



24 September 2024

Earle Setches

Division General Secretary

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

Sent via email: e.setches@ppteu.asn.au

CC: James.Dickson@stannards.com.au

Dear Earle Setches

**Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - Plumbing Division
Financial Report for the year ended 30 June 2024 – (FR2024/150)**

I acknowledge receipt of the financial report for the year ended 30 June 2024 for the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - Plumbing Division. The documents were lodged with the Fair Work Commission (the Commission) on 17 September 2024.

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.

Please note that the financial report for the year ending 30 June 2025 may be subject to an advanced compliance review.

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

**Communications, Electrical, Electronic, Energy,
Information, Postal, Plumbing and Allied
Services Union of Australia
ABN 40 655 883 201**

Plumbing Division – National Office

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2024

**Operating Report
For the year ended 30 June 2024**

Principal activities

The principal activities of the Plumbing Division – National Office during the Financial Year were to provide representation and support to its Members. There were no significant changes to the principal activities during the year.

Review of results

The net result of operations for the year was a surplus of \$415,011 (2023 surplus of \$2,008). The Organisation continued to represent its Members in industrial and other matters, focusing particularly on training and educational projects to advance the Industry. During the year, it also paid ongoing attention to corporate governance, ensuring that it complied with legislative requirements.

As at the reporting date, it had accumulated net assets of \$1.85 million and it had no interest bearing debt.

The Organisation is well placed to meet the future needs of the industry and moreover its Members, through enhanced representation and training services.

Significant Changes in the Financial Affairs

In the opinion of the Members of the Plumbing Division – National Office, there were no significant changes in the Organisation's financial affairs during the financial year.

Resignation of Members

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

Number of Members

As at 30 June 2024, the number of Members of the Organisation recorded in the Register of Members was 20,015 (2023: 18,416)

Number of Employees

As at 30 June 2024, the number of full time equivalent employees was 0.5 (2023: 0.5).

Divisional Council Members

During the Financial Year ended 30 June 2024 the following persons were Members of the Committee of Management for the whole period, unless indicated otherwise:

E Setches (General Secretary)
P McCrudden (Divisional President and Trustee)
G O'Halloran (Assistant General Secretary)
G Menzies (Trustee)
T Samartzopoulos (Divisional Deputy President and Trustee)
C Tsiakoulas (National Councillor)
C Seet (National Councillor)
B Bintley (National Councillor)
J Cranny (National Councillor)
M Wiech (National Councillor) – Resigned as National Councillor 13 October 2023
J Maxwell (National Councillor) – Appointed 22 February 2024

**Operating Report
For the year ended 30 June 2024 (cont'd)**

Trustee of Superannuation Entity

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

Mr Patrick McCrudden holds the position as a Director/Trustee of Colinvest, by virtue of his position as an Officer of the Union.

Future Developments

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

Signed in accordance with a resolution of the Plumbing Division – National Office.



Earle Setches

Dated in Melbourne this 21st day of August 2024

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA
PLUMBING DIVISION – NATIONAL OFFICE ABN: 40 655 883 201**

**Section 255(2A) Expenditure Report
for the year ended 30 June 2024**

The Committee of Management presents the expenditure report as required under sub-section 255(2A) on the Reporting Unit for the year ended 2024.

	Note	2024 \$	2023 \$
CATEGORIES OF EXPENDITURE			
Remuneration and other employment-related costs and expenses - employees		32,338	48,380
Advertising		-	14,207
Operating Costs		1,004,042	748,380
Donations to Political Parties		-	9,126
Legal Costs		35,588	(2,480)
Total		1,071,968	817,613


S _____ ted Officer

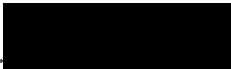
Earle Setches, General Secretary
Name and Title of Designated Officer

21/08/2024
Dated

**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER
FOR THE YEAR ENDED 30 JUNE 2024**

I, Earle Setches, being the General Secretary of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - Plumbing Division certify:

- (i) That the documents lodged herewith are copies of the full report for the Union for the period ended 30 June 2024 referred to in Section 268 of the *Fair Work (Registered Organisations) Act 2009*; and
- (ii) That the full report was provided to members of the reporting unit on.....21/08/2024; and
- (iii) That the full report was presented to a general meeting of the reporting unit on.....11/09/2024 in accordance with Section 266 of the *Fair Work (Registered Organisations) Act 2009*.



