

21 December 2017

via email: regorgs@roc.gov.au

Mr Chris Enright
Executive Director
Registered Organisations Commission
GPO Box 2983
MELBOURNE VIC 3001

Dear Mr Enright

**CEPU Communications Division – SA/NT Branch
Operating Reports as at 31 March 2010, 2011, 2012 & 2016
– Reporting of Membership Numbers**

I refer to the above and enclose by way of lodging:

- Declaration correcting the membership figure reported in the operating reports for the reporting periods ending 31 March 2010, 2011, 2012 and 2016.

As you are aware, the CEPU has instigated independent audits of the membership figures reported in the annual committee of management operating reports for the last 7 years.

As a consequence of these independent audits, the Branch Committee of Management, in a meeting held 21 November 2017, authorised the submission of a declaration to the Registered Organisations Commission (ROC) to correct the figures reported in the operating reports for the total members for the reporting periods ending 31 March 2010, 2011, 2012 and 2016.

These amended figures have now been published to our website for the information of members.

Please do not hesitate to contact me should you wish to discuss this matter.

Yours faithfully



Nick Townsend
Branch Secretary

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

Fair Work (Registered Organisations) Act 2009

DECLARATION - CORRECTING REPORT TO CEPU
Communications Division – South Australia & North Territory
OPERATING REPORT
lodged pursuant to s.268

I, Nick Townsend, of 312 South Road, Richmond, in the state of South Australia 5033, declare:

- I am the Branch Secretary of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division – South Australian Branch (the branch), a branch of an organisation registered under the *Fair Work (Registered Organisations) Act 2009* (the Act).
- Pursuant to s.268 of the Act, for the periods ended 31 March 2010, 2011, 2012 and 2016, the full financial reports, including the operating reports, of the branch were lodged with the Fair Work Commission (FWC) in FR2010/2522, FR2011/2520, FR2012/218 and FR2016/71 respectively.
- Independent audit reports into the membership figures reported in the committee of management operating reports for the reporting periods 31 March 2010, 2011, 2012 and 2016, conducted by Stannards Accounting and Hall Chadwick (the audits), found the following variances with the figures reported in the operating reports:

As at 31 Mar	2010	2011	2012	2016
Reported	2080	2044	1888	1,657
Audited	2307	2141	2081	1,595
Variance	227	97	193	62

- On 15/11/2017, in response to the findings of the audits, the Branch Committee of Management authorised the Branch Secretary to amend the committee of management operating reports for the years ended 31 March 2010, 2011, 2012 and 2016 to reflect the membership figures resulting from the audits.

Signed:



Name:

Mr Nick Townsend

Date:

21/12/17

16 September 2016

Nick Townsend
Branch Secretary
South Australia & Northern Territory Branch
Communications Division

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

nick.townsend@sant.cepu.asn.au

CC: Robert Zadow, 360 Private Pty Ltd by email: contactus@360Private.com.au



Dear Mr Townsend,

**Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - Communications Division - South Australia & Northern Territory Communications Division Branch
Financial Report for the year ended 31 March 2016 - [FR2016/71]**

I acknowledge receipt of the financial report of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - Communications Division - South Australia & Northern Territory Branch. The documents were lodged with the Fair Work Commission on 19 August 2016.

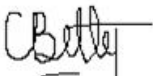
The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

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 31 March 2017 may be subject to an advanced compliance review.

If you have any queries regarding this letter, please contact me on (03) 8656 4698 or via email at catherine.bebbington@fwc.gov.au.

Kind regards



CATHERINE BEBBINGTON
Regulatory Compliance Branch

FAIR WORK COMMISSION

Tel: 03 8656 4698

Fax: 03 9655 0410

catherine.bebbington@fwc.gov.au

11 Exhibition Street, Melbourne Victoria 3000
GPO Box 1994, Melbourne Victoria 3001

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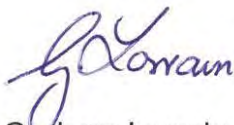
Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au

Designated Officers Certificate or other Authorised Officer

I, Graham Lorrain, being the Branch President of the CWU/CEPU Communications Division SA/NT certify;

- That the document lodged herewith is a copy of the full report.
- That the full report was presented to a meeting of the Branch Committee of Management of the reporting unit on the 20th July 2016.
- That the full report was provided to members on the 22nd July 2016, by post to the normal mailing list of work locations, depots plus posted on the branch website at www.cwu-sant.com.au
- The following motion was carried at the Branch Committee of Management meeting held on the 17th August 2016 –

“The Branch Committee of Management confirms that the Branch President did table a signed copy of the ‘Full Financial Report’ for the 2015-2016 Financial year at its meeting held on the 17th August 2016”



Graham Lorrain
Branch President
CWU SA/NT

Graham.lorrain@cwu-sant.asn.au

19th August 2016



COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)
ABN: 11 273 875 514

FINANCIAL REPORT
AS At 31 Mar 2016

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**FINANCIAL REPORT
AS At 31 March 2016**

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INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF THE COMMUNICATIONS ELECTRICAL PLUMBING UNION COMMUNICATIONS DIVISION BRANCH (SA/NT)

Report on the Financial Report

I have audited the accompanying financial report of the Communications Electrical Plumbing Union, Communication Division Branch (SA/NT), which comprises the Statement of Financial Position as at 31 March 2016, the statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by Members of the Committee.

