



Fair Work
Commission

18 December 2023

Shane Murphy

Branch Secretary

Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - Communications Division - South Australia & Northern Territory Communications Division

Sent via email: shane.murphy@cepu.org

CC: kamal@krestonsw.com.au

Dear Shane Murphy

**Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - South Australia & Northern Territory Communications Division
Financial Report for the year ended 24 October 2022 – (FR2022/203)**

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 - South Australia & Northern Territory Communications Division. The documents were lodged with the Fair Work Commission (the Commission) on 28 August 2023.

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.

Reporting Requirements

The Commission's website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the section 253 reporting guidelines and a model set of financial statements.

The Commission recommends that reporting units use these model financial statements to assist in complying with the RO Act, the section 253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please call 1300 341 665 or email regorgs@fwc.gov.au.

Yours sincerely

Fair Work Commission



S.268 Fair Work (Registered Organisations) Act 2009

Certificate by prescribed designated officer.

Certificate for the period ended 24 October 2022

I, Shane Murphy, being the Branch Secretary of the CWU Central Branch,
RE: CEPU COMMUNICATIONS DIVISION (SA/NT) BRANCH, certify:

- that the documents lodged herewith are copies of the full report for the CEPU COMMUNICATIONS DIVISION (SA/NT) BRANCH 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 the 19 July 2023; and
- that the full report was presented to the Branch Committee of Management of the reporting unit on 19 July 2023 in accordance with s266 of the Fair Work (Registered Organisations) Act 2009.

If you require further information, please do not hesitate to contact me on (02) 9893 7822.

Signature of Prescribed designated officer: 

Name of Prescribed designated officer:

SHANE MURPHY

Title of the prescribed designated officer:

BRANCH SECRETARY

Dated: **19 July 2023**



A Division of the CEPU

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

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION (CEPU)

COMMUNICATIONS DIVISION BRANCH (SA/NT)

FINANCIAL REPORT FOR THE PERIOD ENDED 24 OCTOBER 2022

**Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch
(SA/NT)**

ABN: 11 273 875 514

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Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch (SA/NT)

ABN: 11 273 875 514

Operating Report 24 October 2022

In accordance with Section 254 of the Fair Work (Registered Organisations) Act 2009 ("Act") the Branch Committee of Management present their Operating Report on Communications, Electrical, Plumbing Union (CEPU) Communication Division Branch ("CEPU SA/NT Branch"), the relevant Reporting Unit, for the financial period ended 24 October 2022.

General information

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the period

The principal activities of the Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch (SA/NT) are to:

- Represent and provide industrial and organising services to its members with the objective of protecting and improving the interests of its members;
- Be active in negotiating the Enterprise agreement for improvements in wages and working conditions for its members across the board;
- Handle daily workplace enquiries for its members including any work related disputes that may have arisen in their organisation;
- Organise and recruit new members;
- Undertake training and development for the delegates of the CEPU SA/NT Branch.

There have been no significant changes to the way the CEPU SA/NT Branch has carried out these activities during the last financial year.

Significant changes

This is the final financial report for this branch as it has amalgamated with CEPU NSW P&T and CEPU QLD branches to form CWU Central branch as of 25th October 2022.

Operating results and review of operations for the period

Operating result

The deficit of the CEPU SA/NT Branch for the financial period ending 24 October 2022 is amounted to \$ (138,472) (2022: \$(139,927)).

Right of members to resign

Members have the right to resign their membership of the CEPU SA/NT Branch by giving written notice of resignation to the Branch Secretary. This written notification is accepted subject to the rules of CEPU and in accordance with section 174(1) of the Fair Work (Registered Organisations) Act 2009. In accordance with section 174(1) of the Fair Work (Registered Organisations) Act 2009 a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation. There was no change to this rule during the period.

Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch (SA/NT)

ABN: 11 273 875 514

Operating Report 24 October 2022

Number of members

Under section 230 of the Fair Work (Registered Organisations) Act 2009 the number of persons recorded in the register of members and who under section 244 of the Fair Work (Registered Organisations) Act 2009 are taken to be members of the Branch of the CEPU SA/NT Branches at 24 October 2022 was 1,771 (31 March 2022: 1,688).

Number of employees

The number of persons, both full-time and part time employees measured on a full-time equivalent basis, employed by the Branch as at 24 October 2022 was 5 (31 March 2022: 4).

Details of officers or members

Details of officers or members who are trustees, or directors of a company that is a trustee, of a superannuation entity because they are a member or an officer of a registered organisation

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

Names of Committee of Management members and positions held during the financial period

The names of persons who have at any time during the financial period ending 24 October 2022 been members of the CEPU SA/NT Branch Committee of Management and periods they served on the branch committee are as follows:

	Position	Period
Graham Lorrain	Branch President	01/04/22 - 24/10/22
Nick Townsend	Branch Secretary	01/04/22 - 24/10/22
Tim Muirhead	Vice President (Postal)	01/04/22 - 24/10/22
Donna Ziino	Vice President (Affirmative Action)	01/04/22 - 24/10/22
Nick Bentley	Branch Assistant Secretary	01/04/22 - 24/10/22
Gavin Hocking	Committee member	01/04/22 - 24/10/22
Phil Payne	Committee member	01/04/22 - 24/10/22
David Seidl	Committee member	01/04/22 - 24/10/22

Signed in accordance with a resolution of the Members of the Committee:

Branch Secretary: 
Shane Murphy

Dated July 19, 2023

**Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch
(SA/NT) ABN: 11 273 875 514**

Report required under subsection 255 (2A)

24 October 2022

Categories of expenditures	24 October 2022 \$	31 March 2022 \$
Remuneration and other employment-related costs and expenses – employees	274,016	438,125
Advertising	-	-
Operating costs	195,844	252,539
Donations to political parties	-	3,000
Legal costs	3,337	5,591

Signature of designated officer.....