Earle Setches (General Secretary)

Dated in Melbourne this 11th day of September 2024.

OFFICER DECLARATION STATEMENT

I, Earle Setches, being the General Secretary of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Plumbing Division, declare that all activities required to be disclosed during the reporting period ended 30 June 2024 have been disclosed in the financial report.

.....
[Redacted Signature]
Earle Setches – General Secretary
Designated Officer

Dated: 21st day of August 2024

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA
PLUMBING DIVISION – NATIONAL OFFICE ABN: 40 655 883 201**

**STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	2024 \$	2023 \$
Income			
Per Capita Contributions	11f (i)	1,486,969	819,606
Other Contributions	11f (ii)	-	-
Interest Received		10	15
Grants		-	-
Financial Support - Branches		-	-
Donations		-	-
Other income		-	-
		<u>1,486,979</u>	<u>819,621</u>
Expenses			
General Secretary and President Expense Allowance	8	42,800	42,800
Overnight, Tea Money and Other Allowances		-	-
Expenses incurred with holding meeting of Members or any conferences or meetings of councils, committees, panels or other bodies		-	-
Advertising		-	14,207
Affiliation Fees - CEPU		77,517	81,584
Affiliation Fees - Political Party		-	-
- Other		-	-
Audit Fees and Other Services	12	12,000	18,000
Bank Charges		172	3
Delegate Fees		-	-
Professional Services		516,619	70,574
Bad & Doubtful Debts Expense		-	-
Depreciation		8,822	8,618
Entertainment Expenses		14,123	23,773
Consideration to employers for payroll deductions		-	-
Penalties – via RO Act or RO Regulations		-	-
Grants		-	-
Conferences and meetings – Fees & allowances		-	-
Donations	13	10,000	11,626
Campaign Expenses	14	-	258,411
Work Cover Premium		921	41
Legal and Professional Fees – Litigation		-	-
Legal and Professional Fees – Other		35,588	(2,480)
Long Service Leave	8	(15,812)	444
Industrial Relations Levy – CEPU		-	-
Other Compulsory or Voluntary Levy		-	-
Postage, Stationery & Printing		111,912	140,788
Subscriptions – Non Political		13,172	2,832
Management Fees – Victorian Branch	15	-	4,388
Sponsorship		151,339	52,017
Sundry Costs		255	4,372
Superannuation	8	5,350	5,136
Payroll Tax and FBT Expenses		7,759	15,992
Telephone		-	-
Taxis, Parking, Travel and Accommodation		77,518	62,681
Motor Vehicle Expenses		1,913	1,806
Termination Payments	8	-	-
		<u>1,071,968</u>	<u>817,613</u>
Net Profit / (Loss) for the Year		415,011	2,008

The accompanying notes form part of these financial statements

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA
PLUMBING DIVISION – NATIONAL OFFICE ABN: 40 655 883 201**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024**

	2024 \$	2023 \$
Profit/(loss) for the period	415,011	2,008
Other comprehensive income for the period	-	-
Total comprehensive income/(loss) for the period	415,011	2,008
Total comprehensive income/(loss) attributable to: Members of the Organisation	415,011	2,008

The accompanying notes form part of these financial statements

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA
PLUMBING DIVISION – NATIONAL OFFICE ABN: 40 655 883 201**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024**