Committees' Responsibility for the Financial Report

The Committee of Management of the Union are responsible for the preparation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Fair Work (Registered Organisations) Act 2009 and the financial requirements of the Union's rules. The responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances. In Note 2, the committee also states, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply with Australian Accounting Standards.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on audit. I conducted my audit in accordance with the Australian Auditing Standards. These Auditing Standards require that I 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 Union's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

I am an approved auditor (ASIC Audit Registration 5667), a Fellow of the Institute of Chartered Accountants and I hold a current Public Practice Certificate.

Independence

In conducting my audit, I have complied with the independence requirements of Australian professional ethical pronouncements and the Fair Work (Registered Organisations) Act 2009.

In my opinion:

The financial report of the Communications Electrical Plumbing Union, Communication Division Branch (SA/NT), is in accordance with:

(a) Fair Work (Registered Organisations) Act 2009, including:

(i) giving a true and fair view of the union's financial position as at 31 March 2016 and of its performance for the year ended on that date;

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Union's rules; and

(iii) complying with any other requirements imposed by the Reporting Guidelines of the Fair Work (Registered Organisations) Act 2009

(b) other mandatory professional reporting requirements in Australia.

(c) The General Purpose Financial Report is presented fairly in accordance with Australian Accounting Standards, and the following:

a. In relation to any recovery of wages activity:

that the scope of the audit encompassed recovery of wages activity

that the Union do not involve in any recovery of wages activity.

b. any other requirements imposed by these Reporting Guidelines

(d) I conclude that managements' use of the going concern basis of accounting in the preparation of the union's financial statements is appropriate.



360 PRIVATE WEALTH BY DESIGN PTY LTD

Robert J Zadow (ASIC Audit Registration No. 5667) FCA, CPA
Parkside
South Australia

Dated: 21 July 2016.....


COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)

s.268 Fair Work (Registered Organisations) Act 2009

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER
Certificate for the period ended 31 March 2016

I NICHOLAS TOWNSEND being the Branch Secretary of the Communications Electrical Plumbing Union, Communication Division Branch (SA/NT), certify:

- that the documents lodged herewith are copies of the full report for the Communications Electrical Plumbing Union, Communication Division Branch (SA/NT), for the period ended 31 March 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 22nd July 2016; and
- that the full report was presented to the Branch Committee of Management of the reporting unit on 17th August 2016 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer  (For)

Name of prescribed designated officer . NICHOLAS TOWNSEND

Title of prescribed designated officer BRANCH SECRETARY

Dated 18/8/2016

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**OPERATING REPORT
FOR THE YEAR ENDED 31 MAR 2016**

The committee presents its report on the reporting unit for the financial year ended 31 March 2016.

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

The principal activity of the Union is to uphold the rights of organisation of labour and to improve, protect and foster the best interests of its members and to subscribe to and/or co-operate with policy of improving the cultural and living standards of its members. The Union maintains living standards of our members through enterprise bargaining and Industrial representation on behalf of our members when needed. There were no significant changes to the activities of the Union during the year.

Significant changes in financial affairs

There were no significant changes to the financial affairs of the union.

Right of members to resign

All Branch members have the right to resign from the Union in accordance with Rule 32 of the Communications Division Rules (and Fair Work (R.O.) Act 2009), namely by providing written notice addressed and delivered to the Branch Secretary via Post, Facsimile, e-mail or in person.

Officers & employees who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee

To the best of our knowledge and belief no other Officer or Employee of the Branch is, by virtue of their Office on the Branch Committee of Management of the SA - NT Branch :-

- (i) a Trustee of a superannuation entity or exempt public sector superannuation scheme;
- (ii) a Director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and
- (iii) where a criterion for the office of a Trustee or Director is that the Office is an Officer of a registered

Number of members

There were 1,657 members of which 1,454 were financial members of the Branch as at 31st Mar 2016.

Number of employees

As at 31st March 2016, the Branch employed 2 elected officials, 1 permanent part time clerical employee and 1 casual employee.

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

The following persons were a member of the Committee of Management of the Branch, namely the Branch Executive, during the year ending 31 March 2016.

