



Fair Work
Commission

28 April 2023

Susan Riley

Branch Secretary

Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - Communications Division - Telecommunications and Services Branch

Sent via email: sriley@cwu.asn.au

CC: afong@morrows.com.au

Dear Susan Riley,

**Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - Communications Division - Victorian Telecommunications and Services Branch
Financial Report for the year ended 24 October 2022 – (FR2022/205)**

I acknowledge receipt of the financial report for the year ended 24 October 2022 for the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - Communications Division - Victorian Telecommunications and Services Branch (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 29 March 2023.

I also acknowledge that this the final financial report of the reporting unit.

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

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under sections 253, 265, 266 and 268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under section 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.

If you have any queries regarding this letter, please contact Kylie Ngo on 1300 341 665 or via email at regorgs@fwc.gov.au.

Yours sincerely

Fair Work Commission

**COMMUNICATIONS, ELECTRICAL,
ELECTRONIC, ENERGY, INFORMATION,
POSTAL, PLUMBING AND ALLIED SERVICES
UNION OF AUSTRALIA, COMMUNICATIONS
DIVISION, TELECOMMUNICATIONS AND
SERVICES BRANCH (VICTORIA)**

ABN 13 511 341 559


FINANCIAL REPORT

**FOR THE PERIOD FROM 1 APRIL 2022 TO 24
OCTOBER 2022**

28S.268 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009
CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER
CERTIFICATE FOR THE PERIOD ENDED 24 OCTOBER 2022

I, Susan Riley, being the Branch Secretary of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing And Allied Services Union Of Australia, Communications Division, Telecommunications And Services Branch (Victoria) certify:

- that the documents lodged herewith are copies of the full report for the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing And Allied Services Union Of Australia, Communications Division, Telecommunications And Services Branch (Victoria) for the period ended referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of the reporting unit on 23RD March 2023; and
- that the full report was presented to a general meeting of members of the reporting unit on 28th March 2023 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer: 

Name of prescribed designated officer: Susan Riley

Title of prescribed designated officer: Branch Secretary, Communications Workers Union, Victorian
Telecommunications and Services Branch

Dated: 29th March 2023

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED
SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH
(VICTORIA)

ABN 13 511 341 559

REPORT REQUIRED UNDER SUBSECTION 255(2A)
FOR THE PERIOD ENDED 24 OCTOBER 2022

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the period ended 24 October 2022.

Categories of expenditures	24 Oct 2022 \$	31 Mar 2022 \$
Remuneration and other employment-related costs and expenses - employees	146,188	292,664
Advertising	-	-
Operating costs	40,832	82,807
Donations to political parties	-	-
Legal costs	640	-

Signature of prescribed designated officer: 

Name of prescribed designated officer Susan Riley

Title of prescribed designated officer: Branch Secretary, Communications Workers Union, Victorian
Telecommunications and Services Branch

Dated: 22/03/2023

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED
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OPERATING REPORT

In accordance with Section 254 of the Fair Work (Registered Organisations) Act 2009 ("Act") the Committee of Management present their Operating Report on Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) ("the Union"), the relevant Reporting Unit for the financial period ended 24 October 2022.

Principal activities

The principal activities of the Union during the financial period were to provide industrial and organising services to members of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria), consistent with the objectives of the Union and particularly the objective of protecting and improving the interests of the members.

Operating result

The results of the principal activities of the Union during the financial period was to further the interests of communications workers through improvements in wages and conditions, health and safety, legal rights and company compliance with Australian labour standards.

The operating profit of the Union for the financial period was \$34,900 (31 March 2022: \$21,105). No provision for tax was necessary as the Union is exempt from income tax.

The other comprehensive income of the Union for the financial period was \$(58,925) (31 March 2022: \$9,021). The other comprehensive income was in regards to the revaluation of financial assets at the end of the financial period.

The total comprehensive (loss)/income of the Union for the financial period was \$(24,025) (31 March 2022: \$30,126).

Significant changes of affairs

On the 24 October 2022 the Fair Work Commission approved the amalgamation of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) and the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (NSW). The amalgamation took effect as of the 24th October 2022.

Rights of members to resign

Pursuant to the Reporting Unit Rule 21 and Section 174 of the Fair Work (Registered Organisations) Act 2009, members have the right to resign from membership by providing written notice addressed to and delivered to the Secretary of the Reporting Unit.

A notice of resignation from membership of the Union takes effect:

- (a) where the member ceases to be eligible to become a member of the Union
 - (i) on the day on which the notice is received by the Union
 - (ii) on the day specified in the notice which is a day not earlier than the day when the member ceases to be eligible to become a member;whichever is the later, or
- (b) in any other case:
 - (i) at the end of two weeks after the notice is received by the Union, or
 - (ii) on the day specified in the noticewhichever is the later.

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

No other officer or member of the Union is:

- (a) is a trustee of a superannuation entity or an exempt public sector superannuation scheme; or

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OPERATING REPORT continued

- (b) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

Other Prescribed Information

In accordance with Regulation 159 of the Fair Work (Registered Organisations) Regulations 2009 ("Regulations"):

- (a) the number of persons that were, at the end of the financial period to which the report relates, recorded in the register of members for Section 230 of the Act and who are taken to be members of the Union under section 244 of the Act was 1,214 (31 March 2022: 1,258).
- (b) the number of persons who were, at the end of the financial period to which the report relates, employees of the Union, where the number of employees includes both full-time and part-time employees, measured on a full-time equivalent basis was 2.4.
- (c) the names of each person who have been a member of the Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position were;

Name

Kelvin Welbourn	Branch President (Honorary)
Susan Riley	Branch Secretary
Christopher John Ellery	Committee of Management Technical Division (appointed Vice President- (Honorary)
Scott Thomson	Branch Assistant Secretary (Honorary)
Paul Lightfoot	Committee of Management Technical Division
Neil Johnson	Committee of Management Technical Division
Ian McCallum	Committee of Management Technical Division
Andrew Young	Committee of Management Technical Division
David Ketchion	Committee of Management Technical Division (resigned 30 June 2022)
Ian Wanden	Committee of Management Technical Division
Marg Willis	Committee of Management Technical Division

Committee members have been in office since the start of the financial period to the date of this report unless otherwise stated.

Signed in accordance with a resolution of the Committee of Management.