	Notes	2024 \$	2023 \$
Current Assets			
Cash and Cash Equivalents	3	171,508	64,362
Receivables	4	1,878,485	1,440,971
Total Current Assets		<u>2,049,993</u>	<u>1,505,333</u>
Non Current Assets			
Plant and Equipment	5	5,376	14,198
Other Non Current Assets	6	133,436	-
Total Non Current Assets		<u>138,812</u>	<u>14,198</u>
Total Assets		<u>2,188,805</u>	<u>1,519,531</u>
Current Liabilities			
Payables	7	327,014	56,939
Provisions	9	9,318	25,130
Total Current Liabilities		<u>336,332</u>	<u>82,069</u>
Total Liabilities		<u>336,332</u>	<u>82,069</u>
Net Assets		<u>1,852,473</u>	<u>1,437,462</u>
Equity			
General Fund	17	1,852,473	1,437,462
Total Equity		<u>1,852,473</u>	<u>1,437,462</u>

The accompanying notes form part of these financial statements

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA
PLUMBING DIVISION – NATIONAL OFFICE ABN: 40 655 883 201**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024**

	2024 \$	2023 \$
General Fund – Beginning of the Year	1,437,462	1,435,454
Profit/(Loss) for the Year	415,011	2,008
General Fund – End of the Year	1,852,473	1,437,462

The accompanying notes form part of these financial statements

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA
PLUMBING DIVISION – NATIONAL OFFICE ABN: 40 655 883 201**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	2024 Inflows/ (Outflows) \$	2023 Inflows/ (Outflows) \$
Cash flows from Operating Activities			
Per Capita Contributions and other Branch receipts		1,247,606	801,478
Interest Received		10	15
Payments to CEPU – National Office		(90,531)	(61,893)
Payments to CEPU Communications Division		(2,599)	(2,186)
Payments to PTEU Branches		(375,806)	(353,372)
Payments to Suppliers and Employees		(538,098)	(423,482)
Net Cash (Used in) Provided by Operating Activities	10(b)	<u>240,582</u>	<u>(39,440)</u>
Cash Flows from Investing Activities			
(Payments for)/Receipts in relation to Plant and Equipment and other Non Current Assets		(133,436)	(1,466)
Net Cash Used in Investing Activities		<u>(133,436)</u>	<u>(1,466)</u>
Net Increase/(Decrease) in Cash Held Cash and Cash Equivalents at Beginning of Year		107,146	(40,906)
		<u>64,362</u>	<u>105,268</u>
Cash and Cash Equivalents at End of Year	10(a)	<u>171,508</u>	<u>64,362</u>

The accompanying notes form part of these financial statements

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

1. Summary of Accounting Policies

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

Basis of Preparation

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

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

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

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

Accounting Policies

(a) Property, Plant and Equipment

Cost and Valuation

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

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

Depreciation

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

	2024	2023
Art work	2.5%	2.5%
Furniture and Office Equipment	25%	25%
Motor Vehicles	25%	25%

(b) Employee Benefits

Short-term Employee Benefits

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

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

1. Summary of Accounting Policies (cont'd)

(b) Employee Benefits (cont'd)

Long-term Employee Benefits

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

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

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

The number of staff employed at 30 June 2024 was 0.5 (2023: 0.5).

(c) Income Tax

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

(d) Revenue Recognition

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

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

Revenue from Contracts with Customers

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

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

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

1. Summary of Accounting Policies (cont'd)

(d) Revenue Recognition (Cont'd)

Levies

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

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

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

Consideration is received by the Union to enable the entity to further its objectives. The Union recognises each of these amounts of consideration as income when the consideration is received (which is when the Union obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- the Union's recognition of the cash contribution does not give to any related liabilities.

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

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

Volunteer Services

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

Income Recognised from Transfers

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

Gains from Sale of Assets

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

Interest Income

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

1. Summary of Accounting Policies (cont'd)

(e) Goods and Services Tax (GST)

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

(f) Bad and Doubtful Debts

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

(g) Impairment of Assets

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

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

(h) Cash and Cash Equivalents

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

(i) Recovery of Wages Activity

There was no 'recovery of wages' activity in 2024 and/or 2023.

