



Australian Government
Registered Organisations Commission

13 December 2017

Mr Peter Beckingham
Federal President
Australian Principals Federation

By e-mail: apf@apf.net.au

Dear Mr Beckingham

Australian Principals Federation
Financial Report for the year ended 30 June 2017 - FR2017/127

I acknowledge receipt of the financial report for the year ended 30 June 2017 for the Australian Principals Federation (APF). The financial report was lodged with the Registered Organisations Commission (ROC) on 4 December 2017.

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

Whilst the 2017 report has been filed the following should be addressed in the preparation of the next financial report.

General Purpose Financial Report (GPFR)

Accounting judgments and estimates

Australian Accounting Standard *AASB 101 Presentation of Financial Statements* paragraph 122 requires that the notes to the financial statements include a discussion on the significant accounting judgments and estimates applied.

No such discussion has been included in the Notes.

Disclosure of audit fees

Australian Accounting Standard *AASB 1054 Australian Additional Disclosures* paragraph 10 requires the financial statements to separately disclose amounts paid to the auditor for the audit or review of the financial statements and for all other services performed.

The Statement of Comprehensive Income discloses audit services but does not break down this expenditure as described above. It should be noted that if any of the audit fee relates to other services performed, then a description of the nature of the other services must be provided (refer to *AASB 1054* paragraph 11).

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) 9603 0707 or by email at ken.morgan@roc.gov.au

Yours faithfully

A handwritten signature in black ink, appearing to read 'K. Morgan', with a stylized flourish at the end.

KEN MORGAN
Financial Reporting Advisor
Registered Organisations Commission



Australian Principals Federation
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APF

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**Certificate for the period ended 30th June 2017– Australian Principals Federation
Federal Office
s.268 Fair Work (Registered Organisations) Act 2009**

I, Peter Beckingham, 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 30th 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 11th September 2017 and
- that the full report was presented to the *Committee of Management* of the reporting unit on 30th November 2017 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

President – Peter Beckingham
Date: 4th December 2017

**THE AUSTRALIAN PRINCIPALS FEDERATION
FEDERAL OFFICE**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

CONTENTS

	Page
Operating Report	3
Committee of Management Statement	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to and Forming Part of the Financial Statements	10
Independent Audit Report	19

**THE AUSTRALIAN PRINCIPALS FEDERATION
FEDERAL OFFICE**

OPERATING REPORT FOR THE FINANCIAL YEAR 2017

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 is continuing 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 is continuing to develop and has been a significant step and should see a more national approach to principal industrial issues.

Significant changes in financial affairs

In the financial year 2016-17 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 Federal Office does not have any relationships with any other organisation.

Right to resign

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

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.

**THE AUSTRALIAN PRINCIPALS FEDERATION
FEDERAL OFFICE**

OPERATING REPORT FOR THE FINANCIAL YEAR 2017

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.

Number of Members

The number of members of the APF as at 30 June 2017 was 436 in Western Australia and 729 in Victoria giving a total of 1,165.

Number of Employees

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

Committee of Management (APF Federal Council)

For the period of the financial year, 1 July 2016 to 31 December 2016, the individuals listed below (**Table 1**) held office of the Australian Principals Federation – Federal Office unless otherwise stated. For the period 1 January 2017 to 30 June 2017, the individuals listed below (**Table 2**) held office of the Australian Principals Federation – Federal Office unless otherwise stated. AEC Elections for all positions were declared on 14 October 2016 for Victorian members and 19 September 2016 for Western Australia members. All committee of management members have as their constituency in either the state of Western Australia or Victoria. Elections to fill casual vacancies are ongoing.

Table 1

First Name	Last Name	State	Sector
Ron	Bamford	WA	Secondary
Peter	Beckingham	WA	Primary
David	Finnerty	Victoria	Secondary
Rod	Kendall	Victoria	Secondary
Bev	Ripp	WA	Primary

Table 2

First Name	Last Name	State	Sector
Peter	Beckingham	WA	Primary
Leigh	Cottrill	WA	Secondary
David	Finnerty	Victoria	Secondary
Rod	Kendall	Victoria	Secondary
Bev	Ripp	WA	Primary



Peter Beckingham
President
30 August 2017

**THE AUSTRALIAN PRICIPALS FEDERATION
FEDERAL OFFICE**

**COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017**

On 30 August 2017 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 2017.

