



4 November 2016

Ms Angela Stefani  
Executive Officer  
Australian Principals Federation  
Suite 1315A, 401 Docklands Drive  
DOCKLANDS VIC 3008

via email: [astefani@apf.net.au](mailto:astefani@apf.net.au)

Dear Ms Stefani

**Australian Principals Federation Financial Report for the year ended 30 June 2016 - [FR2016/178]**

I acknowledge receipt of the financial report for the year ended 30 June 2016 for the Australian Principals Federation (**the reporting unit**). The financial report was lodged with the Fair Work Commission (**FWC**) on 26 October 2016.

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 s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009 (RO Act)* have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2017 may be subject to an advanced compliance review.

**Reporting Requirements**

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8656 4681 or by email at [joanne.fenwick@fwc.gov.au](mailto:joanne.fenwick@fwc.gov.au).

Yours sincerely

Joanne Fenwick  
Financial Reporting Specialist  
Regulatory Compliance Branch



**Australian Principals Federation**  
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**APF**

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**Certificate for the period ended 30<sup>th</sup> June 2016 – Australian Principals Federation  
Federal Office  
s.268 Fair Work (Registered Organisations) Act 2009**

I, Ron Bamford, being the President of the Australian Principals Federation Federal Office certify:

- that the documents lodged herewith are copies of the full report for the Australian Principals Federation Federal Office for the period ended 30<sup>th</sup> June 2016 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 15<sup>th</sup> September 2016 and
- that the full report was presented to the *Committee of Management* of the reporting unit on 13<sup>th</sup> October 2016 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Ron Bamford  
President – Federal Office  
Date: 26<sup>th</sup> October 2016

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

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**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**OPERATING REPORT FOR THE FINANCIAL YEAR 2016**

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

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

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

In 2016 an agreement was reached with WA, SA and Victoria to fund the development of the first Principals Talk discussion paper and then manage a discussion across the country. This was a significant step and should see a more national approach to principal industrial issues.

**Significant changes in financial affairs**

In the financial year 2015-16 the per capita contribution from branches to the Federal Office was \$10.00. There was no increase from the previous year. The capitation fee is designed to provide a working fund to develop the APF presence on the national stage and reduce internal debt of the Federal Office to the Victorian branch.

As required by regulation all officers that are concerned with financial decision making of the Federal office, received accredited training by the Australian Institute of Company Directors within 6 months of taking up their appointment.

**Related parties**

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

**Right to resign**

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

**Trustee of Superannuation Entity**

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

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

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

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**OPERATING REPORT FOR THE FINANCIAL YEAR 2016**

**Number of Members**

The number of members of the APF as at 30 June 2016 was 346 in Western Australia and 769 in Victoria giving a total of 1,115.

**Number of Employees**

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

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

For the Financial Year 1 July 2015 to 30 June 2016 the individuals listed below held office of the Australian Principals Federation Federal Office. All committee of management members have as their constituency the state of Western Australia or Victoria as per APF rules.

Table 1: Elections to fill casual vacancies are ongoing.

<b>Position</b>	<b>First Name</b>	<b>Last Name</b>	<b>Sector</b>	<b>Constituency</b>
President	Ron	Bamford	Secondary	WA
Vice President <i>Elected 18/12/2015</i>	Peter	Beckingham	Primary	WA
Treasurer	Bevan	Ripp	Primary	WA
Executive member	David	Finnerty	Secondary	Victoria
Councillor	Rod	Kendall	Secondary	Victoria
Councillor <i>Elected 17/9/2015</i>	Peter	Beckingham	Primary	WA
Councillor	Vacant		Primary	Victoria
Councillor	Vacant		Primary	Victoria



Ron Bamford  
President  
17 August 2016

**THE AUSTRALIAN PRICIPALS FEDERATION  
FEDERAL OFFICE**

**COMMITTEE OF MANAGEMENT STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2016**

On 17 August 2016 the Committee of Management of The Australian Principals Federation passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2016.