(j) Critical Accounting Estimates and Judgements

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

Key Estimates – Impairment

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

(k) Fair Value Measurement

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

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

1 Summary of Accounting Policies (cont'd)

(k) Fair Value Measurement (cont'd)

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

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

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

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

(l) Financial Instruments

Initial Recognition and Measurement

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

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

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

Classification and subsequent measurement

Financial Liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)

1. Summary of Accounting Policies (cont'd)

(i) Financial Instruments (cont'd)

A financial liability is measured at fair value through profit or loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which *AASB 3: Business Combinations* applies;
- held for trading; or
- initially designated as fair value through profit or loss.

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

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

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

A financial liability is held for trading if it is:

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

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

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

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

A financial liability cannot be reclassified.

Financial Assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

1 Summary of Accounting Policies (cont'd)

(l) Financial Instruments (cont'd)

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

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

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

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

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

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

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

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

Equity Instruments

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

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

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the Statement of Financial Position.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

1. Summary of Accounting Policies (cont'd)

(i) Financial Instruments (cont'd)

Derecognition of Financial Liabilities

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

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

Derecognition of Financial Assets

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

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

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

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

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

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

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

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

Loss allowance is not recognised for:

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

1. Summary of Accounting Policies (cont'd)

(l) Financial Instruments (cont'd)

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

The entity used the following approaches to impairment, as applicable under AASB 9:

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

General Approach

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

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

Simplified Approach

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

This approach is applicable to:

- trade receivables; and
- lease receivables.

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

Purchased or Originated Credit-impaired Approach

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

1. Summary of Accounting Policies (cont'd)

(i) Financial Instruments (cont'd)

Evidence of credit impairment includes:

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

Low Credit Risk Operational Simplification Approach

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

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

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

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

Recognition of Expected Credit Losses in Financial Statements

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

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

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

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

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

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

1. Summary of Accounting Policies (cont'd)

(m) Trade and Other Receivables

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

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

Therefore, the Union does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Union has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Debt Instruments Other than Trade Receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Union recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Union expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

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

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

(n) New Accounting Standards for Application in Future Periods

There are no new pronouncements that have mandatory application dates for future periods, expected to impact the financial performance and financial position of the entity.

(o) Going Concern

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

(p) Fund Analysis

For the financial year ended 30 June 2024, there was no applicable fund or accounts operated in respect of compulsory levies, voluntary contributions or required by the rules of the Union; and there was no transfer and/or withdrawal from a fund, account, asset or controlled entity which is kept for a specific purpose. There was no compulsory or voluntary contributions and funds invested in specific assets. The general fund is disclosed in the Statement of Financial Position.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

2. Information to be provided to Members or the General Manager:

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

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).

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

	2024 \$	2023 \$
3. Cash and Cash Equivalents		
Cash at Bank	171,508	64,362
	<u>171,508</u>	<u>64,362</u>
4. Receivables		
Advances and per capita due by branches	1,878,485	1,440,971
Provision for Bad and Doubtful Debts	-	-
	<u>1,878,485</u>	<u>1,440,971</u>

a. Terms and Conditions

Details of the amounts owing from related parties are outlined at Note 11.
No debtors are outside of agreed trading terms.

b. Credit Losses

The credit loss provision was \$nil (2023: \$nil) and there were no movements during the year. No receivables were recognised for contracts with customers (2023: \$nil). There are no 'past due' receivables. No significant credit risk exists with any single counterparty, nor is there any collateral over receivables except as stated.

5. Plant and Equipment

Motor Vehicles at Cost	30,434	30,434
Less accumulated depreciation	(28,532)	(20,923)
	<u>1,902</u>	<u>9,511</u>
Artwork at Cost	3,864	3,864
Less accumulated depreciation	(1,507)	(1,410)
	<u>2,357</u>	<u>2,454</u>
Equipment at Cost	30,940	30,940
Less accumulated depreciation	(29,823)	(28,707)
	<u>1,117</u>	<u>2,233</u>
Total Plant and Equipment	<u>5,376</u>	<u>14,198</u>