For Committee of Management: Susan Riley
Title of Office held: Branch Secretary

Signature: 

Dated: 22/03/2023

Melbourne

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**COMMITTEE OF MANAGEMENT STATEMENT
FOR THE PERIOD ENDED 24 OCTOBER 2022**

On 28 February 2023 the Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) passed the following resolution in relation to the general purpose financial report (GPFR) for the period ended 24 October 2022:

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 period 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 period to which the GPFR relates and since the end of that period:
 - (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 the Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or the Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

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

Signature of designated officer:



Name and title of designated officer: Susan Riley - Branch Secretary

Dated: 22/03/2023

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**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 24 OCTOBER 2022**

		24 Oct 2022	31 Mar 2022
	Notes	\$	\$
Revenue	3		
Membership subscriptions		326,562	555,275
Capitation fees and other revenue from another reporting unit	3A	-	-
Levies	3B	-	-
Other sales of goods or services to members		-	-
Total revenue from contracts with customers		<u>326,562</u>	<u>555,275</u>
Income for furthering objectives			
Grants and/or donations*	3E	-	-
Cash flow boost		-	-
Other revenue		17,381	17,193
Total income for furthering objectives		<u>17,381</u>	<u>17,193</u>
Other Income			
Revenue from recovery of wages activity	3F	-	-
Interest	3C	222	86
Contributions	3D	-	-
Other income		-	-
Total other income		<u>222</u>	<u>86</u>
Total income		<u>344,165</u>	<u>572,554</u>
Expenses			
Employee expenses	4A	146,188	292,664
Capitation fees and other expense to another reporting unit	4B	66,813	118,844
Affiliation fees	4C	3,733	7,215
Administration expenses	4D	45,468	84,901
Grants or donations	4E	-	-
Depreciation and amortisation	4F	8,631	14,881
Finance costs	4G	1,332	2,021
Legal costs	4H	640	-
Audit fees	13	20,350	19,050
Write-down and impairment of assets	4I	10,982	6,311
Net losses from sale of assets	4J	-	-
Other expenses	4K	5,128	5,562
Total expenses		<u>309,265</u>	<u>551,449</u>
Surplus (deficit) for the period		<u>34,900</u>	<u>21,105</u>
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss		-	-
Gain/(loss) on revaluation of financial assets		(58,925)	9,021
Total comprehensive (loss)/income for the period		<u>(24,025)</u>	<u>30,126</u>

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

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SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH
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**STATEMENT OF FINANCIAL POSITION
AS AT 24 OCTOBER 2022**

	Notes	24 Oct 2022 \$	31 Mar 2022 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	333,541	312,403
Trade and other receivables	5B	28,842	28,378
Other current assets	5C	-	-
Total current assets		362,383	340,781
Non-Current Assets			
Plant and equipment	6A	10,838	12,161
Intangibles	6B	128	155
Right of use asset	6D	28,611	35,892
Other financial assets	6C	592,780	634,324
Total non-current assets		632,357	682,532
Total assets		994,740	1,023,313
LIABILITIES			
Current Liabilities			
Trade payables	7A	14,113	20,393
Other payables	7B	224,499	216,245
Employee provisions	8A	111,763	112,927
Lease liabilities	6D	6,836	9,123
Total current liabilities		357,211	358,688
Non-Current Liabilities			
Employee provisions	8A	4,182	3,204
Lease liabilities	6D	22,859	26,909
Total non-current liabilities		27,041	30,113
Total liabilities		384,252	388,800
Net assets		610,488	634,513
EQUITY			
Financial reserves	9A	(6,261)	52,664
Retained earnings		616,749	581,849
Total equity		610,488	634,513

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

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**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 24 OCTOBER 2022**

	Notes	Fair value reserve for financial assets at FVTOCI \$	Retained earnings \$	Total equity \$
Balance as at 1 April 2021		43,643	560,744	604,387
Surplus for the period		-	21,105	21,105
Other comprehensive income for the period		9,021	-	9,021
Closing balance as at 31 March 2022		52,664	581,849	634,513
Surplus for the period		-	34,900	34,900
Other comprehensive income for the period		(58,925)	-	(58,925)
Closing balance as at 24 October 2022		(6,261)	616,749	610,488

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

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**STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 24 OCTOBER 2022**

		24 Oct 2022	31 Mar 2022
	Notes	\$	\$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units/controlled entity(s)	10B	-	8,965
Interest		222	86
Other		347,772	642,980
		<u>347,994</u>	<u>652,030</u>
Cash used			
Employees		(139,554)	(263,785)
Suppliers		(93,040)	(176,528)
Payment to other reporting units/controlled entity(s)	10B	(86,593)	(142,552)
Net cash from (used by) operating activities	10A	<u>28,807</u>	<u>69,165</u>
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		-	-
Other -Proceeds from redemption of investments		-	1,057
Cash used			
Purchase of plant and equipment		-	-
Net cash from investing activities		<u>-</u>	<u>1,057</u>
FINANCING ACTIVITIES			
Cash received			
Contributed equity		-	-
Cash used			
Payment of lease liabilities – principal	6D	(6,337)	(11,050)
Payment of lease liabilities – interest	6D	(1,332)	(2,021)
Repayment of borrowings		-	-
Net cash from (used by) financing activities		<u>(7,669)</u>	<u>(13,070)</u>
Net increase (decrease) in cash held		21,138	57,152
Cash & cash equivalents at the beginning of the reporting period		312,403	255,251
Reclassification of cash and cash equivalents to other investments		-	-
Reclassification of other investments to cash and cash equivalents		-	-
Cash & cash equivalents at the end of the reporting period	5A	<u>333,541</u>	<u>312,403</u>

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 24 OCTOBER 2022**

Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009 (RO Act). For the purpose of preparing the general purpose financial statements, the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) is a not-for-profit entity.

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

Due to the intention of amalgamation, the Committee of Management have determined that the going concern basis (as applied previously) is no longer appropriate.

Accordingly, the financial statements are not prepared on a going concern basis. The Committee of Management have applied the requirements of paragraphs 25 of AASB 101 Presentation of Financial Statements which states that "when the financial report is not prepared on a going concern basis, that fact shall be disclosed, together with the basis on which the financial report is prepared and the reason why the entity is not regarded as a going concern".

These financial statements have been prepared on a liquidation basis as the Fair Work Commission approved the amalgamation of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) and the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (NSW). Impact of adopting the liquidation basis of preparation on measurement, classification of assets and liabilities, and disclosures.