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (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;
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  - (v) where information has been sought in any request of a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
  - (vi) where any order of inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

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



Ron Bamford  
President  
17 August 2016

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2016**

	NOTE	2016 \$	2015 \$
<b>INCOME</b>			
Subscriptions		-	-
Capitation Fees	3	11,272	10,891
Levies		-	-
Interest		18	62
Grants or Donations		-	-
Other Revenue	3	9,091	-
		-----	-----
		20,381	10,953
		-----	-----
<b>LESS EXPENDITURE</b>			
Employee Expenses		-	-
Capitation Fees		-	-
Affiliation Fees		-	-
Administration Expenses	4	5,000	-
Grants or Donations		-	-
Depreciation		-	-
Legal Costs	4	-	-
Audit Fees		1,000	1,000
Bad Debts		-	-
Meeting Expenses		1,745	1,672
Fees and Allowances		-	-
Penalties under the RO Act		-	-
		-----	-----
		7,745	2,672
		-----	-----
Other Comprehensive Income		-	-
		-----	-----
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>12,636</b>	<b>8,281</b>
		=====	=====

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



**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2016**

	NOTE	2016 \$	2015 \$
<b>CURRENT ASSETS</b>			
Cash	5	15,076	4,827
Receivables		-	-
		-----	-----
<b>TOTAL CURRENT ASSETS</b>		15,076	4,827
		-----	-----
<b>TOTAL ASSETS</b>		15,076	4,827
		-----	-----
<b>CURRENT LIABILITIES</b>			
Creditors		5,000	-
Employee Benefits		-	-
GST Liabilities		1,342	1,089
		-----	-----
<b>TOTAL CURRENT LIABILITIES</b>		6,342	1,089
		-----	-----
<b>NON-CURRENT LIABILITIES</b>			
Employee Benefits		-	-
Loan from APF Victorian Branch	8	25,365	33,005
		-----	-----
<b>TOTAL NON-CURRENT LIABILITIES</b>		25,365	33,005
		-----	-----
<b>TOTAL LIABILITIES</b>		31,707	34,094
		-----	-----
<b>NET ASSETS</b>		(16,631)	(29,267)
		=====	=====
<b>MEMBERS' EQUITY</b>			
Retained Profits/(Accumulated Losses)		(16,631)	(29,267)
		=====	=====

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

**THE AUSTRALIAN PRICIPALS FEDERATION  
FEDERAL OFFICE**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2016**

	<b>2015</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Balance as at 1 July 2015	(29,267)	(37,548)
Profit (Loss) for the year	12,636	8,281
Voluntary contributions	-	-
Transfers	-	-
	-----	-----
Balance as at 30 June 2016	(16,631)	(29,267)
	=====	=====

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

**THE AUSTRALIAN PRICIPALS FEDERATION  
FEDERAL OFFICE**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2016**

	NOTE	2016 \$	2015 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from capitation fees – Victorian Branch		6,945	7,418
Receipts from capitation fees – WA Branch		4,327	3,473
Receipts from other revenue		9,091	-
Interest received		18	62
Payments to suppliers		(2,492)	(1,955)
		-----	-----
Net cash provided by (used in) operating activities	6	17,889	8,998
		-----	-----
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Repayment of loan to Victorian Branch		(7,640)	(10,660)
		-----	-----
Net cash provided by (used in) financing activities		(7,640)	(10,660)
		-----	-----
<b>Net increase (decrease) in cash held</b>		10,249	(1,662)
Cash at the beginning of the financial year		4,827	6,489
		-----	-----
<b>Cash at the end of the financial year</b>	5	15,076	4,827
		=====	=====

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

**THE AUSTRALIAN PRICIPALS FEDERATION  
FEDERAL OFFICE**

**RECOVERY OF WAGES ACTIVITY  
FOR THE YEAR ENDED 30 JUNE 2016**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Cash assets in respect of recovered money at beginning of year</b>	-	-
<b>Receipts</b>		
Nil	-	-
<b>Payments</b>		
Nil	-	-
	-----	-----
<b>Cash assets in respect of recovered money at end of year</b>	-	-
	=====	=====
 Number of workers to which the monies recovered relates	 -	 -
 <b>Aggregate payables to workers attributable to recovered monies but not yet distributed</b>		
Payable balance	-	-
Number of workers the payable relates to	-	-

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

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of Preparation**

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

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

**(b) Comparative Amounts**

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

**(c) Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from capitation fees is accounted for on an accrual basis and is recorded in the year to which it relates.