Name of designated officer Shane Murphy

Title of designated officer Branch Secretary

Dated 19 July 2023

**Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch
(SA/NT)**

ABN: 11 273 875 514

Branch Committee of Management's Statement

On 19 July 2023, the Branch Committee of Management of the CWU Central Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the period ended 24 October 2022:

The Branch Committee of Management declares in relation to the GPFR 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 branch for the financial period ended 24 October 2022;
- d) there are reasonable grounds to believe that the Branch 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 Branch Committee of Management were held in accordance with the rules of the organisation and including the rules of the branch concerned; and
 - ii. the financial affairs of the Branch have been managed in accordance with the rules of the organisation and the rules of the Branch; and
 - iii. the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - iv. the financial records of the branch have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - v. where information has been sought in any request by the member of the reporting unit or General manager duly made under section 272 of the RO Act 2009 has been provided to the member or General manager; and
 - vi. where any order for the inspection of the financial records was made by the Fair Work Commission under section 273 of the RO Act 2009, there has been compliance.

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



Shane Murphy

Dated 19 July 2023

**Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch
(SA/NT)**

ABN: 11 273 875 514

**Statement of Comprehensive Income
For the Period Ended 24 October 2022**

		24 October 2022	31 March 2022
	Note	\$	\$
Revenue from contracts with customers			
Member contribution	3	322,513	541,599
Capitation fees and other revenue from another reporting unit	3A	-	-
Levies	3B	-	-
Revenue from recovery of wages activity	3D	-	-
Total revenue from contracts with customers		322,513	541,599
Income for furthering objectives			
Grants & donations	3C	-	-
Income recognised from volunteer services		-	-
Total income for furthering objectives		-	-
Other income			
Investment income		22,088	26,178
Other income	3F	4,107	11,936
Total other income		26,195	38,114
Total Income		348,708	579,713
Expenses			
Employee benefits expense	4A	(274,016)	(438,125)
Capitation - Divisional conference	4B	(65,484)	(108,366)
Affiliation fees	4C	(10,017)	(11,769)
Administration expense	4D	(68,828)	(98,568)
Grants or donations	4E	-	(3,700)
Depreciation and amortisation expense	4F	(3,966)	(8,616)
Legal and professional fees	4G	(3,337)	(5,591)
Other expenses	4H	(28,421)	(20,117)
Audit fees	13	(33,111)	(24,788)
Total expenditure		(487,180)	(719,640)
Net deficit for the period		(138,472)	(139,927)
Other comprehensive income for the period		-	-
Total comprehensive income for the period		(138,472)	(139,927)

The accompanying notes form part of these financial statements.

**Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch
(SA/NT)**

ABN: 11 273 875 514

**Statement of Financial Position
As At 24 October 2022**

		24 October 2022	31 March 2022
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5A	46,315	102,879
Trade and other receivables	5B	1,905	-
Other current assets	5C	10,968	27,873
TOTAL CURRENT ASSETS		<u>59,188</u>	<u>130,752</u>
NON-CURRENT ASSETS			
Other financial assets	6A	3,725,438	3,734,669
Property, plant and equipment	6B	57,501	61,467
TOTAL NON-CURRENT ASSETS		<u>3,782,939</u>	<u>3,796,136</u>
TOTAL ASSETS		<u><u>3,842,127</u></u>	<u><u>3,926,888</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	88,501	40,048
Employee provision	8	284,014	278,756
TOTAL CURRENT LIABILITIES		<u>372,515</u>	<u>318,804</u>
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		<u>372,515</u>	<u>318,804</u>
NET ASSETS		<u><u>3,469,612</u></u>	<u><u>3,608,084</u></u>
EQUITY			
Retained earnings		3,123,767	3,262,239
Reserves	9A	345,845	345,845
TOTAL EQUITY		<u><u>3,469,612</u></u>	<u><u>3,608,084</u></u>

The accompanying notes form part of these financial statements.

**Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch
(SA/NT)**

ABN: 11 273 875 514

Statement of Changes in Equity
For the Period Ended 24 October 2022

	Retained Earnings	Death Benefit Reserve	Special Fund	Total
	\$	\$	\$	\$
Balance at 1 April 2021	3,402,166	40,847	304,998	3,748,011
Deficit	(139,927)	-	-	(139,927)
Other comprehensive income for the period	-	-	-	-
Balance at 31 March 2022	3,262,239	40,847	304,998	3,608,084
Deficit	(138,472)	-	-	(138,472)
Other comprehensive income for the period	-	-	-	-
Balance at 24 October 2022	3,123,767	40,847	304,998	3,469,612

The accompanying notes form part of these financial statements.

**Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch
(SA/NT)**

ABN: 11 273 875 514

Statement of Cash Flows
For the Period Ended 24 October 2022

	Note	24 October 2022 \$	31 March 2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received			
Receipts from members		322,512	595,759
Interest received		22,088	26,178
Receipts from other reporting entities		-	-
Other		2,202	14,915
Cash used			
Employees		(256,394)	(383,758)
Suppliers		(90,719)	(214,553)
Lease payments from short-term leases		-	(19,254)
Payments to other reporting entities		(65,484)	(108,366)
Net cash used in operating activities	10	(65,795)	(89,079)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Cash received		-	-
Cash used			
Purchase of property, plant and equipment		-	-
Term deposits invested /classified to current		9,231	(48)
Net cash provided by/(used in) investing activities		9,231	(48)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Cash received		-	-
Cash used		-	-
Net cash used in financing activities		-	-
Net increase in cash and cash equivalents held		(56,564)	(89,127)
Cash and cash equivalents at beginning of the period		102,879	192,006
Cash and cash equivalents at end of the period	5A	46,315	102,879

The accompanying notes form part of these financial statements.