Under the liquidation basis of preparation, assets and liabilities are measured at their liquidation value. The liquidation value of assets is their net realisable value. Net realisable value is based on the proceeds receivable less restructure and liquidation costs as detailed in the accounting policies noted below. Any gains or losses resulting from measuring assets and liabilities to the liquidation value are recognised in the income statement.

Under the liquidation basis of accounting, all assets and liabilities are classified as current. In adopting the liquidation basis, the Committee of Management have continued to apply the disclosure requirements of Australian Accounting Standards, to the extent they are relevant to the liquidation basis, and have modified them where this is considered appropriate.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 24 OCTOBER 2022

Note 1 Summary of significant accounting policies

1.2 Comparative amounts

The current period is for the period from 1 April 2022 to 24 October 2022.

The comparative period is for the 12 months ended 31 March 2022.

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

Comparative information has not been restated and is measured and presented on a going concern basis.

1.3 Significant accounting judgements and estimates

The following 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.

The Committee of Management assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

The accounting policies adopted are consistent with those of the previous financial period. There are no new standards and amendments, which have been adopted for the first time this financial period.

Future Australian Accounting Standards Requirements

There were no new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on the reporting unit.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 24 OCTOBER 2022

Note 1 Summary of significant accounting policies continued

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

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

1.6 Current versus non-current classification

The Reporting entity presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Reporting entity classifies all other liabilities as non-current.

1.7 Revenue

Revenue from contracts with customers

The Reporting entity enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 24 OCTOBER 2022**

Note 1 Summary of significant accounting policies continued

1.7 Revenue continued

Revenue from contracts with customers

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

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

If there is more than one distinct good or service promised in the membership subscription, the reporting entity allocates the transaction price to each performance obligation based on the relative standalone selling price of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the reporting entity charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good (for example, books or clothing) or as the service transfers to the customer (for example, member services or training course), the reporting entity recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the reporting entity 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 reporting entity at their standalone selling price, the reporting entity accounts for those sales as a separate contract with a customer.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 24 OCTOBER 2022

Note 1 Summary of significant accounting policies continued

1.7 Revenue continued

Income of the reporting entity as a Not-for-Profit Entity

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

The reporting entity receives cash consideration from the following arrangements whereby that consideration is recognised as income upon receipt:

- investment distributions; and
- government support payments (Cash Flow Boost).

Gains from sale of assets

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

Interest income

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

1.8 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 24 OCTOBER 2022

Note 1 Summary of significant accounting policies continued

1.8 Employee benefits continued

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

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

1.9 Leases

The Reporting Entity 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 reporting entity as a lessee

The reporting entity applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The reporting entity 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 reporting entity recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	24 Oct 2022	31 Mar 2022
Plant and equipment	3 to 5 years	3 to 5 years

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 24 OCTOBER 2022

Note 1 Summary of significant accounting policies continued

1.9 Leases continued

Lease liabilities

At the commencement date of the lease, the reporting entity 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 reporting entity and payments of penalties for terminating the lease, if the lease term reflects the reporting entity exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the reporting entity uses the incremental borrowing rate if the implicit lease rate is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The reporting entities short-term leases are those that have a lease term of 12 months or less from the commencement. It also applies the lease of low-value assets recognition exemption to leases of that are below USD\$5,000. Leases that are below the value of \$15,000 are considered to be immaterial to the financial statements. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

1.10 Borrowing costs

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

1.11 Cash

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

1.12 Financial instruments

Financial assets and financial liabilities are recognised when a reporting unit entity becomes a party to the contractual provisions of the instrument.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 24 OCTOBER 2022

Note 1 Summary of significant accounting policies continued

1.13 Financial assets

Initial recognition and measurement

Contract assets and receivables

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

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

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

Initial recognition and measurement

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

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

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

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

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the reporting entity commits to purchase or sell the asset.

Subsequent measurement

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 24 OCTOBER 2022

Note 1 Summary of significant accounting policies continued

1.13 Financial assets continued

Financial assets at amortised cost

The reporting entity measures financial assets at amortised cost if both of the following conditions are met:

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

Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The reporting entity financial assets at amortised cost includes trade receivables and loans to related parties.

Financial assets at fair value through other comprehensive income

The reporting entity measures debt instruments at fair value through other comprehensive income (OCI) if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost.

The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The reporting entity's debt instruments at fair value through other comprehensive income includes investments in quoted debt instruments included under other non-current financial assets.

Investments in equity instruments designated at fair value through other comprehensive income

Upon initial recognition, the reporting entity can elect to classify irrevocably its equity investments as equity instruments designated at fair value through other comprehensive income when they meet the definition of equity under AASB 132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 24 OCTOBER 2022

Note 1 Summary of significant accounting policies continued

1.13 Financial assets continued

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, except when the reporting entity benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment.

The reporting entity elected to classify irrevocably its listed and non-listed equity investments under this category.

Derecognition

A financial asset is derecognised when:

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

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

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

Offsetting

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

Impairment

Expected credit losses

Receivables for goods and services, which have [30-day] terms, are recognised at the nominal amounts due less any loss allowance due to expected credit losses (ECLs) at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 24 OCTOBER 2022

Note 1 Summary of significant accounting policies continued

1.13 Financial assets continued

(i) Trade receivables

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

Therefore, the reporting entity does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The reporting entity 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 reporting entity recognises an allowance for ECLs 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 reporting entity expects to receive, discounted at an approximation of the original EIR.

The reporting entity considers a financial asset in default when contractual payments are [90 days] past due. However, in certain cases, the reporting entity may also consider a financial asset to be in default when internal or external information indicates that the reporting entity is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

1.14 Financial Liabilities

Initial recognition and measurement

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

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

The reporting unit's financial liabilities include trade and other payables.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 24 OCTOBER 2022

Note 1 Summary of significant accounting policies continued

1.14 Financial Liabilities continued

Subsequent measurement

Financial liabilities at fair value through profit or loss (including designated)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 Financial Instruments are satisfied.

Financial liabilities at amortised cost

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

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

Derecognition

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

1.15 Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the reporting unit transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the reporting unit performs under the contract (i.e. transfers control of the related goods or services to the customer).