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

2024	Equipment \$	Artwork \$	Vehicles \$	Total \$
Balance at Beginning of Year	2,233	2,454	9,511	14,198
Additions	-	-	-	-
Disposals	-	-	-	-
Depreciation Expense	(1,116)	(97)	(7,609)	(8,822)
Carrying Amounts at End of Year	<u>1,117</u>	<u>2,357</u>	<u>1,902</u>	<u>5,376</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

	2024 \$	2023 \$
6. Other Non Current Assets		
Database Upgrade – Work in Progress	133,436	-
Balance at Beginning of Year	-	-
Additions - Cost	133,436	-
Balance at End of Year	133,436	-
7. Payables		
Creditors and Accrued Expenses	327,014	56,939

Terms and Conditions

Creditors and other payables are settled within the terms of payments offered, which is usually within 30 days. These balances are unsecured and no interest is applicable on these accounts. All payables are expected to be settled within 12 months.

8. Employee Benefits

Employee Benefits paid during the year:	Elected Officials	Other Employees	Total
	\$		\$
2024			
Wages and Salaries and Allowances	42,800	-	42,800
Annual Leave and Sick Leave	-	-	-
Long Service Leave and Retirement	-	(15,812)	(15,812)
Termination Payment	-	-	-
Superannuation	5,350	-	5,350
Total	48,150	(15,812)	32,338
2023			
Wages and Salaries and Allowances	42,800	-	42,800
Annual Leave and Sick Leave	-	-	-
Long Service Leave and Retirement	444	-	444
Termination	-	-	-
Superannuation	5,136	-	5,136
Total	48,380	-	48,380

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

9. Provisions	2024	2023
	\$	\$
Current		
Employee Benefits	9,318	25,130
	<u>9,318</u>	<u>25,130</u>
Provision for long service leave in respect of:		
Elected Officials	3,993	3,993
Other Employees	-	-
Provisions for Retirement Gratuity in respect of:		
Elected Officials	5,325	5,325
Other Employees	-	15,812
	<u>9,318</u>	<u>25,130</u>

There are no other provisions for annual leave, separation and redundancy or other payables for Officeholders. There were no other liabilities for annual leave, long service leave, separation or redundancy for other employees (2023: \$nil).

Provision for Employee Benefits

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

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

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

10. Note to Cash Flow Statement	2024	2023
	\$	\$
(a) Reconciliation of Cash and Cash Equivalents		
For the purposes of the Cash Flow Statement, cash and cash equivalents include cash on hand and at bank. Cash and cash equivalents at the end of the reporting period are reconciled to related items in the Balance Sheet as follows:		
Cash at Bank	171,508	64,362
	<u>171,508</u>	<u>64,362</u>
(b) Reconciliation of Net Cash Provided by Operating Activities to Net (Loss) / Profit		
Net (Loss) / Profit	415,011	2,008
Depreciation	8,822	8,618
Change in Operating Assets and Liabilities		
Increase/(Decrease) in Trade Creditors and Accruals and Provisions	254,263	2,617
Decrease/(Increase) in Receivables	(437,514)	(52,683)
Net Cash Provided by Operating Activities	<u>240,582</u>	<u>(39,440)</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

11. Related Party Information

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

E Setches	G O'Halloran	C Tsiakoulas	C Seet
P McCrudden	B Bintley	MWiech	J Cranny
G Menzies	JMaxwell	T Samartzopoulos	

M Wiech resigned as National Councillor on 13 October 2023 and J Maxwell was appointed as National Councillor on 22 February 2024.

(b) Amounts received or due and receivable from the Union (ie. allowances paid) to the Divisional Council Members were \$42,800 (2023: \$42,800).

(c) Amounts paid to a superannuation scheme in respect of retirement of the Divisional Council Members were \$5,350 (2023: \$5,136).

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

(e) Remuneration of Key Officers	Short-Term Remuneration		Post – Employment Benefits		Other Benefits	
	2024	2023	2024	2023	2024	2023
	42,800	\$42,800	5,350	\$5,136	-	-

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

The Officeholders received no 'non cash' benefits (2023: \$nil). No Officeholder of the Union during the year and/or the prior year had any material personal interest in a matter that he/she has or did acquire, or a relative of the Officeholder has or did acquire.