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For the Period Ended 24 October 2022

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Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch (SA/NT)

ABN: 11 273 875 514

Notes to the Financial Statements For the Period Ended 24 October 2022

1 Summary of Significant Accounting Policies

1.1 Basis of preparation

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

The financial statements except for cashflow information have been prepared on an accrual basis and in accordance with the historical cost, 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.

Non-going concern basis due to cessation of activities

On 29 March 2022, members of the CEPU SA/NT Branch, together with the members of CEPU NSW P&T and the CEPU QLD branches, voted in favour of an amalgamation of their respective branches to form the Communications Workers Union - Central Branch (CWU Central Branch). The amalgamation came into effect on 25 October 2022.

Members of the CEPU SA/NT Branch became members of the CWU Central Branch as at the date of amalgamation.

The Branch Committee of Management present this final financial report of CEPU SA/NT Branch for the period ended 24 October 2022 on a non-going concern basis to reflect the cessation of activities of the CEPU SA/NT Branch.

The assets and liabilities of the CEPU SA/NT Branch were transferred to CWU Central Branch at their carrying values, representing their fair values and the fair value of the member's interests at amalgamation date. These net assets have been recognised as a direct contribution to the equity of the CWU Central Branch.

The amounts disclosed in the statement of financial position as at 24 October 2022 are recognised at their realisable value

The following is a summary of other significant accounting policies adopted in the preparation of the financial statements.

1.2 Going concern

The Branch is not reliant on the agreed financial support of another the Branch to continue on a going concern basis. As detailed in Note 1.1, subsequent to 24 October 2022, the Branch ceased activities and was amalgamated with CEPU NSW P&T and CEPU QLD branches to form the CWU Central Branch.

1.3 Comparatives

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

Notes to the Financial Statements

For the Period Ended 24 October 2022

1 Summary of Significant Accounting Policies (continued)

1.4 Significant accounting judgements and estimates

There have not been any material 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.

1.5 Adoption of new and revised accounting standards

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

The accounting policies adopted are consistent with those of the previous financial years except for the following standard, which has been adopted for the first time this financial period.

Notes to the Financial Statements

For the Period Ended 24 October 2022

1 Summary of Significant Accounting Policies (continued)

1.5 Adoption of new and revised accounting standards (continued)

Future Australian Accounting Standards

The following Australian Accounting Standards have been issued early but are not yet effective. These standards have not been adopted in preparation of the financial statements at the reporting date but will be adopted at application date. The CEPU SA/NT Branch has assessed the potential impact on the financial statements from the adoption of these standards and interpretations and there are not material effect on the CEPU SA/NT Branch's profit or loss:

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected to have a future financial impact on the CEPU SA/NT Branch include:

Standard Name	Effective date for entity	Requirements	Impact
AASB 2020-1 Amendments to Australian Accounting Standards – Classifications of Liabilities as Current or Non-Current	1 April 2024	This Standard amends AASB 101 to improve the information an entity provides in its financial statements about liabilities arising from loan arrangements for which the entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement.	Classification of liabilities between current and noncurrent may be amended following the adoption of AASB 2022-6.
AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date			
AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants		The Standard also amends an example in Practice Statement 2 regarding assessing whether information about covenants is material for disclosure.	
		Note: AASB 2022-6 changes some of the requirements in AASB 2020-1 and therefore entities should ensure that they review the requirements of both standards prior to adoption.	

1.6 Investment in associates and joint arrangements

An associate is an entity over which the CEPU SA/NT Branch has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

A joint operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the individual assets and obligations for the liabilities of the joint operation.

Notes to the Financial Statements

For the Period Ended 24 October 2022

1 Summary of Significant Accounting Policies (continued)

1.6 Investment in associates and joint arrangements (continued)

The results and assets and liabilities of associates and its joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with AASB 5 Non-current Asset Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate or joint venture is initially recognized in the statement of financial position at cost and adjusted thereafter to recognize the share of the profit or loss and other comprehensive income of the associate. When the share of losses of an associate or joint venture exceeds the interest in that associate, the CEPU SA/NT Branch discontinues recognized its share of further losses. Additional losses are recognized only to the extent that it has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Any excess of the cost of acquisition over the share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognized at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

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

The net book value of assets and or liabilities transferred to Communication Workers Union or CWU Central Branch for no consideration is used to account for a restructure of the branches of the organization. The assets and liabilities are recognized as at the date of transfer.

On 29 March 2022, members of the CEPU NSW P&T Branch, CEPU SA/NT and the CEPU QLD branches voted to amalgamate and create the Communications Workers Union - Central Branch (CWU - Central Branch).

Under the proposed structure, all reporting units of the CEPU NSW P&T, CEPU SA/NT and CEPU QLD are to be abolished. Under the scheme, the following is to occur:

- All assets and liabilities of the CEPU NSW P&T Branch, CEPU SA/NT and the CEPU QLD will be consolidated into the Communications Workers Union - Central Branch;
- Branch committee of management members of CEPU NSW P&T Branch will be translated into the new committee of the Communications Workers Union - Central Branch.
- Members of the former CEPU NSW P&T Branch, CEPU SA/NT and the CEPU QLD will become members of the Communications Workers Union - Central Branch.
- Employees of the CEPU NSW P&T Branch, CEPU SA/NT and the CEPU QLD will become employees of the Communications Workers Union - Central Branch.

Upon the amalgamation date the Communications Workers Union - Central Branch will commence operations, resulting in the existing CEPU NSW P&T Branch, CEPU SA/NT and the CEPU QLD reporting units to cease operations.

1.8 Current versus non-current classification

The CEPU SA/NT Branch presents assets and liabilities in the statement of financial position based on current/non-current classification.

Notes to the Financial Statements

For the Period Ended 24 October 2022

1 Summary of Significant Accounting Policies (continued)

1.8 Current versus non-current classification (continued)

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 CEPU SA/NT Branch classifies all other liabilities as non-current.