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The reporting unit's refund liabilities arise from customers' right of return. The liability is measured at the amount the reporting unit's ultimately expects it will have to return to the customer. The reporting unit updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 24 OCTOBER 2022

Note 1 Summary of significant accounting policies continued

1.16 Contingent liabilities and contingent assets

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

1.17 Land, buildings, plant and equipment

Asset recognition threshold

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

Revaluations—land and buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation

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

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

Class of Fixed Asset	Depreciation Rate
Motor Vehicles	10% - 25%
Office Equipment	2% - 50%
Leasehold improvements	20%

Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 24 OCTOBER 2022

Note 1 Summary of significant accounting policies continued

1.18 Intangibles

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a diminishing value basis over their estimated useful life. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The depreciation rate of the reporting unit's intangible assets are:

	24 Oct 2022	31 Mar 2022
Intangibles	35%	35%

Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

1.19 Impairment for non-financial assets

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

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

1.20 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 24 OCTOBER 2022

Note 1 Summary of significant accounting policies continued

1.21 Taxation

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

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

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

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

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

1.22 Fair value measurement

The reporting unit measures financial instruments, such as, financial assets as at fair value through the profit or loss, available for sale financial assets, and non-financial assets at fair value through other comprehensive income such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 15A.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the reporting unit. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The reporting unit uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 24 OCTOBER 2022

Note 1 Summary of significant accounting policies continued

1.22 Fair value measurement continued

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the reporting unit determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the reporting unit has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

1.23 Financial Support

Communications, electrical, electronic, energy, information, postal, plumbing and allied services union of Australia, communications division, telecommunications and services branch (Victoria) did not receive or offer financial support from/to another reporting unit during the financial period.

1.24 Going Concern

Due to the intention of amalgamation, the Committee of Management have determined that the going concern basis (as applied previously) is no longer appropriate.

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**NOTES TO THE FINANCIAL STATEMENTS
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Note 2 Events after the reporting period

Other than the above, the committee members are not aware of any significant events since the end of the reporting period.

On 20 December 2022, \$190,996 was released from the Investment Fund, as agreed within the terms of the amalgamation, to be paid to the Divisional Office to settle the outstanding debt.

On 24 October 2022 the Union amalgamated with the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (NSW).

	24 Oct 2022	31 Mar 2022
	\$	\$

Note 3 Income

Disaggregation of revenue from contracts with customers

A disaggregation of the reporting unit's revenue by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of revenue by type of customer:

Type of customer

Members	326,562	555,275
Other reporting units	-	-
Government	-	-
Other parties	-	-
Total revenue from contracts with customers	326,562	555,275

Disaggregation of income for furthering activities

A disaggregation of reporting unit's income by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of income by funding source:

Income funding sources

Members	-	-
Other reporting units	-	-
Government	-	-
Other parties	17,381	17,193
Total income for furthering activities	17,381	17,193

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	\$	\$
Note 3A: Capitation fees and other revenue from another reporting unit *		
N/A	-	-
Subtotal capitation fees	-	-
Other revenue from another reporting unit:		
N/A	-	-
Subtotal other revenue from another reporting unit	-	-
Total capitation fees and other revenue from another reporting unit	-	-
Note 3B: Levies*		
Levies	-	-
Total levies	-	-
Note 3C: Interest		
Deposits	222	86
Loans	-	-
Total interest	222	86
Note 3D: Contributions		
Reversal of 2018 CEPU Divisional Conference Contribution	-	-
Total contributions	-	-
Note 3E: Grants or donations*		
Grants	-	-
Donations	-	-
Total grants or donations	-	-

Note 3F: Revenue from recovery of wages activity*

There have been no amounts recovered from employers in respect of wages

*As required by the Reporting Guidelines. Item to remain even if 'nil'

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	\$	\$
Note 4 Expenses		
Note 4A: Employee expenses*		
Holders of office:		
Wages and salaries	100,787	179,678
Superannuation	13,102	23,358
Leave and other entitlements	(1,366)	11,447
Separation and redundancies	-	-
Other employee expenses	(259)	14,016
Subtotal holders of office	<u>112,264</u>	<u>228,499</u>
Employees other than office holders:		
Wages and salaries	31,286	50,902
Superannuation	3,215	5,031
Leave and other entitlements	1,181	4,150
Separation and redundancies	-	-
Other employee expenses	(1,758)	4,083
Subtotal employees other than office holders	<u>33,924</u>	<u>64,165</u>
Total employee expenses	<u>146,188</u>	<u>292,664</u>
Note 4B: Capitation fees*		
CEPU Divisional Conference	66,813	114,439
CEPU National Council	-	4,405
Subtotal capitation fees	<u>66,813</u>	<u>118,844</u>
Other expense to another reporting unit		
CEPU Divisional Conference	-	-
CEPU National Council	-	-
Subtotal other expense to another reporting unit	<u>-</u>	<u>-</u>
Total capitation fees and other expense to another reporting unit	<u>-</u>	<u>-</u>

*As required by the Reporting Guidelines. Item to remain even if 'nil'

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	\$	\$
Note 4C: Affiliation fees*		
Ballarat Trades Hall Council	633	1,100
Bendigo Trades Hall Council	437	760
Geelong Trades Hall Council	186	359
Australia Asia Worker Links Affiliation	400	400
Victorian Trades Hall Council	1,709	4,105
Gippsland Trades & Labour Council	232	309
Goulburn Valley Trades & Labour Council	136	182
Total affiliation fees/subscriptions	3,733	7,215
Note 4D: Administration expenses		
Total paid to employers for payroll deductions of membership subscriptions*	-	-
Compulsory levies*	-	-
Fees/allowances - meeting and conferences*	-	-
Conference and meeting expenses	-	400
Contractors/consultants	-	-
Property expenses	12,208	20,323
Office expenses	9,672	22,085
Information communications technology	-	-
Debts forgiven by CEPU Divisional Conference	-	-
Other	18,952	39,999
Subtotal administration expense	40,832	82,807
Operating lease rentals:		
Short term, low value and variable lease payments	4,636	2,094
Total administration expenses	45,468	84,901
Note 4E: Grants or donations*		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	-	-

*As required by the Reporting Guidelines. Item to remain even if 'nil'