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

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

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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	2024 \$	2023 \$
11. Related Party Information (cont'd)		
(f) Transactions between the national office and state branches:		
(i) Per capita Contributions		
Victorian Branch	791,514	441,868
Western Australia	47,675	23,487
New South Wales Branch	311,356	167,199
Queensland Branch	336,424	187,052
Total	<u>1,486,969</u>	<u>819,606</u>
(ii) Other Levies (Voluntary or Compulsory)		
Victorian Branch	-	-
Western Australia	-	-
New South Wales Branch	-	-
Queensland Branch	-	-
Total	<u>-</u>	<u>-</u>
(iii) Amounts receivable/(payable) at reporting date – other branches		
Victoria Branch	935,242	827,274
Western Australia Branch	606,551	518,109
New South Wales Branch	136,290	95,588
Queensland Branch	145,289	-
CEPU Communications Division	(333)	(199)
	<u>1,823,039</u>	<u>1,440,772</u>
 Balances Reconciliation- related entities		
Victoria Branch		
Carrying amount at beginning of the year	827,274	817,586
Per Capita Charge	791,514	441,868
Other Charges	(157,677)	(336,263)
Loan advanced / (repaid)	(52,000)	-
Payments	195,170	337,146
Receipts	(669,039)	(433,063)
Carrying amount at end of the year	<u>935,242</u>	<u>827,274</u>
Western Australia Branch		
Carrying amount at beginning of the year	518,109	482,273
Per Capita Charge	47,675	23,487
Other Charges	(11,233)	669
Loan advanced	36,000	13,636
Payments	16,000	16,226
Receipts	-	(18,182)
Carrying amount at end of the year	<u>606,551</u>	<u>518,109</u>
New South Wales Branch		
Carrying amount at beginning of the year	95,588	88,331
Per Capita Charge	311,356	167,199
Other Charges	(97,501)	3,140
Payments	128,636	-
Receipts	(301,789)	(163,082)
Carrying amount at end of the year	<u>136,290</u>	<u>95,588</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

11. Related Party Information (cont'd)	2024	2023
	\$	\$
Queensland Branch		
Carrying amount at beginning of the year	-	-
Per Capita Charge	336,424	187,052
Other Charges	33,643	-
Payments	-	-
Receipts	(224,778)	(187,052)
Carrying amount at end of the year	<u>145,289</u>	<u>-</u>
Cepu Communications Division		
Carrying amount at beginning of the year	(199)	99
Per Capita Charge	-	(199)
Other Charges	(2,733)	-
Payments	2,599	-
Receipts	-	(99)
Carrying amount at end of the year	<u>(333)</u>	<u>(199)</u>

Included in total payables is an amount of \$333 payable to CEPU Communications Division (2023: \$199) and an amount of \$55,113 payable to CEPU Victorian Branch (2023: \$nil) relating to branch related costs.

12. Auditor's Remuneration		
Audit of financial report	6,500	6,500
Other services – compliance during the year	5,500	12,500
	<u>12,000</u>	<u>18,000</u>

13. Donations		
Political Party	-	9,126
Non Political Party	10,000	2,500
	<u>10,000</u>	<u>11,626</u>
Donations > \$1,000	10,000	11,626
Donations < \$1,000	-	-
	<u>10,000</u>	<u>11,626</u>

14. Campaign Expenses		
Contribution to Trade Union Industrial Campaign Expenses	-	258,411

15. Management Fees		
Amount paid to PICAC for secondment of Official	-	4,388

16. General Fund		
Retained Surplus at beginning of year	1,437,462	1,435,454
Net Profit/(Loss)	415,011	2,008
Retained Surplus at end of year	<u>1,852,473</u>	<u>1,437,462</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

17. Revenue

	2024	2023
	\$	\$
Revenue by Type of Customer		
- Branches	1,486,969	819,606
- Government	-	-
- Other	10	15
	1,486,979	819,621

There are no outstanding obligations in respect of revenue recognised. All revenue is recognised at a point in time and is derived in Australia.