1.9 Revenue

The CEPU SA/NT Branch enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees and grants.

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

Revenue from contracts with customers

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

- the arrangement is enforceable; and

Notes to the Financial Statements

For the Period Ended 24 October 2022

1 Summary of Significant Accounting Policies (continued)

1.9 Revenue (continued)

Revenue from contracts with customers (continued)

- 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 CEPU SA/NT Branch.

If there is only one distinct membership service promised in the arrangement, the CEPU SA/NT Branch recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the CEPU SA/NT Branch'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 CEPU SA/NT Branch allocates the transaction price to each performance obligation based on the relative standalone selling prices 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 CEPU SA/NT Branch 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 CEPU SA/NT Branch recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the CEPU SA/NT Branch 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 CEPU SA/NT Branch at their standalone selling price, the CEPU SA/NT Branch accounts for those sales as a separate contract with a customer.

Interest income

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

1.10 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

Notes to the Financial Statements

For the Period Ended 24 October 2022

1 Summary of Significant Accounting Policies (continued)

1.10 Employee benefits (continued)

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.

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. 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.

1.11 Leases

The CEPU SA/NT Branch 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 CEPU SA/NT Branch has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The CEPU SA/NT Branch recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

1.12 Borrowing costs

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

1.13 Cash and cash equivalents

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

1.14 Financial instruments

Financial assets and financial liabilities are recognised when the CEPU SA/NT Branch becomes a party to the contractual provisions of the instrument.

1.15 Financial assets

Contract assets and receivables

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

Notes to the Financial Statements

For the Period Ended 24 October 2022

1 Summary of Significant Accounting Policies (continued)

1.15 Financial assets (continued)

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

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

Initial recognition and measurement

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

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the CEPU SA/NT Branch's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the CEPU SA/NT Branch 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 OCI, 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 CEPU SA/NT Branch's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

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

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income
- Financial assets at fair value through profit or loss
- Financial assets designated at fair value through profit or loss.

Financial assets at amortised cost

The CEPU SA/NT Branch 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

Notes to the Financial Statements

For the Period Ended 24 October 2022

1 Summary of Significant Accounting Policies (continued)

1.15 Financial assets (continued)

payments of principal and interest on the principal amount outstanding.

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

The CEPU SA/NT Branch's financial assets at amortised cost includes trade receivables and cash and cash equivalents in the statement of financial position.

Financial assets at fair value through other comprehensive income

The CEPU SA/NT Branch 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 OCI, 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 CEPU SA/NT Branch's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

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

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Derecognition

A financial asset is derecognised when:

Notes to the Financial Statements

For the Period Ended 24 October 2022

1 Summary of Significant Accounting Policies (continued)

1.15 Financial assets (continued)

- The rights to receive cash flows from the asset have expired or
- The CEPU SA/NT Branch 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 CEPU SA/NT Branch has transferred substantially all the risks and rewards of the asset, or
 - b) the CEPU SA/NT Branch has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the CEPU SA/NT Branch 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 (ECLs)

- i. Debt instruments other than trade receivables

The CEPU SA/NT Branch recognises an allowance for ECLs for all debt instruments not held at fair value through the profit and loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the CEPU SA/NT Branch expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages:

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

Notes to the Financial Statements

For the Period Ended 24 October 2022

1 Summary of Significant Accounting Policies (continued)

1.15 Financial assets (continued)

The CEPU SA/NT Branch considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, The CEPU SA/NT Branch may also consider a financial asset to be in default when internal or external information indicates that reporting unit 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.

ii. Trade receivables

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

Therefore, the CEPU SA/NT Branch does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL's at each reporting date. The CEPU SA/NT Branch has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Historically, the CEPU SA/NT Branch have received membership fees and rental income and the CEPU SA/NT Branch expects this trend to continue and has therefore not recognised any loss allowance.

1.16 Financial liabilities

Initial recognition and measurement

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

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

The CEPU SA/NT Branch's financial liabilities include trade and other payables.

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.

Notes to the Financial Statements

For the Period Ended 24 October 2022

1 Summary of Significant Accounting Policies (continued)

1.16 Financial liabilities (continued)

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.

1.17 Liabilities relating to contract 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 reporting unit transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when 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 CEPU SA/NT Branch refund liabilities arise from customers' right of return. The liability is measured at the amount The CEPU SA/NT Branch ultimately expects it will have to return to the customer. The CEPU SA/NT Branch updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

1.18 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.

1.19 Land, Buildings, plant and equipment

Asset recognition threshold

Purchases of 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.

Notes to the Financial Statements

For the Period Ended 24 October 2022

1 Summary of Significant Accounting Policies (continued)

1.19 Land, Buildings, plant and equipment (continued)

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.

The depreciation rates used for each class of depreciable asset along with depreciation method are based on the following useful lives:

Fixed asset class	Depreciation rate
Property Improvements	2.5%
Office equipment & furniture	10% to 50%
Motor Vehicles	25%

Derecognition

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

1.20 Impairment of 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 CEPU Communications Division were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.21 Taxation

The CEPU SA/NT Branch 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.

Notes to the Financial Statements

For the Period Ended 24 October 2022

1 Summary of Significant Accounting Policies (continued)

1.21 Taxation (continued)

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

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

1.22 Fair value measurement

The CEPU SA/NT Branch measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets 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 15.

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 CEPU SA/NT Branch. 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 CEPU SA/NT Branch 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.

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 CEPU SA/NT

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1 Summary of Significant Accounting Policies (continued)

1.22 Fair value measurement (continued)

Branch 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 CEPU SA/NT Branch 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.