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	24 Oct 2022	31 Mar 2022
	\$	\$
Note 4F: Depreciation and amortisation		
Depreciation		
Land & buildings	-	-
Property, plant and equipment	1,323	3,565
Right of use assets	7,281	11,232
Total depreciation	<u>8,604</u>	<u>14,797</u>
Amortisation		
Intangibles	27	84
Total amortisation	<u>27</u>	<u>84</u>
Total depreciation and amortisation	<u>8,631</u>	<u>14,881</u>
Note 4G: Finance costs		
Interest on leases	1,332	2,021
Total finance costs	<u>1,332</u>	<u>2,021</u>
Note 4H: Legal costs*		
Litigation	-	-
Other legal matters	640	-
Total legal costs	<u>640</u>	<u>-</u>
Note 4I: Write-down and impairment of assets		
Asset write-downs and impairments of:		
Land and buildings	-	-
Plant and equipment	-	-
Intangible assets	-	-
Doubtful debt provision	10,982	6,311
Total write-down and impairment of assets	<u>10,982</u>	<u>6,311</u>

*As required by the Reporting Guidelines. Item to remain even if 'nil'

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Note 4J: Net losses from sale of assets		
Land and buildings	-	-
Plant and equipment	-	-
Intangibles	-	-
Total net losses from asset sales	-	-
Note 4K: Other expenses		
Penalties - via RO Act or RO Regulations	-	-
Computer expenses	5,128	5,562
Total other expenses	5,128	5,562
Note 5 Current assets		
Note 5A: Cash and cash equivalents		
Cash at bank	273,530	252,492
Other – cash management account	60,011	59,911
Total cash and cash equivalents	333,541	312,403
Note 5B: Trade and other receivables		
Receivables from other reporting unit(s)*		
Receivable from other reporting unit – CEPU P&T	-	-
Total receivables from other reporting unit(s)	-	-
Trade receivables		
Trade receivables	-	-
Members' dues in arrears	36,363	36,323
Total trade receivables	36,363	36,323
Less allowance for expected credit losses		
Members' dues in arrears-provision for impairment	(18,927)	(7,945)
Total allowance for expected credit losses	(18,927)	(7,945)
Trade receivables (net)	17,436	28,378
Other receivables:		
Other receivables	11,406	-
Total other receivables	11,406	-
Total trade and other receivables (net)	28,842	28,378

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Note 5B: Trade and other receivables continued		
The movement in the allowance for expected credit losses of trade and other receivables is as follows:		
At 1 April	(7,945)	(1,634)
Provision for expected credit losses	(10,982)	(6,311)
Write-off	-	-
At 24 October	<u>(18,927)</u>	<u>(7,945)</u>

The reporting unit has recognised the following assets and liabilities related to contracts with customers:

Receivables

Receivables – current	17,436	28,378
Receivables – non-current	-	-

Contract assets

Contract assets – current	-	-
Contract assets – non-current	-	-

Other contract liabilities

Contract liabilities – current	27,376	30,827
Contract liabilities – non-current	-	-

The significant changes between opening and closing balances of contract liabilities primarily relates to memberships fees received in advance.

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period was \$30,827 .

Unsatisfied performance obligations

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 24 October 2022 is \$27,376. The Reporting Entity expects that 100% of the transaction price allocated to remaining performance obligations is expected to be recognised as revenue within one year. These performance obligations relate to member subscription contracts.

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Note 6 Non-current assets		
Note 6A: Plant and equipment		
Plant and equipment:		
Office equipment		
at cost	103,212	103,212
accumulated depreciation	(97,296)	(96,617)
	<u>5,916</u>	<u>6,595</u>
Motor vehicles		
at cost	23,536	23,536
accumulated depreciation	(18,614)	(17,970)
	<u>4,922</u>	<u>5,566</u>
Leasehold improvements		
at cost	8,950	8,950
accumulated depreciation	(8,950)	(8,950)
	<u>-</u>	<u>-</u>
Total plant and equipment	<u><u>10,838</u></u>	<u><u>12,161</u></u>
Reconciliation of the opening and closing balances of plant and equipment		
As at 1 April		
Gross book value	135,698	135,698
Accumulated depreciation and impairment	(123,537)	(119,972)
Net book value 1 April	<u>12,161</u>	<u>15,726</u>
Additions:		
By purchase	-	-
Impairments	-	-
Depreciation expense	(1,323)	(3,565)
Disposals:	<u>-</u>	<u>-</u>
Net book value 24 October	<u>10,838</u>	<u>12,161</u>
Net book value as of 24 October represented by:		
Gross book value	135,698	135,698
Accumulated depreciation and impairment	(124,860)	(123,537)
Net book value 24 October	<u>10,838</u>	<u>12,161</u>

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Note 6B: Intangibles		
Computer website at cost:		
internally developed	-	-
Purchased	9,540	9,540
accumulated amortisation	(9,412)	(9,385)
Total intangibles	<u>128</u>	<u>155</u>
Reconciliation of the opening and closing balances of intangibles		
As at 1 April		
Gross book value	9,540	9,540
Accumulated amortisation and impairment	(9,385)	(9,301)
Net book value 1 April	<u>155</u>	<u>239</u>
Additions:		
By purchase	-	-
Amortisation	(27)	(84)
Disposals:		
From disposal of entities (including restructuring)	-	-
Other	-	-
Net book value 24 October	<u>128</u>	<u>155</u>
Net book value as of 24 October represented by:		
Gross book value	9,540	9,540
Accumulated amortisation and impairment	(9,412)	(9,385)
Net book value 24 October	<u>128</u>	<u>155</u>
Note 6C: Other financial assets		
Financial assets designated at fair value through other comprehensive income		
Industry Fund Portfolio and other investments	592,780	634,324
Total other financial assets	<u>592,780</u>	<u>634,324</u>

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Note 6D: Leases		
Right of use assets:		
At cost	53,137	53,137
Less: accumulated amortisation	(24,526)	(17,245)
Total right of use assets	<u>28,611</u>	<u>35,892</u>

The movement in the carrying amounts of right-of-use assets between the beginning and end of the current financial period is set out below:

	Right-of-use Asset - Neopost \$	Right-of-use Asset - Photocopier \$	Total \$
Net book value 1 April 2021	7,551	17,789	25,340
Additions	-	36,524	36,524
Disposals	-	(14,740)	(14,740)
Depreciation	(4,531)	(6,701)	(11,232)
Net book value 31 March 2022	<u>3,020</u>	<u>32,872</u>	<u>35,892</u>
Net book value 1 April 2022	3,020	32,872	35,892
Additions	-	-	-
Disposals	-	-	-
Depreciation	(3,020)	(4,261)	(7,281)
Net book value 24 October 2022	<u>-</u>	<u>28,611</u>	<u>28,611</u>