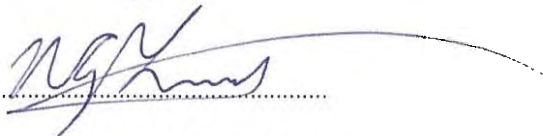
<u>Name</u>	<u>Position</u>	<u>Period</u>
Steven BUTTERWORTH	Branch President	01/04/2015 – 31/07/2015
Graham LORRAIN	Branch Secretary	01/04/2015 – 31/07/2015
	Branch President	01/08/2015 – 31/03/2016
Nicholas TOWNSEND	Branch Assistant Secretary	01/04/2015 – 31/07/2015
	Branch Secretary	01/08/2015 – 31/03/2016
Helen MACMULLEN	Branch Vice President	01/04/2015 – 31/07/2015
Anthony MOSS	Branch Vice President	01/04/2015 – 14/09/2015
Frank QUAIAT	Branch Vice President	01/04/2015 – 31/03/2016
Gary GILSON	Committee of Management	01/04/2015 – 31/07/2015
Greg DOMEIKA	Committee of Management	01/04/2015 – 15/07/2015
Lisa BAHLS	Committee of Management	01/04/2015 – 31/07/2015
	Branch Vice President	01/08/2015 – 31/03/2016
Mark FINLAY	Committee of Management	01/04/2015 – 28/07/2015
Denis CAREY	Committee of Management	01/04/2015 – 22/07/2015

COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)

OPERATING REPORT
FOR THE YEAR ENDED 31 MAR 2016

Names of Committee of Management members and period positions held during the financial year (cont.)

<u>Name</u>	<u>Position</u>	<u>Period</u>
Steve PORTNOFF	Committee of Management	01/04/2015 – 31/07/2015
Doug BARNWELL	Committee of Management	01/04/2015 – 31/07/2015
	Branch Assistant Secretary	01/08/2015 – 31/03/2016
Rasma FITCH	Committee of Management	01/04/2015 – 31/03/2016
Paul GRIFFIN	Committee of Management	01/04/2015 – 31/03/2016
Glen McDONALD	Committee of Management	01/04/2015 – 31/03/2016
Peter LAWRENCE	Committee of Management	01/04/2015 – 31/07/2015
Blayne LAGRUTTA	Committee of Management	01/04/2015 – 31/03/2016
Nick BENTLEY	Committee of Management	01/07/2015 – 31/03/2016
Jim SCOTT	Committee of Management	01/07/2015 – 31/03/2016

Signature of designated officer 

Name and title of designated officer: Ni **NICHOLAS TOWNSEND**

Dated: **20th Jul 2016**

COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 31 MAR 2016

On the **20th Jul 2016**, the Committee of Management of the Communications Electrical Plumbing Union, Communication Division Branch (SA/NT) passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 31 March 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; and
- (e) during the financial year to which the GPRF 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 union 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 union 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 union 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

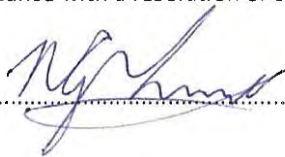
- (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and

- (vi) where any order for 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.

Signature of designated officer



Name and title of designated officer: **NICHOLAS TOWNSEND**

Dated: **20th Jul 2016**

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MAR 2016**

	Notes	2016 \$	2015 \$
Revenue			
Membership subscription	3A	604,698	678,185
Capitation fees	3B	-	-
Levies	3C	-	-
Interest	3D	85,295	16,364
Rental revenue	3E	7,785	68,892
Other revenue	3F	11,214	510
Total revenue		<u>708,993</u>	<u>763,951</u>
Other Income			
Grants and donations	3G	-	-
Net gain on the sale of investment property	3H	2,109,609	-
Net gains from sale of property & equipment	3I	5,786	-
		<u>2,115,395</u>	<u>-</u>
Total income		<u>2,824,388</u>	<u>763,951</u>
Expenses			
Employee expenses	4A	517,958	534,520
Capitation fees	4B	147,176	155,357
Affiliation fees	4C	18,528	11,463
Administration expenses	4D	141,748	201,816
Grants or donations	4E	300	1,130
Depreciation	4F	24,929	29,565
Finance cost	4G	3,439	4,065
Legal costs	4H	53,386	30,169
Auditor's remuneration	11	17,218	14,500
Net loss from sale of assets	4I	-	-
Other expenses	4J	-	-
Total expenses		<u>924,682</u>	<u>982,586</u>
Profit/(Loss) for the year		<u>1,899,706</u>	<u>(218,635)</u>
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss		-	-
Gain on revaluation of land & buildings		-	-
Total comprehensive income for the year		<u>1,899,706</u>	<u>(218,635)</u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MAR 2016**

	Notes	2016 \$	2015 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	147,218	336,191
Trade and other receivables	5B	17,303	33,554
Other current assets	5C	6,813	14,915
Total current assets		171,334	384,660
Non-Current Assets			
Property and equipment	6A	158,379	87,294
Investment Property	6B	-	1,701,532
Other Investments	6C	3,741,541	242,959
Total non-current assets		3,899,920	2,031,785
Total Assets		4,071,254	2,416,444
LIABILITIES			
Current Liabilities			
Trade payables	7A	46,106	198,277
Other payables	7B	13,277	21,564
Employee provisions	8A	174,749	252,423
Total current liabilities		234,131	472,264
Non-Current Liabilities			
Employee provisions	8A	33,985	40,748
Total non-current liabilities		33,985	40,748
Total Liabilities		268,116	513,012
Net assets		3,803,138	1,903,432
EQUITY			
Reserves		1,096,667	1,096,668
Retained Earnings		2,706,471	806,764
Total Equity		3,803,138	1,903,432

The above statement of financial position should be read in conjunction with the accompanying notes