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

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

**(d) Income Tax**

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

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

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

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

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

**(e) Impairment of assets**

Assets are reviewed for impairment whenever events or changes in circumstances indicated that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

**(f) Cash and cash equivalents**

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

**(g) Receivables**

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

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

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

**(h) Creditors and Borrowings**

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

**(i) Contingent Liabilities and Contingent Assets**

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

**(j) New Australian Accounting Standards**

**Adoption of New Australian Accounting Standard Requirements**

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

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

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2016 reporting periods. The Federation has assessed the impact of these new standards and interpretations and is not expecting a significant impact on the financial statements.

**2. EVENTS AFTER THE REPORTING PERIOD**

There were no events that occurred after 30 June 2016, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of The Australian Principals Federation Federal Office.

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

<b>3.</b>	<b>INCOME</b>	<b>2016</b>	<b>2015</b>
		\$	\$
	<b>Capitation Fees</b>		
	Victorian Branch	6,945	7,418
	Western Australian Branch	4,327	3,473
		-----	-----
		11,272	10,891
		=====	=====
	<b>Other Revenue</b>		
	Principal Talks. Income earned from establishing an online portal for Australian Principals nationally	9,091	-
		=====	=====
<b>4.</b>	<b>EXPENSES</b>		
	Operating profit (loss) includes the following specific expenses:		
	<b>Legal Costs</b>	-	-
	Litigation	-	-
	Other legal matters	-----	-----
		-	-
		=====	=====
	<b>Administration Expenses</b>		
	Consideration to employers for payroll deductions	-	-
	Compulsory levies	-	-
	Consultants	5,000	-
		-----	-----
		5,000	-
		=====	=====
<b>5.</b>	<b>CASH</b>		
	Cheque Account	15,076	4,827
		=====	=====



**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

6. CASH FLOW INFORMATION	2016 \$	2015 \$
Reconciliation of Net Cash Provided by Operating Activities with Net Income:		
Net Income/(loss)	12,636	8,281
Changes in assets and liabilities:		
Decrease/(increase) in receivables	-	-
Increase/(decrease) in creditors	5,000	-
Increase/(decrease) in GST liabilities	253	717
	-----	-----
Net Cash provided by (used in) operating activities	17,889	8,998
	=====	=====
<b>7. REMUNERATION OF AUDITORS</b>		
During the year the following fees were paid for services provided by the auditor of the entity:		
<i>Audit services</i>		
Complete Audit Pty Ltd		
Audit and review of financial reports and other audit work	1,000	1,000
	=====	=====

**8. FINANCIAL SUPPORT**

The Australian Principals Federation Victorian Branch has agreed to provide The Australian Principals Federation Federal Branch with financial support to ensure they can continue on a going concern basis. The Federal Branch has accumulated losses totalling \$16,631 (2015: \$29,267) which has been recognised as a liability to the Victorian Branch as they have made a commitment to support the Federal Branch. In 2013, the Federal Branch also borrowed \$48,390 from the Victorian Branch to cover its debts within the creditor's terms. This agreed financial support will continue for as long as necessary. This is an interest free agreement with repayments being made by way of capitation fees each year. Balance of loan as at 30 June 2016 is \$25,365 (2015: \$33,005).

**9. RELATED PARTY TRANSACTIONS**

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

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

**10. GOING CONCERN**

The Statement of Financial Position shows accumulated losses totalling \$16,631 (2015: \$29,267). The Federal Branch is relying on a loan from the Victorian Branch to cover its debts within the creditor's terms. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Federation's ability to continue as a going concern.