The movement in the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) between the beginning and end of the current financial period is set out below:

	24 Oct 2022	31 Mar 2022
	\$	\$
As at 1 April	41,368	28,180
Additions	-	38,718
Disposals	-	(12,460)
Accretion of interest	(4,004)	(5,336)
Payments	(7,669)	(13,070)
As at 24 October	<u>29,695</u>	<u>36,032</u>
Current	6,836	9,123
Non-current	22,859	26,909
Total lease liabilities	<u>29,695</u>	<u>36,032</u>

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Note 6D: Leases continued		
The following are the amounts recognised in profit or loss:		
Depreciation expense of right-of-use assets	7,281	11,232
Interest expense on lease liabilities	1,332	2,021
Expense relating to short-term leases	-	-
Expense relating to leases of low-value assets (included in administrative expenses)	4,636	2,094
Variable lease payments	-	-
Total amount recognised in profit or loss	<u>13,249</u>	<u>15,347</u>

The Reporting Entity has only entered into fixed payment leases. There are no variable rent with minimum payment or variable rent only leases.

Operating lease commitments—as lessor

The leases of the Reporting Entity relates to its current photocopier and mail sorting machine.

The term of the photocopier lease was five years commencing 8 March 2019. There were no stated annual CPI or market rent review or options to extend the lease for a further term. The lease was terminated early with a new five years lease entered into commencing 30 September 2021. There are no stated annual CPI or market rent review or options to extend the new lease for a further term.

The term of the mail sorting machine lease is five years commencing 30 November 2017. There are no stated annual CPI or market rent review or options to extend the lease for a further term.

The term of the phone system lease is five years commencing 5 March 2019. There are no stated annual CPI or market rent review or options to extend the lease for a further term. AASB 16 recognition principles not applied on the phone system lease as it is an exempt low value asset.

Future minimum rentals receivable under non-cancellable operating leases as at 24 October are:

Minimum payments due under leases:

- not later than one year	12,090	14,740
- between one year and five years	26,257	33,310
- later than five years	-	-
	<u>38,347</u>	<u>48,050</u>
Less: Interest in arrears	<u>(4,004)</u>	<u>(5,336)</u>
	<u>34,343</u>	<u>42,714</u>

Total minimum payments analysis consists of:

- Leases with AASB 16 recognition principles applied	29,695	36,032
- Leases exempted from AASB 16 recognition (low value asset) – phone system	4,648	6,682
	<u>34,343</u>	<u>42,714</u>

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Note 7 Current liabilities		
Note 7A: Trade payables		
Trade creditors and accruals	3,683	3,683
Operating lease rentals	-	-
Subtotal trade creditors	<u>3,683</u>	<u>3,683</u>
Payables to other reporting unit[s]*		
CEPU Divisional Conference	10,430	11,865
CEPU National Council	-	4,845
Subtotal payables to other reporting unit[s]	<u>10,430</u>	<u>16,710</u>
Total trade payables	<u>14,113</u>	<u>20,393</u>
Settlement is usually made within 30 days.		
Note 7B: Other payables		
Payables to other reporting unit[s]*		
CEPU Divisional Conference – Amount refundable for 2018 contribution for payment of employee redundancy	190,966	190,966
Subtotal payables to other reporting unit[s]	<u>190,966</u>	<u>190,966</u>
Wages and salaries	-	-
Superannuation	-	-
Payable to employers for making payroll deductions of membership subscriptions*	-	-
Legal costs*	-	-
Litigation	-	-
Other legal costs	-	-
Prepayments received/unearned revenue	27,376	30,827
GST payable	(361)	(10,705)
Other	6,518	5,157
Subtotal other payables	<u>33,533</u>	<u>25,279</u>
Total other payables	<u>224,499</u>	<u>216,245</u>
Total other payables are expected to be settled in:		
No more than 12 months	224,499	216,245
More than 12 months	-	-
Total other payables	<u>224,499</u>	<u>216,245</u>

*As required by the Reporting Guidelines. Item to remain even if 'nil'

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Note 8 Provisions		
Note 8A: Employee provisions*		
Office Holders:		
Annual leave	32,596	34,603
Long service leave	73,655	73,014
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	<u>106,251</u>	<u>107,617</u>
Employees other than office holders:		
Annual leave	5,512	5,310
Long service leave	4,182	3,204
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	<u>9,694</u>	<u>8,514</u>
Total employee provisions	<u>115,945</u>	<u>116,130</u>
 Current	 111,763	 112,927
Non-Current	4,182	3,204
Total employee provisions	<u>115,945</u>	<u>116,130</u>
 Note 9 Equity		
Note 9A: Financial Value Reserve for Financial Assets at FVTOCI		
Financial value reserve for financial assets at FVTOCI		
Balance as at start of period	52,664	43,643
Transferred to/(from) reserve	-	9,021
Transferred out of reserve	(58,925)	-
Balance as at end of period	<u>(6,261)</u>	<u>52,664</u>

*As required by the Reporting Guidelines. Item to remain even if 'nil'

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Note 9 Equity continued		
Note 9B: Other Specific disclosures - Funds*		
Compulsory levy/voluntary contribution fund – if invested in assets		
	-	-
Other fund(s) required by rules		
Balance as at start of period	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of period	-	-
Note 10 Cash flow		
Note 10A: Cash flow reconciliation		
Cash and cash equivalents as per:		
Statement of cash flows	333,541	312,403
Statement of financial position	333,541	312,403
Difference	-	-
Reconciliation of profit/(deficit) to net cash from operating activities:		
Profit/(deficit) for the period	34,900	21,105
Adjustments for non-cash items		
Depreciation/amortisation	1,350	3,649
Right of use asset depreciation	7,281	11,232
Right of use asset interest	1,332	2,021
Investment distributions reinvested	(17,381)	(17,650)
Write off of AASB 16 leases	-	(859)
Loss on disposal of assets	-	-
Bad and doubtful debts	10,982	6,311
Reversal of 2018 Divisional Conference contribution	-	-

*As required by the Reporting Guidelines. Item to remain even if 'nil'