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**STATEMENT OF CHANGES IN EQUITY
AS AT 31 MAR 2016**

	Asset Revaluation Reserve \$	Special Fund \$	Death Benefit Reserve \$	Retained earnings \$	Total equity \$
Balance as at 1 April 2014	750,822	304,998	40,847	1,025,399	2,122,066
Loss for the year 2014-15	-	-	-	(218,635)	(218,635)
Any other income or transfer from retained earnings	-	-	-	-	-
Balance as at 31 Mar 2015	750,822	304,998	40,847	806,764	1,903,432
Loss for the year 2015-16	-	-	-	1,899,706	1,899,706
Any other income or transfer from retained earnings	-	-	-	-	-
Balance as at 31 March 2016	750,822	304,998	40,847	2,706,471	3,803,138

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MAR 2016**

	Notes	2016 \$	2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received			
Receipts from members		603,622	678,185
Interest received		92,356	17,116
Rental received		8,953	31,636
Receipts from other reporting entities	9B	-	-
Other		204,056	317,006
		908,987	1,043,943
Cash Used			
Employees		(313,395)	(509,524)
Suppliers		(675,166)	(581,848)
Payments to other reporting entities	9B	(333,933)	-
		(1,322,494)	(1,091,372)
Net cash from (used by) operating activities	9A	(413,508)	(47,429)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash Received			
Proceeds from sale of land and buildings		3,813,345	-
Proceeds from sale of motor vehicles		29,545	-
Movement in term deposits		(3,498,582)	184,831
		344,309	184,831
Cash Used			
Purchase of motor vehicle		(106,988)	-
Improvement in property		-	(53,517)
Purchase of furniture & fixture		(12,785)	(6,961)
		224,536	124,353
Net cash used by investing activities		224,536	124,353
FINANCING ACTIVITIES			
Cash flow from financing activities		-	-
Net increase (decrease) in cash held		(188,972)	76,924.00
Cash & cash equivalents at the beginning of the reporting period		336,191	259,266
Cash & cash equivalents at the end of the reporting period	5A	147,218	336,191

The above statement of cash flows should be read in conjunction with the accompanying notes.

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**RECOVERY OF WAGES ACTIVITY
FOR THE YEAR ENDED 31 MAR 2016**

	2016	2015
	\$	\$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
The reporting unit:		
name of account	-	-
name of fund	-	-
Name of other reporting unit of the organisation:		
name of account	-	-
name of fund	-	-
Name of other entity:		
name of account	-	-
name of fund	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total payments	-	-
Cash asset's in respect of recovered money at end of year	-	-
Number of workers to which the monies recovered relates	-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	-	-
Number of workers the payable relates to	-	-
Fund or account operated for recovery of wages	-	-

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAR 2016**

Note 1. Union Information

The Communications Electrical Plumbing Union, Communication Division Branch (SA/NT) is to uphold the rights of labour and to improve, protect and foster the best interests of its members and to lobby and negotiate with Government for interests of its members. Please refer to branch council operating report for further details.

Note 2. Summary of significant accounting policies

2.1 Basis of preparation of the financial statements

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 Communications Electrical Plumbing Union, Communication Division Branch (SA/NT) is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost. 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.

2.2 Comparative amounts

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

2.3 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.

2.4 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. The accounting policies adopted are consistent with those of the previous financial year.

Future Australian Accounting Standards Requirements

No new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on the Communications Electrical Plumbing Union, Communication Division Branch (SA/NT).

2.5 Revenue

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

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAR 2016

Note 2. Summary of significant accounting policies (cont.)

2.5 Revenue (cont.)

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the union retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

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

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

2.6 Government Grants

Government grants are not recognised until there is reasonable assurance that the union will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the union recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that union should purchase, construct otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the union with no future related costs are recognised in profit or loss in the period in which they become receivable.

2.7 Gains

Sale of assets

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

2.8 Capitation fees and levies

Capitation fees and levies are to be recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

2.9 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAR 2016

Note 2. Summary of significant accounting policies (cont.)

2.9 Employee benefits (cont.)

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

Provision is made for separation and redundancy benefit payments. Reporting Unit recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

2.10 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.

2.11 Financial instruments

Financial assets and financial liabilities are recognised when the Communications Electrical Plumbing Union, Communication Division Branch (SA/NT) becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.12 Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

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Note 2. Summary of significant accounting policies (cont.)

2.12 Financial assets (cont.)

Fair value through profit or loss (cont.)

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Held-to-Maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

Available-for-sale

Available-for-sale financial assets are those non-derivative financial assets that are designated as available for sale or that are not classified as loans and receivable, held-to-maturity investments or financial assets at fair value through profit or loss.

Loan and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

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Note 2. Summary of significant accounting policies (cont.)

2.12 Financial assets (cont.)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

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Note 2. Summary of significant accounting policies (cont.)

2.12 Financial assets (cont.)

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Derecognition of financial assets

The reporting unit derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

2.13 Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

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FOR THE YEAR ENDED 31 MAR 2016**

Note 2. Summary of significant accounting policies (cont.)

2.13 Financial liabilities (cont.)

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The reporting unit derecognises financial liabilities when, and only when, the reporting units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.14 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.