2 Events After the End of the Reporting Period

Other than the amalgamation of the CEPU SA/NT Branch with CEPU QLD and CEPU NSW P&T branches stated in note 1.7 on the 25th October 2022. There has not been any other matter or circumstance occurring subsequent to the end of the financial period that has significantly affected, or may significantly affect, the operations of the CEPU SA/NT Branch, the results of those operations, or the state of affairs of the CEPU SA/NT Branch.

3 Revenue and Income

Disaggregation of revenue from contracts with customers

A disaggregation of the CEPU SA/NT Branch's revenue by type of arrangements is provided on the face of the Statement of Profit or Loss and other comprehensive income. The table below also sets out a disaggregation of revenue by type of customer.

	24 October 2022	31 March 2022
	\$	\$
Types of customer		
member contribution	322,513	541,599
Revenue from contracts with customers	322,513	541,599

3A Capitation fees and other revenue from another reporting unit

	24 October 2022	31 March 2022
	\$	\$
Capitation fees	-	-
Subtotal capitation fees	-	-
Other revenue from another reporting unit	-	-
Subtotal other revenue from another reporting unit	-	-
Total capitation fees and other revenue from another reporting unit	-	-

3B Levies

	24 October 2022	31 March 2022
	\$	\$
Levies	-	-

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**Notes to the Financial Statements
For the Period Ended 24 October 2022**

3 Revenue and Income (continued)

3B Levies (continued)

	24 October 2022	31 March 2022
	\$	\$
Total levies	-	-

3C Grants and/or donations

	24 October 2022	31 March 2022
	\$	\$
Grants	-	-
Donations	-	-
Total grants and donations	-	-

3D Revenue from recovery of wages activity

	24 October 2022	31 March 2022
	\$	\$
Amounts recovered from employers in respect of wages	-	-
Interest received on recovered money	-	-
Total revenue from recovery of wages activity	-	-

3E Investment income

	24 October 2022	31 March 2022
	\$	\$
interest received	22,088	26,178
Total investment income	22,088	26,178

3F Other income

	24 October 2022	31 March 2022
	\$	\$
Other sundry income	4,107	11,936
Total other income	4,107	11,936

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**Notes to the Financial Statements
For the Period Ended 24 October 2022**

4 Expenses

4A Employee expenses related to holders of office

	24 October 2022	31 March 2022
	\$	\$
Holders of Office:		
Wages and Salaries	80,707	180,744
Superannuation	25,380	32,305
Leave and other entitlements	(8,061)	33,381
Separation and redundancies	-	-
	98,026	246,430
Employees other than office holders:		
Wages and Salaries	151,582	141,080
Superannuation	11,088	18,230
Leave and other entitlements	13,320	32,385
Separation and redundancies	-	-
	175,990	191,695
Total employee expenses	274,016	438,125

4B Capitation fees

	24 October 2022	31 March 2022
	\$	\$
CEPU - Communication Division Office	65,484	108,366
Total capitation fees	65,484	108,366

4C Affiliation fees

	24 October 2022	31 March 2022
	\$	\$
National council fund	5,756	-
Australian Labour Party	1,866	8,644
SA Unions	2,395	3,125
Total affiliation fees	10,017	11,769

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Notes to the Financial Statements
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4 Expenses (continued)

4D Administration expenses

	24 October 2022	31 March 2022
	\$	\$
Total paid to employers for payroll deductions of membership subscriptions	6,056	9,423
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	1,078
Conference and meeting expenses	-	-
Property expenses*	1,673	2,529
Office expenses	11,822	15,909
Information communication technology	3,972	7,858
Insurance**	25,786	29,044
Death benefits paid	1,000	-
Operating lease rentals	9,627	20,859
Other	8,892	11,868
Total administration expense	68,828	98,568

*Property expenses includes repair & maintenance, power expenses, land and council taxes.

**Insurance includes business, personal accident and death disability insurance.

4E Donations & grants

	24 October 2022	31 March 2022
	\$	\$
Grants:		
Total Grants that were \$1,000 or less	-	-
Total Grants that exceeded \$1,000	-	-
Donations:		
Total Donations that were \$1,000 or less	-	700
Total Donations that exceeded \$1,000	-	3,000
Total	-	3,700

4F Depreciation

	24 October 2022	31 March 2022
	\$	\$
Property improvements	544	959
Motor vehicles	2,313	5,442
Office equipment	1,109	2,215
Total depreciation	3,966	8,616

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Notes to the Financial Statements
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4 Expenses (continued)

4G Legal and professional fees

	24 October 2022	31 March 2022
	\$	\$
Legal cost - litigation	-	-
Legal costs - other matters*	3,337	5,591
Total legal and professional fees	3,337	5,591

*Legal costs - other matters includes member's medical claims.

4H Other expenses

	24 October 2022	31 March 2022
	\$	\$
Penalties - via RO Act or the Fair Work Act 2009	-	-
Work cover	1,426	4,090
Motor vehicle expenses	12,690	8,548
Training	1,578	1,991
Travel	12,427	5,488
Uniforms	300	-
Total other expenses	28,421	20,117

5 Current assets

5A Cash and Cash Equivalents

	24 October 2022	31 March 2022
	\$	\$
Cash on hand	-	835
Cash at bank	46,315	102,044
Total cash and cash equivalents	46,315	102,879

5B Trade and Other Receivables

Receivables from other reporting units

	24 October 2022	31 March 2022
	\$	\$
Amounts due from CEPU Divisional Conference	-	-
Total receivables from other reporting unit	-	-
Less allowance for expected credit losses	-	-
Receivables from other reporting units (net)	-	-
Other receivables:		
Other receivables	1,905	-

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**Notes to the Financial Statements
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5B Trade and Other Receivables (continued)

Receivables from other reporting units (continued)

	24 October 2022	31 March 2022
	\$	\$
Total other receivables	<u>1,905</u>	<u>-</u>
Total trade and other receivables (net)	<u><u>1,905</u></u>	<u><u>-</u></u>