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Note 10 Cash flow continued		
Note 10A: Cash flow reconciliation continued		
Changes in assets/liabilities		
(Increase)/decrease in net receivables	(11,446)	32,634
(Increase)/decrease in prepayments	-	-
Increase/(decrease) in supplier payables	1,974	(4,874)
Increase/(decrease) in other payables	-	-
Increase/(decrease) in employee provisions	(185)	15,596
Increase/(decrease) in other provisions	-	-
Net cash from (used by) operating activities	<u>28,807</u>	<u>69,165</u>
Note 10B: Cash flow information*		
Cash inflows		
CEPU Divisional conference	-	-
CEPU P&T	-	8,965
CEPU NSW	-	-
Total cash inflows	<u>-</u>	<u>8,965</u>
Cash outflows		
CEPU Divisional conference	(81,748)	(142,552)
CEPU National Council	(4,845)	-
Total cash outflows	<u>(86,593)</u>	<u>(142,552)</u>
Non cash flows in profit		
CEPU Divisional conference – accrual of amount refundable for 2018 contribution for payment of employee redundancy	<u>-</u>	<u>-</u>

Note 11 Contingent Liabilities, Assets and Commitments

The reporting unit has no contingent liabilities, assets or commitments as at 24 October 2022.

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Note 12 Related party disclosures

Note 12A: Related party transactions for the reporting period

The following table provides the total amount of transactions that have been entered into with related parties for the relevant period.

Revenue received from related party includes the following:

CEPU P&T insurance, course printing and electronic mailing reimbursement*	-	8,965
CEPU NSW course printing reimbursements	-	-

*The CEPU P&T reimbursement is recorded as an offset against the expense line item of the Reporting Entity.

Expenses paid to related party includes the following:

CEPU Divisional Conference – capitation fees	66,813	114,439
CEPU Divisional Conference – payroll tax	6,819	13,283
CEPU National Council	-	4,405

Amounts owed by related party include the following:

CEPU Divisional Conference	-	-
CEPU P&T	-	-

Amounts owed to related party include the following:

CEPU Divisional Conference	10,430	11,865
CEPU National Council	-	4,845
CEPU Divisional Conference – Amount refundable for 2018 contribution for payment of employee redundancy	190,966	190,966

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the period-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the period ended 24 October 2022, the reporting unit has recorded no impairment of receivables relating to amounts owed by related parties and declared person or body (31 March 2022: \$NIL). This assessment is undertaken each financial period through examining the financial position of the related party and the market in which the related party operates.

No property was transferred throughout the period.

No expected credit losses have been raised in relation to any outstanding balances, and no expense has been recognised in respect of expected credit losses due from loan to a related party.

No payment has been made to a former related party of the reporting unit.

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Note 12B: Key management personnel remuneration for the reporting period		
Short-term employee benefits		
Salary	100,787	179,678
Annual leave accrued	1,571	12,431
Annual leave taken	(3,578)	(3,991)
Performance bonus	-	-
Other	-	-
Total short-term employee benefits	<u>98,780</u>	<u>188,118</u>
Post-employment benefits:		
Superannuation	13,102	23,358
Total post-employment benefits	<u>13,102</u>	<u>23,358</u>
Other long-term benefits:		
Long-service leave accrued	3,119	5,486
Long service leave taken	(2,478)	(2,478)
Total other long-term benefits	<u>641</u>	<u>3,007</u>
Termination benefits	-	-
Total	<u>112,522</u>	<u>214,483</u>

Note 12C: Transactions with key management personnel and their close family members

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

Note 13 Remuneration of auditors and network firm

Value of the services provided		
Financial statement audit services	17,000	18,500
Other services – FBT and accounting advice	1,850	550
Total remuneration of auditors and network firm	<u>20,350</u>	<u>19,050</u>

No other services were provided by the auditors of the financial statements and their network firm.

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Note 14 Financial instruments

The entity's financial instruments consist mainly of deposits with banks, investments, accounts receivable and accounts payable.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

Note 14A: Categories of financial instruments

Financial assets

Fair value through OCI:		
Investments	592,780	634,924
Total	592,780	634,924
At amortised cost:		
Cash and cash equivalents	333,541	312,403
Trade receivables	28,842	28,378
Total	362,383	340,781
Carrying amount of financial assets	955,163	975,705

Financial liabilities

Fair value through profit or loss:		
NA	-	-
Total	-	-
Other financial liabilities:		
Trade and other payables	238,612	236,638
Total	238,612	236,638
Carrying amount of financial liabilities	238,612	236,638

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Note 14B: Net income and expense from financial assets		
Held-to-maturity		
Interest revenue	-	-
Exchange gains/(loss)	-	-
Impairment	-	-
Gain/loss on disposal	-	-
Net gain/(loss) held-to-maturity	-	-
Loans and receivables / amortised cost		
Interest revenue	-	-
Exchange gains/(loss)	-	-
Impairment	(10,982)	(6,311)
Gain/loss on disposal	-	-
Net gain/(loss) from loans and receivables	(10,982)	(6,311)
Available for sale / Fair value through OCI		
Interest revenue	-	-
Dividend revenue	17,381	17,650
Exchange gains/(loss)	-	-
Gain/loss recognised in equity	(58,925)	9,021
Amounts reversed from equity:	-	-
Impairment	-	-
Fair value changes reversed on disposal	-	-
Gain/loss on disposal	-	-
Net gain/(loss) from available for sale	(41,544)	26,671
Fair value through profit and loss		
Held for trading:		
Change in fair value	-	-
Interest revenue	-	-
Dividend revenue	-	-
Exchange gains/(loss)	-	-
Total held for trading	-	-
Designated as fair value through profit and loss:		
Change in fair value	-	-
Interest revenue	-	-
Dividend revenue	-	-
Exchange gains/(loss)	-	-
Total designated as fair value through profit and loss	-	-
Net gain/(loss) at fair value through profit and loss	-	-
Net gain/(loss) from financial assets	(52,526)	20,360

The net income/(expense) from financial assets is (\$52,526) (31 March 2022: income \$20,360).

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Note 14C: Net income and expense from financial liabilities

The net income/expense from financial liabilities not at fair value from profit and loss is \$Nil (31 March 2022:\$Nil).

Note 14D: Credit risk

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

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

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the committee has otherwise cleared as being financially sound.

Credit risk exposures

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

There is no collateral held by the entity securing trade and other receivables.