2.15 Property and equipment

Asset recognition

Each class of property and equipment is recognised at historical cost. Purchases of property and equipment are recognised at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation

Depreciable property and equipment assets are written-off to their estimated residual values over their estimated useful lives using following method of depreciation against each class of asset. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset along with depreciation method are based on the following useful lives:

	2016	2015
Building	2.50%	2.50%
Motor Vehicle	25%	25%
Office equipment & Furniture	10% to 50%	10% to 50%

Derecognition

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

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**NOTES TO THE FINANCIAL STATEMENTS
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Note 2. Summary of significant accounting policies (cont.)

2.15 Property and equipment (cont.)

2.16 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

2.17 Impairment for non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the union were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

2.18 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

2.19 Taxation

The Communications Electrical Plumbing Union, Communication Division Branch (SA/NT) 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.

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Note 2 Summary of significant accounting policies (cont.)

2.20 Fair value measurement

The Communications Electrical Plumbing Union, Communication Division Branch (SA/NT) measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Communications Electrical Plumbing Union, Communication Division Branch (SA/NT). The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Communications Electrical Plumbing Union, Communication Division Branch (SA/NT) uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the union determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, The Communications Electrical Plumbing Union, Communication Division Branch (SA/NT) has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

2.21 Going concern

The Communications Electrical Plumbing Union, Communication Division Branch (SA/NT) is reliant on the agreed financial support from its members to continue on a going concern basis. This agreed financial support is to continue until they cease to be a member.

2.22 Events after the reporting period

There were no events that occurred after 31 Mar 2016, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Communications Electrical Plumbing Union, Communication Division Branch (SA/NT).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAR 2016**

	Notes	2016 \$	2015 \$
Note 3 Income			
Note 3A: Membership subscription			
Membership subscription comprises of contributions from members during the year giving an average of \$365 p.a from each member; Members are charged at different rates depending upon their employment status and category in which they fall.			
Note 3B: Capitation fees			
None		-	-
Total capitation fees		<u>-</u>	<u>-</u>
Note 3C: Levies			
Branch levies		-	-
Total levies		<u>-</u>	<u>-</u>
Note 3D: Interest			
Interest income		85,295	16,364
Total interest		<u>85,295</u>	<u>16,364</u>
Note 3E: Rental income			
Rental income from properties and others	3E (i)	7,785	68,892
Total rental revenue		<u>7,785</u>	<u>68,892</u>
3E (i) The union rents a building to generate another source of income.			
Note 3F: Other revenue			
Fees/Reimbursement		11,214	511
		<u>11,214</u>	<u>511</u>
Note 3G: Grants and donations			
Grants		-	-
Donations		-	-
Total grants and donations		<u>-</u>	<u>-</u>

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	2016	2015
	\$	\$
Note 3 Income (cont.)		
Note 3H: Net gain on the sale of investment property		
Proceeds	3,900,000	-
Less:		
Selling cost	(86,655)	-
Net book value	(1,703,736)	-
Net gain on sale of investment property	2,109,609	-
Note 3I: Net gain on the sale of property & equipments		
Proceeds from sale of motor vehicles	29,545	-
Less:		
Net book value	(23,759)	-
Net gain on sale on sale of property & equipments	5,786	-
Note 4 Expenses		
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	242,850	307,776
Superannuation	66,407	70,283
Leave and other entitlements	35,968	18,512
Separation and redundancies	-	-
	345,225	396,571
Other employee expenses		
Payroll Tax	26,350	18,229
Fringe Benefits Tax	3,578	8,489
Work cover	6,209	6,192
Motor Vehicle Expenses	14,204	19,914
Training	4,530	-
Travel	33,727	30,124
	88,597	82,948
Subtotal employee expenses holders of office	433,822	479,519
Employees other than office holders:		
Wages and salaries	70,546	48,517
Superannuation	7,507	5,456
Leave and other entitlements	6,083	1,028
Separation and redundancies	-	-
Subtotal employees other than office holders	84,136	55,002
Total employee expenses	517,958	534,520

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	Notes	2016	2015
Note 4 Expenses (cont.)		\$	\$
Note 4B: Capitation fees			
Capitation fees - National office		147,176	155,357
Total capitation fees		<u>147,176</u>	<u>155,357</u>
Note 4C: Affiliation fees			
National Council Fund		1,945	-
Australian Labour Party		10,482	8,333
SA Unions		2,835	2,780
National office		-	350
National IR Campaign Levy - CEPU National		2,566	-
May Day Collective Affiliation		700	-
Total affiliation fees/subscriptions		<u>18,528</u>	<u>11,463</u>
Note 4D: Administration expenses			
Consideration to employers for payroll deductions		-	-
Compulsory levies		-	-
Conference and meeting expenses		-	-
Contractors/consultants		8,446	8,709
Property expenses	4D (i)	39,206	82,087
Office expenses		26,454	42,274
Information communications		20,235	17,294
Insurance	4D (ii)	41,072	48,002
Other		6,335	3,450
Total administration expense		<u>141,748</u>	<u>201,816</u>
4D (i) This includes repair & maintenance, power expenses, land and council taxes.			
4D (ii) This includes business insurance, personal accident and death disability insurance.			
Note 4E: Grants and donations			
Grants:			
Total paid that were \$1,000 or less		-	-
Total paid that exceeded \$1,000		-	-
Donations:			
Total paid that were \$1,000 or less		300	-
Total paid that exceeded \$1,000		-	1,130
Total grants and donations		<u>300</u>	<u>1,130</u>
Note 4F: Depreciation			
Land and building		961	12,957
Office equipment & furniture		5,816	7,691
Motor vehicle		18,152	8,917
Total depreciation		<u>24,929</u>	<u>29,565</u>
Note 4G: Finance costs			
Finance cost		3,439	4,065
Total finance costs		<u>3,439</u>	<u>4,065</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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	Notes	2016 \$	2015 \$
Note 4H: Legal costs			
Litigation		-	-
Legal expenses	4H (i)	53,386	30,169
Total legal costs		53,386	30,169