18. Financial Instruments

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

The main purpose is to raise finance for the Union operations. The Union does not have any derivatives instruments at 30 June 2024 and is not exposed to foreign currencies fluctuations.

(a) Credit Risk

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

	2024	2024	2023	2023
	Not Due Not Impaired \$	Past Due or Impaired \$	Not Due Not Impaired \$	Past Due or Impaired \$
Advances and per capita amounts due by branches	1,878,485	-	1,440,971	-
	1,878,485	-	1,440,971	-

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

(b) Interest Rate Risk

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

Financial Instruments	Non-interest bearing		Floating interest rate		Total	
	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$
(i) Financial Assets						
Cash and Bank deposits	-	-	171,508	64,362	171,508	64,362
Receivables	1,878,485	1,440,971	-	-	1,878,485	1,440,971
Total financial assets	1,878,485	1,440,971	171,508	64,362	2,049,993	1,505,333
(ii) Financial liabilities						
Accounts Payable	(327,014)	(56,938)	-	-	(327,014)	(56,938)
Total Financial liabilities	(327,014)	(56,938)	-	-	(327,014)	(56,938)
Net financial Assets	1,551,471	1,384,033	171,508	64,362	1,722,979	1,448,395

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

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

	2024	2023
Cash and Bank Deposits	0.01%	0.01%

(c) Net Fair Values

The net fair values of the Union's financial assets and financial liabilities are not expected to be significantly different from each class of asset and liability as disclosed above and recognised in the Statement of Financial Position as at 30 June 2024.

(d) Sensitivity Analysis

Sensitivity analysis in market interest rates on the Union is as follows;

Increase/(Decrease)	Impact on surplus and equity	
	2024	2023
	\$	\$
1%	1,715	644
(1%)	(1,715)	(644)

(e) Liquidity Risk

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

19. Recovery of Wages Activity

The Union has not undertaken recovery of wages activity nor has it derived revenues for the Financial Year in respect of such activity.

20. Fair Value Measurement

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

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

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

a. Fair Value Hierarchy

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

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

20. Fair Value Measurement (cont'd)

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

a. Fair Value Hierarchy (cont'd)

Valuation Techniques

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

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

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

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

	30 JUNE 2024			Total
	Level 1	Level 2	Level 3	
	\$	\$	\$	\$
Recurring fair value measurements				
<i>Financial assets</i>	-	-	-	-
Financial assets at fair value through profit and loss:	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
Total non-financial assets recognised at fair value	-	-	-	-

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

20. Fair Value Measurement (cont'd)

	30 June 2023			Total \$
	Level1 \$	Level2 \$	Level3 \$	
Recurring fair value measurements				
<i>Financial assets</i>	-	-	-	-
Financial assets at fair value through profit and loss:	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
Total non-financial assets recognised at fair value	-	-	-	-

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

Description	Fair Value at 30 June 2024 & 30 June 2023 \$	Valuation Technique(s)	Inputs Used
<i>Financial assets</i>			
Financial assets at fair value through profit or loss:	-	Market approach: valuation techniques that reflect prices and other relevant information generated by market transactions for identical or similar assets	Market unit price
<i>Non-financial assets</i>			
Financial assets at fair value	-	Market approach: valuation techniques that reflect the current equivalent market price of an asset at its current service capacity	Price per square metre, market borrowing rate

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

20. Fair Value Measurement (cont'd)

c. Disclosed Fair Value Measurements

The following assets and liabilities are not measured at fair value in the Statement of Financial Position, but their fair values are disclosed in the notes:-

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

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

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

21. Commitments

Capital expenditure commitments - \$nil (2023 : \$nil).