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

**II. ACQUISITION OF ASSETS AND LIABILITIES**

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

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

**12. ADDITIONAL DISCLOSURES**

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

- Expenses incurred as consideration for employers making payroll deductions of membership subscriptions
- Compulsory levies
- Payables incurred as consideration for employers making payroll deductions of membership subscriptions
- Legal costs payable
- No other fund required by the rules

**13. ADMINISTRATION OF FINANCIAL AFFAIRS**

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

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

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

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

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

Information to be provided to members or the General Manager of Fair Work Australia:

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

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

**15. FINANCIAL INSTRUMENTS**

(a) Interest Rate Risk

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

	Weighted Average Effective Interest Rate Within 1 Year		No interest 1 to 5 years		Floating Interest Rate		Fixed Interest Rate Maturing				Total	
	2016	2015	2016	2015	2016	2015	Within 1 year		1 to 5 years		2016	2015
	%	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial Assets</b>												
Cash at Bank	1.0	1.0	-	-	15,076	4,827	-	-	-	-	15,076	4,827
Receivables			-	-	-	-	-	-	-	-	-	-
<b>Total</b>			-	-	15,076	4,827	-	-	-	-	15,076	4,827
<b>Financial Liabilities</b>												
Creditors			5,000	-	-	-	-	-	-	-	5,000	-
GST Liabilities			1,342	1,089	-	-	-	-	-	-	1,342	1,089
Loan	0.0	0.0	25,365	33,005	-	-	-	-	-	-	25,365	33,005
			31,707	34,094	-	-	-	-	-	-	31,707	34,094

(b) Credit Risk

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

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

(c) Net Fair Values

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

**THE AUSTRALIAN PRINCIPALS FEDERATION  
FEDERAL OFFICE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

<b>15. FINANCIAL INSTRUMENTS (Cont.)</b>	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Net income and expenses from financial assets</b>		
Interest revenue	18	62
	-----	-----
	18	62
	=====	=====
<b>Net income and expenses from financial liabilities</b>		
No items to disclose.		



**CHARTERED ACCOUNTANTS**  
AUSTRALIA + NEW ZEALAND

**COMPLETE AUDIT**

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Phone: 0408 310 882

Email: [danielle@completeaudit.com.au](mailto:danielle@completeaudit.com.au)

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

We have audited the financial report of the Australian Principals Federation Federal Office for the year ended 30 June 2016. The financial report includes the statement of comprehensive income, statement of financial position, statement of changes in equity, cash flow statement, recovery of wages activity, notes to and forming part of the financial statements and the committee of management statement.

**Committee Members' Responsibility for the Financial Report**

The committee of the Australian Principals Federation Federal Office are responsible for the preparation and fair presentation of the financial report in appropriate to meet the requirements of the Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 and for such internal control as the committee determine are necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Federation's preparation of the financial report that gives a true and fair view, 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 Federation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee members', as well as evaluating the overall presentation of the financial report.

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



**CHARTERED ACCOUNTANTS**  
AUSTRALIA + NEW ZEALAND

**COMPLETE AUDIT**

Suite 1, 329 Main Street Lilydale  
PO Box 206 Lilydale 3140  
Phone: 0408 310 882  
Email: danielle@completeaudit.com.au

### **Independence**

In conducting our audit, we have complied with the applicable independence requirements of the Accounting Professional and Ethical Standards Board.

### **Auditor's Opinion**

In our opinion,

- (a) the financial report presents fairly, in all material aspects, the financial position of the Australian Principals Federation Federal Office as at 30 June 2016, and its financial performance and its cash flows for the year then ended in accordance with:
  - i. the Australian Accounting Standards; and
  - ii. the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) act 2009.
  
- (b) committee's use of the going concern basis of accounting in the preparation of the financial report is appropriate.