4H (i) This also includes member's medical claims - more reported in the current year than the last year, which are currently under review by CWU's legal advisor for reimbursement. Its outcome varies from case to case.

Note 4I: Net losses from sale of assets

Fixed assets		-	-
Total net losses from asset sales		-	-

Note 4J: Other expenses

Penalties - via RO Act or RO Regulations		-	-
Total other expenses		-	-

Note 5 Current Assets

Note 5A: Cash and cash equivalents

Cash at bank	5A (i)	146,823	335,879
Cash on hand		395	311
Total cash and cash equivalents		147,218	336,191

5A (i) Cash at bank earns interest at floating rates based on daily deposit rates.

Note 5B: Trade and other receivables

Receivables from other reporting units			
CEPU-National Office		-	-
Electrical Trade Union (ETU)		-	-
Total receivables from other reporting units		-	-
Less provision for doubtful debts		-	-
Receivable from other reporting units		-	-

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	Notes	2016 \$	2015 \$
Note 5B: Trade and other receivables (cont.)			
Other receivables:			
GST receivable from the Australian Taxation Office		5,270	4,483
Other trade receivables	5B (i)	12,033	29,071
Total other receivables		<u>17,303</u>	<u>33,554</u>
Total trade and other receivables (net)		<u>17,303</u>	<u>33,554</u>

5B (i) Other trade receivables primarily include membership subscriptions and income protection.

Note 5C: Other current assets

Accrued Interest		54	7,115
Prepayments		6,760	7,802
Total other current assets		<u>6,813</u>	<u>14,915</u>

Note 6 Non-current assets

Note 6A: Property and equipment

Cost	6A (i), 6A (ii) & 6A (iii)	282,018	271,049
Accumulated depreciation		(123,639)	(183,755)
Total property and equipment		<u>158,379</u>	<u>87,294</u>

6A (i) Land and buildings:

Cost	6A (i) (a)	38,360	38,360
Accumulated depreciation		(1,543)	(582)
Total land and buildings		<u>36,817</u>	<u>37,778</u>

Reconciliation of the opening and closing balances

As at 1 April 2015			
Gross book value		38,360	-
Accumulated depreciation and impairment		(582)	-
Net book value 1 April 2015		<u>37,778</u>	-
Additions		-	38,360
Revaluations		-	-
Impairments		-	-
Depreciation expense		(961)	(582)
Other movement- Property Improvements		-	-
Disposals		-	-
Net book value 31 Mar 2016		<u>36,817</u>	<u>37,778</u>

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	2016	2015
	\$	\$
6A (ii) Office equipment & furniture		
At cost	136,669	123,884
Accumulated depreciation	(106,936)	(101,120)
Total office equipment & furniture	29,733	22,764

Reconciliation of the opening and closing balances

As at 1 April 2015		
Gross book value	123,884	116,923
Accumulated depreciation and impairment	(101,120)	(93,429)
Net book value 1 April 2015	22,764	23,494

Reconciliation of the opening and closing balances of office equipment and furniture

Additions	12,785	6,961
Depreciation expense	(5,816)	(7,691)
Disposals	-	-
Other	-	-
Net book value 31 Mar 2016	29,733	22,764

6A (iii) Motor Vehicle:

Cost	106,989	108,805
Accumulated depreciation	(15,160)	(82,053)
Total Motor vehicle	91,829	26,752

Reconciliation of the opening and closing balances

As at 1 April 2014		
Gross book value	108,805	108,805
Accumulated depreciation and impairment	(82,053)	(73,136)
Net book value 1 April 2014	26,752	35,669
Additions	106,988	-
Revaluations	-	-
Impairments	-	-
Depreciation expense	(18,152)	(8,917)
Other adjustment	-	-
Disposals	(23,759)	-
Net book value 31 Mar 2016	91,829	26,752

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	2016	2015
6B Investment Property	\$	\$
Opening balance as at 01 April	-	1,698,750
Additions	-	15,157
Depreciation for the year	-	(12,375)
Closing balance as at 31 Mar	-	1,701,532

This property has been sold for \$3.9m in the month of Jun-2015. Please refer to the note 3H.

