



11 February 2019

Mr Peter Beckingham
President
Australian Principals Federation
Level 8, 1341 Dandenong Road
CHADSTONE VIC 3148

By email: apf@apf.net.au

CC: danielle@completeaudit.com.au

Dear Mr Beckingham,

**Australian Principals Federation
Financial Report for the year ended 30 June 2018 - [FR2018/123]**

I acknowledge receipt of the financial report for the year ended 30 June 2018 for the Australian Principals Federation (**the reporting unit**). The documents were lodged with the Registered Organisations Commission (**the ROC**) on 28 November 2018.

The financial report has now been filed.

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 2019 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged, however I make the following comments to assist you when you next prepare a financial report. The ROC will confirm these matters have been addressed prior to filing next year's report.

Recovery of wages disclosure

Please note that under the 5th edition of the reporting guidelines made under section 255 of the RO Act issued 4 May 2018 a recovery of wages activity statement is no longer required. Furthermore, the reporting guidelines no longer require a statement in regard to recovery of wages activity in the committee of management statement.

In place of the former requirements, item 13(e) of the 5th edition reporting guidelines requires the disclosure of any revenue derived from undertaking recovery of wages activity in either the statement of comprehensive income or the notes to the financial statements. Reporting guideline 21 states that if any activity described within items 10-20 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included in the financial statements, the notes or in an officer's declaration statement.

Nil activities disclosure

Item 21 of the reporting guidelines states that if any of the activities identified within items 10-20 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. The financial statements and the notes contained nil activity information for all prescribed reporting guideline categories except the following:

- make a payment to a former related party of the reporting unit (reporting guideline 20).

Please ensure in future years that the above mentioned item is disclosed in either the financial statements, the notes or in the officer's declaration statement as per the reporting guidelines.

I also note that the following nil activity disclosures in the body of the notes were duplicated elsewhere in the body of the notes or in the statement of comprehensive income:

- receive donations or grants (reporting guideline 13(d)) is disclosed in both the statement of comprehensive income and in Note 3;
- incur fees as consideration for employers making payroll deductions of membership subscriptions (reporting guideline 14(a)) is disclosed in both Note 4 and in Note 12;
- pay compulsory levies (reporting guideline 14(d)) is disclosed in both Note 4 and in Note 12;
- pay grants or donations (reporting guidelines 14(e)(i)-14(e)(iv)) is disclosed in both the statement of comprehensive income and in Note 4;
- pay legal costs relating to litigation and to other legal matters (reporting guidelines 14(j)(i) and 14(j)(ii)) is disclosed in both the statement of comprehensive income and in Note 4.

Please note that nil activities only need to be disclosed once.

Statement of cash flows – capitation fees

I note that in the statement of cash flows that under *Cash flows from operating activities*, the first item under *Cash Received* refers to *Receipts from capitation fees – Federal Office*. As the branches of the organisation are required to pay the reporting unit a per capita contributions, I assume that this item should state *Receipts from capitation fees – Victorian Branch*.

If this assumption is correct, please amend accordingly in future financial reports.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.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 contact me on (02) 8293 4654 or via email at david.vale@roc.gov.au.

Yours faithfully



David Vale
Registered Organisations Commission



Australian Principals Federation
ABN: 19 687 105 636

APF

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**Certificate for the period ended 30th June 2018– 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 2018 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 29th August 2018 and
- that the full report was presented to the *Committee of Management* of the reporting unit on 15th November 2018 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Peter Beckingham
President –Federal Office
Date: 25th November 2018

**THE AUSTRALIAN PRINCIPALS FEDERATION
FEDERAL OFFICE**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

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
Report Required under Subsection 255(2A)	19
Independent Audit Report	20

**THE AUSTRALIAN PRINCIPALS FEDERATION
FEDERAL OFFICE**

OPERATING REPORT FOR THE FINANCIAL YEAR 2018

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 for Principal Class Officers.

Significant changes in financial affairs

In the financial year 2017-18 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 National Union of Workers on in WA and in 14th February 2018 Victoria.

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 2018

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 2018 was 485 in Western Australia and 677 in Victoria giving a total of 1,162.