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

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

### **Material Uncertainty Regarding Continuation as a Going Concern**

Without qualifying our opinion, we draw attention to Note 10 in the financial report which outlines there is significant uncertainty whether the entity will continue as a going concern and, therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The note indicates that the Federation has accumulated losses totalling \$16,631. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Federation's ability to continue as a going concern.

**Signed by Danielle Ewart**

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

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

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

**Lilydale Victoria**

**17 August 2016**



15 July 2016

Ms Angela Stefani  
Executive Officer  
Australian Principals Federation  
By email: [astefani@apf.net.au](mailto:astefani@apf.net.au)

Dear Ms Stefani,

**Re: Lodgement of Financial Report - [FR2016/178]  
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the Australian Principals Federation (the reporting unit) ended on 30 June 2016.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date under s.268 of the RO Act, that being within 14 days after the meeting referred to in s.266 of the RO Act.

### **Timelines**

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

### **Fact sheets, guidance notes and model statements**

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. This includes a model set of financial statements which have been developed by the FWC. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. The model statement, Reporting Guidelines and other resources can be accessed through our website under [Financial Reporting](#) in the Compliance and Governance section.

### **Loans, grants and donations: our focus this year**

Also you are reminded of the obligation to prepare and lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 requires this statement to be lodged with the FWC within 90 days of the end of the reporting unit's financial year, that is on or before 28 September 2016. A sample statement of loans, grants or donations is available at [sample documents](#).

Over the past year we have noted issues in organisations' financial reports relating to timelines and how loans, grants and donations are reported. We will be focusing closely on these areas this year. Please find attached below fact sheets relating to these requirements or alternatively visit our website for information regarding [financial reporting timelines](#) and [loans, grants and donations](#).

It is requested that the financial report and any Statement of Loans, Grant or Donations be lodged electronically by emailing [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au).

11 Exhibition Street  
Melbourne VIC 3000  
GPO Box 1994  
Melbourne VIC 3001

Telephone : (03) 8661 7777  
Email : [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au)  
Internet : [www.fwc.gov.au](http://www.fwc.gov.au)



## Civil penalties may apply

**It should be noted that s.268 is a civil penalty provision.** Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

## Contact

Should you wish to seek any clarification in relation to the above, email [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au).