Rental income earned and received from the investment properties during the year was \$7,785 (2015: \$46,174).

Note 6C: Other Investments

Term deposits	6C (i)	3,741,541	242,959
Total other investments		3,741,541	242,959

6C (i) Term deposits are made for more than 6 months period earning interest rate ranging from 2.65% to 3.00% per anum.

Note 7 Current Liabilities

Note 7A: Trade payables

Trade payable and accruals	-	2,877
Subtotal trade creditors	-	2,877

Payables to other reporting units

CEPU - National office	46,106	195,400
Subtotal	46,106	195,400
Total trade payables	46,106	198,277

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	2016	2015
	\$	\$
Note 7 Current Liabilities (cont.)		
Note 7B: Other payables		
Wages and salaries	6,397	6,824
Superannuation	-	9,543
Consideration to employers for payroll deductions	-	-
Legal costs	-	-
Prepayments received/unearned	2,212	3,509
GST payable	3,385	-
Other	1,283	1,688
Total other payables	13,277	21,564
Note 8 Provisions		
Note 8A: Employee provisions		
Office Holders:		
Annual leave	100,806	133,145
Sick leave	-	53,075
Separations and redundancies	-	-
Long service leave	90,100	95,206
Subtotal employee provisions—office holders	190,906	281,426
Employees other than office holders:		
Annual leave	17,828	11,744
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal—employees other than office holders	17,828	11,744
Total employee provisions	208,734	293,170
Current	174,749	252,423
Non Current	33,985	40,748
Total employee provisions	208,734	293,171

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	2016 \$	2015 \$
Note 9 Cash flow		
Note 9A: Cash flow reconciliation		
Reconciliation of Cash and Cash Equivalents from Operating Activities to the surplus for the year		
Profit/(loss) for the year	1,899,706	(218,635)
Adjustments for non-cash items		
Depreciation	24,929	29,565
Gain on disposal of investment property	(2,109,609)	-
Gain on disposal of motor vehicles	(5,786)	-
	(190,761)	(189,070)
Changes in assets/liabilities		
(Increase)/decrease in net receivables	16,251	(17,740)
(Increase)/decrease in other current assets	8,102	2,291
Increase/(decrease) in payables	(162,663)	137,550
Increase/(decrease) in employee provisions	(84,437)	19,540
Net cash from (used by) operating activities	(413,508)	(47,429)
Note 9B: Cash flow information		
Cash inflows		
CEPU - National Office	-	-
Total cash inflows	-	-
Cash outflows		
Capitation Fees - National Office	(333,933)	-
Total cash outflows	(333,933)	-
Note 10 Related party disclosures		
Note 10A: Related party transactions for the reporting period		
The union does not have any related party transaction.		
Note 10B: Key management personnel remuneration for the reporting period		
Short-term employee benefits		
Salary	242,850	307,776
Leave and other entitlements	20,505	10,051
Performance bonus	-	-
Total short-term employee benefits	263,355	317,827

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	Notes	2016 \$	2015 \$
Note 10B: Key management personnel remuneration for the reporting period (cont.)			
Post-employment benefits:			
Superannuation		66,407	70,283
Total post-employment benefits		66,407	70,283
Other long-term benefits:			
Long-service leave		15,463	8,461
Total other long-term benefits		15,463	8,461
Termination benefits		-	-
Total		345,225	396,571
Note 10C: Transactions with key management personnel and their close family members			
Loans to/from key management personnel			
None		-	-
Other transactions with key management personnel			
None		-	-
Note 11 Auditor's remuneration			
Audit fees		14,420	14,000
Non-audit services		2,798	500
Total auditor's remuneration	11.1	17,218	14,500
Note 12 Financial Support to or from another reporting entity			
The Communications Electrical Plumbing Union, Communication Division Branch (SA/NT) is able to continue as a going concern without the financial support of another reporting unit. It also doesn't provide any financial support to any other reporting unit.			
Note 13 Contingent liabilities, assets and commitments			
Note 13A: Commitments and contingencies			
Operating lease commitments—as lessee			
Future minimum rentals receivable under non-cancellable operating leases as at 31 Mar are as follows:			
Within one year		-	11,544
After one year but not more than five		-	-
After five years		-	-
		-	11,544
Operating lease commitments—as lessor			
None			
Capital commitments			
At 31 Mar 2016, the union does not have any capital commitments.		-	-
Finance lease commitments—as lessee			
None		-	-
Finance leases—lessor			
None		-	-

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Note 13 Contingent liabilities, assets and commitments (cont.)

Note 13B: Contingent assets

None

Note 14 Financial instruments

Note 14A - Financial Risk Management - objectives and policies

The union's financial instruments comprise cash and cash equivalents, held to maturity financial investments and liabilities. In addition, the union also has amounts receivable and amounts payable to trade and other creditors.

The main risks arising from the union's financial instruments are credit risk and market price risk and no liquidity risk. The union does not use derivative instruments to manage risks associated with its financial instruments.