22. Contingent Liability or Assets

There was no contingent liability or assets at 30 June 2024 (2023: \$nil)

23. Segment Reporting

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

24. Expenses – Financial Affairs Administered by Other Entities

For the Financial Year ended 30 June 2024, no external costs were paid for administration of the Union's financial affairs by other entities.

25. Union's Details

The principal place of business of the branch is:

52 Victoria Street
CARLTON SOUTH VIC 3053

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024 (cont'd)**

26. Other Disclosures

Except as disclosed in the Statement of Profit and Loss, there were no other expenses or allowances in connection with holding meetings of members of the Union and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the Union was wholly or partly responsible.

There were no payables to employers as consideration for the employers making payroll deductions of membership subscriptions at reporting date, nor payables for any legal services relating to litigation or other matters at reporting date.

The Union did not receive periodic or membership subscriptions (2023: \$nil).

The Union did not make a payment to a former related party during the year (2023: \$nil).

No fees or allowances were paid to persons to attend conferences or meetings as a representative of the Union, unless disclosed.

All affiliation fees paid were >\$1,000.

27. Acquisition of Assets and or Liabilities that do not Constitute a Business Combination

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

28. Subsequent Events

There were no subsequent events of significance after the reporting date.

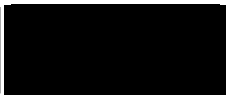
DIVISIONAL COUNCIL STATEMENT

On the 21st August of 2024, the Divisional Council of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Plumbing Division – National Office passed the following resolution in relation to the General Purpose Financial Report (GPFR) of the reporting unit for the Financial Year ended 30 June 2024.

The Divisional Executive 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 reporting unit for the Financial Year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the Financial Year to which the general purpose financial report relates and since the end of that year:
 - i) meetings of the Division Council were held in accordance with the rules of the Organisation including the rules of a branch concerned;
 - ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the Organisation including the rules of a branch concerned; and
 - iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the reporting units of the organisation; and
 - v) where information sought in any request of a Member of the reporting unit or the General Manager duly made under section 272 of the RO Act, that information has been provided to the member or the General Manager; and
 - vi) where any order for inspection of financial records made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

This declaration is made in accordance with a resolution of the Divisional Council.



Earle Setches

Dated this 21st

day of August

2024

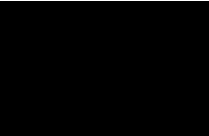
AUDITOR'S INDEPENDENCE DECLARATION**TO THE COMMITTEE OF MANAGEMENT OF COMMUNICATIONS, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA
PLUMBING DIVISION – NATIONAL OFFICE**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2024 there have been:-

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

Stannards Accountants & Advisors

Stannards Accountants and Advisors



Registered Current Company Auditor (389435)
Holder of Current Public Practice Certificate
Approved Auditor (FWC Act and Regulations- AA2021/18)

Date in Melbourne this day of..... 2024

INDEPENDENT AUDIT REPORT

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

Report on the Audit of the Financial Report

Auditor's Opinion

We have audited the accompanying general purpose financial report of the Union, which comprises the statement of financial position as at 30 June, 2024, and the Statement of Profit and Loss, Statement of Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity for the year then ended, a summary of significant accounting policies, other explanatory notes, the Committee of Management Statement, the Subsection 255(2A) report and the Officer Declaration Statement.

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

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

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

As part of our audit of the Organisation for the year ended 30 June 2024, we are of the opinion that the Committee of Management's use of the going concern basis of accounting in the preparation of its financial statements is appropriate.

Basis for Opinion

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

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

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

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

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

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

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

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

Committee of Management Responsibility for the Financial Report

The Committee of Management 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 committee of management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the auditing in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Union'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 Union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Union to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Union audit. We remain solely responsible for our audit opinion.

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

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

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


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

No revenue has been derived from undertaking recovery of wages activity during the 2024 Financial Year.

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

Stannards Accountants & Advisors

Stannards Accountants and Advisors


James Dickson
Registered Current Company Auditor (389435)
Holder of Current Public Practice Certificate
Approved Auditor (FWC Act and Regulations- AA2021/18)

Dated: