

**From:** [ROC - Registered Org Commission](#)  
**To:** "Graham Lorrain"; "nick.townsend@cwu-sant.asn.au"  
**Cc:** "contactus@360Private.com.au"  
**Subject:** FR2017/17CEPU SA/NT COM DIV [SEC=UNCLASSIFIED]  
**Date:** Thursday, 28 September 2017 2:39:00 PM  
**Attachments:** [image001.png](#)  
[CEPU\\_SANT\\_COMM\\_DIV\\_FR2017\\_17\\_Filing\\_Letter\\_28092017.pdf](#)

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## UNCLASSIFIED

Dear Mr Townsend,

Please see attached my letter in relation to the above financial report, which has also been copied to the auditor, Mr Zadow, of 360 Private Audit Pty Ltd.

Yours faithfully

### DAVID VALE

Principal Adviser  
Financial Reporting

### Registered Organisations Commission

Tel: (02) 8293 4654  
[david.vale@roc.gov.au](mailto:david.vale@roc.gov.au)

GPO Box 2983, MELBOURNE VIC 3001 | Street address: Level 13, 175 Liverpool Street Sydney NSW 2000

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**Australian Government**  
**Registered Organisations Commission**

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**From:** Graham Lorrain [<mailto:graham.lorrain@cwu-sant.asn.au>]  
**Sent:** Tuesday, 22 August 2017 11:54 AM  
**To:** ROC - Registered Org Commission  
**Subject:** FR2017/17 CEPU SA/NT COM DIV

Dear Sir/Madam,

Please find attached the completed branch audit for 2016-2017.

The document was tabled at the Branch Committee of Management on the 19th July 2017.

It was posted to workplaces and placed on our website for members perusal on the 24th July 2017.

The signed document was then tabled and passed by our Branch Committee of Management on 16th August 2017.

No signed statement of donations or gifts is attached as there was none during the audit period.

Kind regards,

Graham Lorrain  
Branch President  
CWU - CEPU SA/NT

Phone: (08) 8443 7389

Fax: (08) 8152 0568

Email: [graham.lorrain@cwu-sant.asn.au](mailto:graham.lorrain@cwu-sant.asn.au)



28 September 2017

Mr Nick Townsend  
South Australia & Northern Territory Branch Secretary  
Communications Division  
Communications, Electrical, Electronic, Energy, Information  
Postal, Plumbing and Allied Services Union of Australia  
[nick.townsend@sant.cepu.asn.au](mailto:nick.townsend@sant.cepu.asn.au)  
CC: [contactus@360Private.com.au](mailto: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 2017 - [FR2017/17]**

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 Communications Division Branch. The documents were lodged with the Registered Organisations Commission (the ROC) on 22 August 2017.

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 31 March 2018 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 concerns have been addressed prior to filing next year's report.

**New Format for Auditor's Statement**

The Auditing and Assurance Standards Board (AUASB) has released new requirements for auditor reports effective for financial reporting periods ending on or after 15 December 2016. The Auditor's Statement for the branch was not prepared in accordance with the new format required by ASA 700 *Forming an Opinion and Reporting on a Financial Report*. A '[Guidance Note](#)' is available on the ROC website to help Registered Organisations understand the new auditing requirements.

Please ensure that the auditor's statement in relation to next year's financial report is prepared in accordance with ASA 700.

**Reporting Requirements**

New Reporting Guidelines will apply to organisations and branches with financial years commencing on or after 1 July 2017. Updates and information on the new guidelines will be provided through the ROC website and the [subscription service](#).

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

If you have any queries regarding this letter, please contact me on (02) 8293 4654 or via email at [david.vale@roc.gov.au](mailto:david.vale@roc.gov.au).

Yours faithfully

A handwritten signature in blue ink, appearing to read "David Vale", enclosed within a thin black rectangular border.

David Vale  
Registered Organisations Commission

## VALE, David

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**From:** Graham Lorrain <graham.lorrain@cwu-sant.asn.au>  
**Sent:** Tuesday, 22 August 2017 11:54 AM  
**To:** ROC - Registered Org Commission  
**Subject:** FR2017/17CEPU SA/NT COM DIV  
**Attachments:** 22082017111118-0001.pdf; AVG Certification.txt

FR2017/17

Dear Sir/Madam,

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It was posted to workplaces and placed on our website for members perusal on the 24th July 2017.

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No signed statement of donations or gifts is attached as there was none during the audit period.

Kind regards,

Graham Lorrain  
Branch President  
CWU - CEPU SA/NT

Phone: (08) 8443 7389

Fax: (08) 8152 0568

Email: [graham.lorrain@cwu-sant.asn.au](mailto:graham.lorrain@cwu-sant.asn.au)



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

FINANCIAL REPORT  
AS At 31 Mar 2017

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

**FINANCIAL REPORT  
AS At 31 March 2017**

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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 2017, 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 2017 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 does 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.



**Robert John Zadow** (ASIC Audit Registration No. 5667) FCA, CPA

Director

360 PRIVATE AUDIT PTY LTD

(Authorised Audit Company - (AAC) - Reg. # 487330

Level 1, 170 Greenhill Road

PARKSIDE SA 5063

Dated.....19<sup>th</sup> July 2017

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

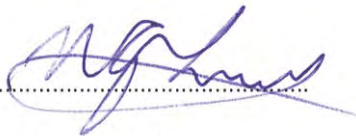
s.268 Fair Work (Registered Organisations) Act 2009

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER  
Certificate for the period ended 31 March 2017

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 2017 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 24/7/2017; and
- that the full report was presented to a meeting of the Branch Committee of Management of the reporting unit on 16/8/2017 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer .....



Name of prescribed designated officer . NICHOLAS TOWNSEND

Title of prescribed designated officer .... **BRANCH SECRETARY**

Dated 16/8/2017

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

**OPERATING REPORT  
FOR THE YEAR ENDED 31 MAR 2017**

The committee presents its report on the reporting unit for the financial year ended 31 March 2017.

**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 1,586 members of which 1,382 were financial members of the Branch as at 31st Mar 2017.

**Number of employees**

As at 31st March 2017, the Branch employed 2 elected officials 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 2017.

<u>Name</u>	<u>Position</u>	<u>Period</u>
Graham LORRAIN	Branch President	01/04/2016 – 31/03/2017
Nicholas TOWNSEND	Branch Secretary	01/04/2016 – 31/03/2017
Frank QUAIAT	Branch Vice President	01/04/2016 – 31/03/2017
Lisa BAHLS	Committee of Management	01/04/2016 – 31/03/2017

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

OPERATING REPORT  
FOR THE YEAR ENDED 31 MAR 2017

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

<u>Name</u>	<u>Position</u>	<u>Period</u>
Doug BARNWELL	Committee of Management	01/04/2016 – 31/03/2017
Rasma FITCH	Committee of Management	01/04/2016 – 19/01/2017
Paul GRIFFIN	Committee of Management	01/04/2016 – 31/03/2017
Glen McDONALD	Committee of Management	01/04/2016 – 31/03/2017
Blayne LAGRUTTA	Committee of Management	01/04/2016 – 31/03/2017
Nick BENTLEY	Committee of Management	01/04/2016 – 31/03/2017
Jim SCOTT	Committee of Management	01/04/2016 – 31/03/2017

Signature of designated officer ..... 

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

Dated: *19/7/2017*

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

**COMMITTEE OF MANAGEMENT STATEMENT  
FOR THE YEAR ENDED 31 MAR 2017**

On the 19/7/17, 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 2017:

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with 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:     19/7/17

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

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MAR 2017**

	Notes	2017 \$	2016 \$
<b>Revenue</b>			
Membership subscription	3A	557,117	604,698
Capitation fees	3B	-	-
Levies	3C	-	-
Interest	3D	104,705	85,295
Rental revenue	3E	-	7,785
Other revenue	3F	27,937	11,214
<b>Total revenue</b>		<b>689,759</b>	<b>708,992</b>
<b>Other Income</b>			
Grants and donations	3G	-	-
Net gain on the sale of investment property	3H	-	2,109,610
Net gains from sale of property & equipment	3I	-	5,786
		<b>-</b>	<b>2,115,396</b>
<b>Total income</b>		<b>689,759</b>	<b>2,824,388</b>
<b>Expenses</b>			
Employee expenses	4A	357,770	517,958
Capitation fees	4B	116,633	147,176
Affiliation fees	4C	12,570	18,528
Administration expenses	4D	100,578	141,748
Grants or donations	4E	1,809	300
Depreciation	4F	30,724	24,929
Finance cost	4G	2,866	3,439
Legal costs	4H	44,899	53,386
Auditor's remuneration	11	22,550	17,218
Net losses from sale of assets	4I	-	-
Other expenses	4J	-	-
<b>Total expenses</b>		<b>690,400</b>	<b>924,682</b>
<b>Profit/(Loss) for the year</b>		<b>(640)</b>	<b>1,899,706</b>
<b>Other comprehensive income</b>			
Items that will not be subsequently reclassified to profit or loss		-	-
Gain on revaluation of land & buildings		-	-
<b>Total comprehensive income for the year</b>		<b>(640)</b>	<b>1,899,706</b>

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 2017**

	Notes	2017 \$	2016 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5A	46,540	147,218
Trade and other receivables	5B	12,033	17,303
Other current assets	5C	6,018	6,813
<b>Total current assets</b>		<u>64,591</u>	<u>171,334</u>
<b>Non-Current Assets</b>			
Property and equipment	6A	131,960	158,379
Investment Property	6B	-	1,701,532
Other Investments	6C	3,837,808	3,741,541
<b>Total non-current assets</b>		<u>3,969,768</u>	<u>5,601,452</u>
<b>Total Assets</b>		<u>4,034,359</u>	<u>5,772,786</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	7A	19,709	48,983
Other payables	7B	11,370	9,892
Employee provisions	8A	200,784	252,423
<b>Total current liabilities</b>		<u>231,862</u>	<u>311,298</u>
<b>Non-Current Liabilities</b>			
Employee provisions	8A	-	40,748
<b>Total non-current liabilities</b>		<u>-</u>	<u>40,748</u>
<b>Total Liabilities</b>		<u>231,862</u>	<u>352,046</u>
<b>Net assets</b>		<u>3,802,497</u>	<u>5,420,740</u>
<b>EQUITY</b>			
Reserves		1,096,667	1,096,668
Retained Earnings		2,705,830	2,706,470
<b>Total Equity</b>		<u>3,802,497</u>	<u>3,803,138</u>

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 2017**

	Asset Revaluation Reserve \$	Special Fund \$	Death Benefit Reserve \$	Retained earnings \$	Total equity \$
<b>Balance as at 1 April 2015</b>	750,822	304,998	40,847	806,764	1,903,431
Adjustment for errors	-	-	-	-	-
Adjustment for changes in accounting policies	-	-	-	-	-
Profit for the year 2015-16	-	-	-	1,899,706	1,899,706
Other comprehensive income for the year	-	-	-	-	-
Any other income or transfer from retained earnings	-	-	-	-	-
<b>Balance as at 31 Mar 2016</b>	750,822	304,998	40,847	2,706,470	3,803,137
Adjustment for errors	-	-	-	-	-
Adjustment for changes in accounting policies	-	-	-	-	-
Loss for the year 2016-17	-	-	-	(640)	(640)
Other comprehensive income for the year	-	-	-	-	-
Any other income or transfer from retained earnings	-	-	-	-	-
<b>Balance as at 31 March 2017</b>	750,822	304,998	40,847	2,705,830	3,802,497

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 2017**

	Notes	2017 \$	2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash Received</b>			
Receipts from members		557,117	603,622
Interest received		104,707	92,356
Rental received		-	8,953
Receipts from other reporting entities	9B	-	-
Other		118,212	204,056
		<u>780,036</u>	<u>908,987</u>
<b>Cash Used</b>			
Employees		(224,407)	(313,395)
Suppliers		(463,171)	(646,854)
Payments to other reporting entities	9B	(176,493)	(362,247)
		<u>(864,071)</u>	<u>(1,322,496)</u>
<b>Net cash from (used by) operating activities</b>	9A	<u>(84,035)</u>	<u>(413,509)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Cash Received</b>			
Proceeds from sale of land and buildings		-	3,813,346
Proceeds from sale of motor vehicles		-	29,545
Movement in term deposits		(12,338)	(3,498,582)
		<u>(12,338)</u>	<u>344,309</u>
<b>Cash Used</b>			
Purchase of motor vehicle		-	(106,988)
Purchase of furniture & fixture		(4,305)	(12,785)
		<u>(16,643)</u>	<u>224,536</u>
<b>Net cash used by investing activities</b>		<u>(16,643)</u>	<u>224,536</u>
<b>FINANCING ACTIVITIES</b>			
Cash flow from financing activities		-	-
		<u>(100,678)</u>	<u>(188,973)</u>
<b>Net increase (decrease) in cash held</b>		<u>(100,678)</u>	<u>(188,973)</u>
Cash & cash equivalents at the beginning of the reporting period		147,218	336,191
Cash & cash equivalents at the end of the reporting period	SA	<u>46,540</u>	<u>147,218</u>

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 2017**

	2017	2016
	\$	\$
<b>Cash assets in respect of recovered money at beginning of year</b>	-	-
<b>Receipts</b>		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
<b>Total receipts</b>	-	-
<b>Payments</b>		
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	-	-
<b>Total payments</b>	-	-
<b>Cash asset's in respect of recovered money at end of year</b>	-	-
Number of workers to which the monies recovered relates	-	-
<b>Aggregate payables to workers attributable to recovered monies but not yet distributed</b>		
Payable balance	-	-
Number of workers the payable relates to	-	-
<b>Fund or account operated for recovery of wages</b>	-	-

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAR 2017**

**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.

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**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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**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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**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:

	<b>2017</b>	<b>2016</b>
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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**Note 2. Summary of significant accounting policies (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 2017, 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).

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)  
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**NOTES TO THE FINANCIAL STATEMENTS  
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	Notes	2017 \$	2016 \$
<b>Note 3 Income</b>			
<b>Note 3A: Membership subscription</b>			
Membership subscription comprises of contributions from members during the year giving an average of \$351 p.a from each member; Members are charged at different rates depending upon their employment status and category in which they fall.			
<b>Note 3B: Capitation fees</b>			
None		-	-
<b>Total capitation fees</b>		<u>-</u>	<u>-</u>
<b>Note 3C: Levies</b>			
Branch levies		-	-
<b>Total levies</b>		<u>-</u>	<u>-</u>
<b>Note 3D: Interest</b>			
Interest income		104,705	85,295
<b>Total interest</b>		<u>104,705</u>	<u>85,295</u>
<b>Note 3E: Rental income</b>			
Rental income from properties and others	3E (i)	-	7,785
<b>Total rental revenue</b>		<u>-</u>	<u>7,785</u>
3E (i) The union rents a building to generate another source of income which was sold subsequently.			
<b>Note 3F: Other revenue</b>			
Board fees	3F (i)	19,279	-
Fees/Reimbursement		8,658	11,215
		<u>27,937</u>	<u>11,215</u>
3F (i) This corresponds to the fees on account of representation for the board of Telstra Super during the current year.			
<b>Note 3G: Grants and donations</b>			
Grants		-	-
Donations		-	-
<b>Total grants and donations</b>		<u>-</u>	<u>-</u>

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	<b>2017</b>	<b>2016</b>
	\$	\$
<b>Note 3 Income (cont.)</b>		
<b>Note 3H: Net gain on the sale of investment property</b>		
Proceeds	-	3,900,000
<b>Less:</b>		
Selling cost	-	(86,654)
Net book value	-	(1,703,736)
<b>Net gain on sale of investment property</b>	<u>-</u>	<u>2,109,610</u>
<b>Note 3I: Net gain on the sale of property, plant &amp; equipments</b>		
Proceeds from sale of motor vehicles	-	29,545
<b>Less:</b>		
Net book value	-	(23,759)
<b>Net gain on sale on sale of property &amp; equipments</b>	<u>-</u>	<u>5,786</u>
<b>Note 4 Expenses</b>		
<b>Note 4A: Employee expenses</b>		
<b>Holders of office:</b>		
Wages and salaries	215,247	242,850
Superannuation	54,924	66,407
Leave and other entitlements	9,878	35,968
Separation and redundancies	-	-
	<u>280,049</u>	<u>345,225</u>
<b>Other employee expenses</b>		
Payroll Tax	6,506	26,350
Fringe Benefits Tax	-	3,578
Work cover	4,739	6,209
Motor Vehicle Expenses	9,485	14,204
Training	3,614	4,530
Travel	30,556	33,727
	<u>54,900</u>	<u>88,597</u>
<b>Subtotal employee expenses holders of office</b>	<u>334,948</u>	<u>433,822</u>
<b>Employees other than office holders:</b>		
Wages and salaries	36,612	70,546
Superannuation	4,038	7,507
Leave and other entitlements	(17,828)	6,083
Separation and redundancies	-	-
Other employee expenses	-	-
<b>Subtotal employees other than office holders</b>	<u>22,822</u>	<u>84,136</u>
<b>Total employee expenses</b>	<u>357,770</u>	<u>517,958</u>

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	Notes	2017	2016
<b>Note 4 Expenses (cont.)</b>		\$	\$
<b>Note 4B: Capitation fees</b>			
Capitation fees - National office		116,633	147,176
<b>Total capitation fees</b>		116,633	147,176
<b>Note 4C: Affiliation fees</b>			
National Council Fund		1,751	1,945
Australian Labour Party		7,594	10,482
5A Unions		2,875	2,835
National IR Campaign Levy - CEPU National		-	2,566
May Day Collective Affiliation		350	700
<b>Total affiliation fees/subscriptions</b>		12,570	18,528
<b>Note 4D: Administration expenses</b>			
Consideration to employers for payroll deductions		-	-
Compulsory levies		-	-
Conference and meeting expenses		-	-
Contractors/consultants		17,898	8,446
Property expenses	4D (i)	13,961	39,206
Office expenses		18,490	26,454
Information communications		16,412	20,235
Insurance	4D (ii)	31,348	41,072
Other		2,469	6,335
<b>Total administration expense</b>		100,578	141,748
4D (i) This includes repair & maintenance, power expenses, land and council taxes.			
4D (ii) This includes business, personal accident and death disability insurances.			
<b>Note 4E: Grants and donations</b>			
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		1,809	-
<b>Total grants and donations</b>		1,809	300
<b>Note 4F: Depreciation</b>			
Land and building		959	961
Office equipment & furniture		6,807	5,816
Motor vehicle		22,958	18,152
<b>Total depreciation</b>		30,724	24,929
<b>Note 4G: Finance costs</b>			
Finance cost		2,866	3,439
<b>Total finance costs</b>		2,866	3,439

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	Notes	2017 \$	2016 \$
<b>Note 4H: Legal costs</b>			
Litigation		-	-
Legal expenses	4H (i)	44,899	53,386
<b>Total legal costs</b>		<b>44,899</b>	<b>53,386</b>

4H (i) This also includes member's medical claims, under review by CWU's legal advisor for reimbursement, whose outcome varies from case to case.

**Note 4I: Net losses from sale of assets**

Fixed assets		-	-
<b>Total net losses from asset sales</b>		<b>-</b>	<b>-</b>

**Note 4J: Other expenses**

Penalties - via RO Act or RO Regulations		-	-
<b>Total other expenses</b>		<b>-</b>	<b>-</b>

**Note 5 Current Assets**

**Note 5A: Cash and cash equivalents**

Cash at bank	5A (i)	45,885	146,823
Cash on hand		655	395
<b>Total cash and cash equivalents</b>		<b>46,540</b>	<b>147,218</b>

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)		-	-
<b>Total receivables from other reporting units</b>		<b>-</b>	<b>-</b>
Less provision for doubtful debts		-	-
<b>Receivable from other reporting units</b>		<b>-</b>	<b>-</b>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAR 2017**

	Notes	2017 \$	2016 \$
<b>Note 5B: Trade and other receivables (cont.)</b>			
<b>Other receivables:</b>			
GST receivable from the Australian Taxation Office		-	5,270
Other trade receivables	5B (i)	12,033	12,033
<b>Total other receivables</b>		12,033	17,303
<b>Total trade and other receivables (net)</b>		12,033	17,303

**5B (i)** Other trade receivables represent the overpayment of super contributions on account of one of ex-employee. Union has contacted the concerned superannuation fund with the necessary documentation, and hopefully, it will be released soon.

**Note 5C: Other current assets**

Accrued Interest		53	54
Prepayments		5,966	6,760
<b>Total other current assets</b>		6,018	6,813

**Note 6 Non-current assets**

**Note 6A: Property and equipment**

Cost	6A (i), 6A (ii) & 6A (iii)	286,323	282,018
Accumulated depreciation		(154,363)	(123,639)
<b>Total property and equipment</b>		131,960	158,379

**6A (i) Land and buildings:**

Cost	6A (i) (a)	38,360	38,360
Accumulated depreciation		(2,502)	(1,543)
<b>Total land and buildings</b>		35,858	36,817

**Reconciliation of the opening and closing balances**

**As at 1 April 2016**

Gross book value		38,360	38,360
Accumulated depreciation and impairment		(1,543)	(582)
<b>Net book value 1 April 2016</b>		36,817	37,778
Additions		-	-
Revaluations		-	-
Impairments		-	-
Depreciation expense		(959)	(961)
Other movement- Property Improvements		-	-
Disposals		-	-
<b>Net book value 31 Mar 2017</b>		35,858	36,817



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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAR 2017**

	2017	2016
	\$	\$
<b>6A (ii) Office equipment &amp; furniture</b>		
At cost	140,974	136,669
Accumulated depreciation	(113,743)	(106,936)
<b>Total office equipment &amp; furniture</b>	<b>27,231</b>	<b>29,733</b>

**Reconciliation of the opening and closing balances**

<b>As at 1 April 2016</b>		
Gross book value	136,669	123,884
Accumulated depreciation and impairment	(106,936)	(101,120)
<b>Net book value 1 April 2016</b>	<b>29,733</b>	<b>22,764</b>

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

Additions	4,305	12,785
Depreciation expense	(6,807)	(5,816)
Disposals	-	-
Other	-	-
<b>Net book value 31 Mar 2017</b>	<b>27,231</b>	<b>29,733</b>

**6A (iii) Motor Vehicle:**

Cost	106,989	106,989
Accumulated depreciation	(38,118)	(15,160)
<b>Total Motor vehicle</b>	<b>68,871</b>	<b>91,829</b>

**Reconciliation of the opening and closing balances**

<b>As at 1 April 2016</b>		
Gross book value	106,989	108,805
Accumulated depreciation and impairment	(15,160)	(82,053)
<b>Net book value 1 April 2016</b>	<b>91,829</b>	<b>26,752</b>
Additions	-	106,988
Revaluations	-	-
Impairments	-	-
Depreciation expense	(22,958)	(18,152)
Other adjustment	-	-
Disposals	-	(23,759)
<b>Net book value 31 Mar 2017</b>	<b>68,871</b>	<b>91,829</b>

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)**  
**COMMUNICATIONS DIVISION BRANCH (SA/NT)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAR 2017**

	2017	2016
	\$	\$
<b>6B Investment Property</b>		
Opening balance as at 01 April	-	1,698,750
Additions	-	15,157
Depreciation for the year	-	(12,375)
<b>Closing balance as at 31 Mar</b>	-	1,701,532

**Note 6C: Other Investments**

Term deposits	6C (i)	3,837,808	3,741,541
<b>Total other investments</b>		3,837,808	3,741,541

6C (i) Term deposits are made for more than 6 months period earning interest rate ranging from 1.50% to 2.80% per anum.

**Note 7 Current Liabilities**

**Note 7A: Trade payables**

Trade payable and accruals	-	2,877
<b>Subtotal trade creditors</b>	-	2,877
<b>Payables to other reporting units</b>		
CEPU - National office	19,709	46,106
<b>Subtotal</b>	19,709	46,106
<b>Total trade payables</b>	19,709	48,983

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAR 2017**

	<b>2017</b>	<b>2016</b>
	\$	\$
<b>Note 7 Current Liabilities (cont.)</b>		
<b>Note 7B: Other payables</b>		
Wages and salaries	4,774	5,175
Superannuation	1,011	-
Consideration to employers for payroll deductions	-	-
Legal costs	-	-
Prepayments received/unearned	-	2,212
GST payable	3,583	1,222
Other	2,002	1,283
<b>Total other payables</b>	<b>11,370</b>	<b>9,892</b>
<b>Note 8 Provisions</b>		
<b>Note 8A: Employee provisions</b>		
<b>Office Holders:</b>		
Annual leave	104,770	133,145
Sick leave	-	53,075
Separations and redundancies	-	-
Long service leave	96,014	95,206
Other	-	-
<b>Subtotal employee provisions—office holders</b>	<b>200,784</b>	<b>281,426</b>
<b>Employees other than office holders:</b>		
Annual leave	-	11,744
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
<b>Subtotal—employees other than office holders</b>	<b>-</b>	<b>11,744</b>
<b>Total employee provisions</b>	<b>200,784</b>	<b>293,170</b>
Current	200,784	252,423
Non Current	-	40,748
<b>Total employee provisions</b>	<b>200,784</b>	<b>293,171</b>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAR 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Note 9 Cash flow</b>		
<b>Note 9A: Cash flow reconciliation</b>		
<b>Reconciliation of Cash and Cash Equivalents from Operating Activities to the surplus for the year</b>		
Profit/(loss) for the year	(640)	1,899,706
<b>Adjustments for non-cash items</b>		
Depreciation	30,724	24,929
Gain on disposal of investment property	-	(2,109,609)
Gain on disposal of motor vehicles	-	(5,786)
	30,084	(190,761)
<b>Changes in assets/liabilities</b>		
(Increase)/decrease in net receivables	5,270	16,251
(Increase)/decrease in other current assets	795	8,102
Increase/(decrease) in payables	(27,797)	(162,663)
Increase/(decrease) in employee provisions	(92,387)	(84,438)
<b>Net cash from (used by) operating activities</b>	<b>(84,035)</b>	<b>(413,509)</b>
<b>Note 9B: Cash flow information</b>		
Cash inflows		
CEPU - National Office	-	-
<b>Total cash inflows</b>	<b>-</b>	<b>-</b>
Cash outflows		
CEPU - National Office	(144,867)	(333,933)
CEPU - Electrical	(31,626)	(28,314)
<b>Total cash outflows</b>	<b>(176,493)</b>	<b>(362,247)</b>
<b>Note 10 Related party disclosures</b>		
<b>Note 10A: Related party transactions for the reporting period</b>		
The union does not have any related party transaction.		
<b>Note 10B: Key management personnel remuneration for the reporting period</b>		
<b>Short-term employee benefits</b>		
Salary	215,247	242,850
Leave and other entitlements	3,964	10,051
Performance bonus	-	-
<b>Total short-term employee benefits</b>	<b>219,211</b>	<b>252,901</b>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAR 2017**

Notes	2017 \$	2016 \$
<b>Note 10B: Key management personnel remuneration for the reporting period (cont.)</b>		
<b>Post-employment benefits:</b>		
Superannuation	54,924	66,407
<b>Total post-employment benefits</b>	54,924	66,407
<b>Other long-term benefits:</b>		
Long-service leave	5,914	25,917
<b>Total other long-term benefits</b>	5,914	25,917
<b>Termination benefits</b>	-	-
<b>Total</b>	280,049	345,225
<b>Note 10C: Transactions with key management personnel and their close family members</b>		
<b>Loans to/from key management personnel</b>		
None	-	-
<b>Other transactions with key management personnel</b>		
None	-	-
<b>Note 11 Auditor's remuneration</b>		
Audit fees	14,000	14,420
Non-audit services	8,550	2,798
<b>Total auditor's remuneration</b>	22,550	17,218
<b>Note 12 Financial Support to or from another reporting entity</b>		
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.		
<b>Note 13 Contingent liabilities, assets and commitments</b>		
<b>Note 13A: Commitments and contingencies</b>		
<b>Operating lease commitments—as lessee</b>		
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
<b>Operating lease commitments—as lessor</b>		
None		
<b>Capital commitments</b>		
At 31 Mar 2017, the union does not have any capital commitments.	-	-
<b>Finance lease commitments—as lessee</b>		
None	-	-
<b>Finance leases—lessor</b>		
None	-	-

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAR 2017**

**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.

<b>Note 14B: Categories of financial instruments</b>	<b>Notes</b>	<b>2017</b>	<b>2016</b>
		<b>\$</b>	<b>\$</b>
<b>Financial assets</b>			
<u>Held-to-Maturity investments</u>			
Building fund		3,829,368	-
Death Benefit Fund		-	-
Leave fund - Beyond Bank		8,439	16,106
Car replacement fund		-	-
Special Fund		-	-
Total other investments	6C	3,837,808	16,106
<u>Loans and receivables:</u>			
Trade and other receivables	5B	12,033	17,303
Other current assets	5C	6,018	6,813
Total		18,051	24,116
<b>Financial liabilities</b>			
Trade creditors and accruals	7A	19,709	48,983
Other payables	7B	11,370	9,892
Total		31,078	58,875

**Note 14C: Net income and expense from financial assets**

**Other investments**

Interest income	104,705	85,295
Exchange gains/(loss)	-	-

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAR 2017**

<b>Note 14C: Net income and expense from financial assets</b>	<b>Notes</b>	<b>2017</b>	<b>2016</b>
		<b>\$</b>	<b>\$</b>
<b>Other investments (cont.)</b>			
Impairment		-	-
Gain/loss on disposal		-	-
<b>Net gain/(loss)</b>		<u>104,705</u>	<u>85,295</u>

**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	46,540	147,218
Trade debtors and other receivables	5B	12,033	17,303
Other current assets	5C	6,018	6,813
Other investments	6C	3,837,808	16,106
		<u>3,902,399</u>	<u>187,440</u>

Trade debtors and other current assets primarily comprise of overpayment of super contributions and prepaid insurance.

	<b>2017</b>		<b>2016</b>	
	Gross	Impairment	Gross	Impairment
	\$	\$	\$	\$
Not past due	-	-	-	-
Past due 0-30 days	6,018	-	12,083	-
Past due 31-120 days	-	-	12,033	-
Past due 121 days to one year	-	-	-	-
Past due more than 1 year	12,033	-	-	-
	<u>18,051</u>	<u>-</u>	<u>24,116</u>	<u>-</u>

**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:

<b>At 31 Mar 2017</b>	<b>Carrying amount</b>	<b>&lt; 1 year</b>	<b>1– 2 years</b>	<b>2– 5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
		\$	\$	\$	\$	\$
Trade creditors & payable	-	-	-	-	-	-
Employee related	5,785	5,785	-	-	-	5,785
Payable to National Office	19,709	19,709	-	-	-	19,709

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAR 2017**

**Note 14E - Liquidity risk (cont.)**

<b>At 31 Mar 2017</b>	<b>Carrying amount</b>	<b>&lt; 1 year \$</b>	<b>1– 2 years \$</b>	<b>2– 5 years \$</b>	<b>&gt; 5 years \$</b>	<b>Total \$</b>
Other payables	5,585	5,585	-	-	-	5,585
Maturities for financial liabilities	31,078	31,078	-	-	-	31,078
<b>At 31 Mar 2016</b>	<b>Carrying amount</b>	<b>&lt; 1 year \$</b>	<b>1– 2 years \$</b>	<b>2– 5 years \$</b>	<b>&gt; 5 years \$</b>	<b>Total \$</b>
Trade creditors & payable	2,877	2,877	-	-	-	2,877
Employee related	5,175	5,175	-	-	-	5,175
Payable to National Office	46,106	46,106	-	-	-	46,106
Other payables	4,717	4,717	-	-	-	4,717
Maturities for financial liabilities	58,875	58,875	-	-	-	58,875

**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	3,837,808	16,106
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**Variable-rate instruments**

Cash at bank	5A	46,540	147,218
		<u>3,884,348</u>	<u>163,324</u>

**Sensitivity analysis**

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



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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAR 2017**

**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 2017, 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



13 April 2017

Mr Nick Townsend

Branch Secretary

Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia-Communications Division - South Australia & Northern Territory Communications Division Branch

By Email: [graham.lorrain@sant.cepu.asn.au](mailto:graham.lorrain@sant.cepu.asn.au)

Dear Mr Townsend,

**Re: Lodgement of Financial Report - [FR2017/17]  
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia-Communications Division - South Australia & Northern Territory Communications Division Branch (the reporting unit) ended on 31 March 2017.

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

Also you are reminded of the obligation to prepare and lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 requires this statement to be lodged with the FWC within 90 days of the end of the reporting unit's financial year, that is on or before 29 June 2017.

### **The new Registered Organisations Commission**

The Registered Organisations Commission (the ROC) will be established in 2017.

Statements of loans, grants and donation and financial reports must be lodged with the Fair Work Commission until the ROC is established. Once the ROC is established, they must be lodged with the ROC.

It is not yet known when in 2017 the ROC will be established. The Fair Work Commission will be providing information on the transition to the ROC through its subscription service and its website. For details about the subscription service, go to [Subscriptions](#) and subscribe to the Registered organisations information service.

### **Where to lodge Statements of Loans Grants and Donations and Financial Reports**

	<b>Before the ROC is established</b>	<b>From establishment of the ROC</b>
<b>Where to lodge</b>	Lodge your statement of loans grants donations and your financial report with the Fair Work Commission	Lodge your statement of loans grants donations and your financial report with the ROC
<b>How to lodge</b>	The easiest way to lodge is via email: <a href="mailto:orgs@fwc.gov.au">orgs@fwc.gov.au</a>	Lodgement methods are not yet known

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

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

## Our focus this year: timelines and disclosure of loans, grants and donations

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

### Timelines

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

As stated above, section 237 requires the loans, grants and donations statement to be lodged with the FWC within 90 days of the end of the reporting unit's financial year, that is on or before 29 June 2017. A sample statement of loans, grants or donations is available at [sample documents](#).

### Fact sheets, guidance notes and model statements

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

### Civil penalties may apply

**It should be noted that s.268 and s.237 are civil penalty provisions.** If a loan, grant or donation over \$1000 has been made, failure to lodge a statement of loans, grants and donations may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

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

### Contact

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

Yours sincerely,

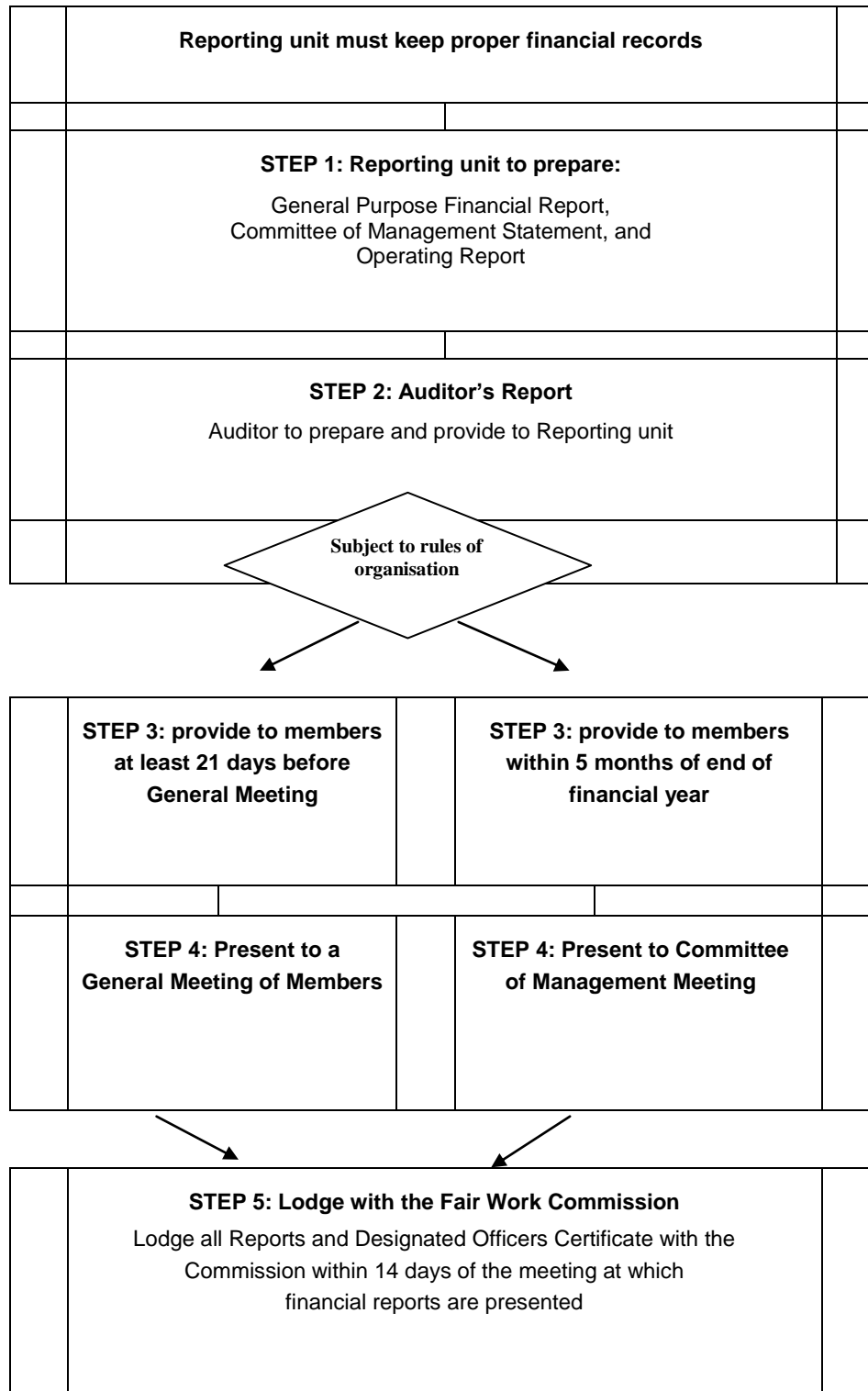


Sam Gallichio  
Adviser  
Regulatory Compliance Branch

# Financial reporting timelines

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

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



# Fact Sheet - Loans, Grants & Donations

## The Loans, Grants & Donations Requirements

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

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

## The Loans, Grants & Donations Statement

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







- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,\* and
- the arrangements for repaying the loan.\*

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

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

## Common misconceptions

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

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

## Grants & Donations within the Financial Report

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

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

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

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

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

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

### Implications for filing the Financial Report

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

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

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

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

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

### Further information

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