The members of committee have overall responsibility for risk management, including risks associated with financial instruments. Risk management policies are established to identify and analyse the risks associated with the union's financial instruments, to set appropriate risk limits and controls and to monitor the risks and adherence to limits. The Board's audit and finance committee is responsible for monitoring the effectiveness of the union's risk management policies and processes and to regularly review risk management policies and systems, taking into account changes in market conditions and the union's activities. The committee is also responsible for developing and monitoring investment policies.

Note 14B: Categories of financial instruments	Notes	2016	2015
		\$	\$
Financial assets			
<u>Held-to-Maturity investments</u>			
Building fund- Beyond		3,725,435	-
Death Benefit Fund - Beyond Bank		-	8,448
Leave fund - Beyond Bank		16,106	7,460
Car replacement fund - Beyond Bank		-	44,069
Special Fund - People's Choice Credit		-	182,982
Total other investments	6C	3,741,541	242,959
<u>Loans and receivables:</u>			
Trade and other receivables	5B	17,303	33,554
Other current assets	5C	6,813	14,915
Total		24,116	48,469
Financial liabilities			
Trade creditors and accruals	7A	46,106	198,277
Other payables	7B	13,277	21,564
Total		59,383	219,841

Note 14C: Net income and expense from financial assets

Other investments

Interest income	85,295	16,364
Exchange gains/(loss)	-	-

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Note 14C: Net income and expense from financial assets	Notes	2016	2015
		\$	\$
Other investments (cont.)			
Impairment		-	-
Gain/loss on disposal		-	-
Net gain/(loss)		85,295	16,364

Note 14D: Credit Risk

Credit risk is the risk of financial loss to the union if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The carrying amount of the union's financial assets best represents its maximum credit risk exposure. The union's maximum exposure to credit risk at the reporting date was:

Cash & cash equivalents	5A	147,218	336,191
Trade debtors and other receivables	5B	17,303	33,554
Other current assets	5D	6,813	14,915
Other investments	6C	3,741,541	242,959
		3,912,875	627,618

Trade debtors and other current assets primarily comprises of property rental income, members subscription and grant income

	2016		2015	
	Gross	Impairment	Gross	Impairment
	\$	\$	\$	\$
Not past due	-	-	-	-
Past due 0-30 days	17,357	-	39,143	-
Past due 31-120 days	-	-	7,115	-
Past due 121 days to one year	-	-	-	-
Past due more than 1 year	-	-	-	-
	17,357	-	46,258	-

Note 14E - Liquidity risk

Liquidity risk is the risk that the union will not be able to fund its obligations as they fall due.

The following are the contractual maturities of financial assets and liabilities including estimated interest payments:

At 31 Mar 2016	Carrying amount	< 1 year \$	1- 2 years \$	2- 5 years \$	> 5 years \$	Total \$
Trade creditors & payable	-	-	-	-	-	-
Employee related	6,397	6,397	-	-	-	6,397
Payable to National Office	46,106	46,106	-	-	-	46,106

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Note 14E - Liquidity risk (cont.)

At 31 Mar 2016	Carrying amount	< 1 year \$	1– 2 years \$	2– 5 years \$	> 5 years \$	Total \$
Other payables	6,880	6,880	-	-	-	6,880
Maturities for financial liabilities	59,383	59,383	-	-	-	59,383

At 31 Mar 2015	Carrying amount	< 1 year \$	1– 2 years \$	2– 5 years \$	> 5 years \$	Total \$
Trade creditors & payable	2,877	2,877	-	-	-	2,877
Employee related	16,367	16,367	-	-	-	16,367
Payable to National Office	195,400	195,400	-	-	-	195,400
Other payables	5,197	5,197	-	-	-	5,197
Maturities for financial liabilities	219,841	219,841	-	-	-	219,841

Note 14F - Market price risk

Market price risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the union's income or the value of its holdings of financial instruments. The union is exposed to two sources of market price risk – fluctuations in interest rates and fluctuations in the value of its Held to Maturity investments.

Interest rate risk

Interest rate risk refers to the risk that the value of financial instruments or cash flow associated with the instrument will fluctuate due to changes in market interest rates.

The union is exposed to interest rate fluctuations on its cash at bank and cash on deposits. The union actively monitors interest rates for cash at bank and on deposit to maximise interest income.

The following table summarises the interest rate profile of the union's interest bearing financial instruments.

Fixed-rate instruments			
Other investments	6C	3,741,541	242,959
Variable-rate instruments			
Cash at bank	5A	147,218	336,191
		<u>3,888,759</u>	<u>579,149</u>

Sensitivity analysis

The union is not exposed much to variable rate instruments resulting into minimal variation in this regard.

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Note 15 Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or General Manager:

(1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) A reporting unit must comply with an application made under subsection (1).

Note 16 Business combination

The union has not entered into any business combination during the current reporting period. There is no change to the existing reporting structure of the union.

Note 17 Events after the reporting period

There were no events that occurred after 31 Mar 2016, and/or prior to the signing of the financial statements except the sale of property as reported in Note 6B that would affect the ongoing structure and financial activities of The CEPU-Communication Division Branch (SA/NT).

Note 18 Additional information

The registered office of the union and its principal place of business is:

312 South Road
Richmond
South Australia 5033