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (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 Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - (vi) where any order of inspection of financial records has been made by the registered Organisation 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.



Peter Beckingham
President
30 August 2017

**THE AUSTRALIAN PRINCIPALS FEDERATION
FEDERAL OFFICE**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017**

	NOTE	2017 \$	2016 \$
INCOME			
Subscriptions		-	-
Capitation Fees	3	10,400	11,272
Levies		-	-
Interest		130	18
Grants or Donations		-	-
Other Revenue	3	4,545	9,091
		-----	-----
		15,075	20,381
		-----	-----
LESS EXPENDITURE			
Employee Expenses		-	-
Capitation Fees		-	-
Affiliation Fees		-	-
Administration Expenses	4	3,731	5,000
Grants or Donations		-	-
Depreciation		-	-
Legal Costs	4	-	-
Audit Fees		1,000	1,000
Bad Debts		-	-
Meeting Expenses		1,844	1,745
Fees and Allowances		-	-
Penalties under the RO Act		-	-
		-----	-----
		6,575	7,745
		-----	-----
Other Comprehensive Income		-	-
		-----	-----
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		8,500	12,636
		=====	=====

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 2017**

	NOTE	2017 \$	2016 \$
CURRENT ASSETS			
Cash	5	10,612	15,076
Receivables		-	-
		-----	-----
TOTAL CURRENT ASSETS		10,612	15,076
		-----	-----
TOTAL ASSETS		10,612	15,076
		-----	-----
CURRENT LIABILITIES			
Creditors		-	5,000
Employee Benefits		-	-
GST Liabilities		1,028	1,342
		-----	-----
TOTAL CURRENT LIABILITIES		1,028	6,342
		-----	-----
NON-CURRENT LIABILITIES			
Employee Benefits		-	-
Loan from APF Federal Office	8	17,715	25,365
		-----	-----
TOTAL NON-CURRENT LIABILITIES		17,715	25,365
		-----	-----
TOTAL LIABILITIES		18,743	31,707
		-----	-----
NET ASSETS		(8,131)	(16,631)
		=====	=====
MEMBERS' EQUITY			
Retained Profits/(Accumulated Losses)		(8,131)	(16,631)
		=====	=====

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 2017**

	2017	2015
	\$	\$
Balance as at 1 July 2016	(16,631)	(29,267)
Profit (Loss) for the year	8,500	12,636
Voluntary contributions	-	-
Transfers	-	-
	-----	-----
Balance as at 30 June 2017	(8,131)	(16,631)
	=====	=====

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

**THE AUSTRALIAN PRICIPALS FEDERATION
FEDERAL OFFICE**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017**

	NOTE	2017 \$	2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from capitation fees – Federal Office		6,955	6,945
Receipts from capitation fees – WA Branch		3,445	4,327
Receipts from other revenue		4,545	9,091
Interest received		130	18
Payments to suppliers		(11,889)	(2,492)
		-----	-----
Net cash provided by (used in) operating activities	6	3,186	17,889
		-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of loan to Federal Office		(7,650)	(7,640)
		-----	-----
Net cash provided by (used in) financing activities		(7,650)	(7,640)
		-----	-----
Net increase (decrease) in cash held		(4,464)	10,249
Cash at the beginning of the financial year		15,076	4,827
		-----	-----
Cash at the end of the financial year	5	10,612	15,076
		=====	=====

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 2017**

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 2017**

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 2017**

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 2017 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 2017, 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 2017**

3. INCOME	2017	2016
	\$	\$
Capitation Fees		
Victorian Branch	6,955	6,945
Western Australian Branch	3,445	4,327
	-----	-----
	10,400	11,272
	=====	=====
 Other Revenue		
Principal Talks. Income earned from establishing an online portal for Australian Principals nationally	4,545	9,091
	=====	=====
 4. EXPENSES		
Operating profit (loss) includes the following specific expenses:		
 Legal Costs	-	-
Litigation	-	-
Other legal matters	-----	-----
	-	-
	=====	=====
 Administration Expenses		
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Consultants	3,731	5,000
	-----	-----
	3,731	5,000
	=====	=====
 5. CASH		
Cheque Account	10,612	15,076
	=====	=====

