>Financial Liabilities</b>												
Creditors			0	0	0	0	0	0	0	0	0	0
GST Liabilities			0	0	0	0	0	0	0	0	0	0
Loan	0.0	0.0	0	0	0	0	0	0	0	0	0	0
			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

(b) 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 any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

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

(c) Net Fair Values

Net fair value approximates the carrying value of assets and liabilities.

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

<b>15. FINANCIAL INSTRUMENTS (Cont.)</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Net income and expenses from financial assets</b>		
Interest revenue	21	94
	-----	-----
	21	94
	=====	=====
<b>Net income and expenses from financial liabilities</b>		
No items to disclose.		

**REPORT REQUIRED UNDER SUBSECTION 255(2A) FOR THE**  
**YEAR ENDED 30 JUNE 2021**  
**THE AUSTRALIAN PRINCIPALS FEDERATION**  
**FEDERAL OFFICE**

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2021.

<b>Categories of expenditures</b>	<b>2021</b> <b>\$</b>	<b>2020</b> <b>\$</b>
Remuneration and other employment-related costs and expenses – employees	0	0
Advertising	0	0
Operating Costs	1,000	2,870
Donations to political parties	0	0
Legal costs	0	0
<b>Total</b>	<b>1,000</b>	<b>2,870</b>



Bevan Ripp  
Senior Vice President  
September 2021

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**



**CHARTERED ACCOUNTANTS**  
AUSTRALIA + NEW ZEALAND

# COMPLETE AUDIT

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**Opinion**

We have audited the financial report of the Australian Principals Federation Federal Office, which comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year ended 30 June 2021, notes to the financial statements, including a summary of significant accounting policies; the committee of management statement and the subsection 255(2A) report.



In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Australian Principals Federation Federal Office as at 30 June 2021, and its financial performance and its cash flows for the year then ended on that date in accordance with:

- i. the Australian Accounting Standards; and
- ii. any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act).

We declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

### **Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### **Basis of Accounting and Restriction on Distribution**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist The Australian Principals Federation Federal Office to meet the requirements of the Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009. As a result, the financial report may not be suitable for another purpose.

**Information Other than the Financial Report and Auditor's Report Thereon**  
**THE AUSTRALIAN PRINCIPAL FEDERATION**  
**FEDERAL OFFICE**

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

Our opinion of the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Committee of Management for the Financial Report**

The Committee of Management of the Reporting Unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Reporting Unit audit. We remain solely responsible for our audit opinion.

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



**Signed by Danielle Ewart  
Victoria**

**Lilydale**

**For and on behalf of Complete Audit Pty Ltd**

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**September 2021 Complete Audit Pty Ltd is an Authorised Audit Company**

**Member of the Institute of Chartered Accountants in Australia holding a current Public Practice Certificate**

**Registration Number (as registered by the RO Commissioner under the RO Act):**

**AA2017/218**

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**