Number of Employees

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

Committee of Management (APF Federal Council)

For the Financial Year 1/07/2017 to 30/06/2018 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. Elections for vacancies are ongoing.

Table 1:

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
29 August 2018

**THE AUSTRALIAN PRICIPALS FEDERATION
FEDERAL OFFICE**

**COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018**

On 29 August 2018 the Committee of Management of The Australian Principals Federation Federal 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 2018.

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; and
- (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 by 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 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.



Peter Beckingham
President
29 August 2018

**THE AUSTRALIAN PRINCIPALS FEDERATION
FEDERAL OFFICE**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018**

	NOTE	2018 \$	2017 \$
INCOME			
Subscriptions		0	0
Capitation Fees	3	10,309	10,400
Levies		0	0
Interest		176	130
Grants or Donations	3	0	0
Other Revenue	3	0	4,545
		-----	-----
		10,485	15,075
		-----	-----
LESS EXPENDITURE			
Employee Expenses		0	0
Capitation Fees		0	0
Affiliation Fees		0	0
Administration Expenses	4	0	3,731
Grants or Donations	4	0	0
Depreciation		0	0
Legal Costs	4	0	0
Audit Fees		1,000	1,000
Bad Debts		0	0
Meeting Expenses		376	1,844
Fees and Allowances		0	0
Penalties under the RO Act		0	0
		-----	-----
		1,376	6,575
		-----	-----
Other Comprehensive Income		0	0
		-----	-----
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		9,109	8,500
		=====	=====

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 2018**

	NOTE	2018 \$	2017 \$
CURRENT ASSETS			
Cash	5	11,765	10,612
Receivables		0	0
		-----	-----
TOTAL CURRENT ASSETS		11,765	10,612
		-----	-----
TOTAL ASSETS		11,765	10,612
		-----	-----
CURRENT LIABILITIES			
Creditors		0	0
Employee Benefits		0	0
GST Liabilities		(28)	1,028
		-----	-----
TOTAL CURRENT LIABILITIES		(28)	1,028
		-----	-----
NON-CURRENT LIABILITIES			
Employee Benefits		0	0
Loan from APF Federal Office	8	10,815	17,715
		-----	-----
TOTAL NON-CURRENT LIABILITIES		10,815	17,715
		-----	-----
TOTAL LIABILITIES		10,787	18,743
		-----	-----
NET ASSETS		978	(8,131)
		=====	=====
MEMBERS' EQUITY			
Retained Profits/(Accumulated Losses)		978	(8,131)
		=====	=====

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 2018**

	2018	2017
	\$	\$
Balance as at 1 July 2017	(8,131)	(16,631)
Profit (Loss) for the year	9,109	8,500
Voluntary contributions	0	0
Transfers	0	0
	-----	-----
Balance as at 30 June 2018	978	(8,131)
	=====	=====

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 2018**

	NOTE	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received			
Receipts from capitation fees – Federal Office		6,273	6,955
Receipts from capitation fees – WA Branch		4,036	3,445
Receipts from other revenue		0	4,545
Interest received		176	130
Cash Used			
Payments to suppliers		(2,432)	(11,889)
Net cash provided by (used in) operating activities	6	8,053	3,186
CASH FLOWS FROM FINANCING ACTIVITIES:			
Cash Used			
Repayment of loan to Victorian Branch		(6,900)	(7,650)
Net cash provided by (used in) financing activities		(6,900)	(7,650)
Net increase (decrease) in cash held		1,153	(4,464)
Cash at the beginning of the financial year		10,612	15,076
Cash at the end of the financial year	5	11,765	10,612

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 2018**

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 2018**

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 2018**

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) Significant Accounting Judgements and Estimates

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

(k) 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.