5C Other current assets

	24 October 2022	31 March 2022
	\$	\$
Prepayments	10,968	27,873
	-	-
Total depreciation	<u><u>10,968</u></u>	<u><u>27,873</u></u>

6 Non-current assets

6A Other financial assets

	24 October 2022	31 March 2022
	\$	\$
NON-CURRENT		
Term deposits	<u>3,725,438</u>	<u>3,734,669</u>
Non-current other financial assets	<u><u>3,725,438</u></u>	<u><u>3,734,669</u></u>

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Notes to the Financial Statements
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6B Property, Plant and Equipment

	Motor Vehicles	Office Equipment & Furniture	Property Improvements	Total
	\$	\$	\$	\$
24 October 2022				
Property, Plant and Equipment:				
carrying amount	106,988	143,173	38,360	288,521
accumulated depreciation	(92,976)	(130,201)	(7,843)	(231,020)
Total Property, Plant and Equipment	14,012	12,972	30,517	57,501
Reconciliation of opening and closing balances of property, plant and equipment				
Net Book value 1 April 2022	16,325	14,081	31,061	61,467
Additions	-	-	-	-
Impairments	-	-	-	-
Revaluation	-	-	-	-
Depreciation expense	(2,313)	(1,109)	(544)	(3,966)
Disposals	-	-	-	-
Other changes, movements	-	-	-	-
Net Book value 24 October 2022	14,012	12,972	30,517	57,501
Net book value as of 24 October 2022 represented by:				
Gross book value	106,988	143,173	38,360	288,521
Accumulated depreciation and impairment	(92,976)	(130,201)	(7,843)	(231,020)
Net Book value 24 October 2022	14,012	12,972	30,517	57,501

	Motor Vehicles	Office Equipment & Furniture	Property Improvements	Total
	\$	\$	\$	\$
31 March 2022				
Property, Plant and Equipment:				
carrying amount	106,988	143,173	38,360	288,521
accumulated depreciation	(90,663)	(129,092)	(7,299)	(227,054)
Total Property, Plant and Equipment	16,325	14,081	31,061	61,467
Reconciliation of opening and closing balances of property, plant and equipment				
Net Book value 1 April 2021	21,767	16,296	32,020	70,083
Additions	-	-	-	-
Revaluation	-	-	-	-
Impairments	-	-	-	-
Depreciation expense	(5,442)	(2,215)	(959)	(8,616)
Disposals	-	-	-	-
Other changes, movements	-	-	-	-
Net Book value 31 March 2022	16,325	14,081	31,061	61,467
Net book value as of 31 March 2022 represented by:				
Gross book value	106,988	143,173	38,360	288,521
Accumulated depreciation and impairment	(90,663)	(129,092)	(7,299)	(227,054)
Net Book value 31 March 2022	16,325	14,081	31,061	61,467

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7 Current liabilities

7A Trade payables

	24 October 2022	31 March 2022
	\$	\$
Trade payable	48,582	1,836
Subtotal trade payables	48,582	1,836
Payable to other reporting units		
CEPU - Communication Division Office	10,848	21,313
Subtotal payable to other reporting units	10,848	21,313
Total trade payables	59,430	23,149

7B Other payables

	24 October 2022	31 March 2022
	\$	\$
Wages and salaries	17,380	7,652
Superannuation	7,757	5,121
Payable to employers for making payroll deductions of membership subscriptions	-	-
Legal costs - litigation	-	-
Legal costs - other	-	-
GST payable	3,934	4,126
Total other payables	29,071	16,899
Total trade and other payables	88,501	40,048

Total other payables are expected to be settled within 12 months.

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8 Provisions

Employee provisions

	24 October 2022	31 March 2022
	\$	\$
Office Holders:		
Annual leave	56,601	73,568
Long service leave	133,560	124,653
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions-office holders	190,161	198,221
Employees other than office holders		
Annual leave	64,489	55,070
Long service leave	29,364	25,465
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions- employees other than office holders	93,853	80,535
Total employee provisions	284,014	278,756
Current	284,014	278,756
Non-current	-	-
Total employee provisions	284,014	278,756

**Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch
(SA/NT)**

ABN: 11 273 875 514

**Notes to the Financial Statements
For the Period Ended 24 October 2022**

9 Equity

9A Reserves

	24 October 2022	31 March 2022
	\$	\$
Compulsory levy/voluntary contribution fund		
Balance as at start of the period	-	-
Transferred to fund, account or controlled entity	-	-
Transferred out of fund, account or controlled entity	-	-
Balance as at end of the period	-	-
Death Benefit Fund		
Balance as at start of the period	40,847	40,847
Transferred to fund, account or controlled entity	-	-
Transferred out of fund, account or controlled entity	-	-
Balance as at end of the period	40,847	40,847
Special fund		
Balance as at start of the period	304,998	304,998
Transferred to fund, account or controlled entity	-	-
Transferred out of fund, account or controlled entity	-	-
Balance as at end of the period	304,998	304,998
Total	345,845	345,845

Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch (SA/NT)

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Notes to the Financial Statements For the Period Ended 24 October 2022

10 Cash Flow

10A Reconciliation of cash

	24 October 2022	31 March 2022
	\$	\$
Cash at the end of the financial period as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash on hand	-	835
Cash at bank	46,315	102,044
	<u>46,315</u>	<u>102,879</u>

10B Reconciliation of cashflow from operations with net deficit:

	24 October 2022	31 March 2022
	\$	\$
Net deficit	(138,472)	(139,927)
Non-cash flows in net deficit:		
- depreciation and amortisation	3,966	8,616
Changes in assets and liabilities:		
- decrease/(increase) in other assets	16,905	(19,840)
- (increase)/decrease in trade and other receivables	(1,905)	1,786
- increase/(decrease) in trade and other payables	48,453	(5,480)
- increase in employee provisions	5,258	65,766
Cashflows from operations	<u>(65,795)</u>	<u>(89,079)</u>

11 Contingent liabilities, assets and commitments

In the opinion of the Committee of Management, the CEPU SA/NT Branch did not have any contingencies at 24 October 2022 (31 March 2022:None).