**THE AUSTRALIAN PRINCIPALS FEDERATION
FEDERAL OFFICE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

6. CASH FLOW INFORMATION	2017	2016
	\$	\$
Reconciliation of Net Cash Provided by Operating Activities with Net Income:		
Net Income/(loss)	8,500	12,636
Changes in assets and liabilities:		
Decrease/(increase) in receivables	-	-
Increase/(decrease) in creditors	(5,000)	5,000
Increase/(decrease) in GST liabilities	(314)	253
	-----	-----
Net Cash provided by (used in) operating activities	3,186	17,889
	=====	=====

7. REMUNERATION OF AUDITORS

During the year the following fees were paid for services provided by the auditor of the entity:

Audit services

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 Office with financial support to ensure they can continue on a going concern basis. The Federal Office has accumulated losses totaling \$8,131 (2016: \$16,631) which has been recognised as a liability to the Victorian Branch as they have made a commitment to support the Federal Office. In 2013, the Federal Office also borrowed \$48,390 from the Victorian Branch to cover its debts within the creditor's terms. This agreed financial support will continue for as long as necessary. This is an interest free agreement with repayments being made by way of capitation fees each year. Balance of loan as at 30 June 2017 is \$17,715 (2016: \$25,365).

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 2017**

10. GOING CONCERN

The Statement of Financial Position shows accumulated losses totalling \$8,131 (2016: \$16,631). The Federal Office 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.

11. ACQUISITION OF ASSETS AND LIABILITIES

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

- (a) an amalgamation under Part 2 of Chapter 3, of the RO Act
- (b) a restructure of the branches of the organisation
- (c) a determination by the Commissioner under subsection 245(1) of the RO Act of an alternative reporting structure
- (d) a revocation by the Commissioner 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 2017**

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

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

Information to be provided to members or Commissioner:

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

**THE AUSTRALIAN PRINCIPALS FEDERATION
FEDERAL BRANCH**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

15. FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

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

	Weighted Average Effective Interest Rate Within 1 Year		No interest 1 to 5 years		Floating Interest Rate		Fixed Interest Rate Maturing				Total	
							Within 1 year		1 to 5 years			
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	%	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets												
Cash at Bank	1.0	1.0	-	-	10,612	15,076	-	-	-	-	10,612	15,076
Receivables			-	-	-	-	-	-	-	-	-	-
Total			-	-	10,612	15,076	-	-	-	-	10,612	15,076
Financial Liabilities												
Creditors			-	5,000	-	-	-	-	-	-	-	5,000
GST Liabilities			1,028	1,342	-	-	-	-	-	-	1,028	1,342
Loan	0.0	0.0	17,715	25,365	-	-	-	-	-	-	17,715	25,365
			18,743	31,707	-	-	-	-	-	-	18,743	31,707

(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 2017**

15. FINANCIAL INSTRUMENTS (Cont.)	2017	2016
	\$	\$
Net income and expenses from financial assets		
Interest revenue	130	18
	-----	-----
	130	18
	=====	=====
Net income and expenses from financial liabilities		
No items to disclose.		



CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

COMPLETE AUDIT

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PO Box 206 Lilydale 3140
Phone: 0408 310 882
Email: danielle@completeaudit.com.au

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

Opinion

We have audited the financial report of the Australian Principals Federation Federal Office, which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year ended 30 June 2017, notes to the financial statements, including a summary of significant accounting policies; and the committee of management statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Australian Principals Federation Federal Office as at 30 June 2017, and its financial performance and its cash flows for the year then ended on that date in accordance with:

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

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

Basis for Opinion

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

Basis of Accounting and Restriction on Distribution

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

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 \$8,131. 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.



CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

COMPLETE AUDIT

Suite 1, 329 Main Street Lilydale

PO Box 206 Lilydale 3140

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

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

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

Responsibilities of Committee of Management for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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



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

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

Report on the Recovery of Wages Activity Financial Report

The Committee of Management is responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with the reporting guidelines. The Committee of Management have stated in their statement that no revenue has been derived from undertaking recovery of wages activity during the reporting period, and therefore no opinion can be provided in relation to recovery of wages activity.

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

Registered Auditor under section 255A of the Fair Work (Registered Organisations) Act 2009 Registration Number AA2017/218

Lilydale Victoria

30 August 2017