(l) Future Australian Accounting Standard Requirements

The Federation has assessed the impact of new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period 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 2018, 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 2018**

		2018	2017
3.	INCOME	\$	\$
	Capitation Fees		
	Victorian Branch	6,273	6,955
	Western Australian Branch	4,036	3,445
		-----	-----
		10,309	10,400
		=====	=====
	Grants or Donations		
	Grants	0	0
	Donations	0	0
		-----	-----
		0	0
		=====	=====
	Other Revenue		
	Principal Talks. Income earned from establishing an online portal for Australian Principals nationally	0	4,545
		=====	=====
4.	EXPENSES		
	Operating profit (loss) includes the following specific expenses:		
	Legal Costs		
	Litigation	0	0
	Other legal matters	0	0
		-----	-----
		0	0
		=====	=====
	Administration Expenses		
	Consideration to employers for payroll deductions	0	0
	Compulsory levies	0	3,731
	Consultants	0	0
		-----	-----
		0	3,731
		=====	=====
	Grants or Donations		
	Grants:		
	Total expensed that were \$1,000 or less	0	0
	Total expensed that exceeded \$1,000	0	0
	Donations:		
	Total expensed that were \$1,000 or less	0	0
	Total expensed that exceeded \$1,000	0	0
		-----	-----
		0	0
		=====	=====

**THE AUSTRALIAN PRINCIPALS FEDERATION
FEDERAL OFFICE**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
5. CASH		
Cheque Account	11,765	10,612
	=====	=====
6. CASH FLOW INFORMATION		
Reconciliation of Net Cash Provided by Operating Activities with Net Income:		
Net Income/(loss)	9,109	8,500
Changes in assets and liabilities:		
Decrease/(increase) in receivables	0	0
Increase/(decrease) in creditors	0	(5,000)
Increase/(decrease) in GST liabilities	(1,056)	(314)
	-----	-----
Net Cash provided by (used in) operating activities	8,053	3,186
	=====	=====
7. REMUNERATION OF AUDITORS		
Value of the services provided		
Financial statement audit services	1,000	1,000
Other services	0	0
	-----	-----
	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 had accumulated losses totaling \$8,131 in 2017 which was 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 2018 is \$10,815 (2017: \$17,715).

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 2018**

10. GOING CONCERN

The Australian Principals Federation Federal Office is reliant on the agreed financial support of the Australian Principals Federation Victorian Branch to continue on a going concern basis. 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 2018 is \$10,815 (2017: \$17,715).

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 2018**

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 2018

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	
	2018	2017	2018	2017	2018	2017	Within 1 year		1 to 5 years		2018	2017
	%	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets												
Cash at Bank	1.0	1.0	0	0	11,765	10,612	0	0	0	0	11,765	10,612
Receivables			0	0	0	0	0	0	0	0	0	0
Total			0	0	11,765	10,612	0	0	0	0	11,765	10,612
Financial Liabilities												
Creditors			0	0	0	0	0	0	0	0	0	-
GST Liabilities			(28)	1,028	0	0	0	0	0	0	(28)	1,028
Loan	0.0	0.0	10,815	17,715	0	0	0	0	0	0	10,815	17,715
			10,787	18,743	0	0	0	0	0	0	10,787	18,743

(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 2018**

15. FINANCIAL INSTRUMENTS (Cont.)	2018	2017
	\$	\$
Net income and expenses from financial assets		
Interest revenue	176	130
	-----	-----
	176	130
	=====	=====
Net income and expenses from financial liabilities		
No items to disclose.		

**THE AUSTRALIAN PRINCIPALS FEDERATION
FEDERAL OFFICE**

**REPORT REQUIRED UNDER SUBSECTION 255(2A)
FOR THE YEAR ENDED 30 JUNE 2018**

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2018.

Categories of expenditures	2018 \$	2017 \$
Remuneration and other employment-related costs and expenses – employees	0	0
Advertising	0	0
Operating Costs	1,376	6,575
Donations to political parties	0	0
Legal costs	0	0
Total	1,376	6,575



Peter Beckingham
President
29 August 2018



CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

COMPLETE AUDIT

Suite 1, 329 Main Street Lilydale
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**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 2018, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year ended 30 June 2018, notes to the financial statements, including a summary of significant accounting policies; the committee of management statement and the subsection 255(2A) report.

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 2018, 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.



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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.



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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.

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

**Registration Number (as registered by the RO Commissioner under the RO Act):
AA2017/218**

Lilydale Victoria

29 August 2018