12 Related parties disclosure

12A Related party transactions for the reporting period

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

- The aggregate amount of remuneration paid to officers during the financial period is disclosed in the Financial Report Note 4G.
- The aggregate amount paid during the financial period to a superannuation plan in respect of elected full-time officers was \$25,380 (31 March 2022: \$32,305).
- There have been no other transactions between the officers and the Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch (SA/NT) other than those relating to their membership of the Union and the reimbursement by the Union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is

Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch (SA/NT)

ABN: 11 273 875 514

Notes to the Financial Statements
For the Period Ended 24 October 2022

12 Related parties disclosure (continued)

12A Related party transactions for the reporting period (continued)

reasonable to expect would have been adopted by parties at arm's length.

- iv. Capitation fees and administration fees paid to Divisional Conference are disclosed as income and expenses respectively in the Statement of Profit or Loss and Other Comprehensive Income and as cash paid in Note 4.
- v. Amounts receivable from and payable to the Divisional Conference at balance date are disclosed in Note 5B.

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 end of the period 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. Impairment of receivables relating to amounts owed by related parties and declared person or body are as disclosed in Note 5B to the financial statements. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

No property was transferred to related parties during the financial period ended 24 October 2022.

12B Key Management Personnel Remuneration

The remuneration paid to key management personnel of Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch (SA/NT) during the period is as follows:

	24 October 2022	31 March 2022
	\$	\$
Salary	80,707	180,744
Leave and other entitlements	(16,968)	2,143
Performance bonus	-	-
Total short-term employee benefits	63,739	182,887
Post-employment benefits		
Superannuation	25,380	32,305
Total post-employment benefits	25,380	32,305
Other long-term benefits:		
Long-service leave	8,907	31,237
Total other long-term benefits	8,907	31,237
Termination benefits	-	-
	98,026	246,429

Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch (SA/NT)

ABN: 11 273 875 514

Notes to the Financial Statements
For the Period Ended 24 October 2022

12B Key Management Personnel Remuneration (continued)

Transactions with key management personnel & their close family members

	24 October 2022	31 March 2022
	\$	\$
Loans to/from key management personnel	-	-
Other transactions with key management personnel	-	-

13 Remuneration of auditors

	24 October 2022	31 March 2022
	\$	\$
Remuneration of the auditor KrestonSW Audit Pty Ltd, for:		
- Financial statements audit service	15,000	9,500
- Other audit and assurance services	13,111	9,288
- Other services by related entity	5,000	6,000
Total	33,111	24,788

Other services provided by a related entity of the audit company was assistance with the preparation of the financial statements

14 Financial Instruments

The entity's financial instruments consist mainly of deposits with banks, accounts receivable and payable and loans to and from related unions.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

14A Categories of financial instruments

The entity's financial instruments consist mainly of deposits with banks, accounts receivable and payable and loans to and from related unions.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	24 October 2022	31 March 2022
	\$	\$
Financial assets		
At amortised cost:		
Cash and cash equivalents	46,315	102,879
Other financial assets	3,725,438	3,734,669
Loans and receivables		
Trade and other receivables	1,905	-
Carrying amount of financial assets	3,773,658	3,837,548

5B

**Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch
(SA/NT)**

ABN: 11 273 875 514

**Notes to the Financial Statements
For the Period Ended 24 October 2022**

14 Financial Instruments (continued)

14A Categories of financial instruments (continued)

	24 October 2022	31 March 2022
	\$	\$
Financial liabilities		
Trade and other payables	88,501	40,048
Carrying amount of financial liabilities	88,501	40,048
Net income and expense from financial assets		
	24 October 2022	31 March 2022
	\$	\$
At amortised cost:		
Interest - investment	22,088	26,178
Net gain from financial assets	22,088	26,178

The net income/expense from financial assets not at fair value through profit and loss is \$22,088 (31 March 2022: \$26,178).

Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch (SA/NT)

ABN: 11 273 875 514

Notes to the Financial Statements For the Period Ended 24 October 2022

14 Financial Instruments (continued)

Credit risk

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 CEPU SA/NT Branch 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.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 5B.

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

	24 October 2022	31 March 2022
	\$	\$
Financial assets		
Cash and cash equivalents	46,315	102,879
Trade and other receivables	1,905	-
Other financial assets	3,725,438	3,734,669
Total	3,773,658	3,837,548
Financial liabilities		
Trade and other payables	88,501	40,048

In relation to the entity's gross credit risk the following collateral is held: Nil

Currently the CEPU SA/NT Branch does not hold any collateral as security nor credit enhancements relating to any of

Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch (SA/NT)

ABN: 11 273 875 514

Notes to the Financial Statements
For the Period Ended 24 October 2022

14 Financial Instruments (continued)

Credit risk (continued)

its financial assets.