The entity has no significant concentrations of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of trade and other receivables are provided in Note 5B.

Financial assets that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 5A.

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

	24 Oct 2022	31 Mar 2022
	\$	\$
Financial assets		
Cash and cash equivalents	333,541	312,403
Trade and other receivables	28,842	28,378
Other investments	592,780	634,324
Total	<u>955,163</u>	<u>975,105</u>
Financial liabilities		
Trade and other payables	238,612	236,638
Total	<u>238,612</u>	<u>236,638</u>

In relation to the entity's gross credit risk the following collateral is held: None

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Note 14D: Credit risk continued

24 October 2022

	Trade and other receivables				
	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Expected credit loss rate	28.3%	1.5%	2.3%	67.8%	
Estimate total gross carrying amount at default	13,452	1,284	2,645	18,981	36,363
Expected credit loss	(5,357)	(285)	(442)	(12,842)	(18,927)
Other receivable	11,406	-	-	-	11,406
Total	19,501	999	2,203	6,139	28,842

31 March 2022

	Trade and other receivables				
	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Expected credit loss rate	6.1%	2.6%	0.8%	90.5%	-21.9%
Estimate total gross carrying amount at default	444	7,570	1,108	27,201	36,323
Expected credit loss	(485)	(204)	(65)	(7,191)	(7,945)
Other receivable	-	-	-	-	-
Total	(41)	7,366	1,043	20,010	28,378

The reporting unit's maximum exposure to credit risk for the components of the statement of financial position at 24 October 2022 and 31 March 2022 is the carrying amounts as illustrated above.

Note 14E: Liquidity risk

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

- preparing forward-looking cash flow analyses in relation to its operational, investing and financing activities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timings of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will be rolled forward.

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Note 14E: Liquidity risk continued

Contractual maturities for financial liabilities 24 October 2022

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade and other payables	-	238,612	-	-	-	238,612
Total	-	238,612	-	-	-	238,612

Contractual maturities for financial liabilities 31 March 2022

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade and other payables	-	236,638	-	-	-	236,638
Total	-	236,638	-	-	-	236,638

Note 14F: Market risk

(i) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows.

Sensitivity analysis of the risk that the entity is exposed to for 24 October 2022

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss \$	Equity \$
Interest rate risk	333,541	+0.1%	334	334
Interest rate risk	333,541	-0.1%	(334)	(334)

Sensitivity analysis of the risk that the entity is exposed to for 31 March 2022

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss \$	Equity \$
Interest rate risk	312,403	+0.1%	312	312
Interest rate risk	312,403	-0.1%	(312)	(312)

Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held.

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Note 14F: Market risk continued

Sensitivity analysis of the risk that the entity is exposed to for 24 October 2022

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity
			\$	\$
Other price risk	592,780	+0.1%	593	593
Other price risk	592,780	-0.1%	(593)	(593)

Sensitivity analysis of the risk that the entity is exposed to for 31 March 2022

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity
			\$	\$
Other price risk	634,324	+0.1%	634	634
Other price risk	634,324	-0.1%	(634)	(634)

Note 14G: Asset pledged/or held as collateral

There were no assets pledged or held as collateral as at 24 October 2022 (31 March 2022: \$Nil).

Note 15 Fair value measurement

Note 15A: Financial assets and liabilities

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

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

- Fair values of the reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The performance risk as at 24 October 2022 was assessed to be insignificant.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the reporting entity based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 24 October 2022 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

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Note 15 Fair value measurement

Note 15A: Financial assets and liabilities continued

The following table contains the carrying amounts and related fair values for the reporting unit's financial assets and liabilities:

	Carrying amount 24 Oct 2022 \$	Fair value 24 Oct 2022 \$	Carrying amount 31 Mar 2022 \$	Fair value 31 Mar 2022 \$
Financial Assets				
Cash and cash equivalents	333,541	333,541	312,403	312,403
Trade and other receivables	28,842	28,842	28,378	28,378
Other investments	592,780	592,780	634,324	634,324
Total	955,163	955,163	975,105	975,105
Financial Liabilities				
Trade and other payables	238,612	238,612	236,638	236,638
Total	238,612	238,612	236,638	236,638

Note 15B: Financial and non-financial assets and liabilities fair value hierarchy

The following tables provide an analysis of financial and non-financial assets and liabilities that are measured at fair value, by fair value hierarchy.

Fair value hierarchy – 24 October 2022

	Date of valuation	Level 1	Level 2	Level 3
Financial Assets		\$	\$	\$
Other investments	24/10/2022	592,780	-	-
Total		592,780	-	-
Financial Liabilities				
N/a		-	-	-
Total		-	-	-

Fair value hierarchy – 31 March 2021

	Date of valuation	Level 1	Level 2	Level 3
Financial Assets		\$	\$	\$
Other investments	31/03/2022	634,324	-	-
Total		634,324	-	-
Financial Liabilities				
N/a		-	-	-
Total		-	-	-

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Note 16 Administration of financial affairs by a third party

There has been no administration of financial affairs by a third party.

Note 17 Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or Commissioner:

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

Note 18 Officer Declaration Statement

An officer declaration statement has not been prepared given that all relevant disclosures required under this declaration, have been incorporated into this financial report, including 'NIL' disclosures.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)

Opinion

We have audited the financial report of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) (the Reporting Entity), which comprises the statement of financial position as at 24 October 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period ended 24 October 2022, notes to the financial statements, including a summary of significant accounting policies, the Committee of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) as at 24 October 2022, and its financial performance and its cash flows for the period ended on that date in accordance with:

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

We declare that management's no longer preparing the financial statements on a going concern basis and we consider this to be appropriate.

Basis for Opinion

We conducted the 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 the 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 my opinion.

Material Uncertainty Related to Going Concern

Without qualifying our opinion expressed above, we draw attention to Note 1.24 in the financial report which indicates that the committee believes that the going concern basis is no longer appropriate as a result of the amalgamation of the Union in October 2022 as disclosed in Note 2.



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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 I 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 my 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.



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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 the 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 the 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.





INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)

Independence

I declare that I am an auditor registered under the Corporations Act 2001 and RO Act.



MORROWS AUDIT PTY LTD



A.M. FONG

Director

Registration number (as registered by the RO Commissioner under the RO Act): AA2020/8

Melbourne: 22 March 2023