Yours sincerely,

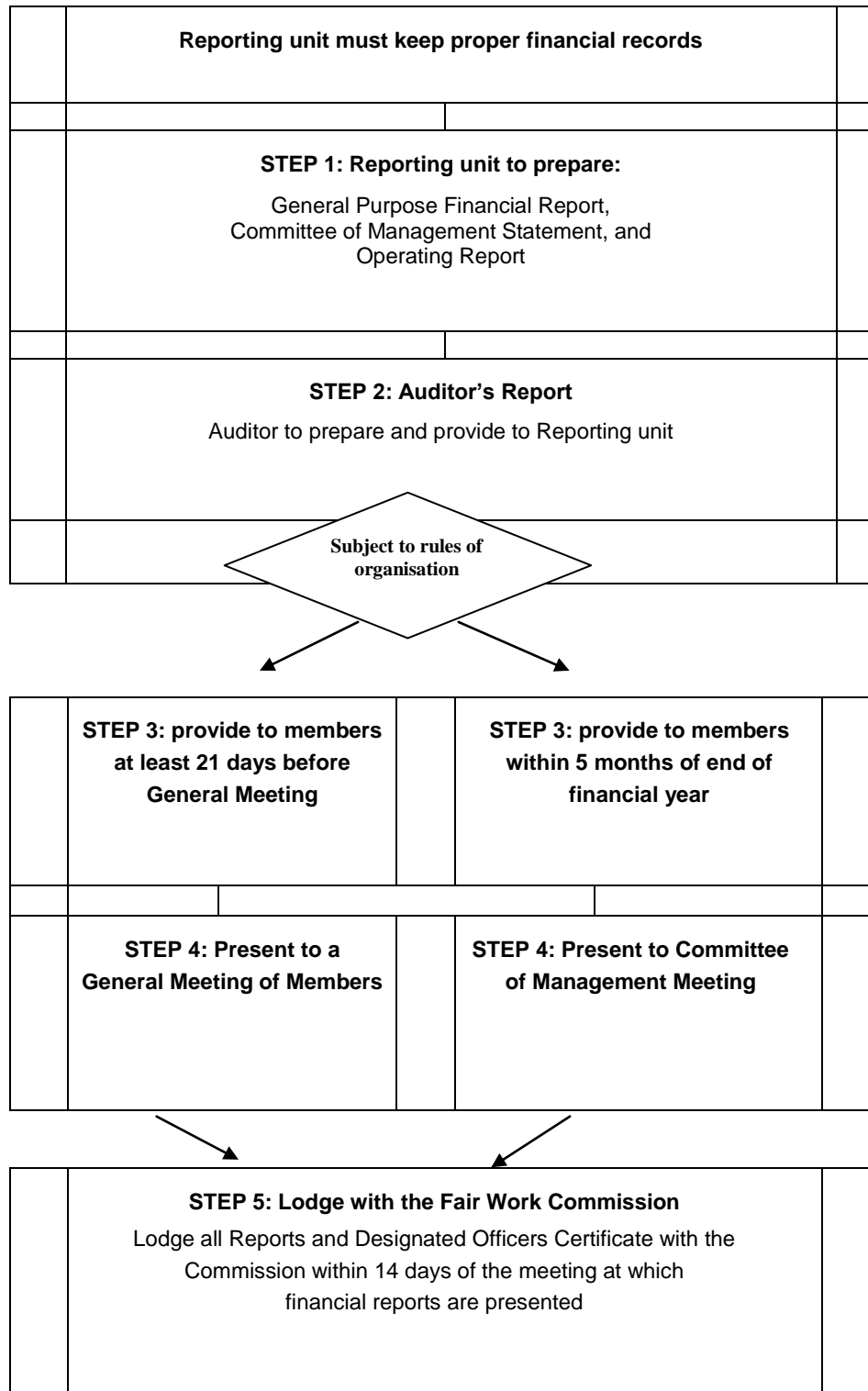


Anastasia Kyriakidis  
Adviser  
Regulatory Compliance Branch

# Financial reporting timelines

Financial reports are to be lodged with the Fair Work Commission (the Commission) within 14 days of the meeting at which the financial reports have been presented, by completing the steps as outlined below.

See Fact sheet—Financial reporting for an explanation of each of these steps.



# Fact Sheet - Loans, Grants & Donations

## The Loans, Grants & Donations Requirements

The *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within **90 days** of the ending of the financial year.

Under the General Manager's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.

## The Loans, Grants & Donations Statement

Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceed \$1000. The following information must be supplied to the Commission for each relevant loan, grant or donation:

the amount,

the purpose,

the security (if it is a loan),

the name and address of the person to whom it was made,\* and







the arrangements for repaying the loan.\*

\*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the Commission has a [Template Loans, Grants and Donations Statement](#) on its website. The Commission encourages branches and organisations to lodge the statement even if all of the figures are NIL.

## Common misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
 Only reporting units must lodge the Statement.	 All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
 Employees can sign the Statement.	 The statement must be signed by an elected officer of the relevant branch.
 Statements can be lodged with the financial report.	 The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.

## Grants & Donations within the Financial Report

Item 16(e) of the [General Manager's Reporting Guidelines](#) requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were \$1000 or less and those that exceeded \$1000.

As such, the note in the financial report relating to grants and donations will have four lines.

In the [Commission's Model Statements](#) the note appears as follows:

### Note 4E: Grants or donations\*

Grants:	2016	2015
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
<b>Total grants or donations</b>	<b>-</b>	<b>-</b>

Item 17 of the General Manager's Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

### Implications for filing the Financial Report

During their review of the 2016 financial report staff of the Commission will confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their 2015 financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the [Commission's website](#).

### Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the Regulatory Compliance Branch on [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au)