Set out below is the information about the credit risk exposure on financial assets using a provision matrix:

24 October 2022

24 October 2022	Trade and other receivables						Total
	Days past due						
	Current	<30days	30-60days	61-90days	>91days	>180days	
	\$	\$	\$	\$	\$	\$	
Expected credit loss rate	0%	0%	0%	0%	0%	0%	-
Estimate total gross carrying amount at default	-	-	-	-	-	-	-
Expected credit loss	-	-	-	-	-	-	-

31 March 2022

31 March 2022	Trade and other receivables						Total
	Days past due						
	Current	<30days	30-60days	61-90days	>91days	>180days	
	\$	\$	\$	\$	\$	\$	
Expected credit loss rate	0%	0%	0%	0%	0%	0%	-
Estimate total gross carrying amount at default	-	-	-	-	-	-	-
Expected credit loss	-	-	-	-	-	-	-

14B Liquidity risk

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	48,582	-	-	-	-	48,582
Employee related	25,137	-	-	-	-	25,137
Payable to CEPU - Communication Division Office	10,848	-	-	-	-	10,848
Other payable	3,934	-	-	-	-	3,934
Total	88,501	-	-	-	-	88,501

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	1,836	-	-	-	-	1,836
Employee related	12,773	-	-	-	-	12,773
Payable to CEPU - Communication Division Office	21,313	-	-	-	-	21,313
Other payable	4,126	-	-	-	-	4,126
Total	40,048	-	-	-	-	40,048

Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch (SA/NT)

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Notes to the Financial Statements
For the Period Ended 24 October 2022

14 Financial Instruments (continued)

14C Market risk

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 or the fair value of fixed rate financial instruments. The branch is exposed to earnings volatility on floating rate investments. The financial instruments that expose the Branch to interest rate risk are limited to cash on hand.

	24 October 2022	31 March 2022	24 October 2022	31 March 2022
	%	%	\$	\$
Floating rate instruments				
Cash and cash equivalents	2.85	0.10	46,315	102,879
Other financial assets	2.85	0.10	3,725,438	3,734,669

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	+1%	42,213	42,213
Interest rate risk	-1%	(34,538)	(34,538)

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

	Change in risk variable	Effect on	
		Profit and loss	Equity
	%	\$	\$
Interest rate risk	+1%	44,489	44,489
Interest rate risk	-1%	(33,946)	(33,946)

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.

Notes to the Financial Statements

For the Period Ended 24 October 2022

15 Fair Value Measurement

Financial assets and liabilities

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

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate 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 own performance risk as at 24 October 2022 was assessed to be insignificant.
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets.
- 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.

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

	Carrying amount 24 October 2022	Fair value 24 October 2022	Carrying amount 31 March 2022	Fair value 31 March 2022
Financial Assets				
Cash and cash equivalents	46,315	46,315	102,879	102,879
Other financial assets	3,725,438	3,725,438	3,734,669	3,734,669
Trade and other receivables	1,905	1,905	-	-
Total	3,773,658	3,773,658	3,837,548	3,837,548
Financial Liabilities				
Trade and other payables	88,501	88,501	40,048	40,048
Total	88,501	88,501	40,048	40,048

Fair value measurement

No financial and non-financial assets and liabilities are measured at a fair value that is different to their carrying amount as at 24 October 2022.

16 Administration of financial affairs by a third party

There was no administration of financial affairs by a third party during the period (31 March 2022: None)..

Name of entity providing service: Not applicable

Terms and conditions: Not applicable

Notes to the Financial Statements

For the Period Ended 24 October 2022

16 Administration of financial affairs by a third party (continued)

Nature of expenses/consultancy service: Not applicable

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 General manager:

1. A member of a reporting unit, or the General manager, 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).

Communications, Electrical, Plumbing Union (CEPU) Communications Division Branch (SA/NT)

ABN: 11 273 875 514

Officer declaration statement

I, Shane Murphy, being the branch Secretary of the CEPU - Communications Division Branch (SA/NT), declare that the following activities did not occur during the reporting period ending 24 October, 2022.

The reporting unit did not:

- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive revenue from undertaking recovery of wages activity
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- make a payment to a former related party of the reporting unit

Signed by the officer.....

Shane Murphy (Branch Secretary)

Dated 19 July 2023

Independent Auditor's Report To the Members of Communications, Electrical, Plumbing Union (CEPU) Communication Division Branch (SA/NT)

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of Communications, Electrical, Plumbing Union (CEPU) Communication Division Branch (SA/NT) (the Reporting Unit) which comprises the statement of financial position as at 24 October 2022, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, notes to the financial statements, including a summary of significant accounting policies, the branch 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 Reporting Unit as at 24 October 2022, and its financial performance and its cash flows for the period ended on that date in accordance with:

- the Australian Accounting Standards; and
- 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).

Basis for Opinion

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

We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1.1 to the financial report, which describes the basis of accounting. The financial report has been prepared using the non-going concern basis of accounting to reflect the cessation of activities of the Reporting Unit. The assets and liabilities recognised in the statement of financial position of the Reporting Unit as at 24 October 2022 are at their realisable value. This, and other matters as set out in Note 1.1, detail the basis of accounting adopted for the financial report. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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

The branch committee of management is responsible for the other information. The other information obtained at the date of this auditor's report is in the operating report accompanying the financial report.

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

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

Responsibilities of the Branch Committee of Management for the Financial Report

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

In preparing the financial report, the branch committee of management is responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors 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 objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 this financial report.

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

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

Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Reporting Unit audit. We remain solely responsible for our audit opinion.

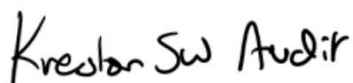
We communicate with the branch committee of management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

I declare that I am an auditor registered under the RO Act, a director of KrestonSW Audit Pty Ltd, an authorised audit company, and a registered auditor.

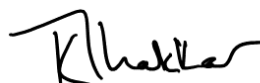
Report on Other Legal and Regulatory Requirements

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

Our opinion on the financial report is not modified in respect of any such matter(s) because, in our opinion, any such matters have been appropriately addressed by the Reporting Unit and are not considered material in the context of the audit of the financial report as a whole.

A handwritten signature in black ink that reads "Kreston SW Audit".

KrestonSW Audit Pty Ltd

A handwritten signature in black ink that appears to read "K Thakkar".

Kamal Thakkar

Director

Registration number: AA2017/175

Sydney

19 July 2023