



29 October 2020

Susan Riley
Branch Secretary & National Councillor
Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services
Union of Australia - Communications Division - Victorian Telecommunications and Services Branch

Sent via email: sriley@cwu.asn.au
CC: afong@morrows.com.au

Dear Susan Riley,

Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - Communications Division - Victorian Telecommunications and Services Branch

Financial Report for the year ended 31 March 2020 – (FR2020/10)

I acknowledge receipt of the financial report for the year ended 31 March 2020 for the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - Communications Division - Victorian Telecommunications and Services Branch (**reporting unit**). The documents were lodged with the Registered Organisations Commission (**the ROC**) on 30 July 2020. I also acknowledged receipt of the signed auditor's report which was received on 1 September 2020.

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 (**RGs**) 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 2021 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. 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.

Non-compliance with previous requests

While we filed last year's financial report, we raised certain issues for the reporting unit to address in the preparation of future financial reports. I note that the same errors have appeared in the current report, namely:

- Disclosure requirements – measured at fair value;

- Officer's declaration statement – to include nil activity disclosures not elsewhere disclosed; and
- Disclosures relating to other reporting units

The ROC aims to assist reporting units comply with their obligations under the RO Act and RGs by providing advice about the errors identified in financial reports. Please ensure that these issues are addressed in last year financial reports.

Timescale requirements

Reports must be signed and dated before being provided to members

Under subsection 265(1)(a) of the RO Act a reporting unit must provide free of charge to its members a full report. A full report consists of:

- (i) a copy of the report of the auditor in relation to the inspection and audit of the financial records of the reporting unit in relation to a financial year; and
- (ii) a copy of the general purpose financial report to which the report relates; and
- (iii) a copy of the operating report to which the report relates.

Subsection 253(2) states that the general purpose financial report must consist of:

- (a) financial statement containing
 - (i) a profit and loss statement, or other operating statement; and
 - (ii) a balance sheet; and
 - (iii) a statement of cash flows; and
 - (iv) any other statements required by the Australian Accounting Standards; and
- (b) notes to the financial statements containing:
 - (i) notes required by the Australian Accounting Standards; and
 - (ii) information required by the reporting guidelines (see section 255); and
- (c) any other reports or statements required by the reporting guidelines (see section 255) (including a committee of management statement, subsection 255(2A) report and officer's declaration statement).

The designated officer's certificate states that the full report was provided to members on 6 July 2020.

However, the committee of management statement, operating report, subsection 255(2A) report, officer's declaration statement and auditor's report were not signed until 7 July 2020 which is after the date the full report was purportedly provided to members. These statements and reports must be signed and dated before they are provided to members as they form part of a full report. It would therefore appear that members have not been provided with a copy of the full report.

Please ensure you provide members with copies of the signed reports.

General purpose financial report (GPFR)

AASB 15 - Disaggregation of revenue from contracts with customers

Australian Accounting Standard AASB 15 Revenue from Contracts with Customers paragraph 114 requires an entity to disaggregate revenue from contracts with customers into categories that depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors.

It appears that no such disclosure has been made.

Please note that in future years the reporting unit's GPFR must include all relevant and required financial disclosures in accordance with AASB 15.

Reporting Requirements

The ROC website provides factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements.

The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 9603 0764 or via email at kylie.ngo@roc.gov.au.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Kylie Ngo', with a long horizontal stroke underneath.

Kylie Ngo
Registered Organisations Commission

**COMMUNICATIONS, ELECTRICAL,
ELECTRONIC, ENERGY, INFORMATION,
POSTAL, PLUMBING AND ALLIED SERVICES
UNION OF AUSTRALIA, COMMUNICATIONS
DIVISION, TELECOMMUNICATIONS AND
SERVICES BRANCH (VICTORIA)**

ABN 13 511 341 559

FINANCIAL REPORT

FOR THE YEAR ENDED 31 MARCH 2020

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559

S.268 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009
CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER
CERTIFICATE FOR THE YEAR ENDED 31 MARCH 2020

I, Susan Riley, being the Branch Secretary of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing And Allied Services Union Of Australia, Communications Division, Telecommunications And Services Branch (Victoria) certify:

- that the documents lodged herewith are copies of the full report for the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing And Allied Services Union Of Australia, Communications Division, Telecommunications And Services Branch (Victoria) for the period ended 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 6 July 2020; and
- that the full report was presented to a general meeting of members of the reporting unit on 28 July 2020 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.



Signature of prescribed designated officer:

Name of prescribed designated officer: Susan Riley

Title of prescribed designated officer: Branch Secretary, Communications Workers Union, Victorian Telecommunications and Services Branch

Dated: 28 July 2020

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559

**REPORT REQUIRED UNDER SUBSECTION 255(2A)
 FOR THE YEAR ENDED 31 MARCH 2020**

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 March 2020.

| Categories of expenditures | 2020 \$ | 2019 \$ |
|--|------------|------------|
| Remuneration and other employment-related costs and expenses - employees | 363,543 | 306,115 |
| Advertising | - | - |
| Operating costs | 134,200 | 147,972 |
| Donations to political parties | - | - |
| Legal costs | 26,934 | 53,730 |

Signature of prescribed designated officer: *Susan Riley*

Name of prescribed designated officer: Susan Riley

Title of prescribed designated officer: Branch Secretary, Communications Workers Union, Victorian Telecommunications and Services Branch

Dated: *7/7/20*

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559

OPERATING REPORT

In accordance with Section 254 of the Fair Work (Registered Organisations) Act 2009 ("Act") the Committee of Management present their Operating Report on Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) ("the Union"), the relevant Reporting Unit for the financial year ended 31 March 2020.

Principal activities

The principal activities of the Union during the financial year were to provide industrial and organising services to members of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria), consistent with the objectives of the Union and particularly the objective of protecting and improving the interests of the members.

Operating result

The results of the principal activities of the Union during the financial year was to further the interests of communications workers through improvements in wages and conditions, health and safety, legal rights and company compliance with Australian labour standards.

The operating loss of the Union for the financial year was \$215,943 (2019: profit \$32,233). No provision for tax was necessary as the Union is exempt from income tax.

The other comprehensive loss of the Union for the financial year was \$43,356 (2019: \$254 loss). The other comprehensive income was in regards to the revaluation of financial assets at the end of the financial year.

The total comprehensive loss of the Union for the financial year was \$259,299 (2019: income \$31,979).

Significant changes in financial affairs

There were no significant changes in the principal activities or financial affairs of the Union during the financial year.

Rights of members to resign

Pursuant to the Reporting Unit Rule 21 and Section 174 of the Fair Work (Registered Organisations) Act 2009, members have the right to resign from membership by providing written notice addressed to and delivered to the Secretary of the Reporting Unit.

A notice of resignation from membership of the Union takes effect:

- (a) where the member ceases to be eligible to become a member of the Union
 - (i) on the day on which the notice is received by the Union
 - (ii) on the day specified in the notice which is a day not earlier than the day when the member ceases to be eligible to become a member;whichever is the later, or
- (b) in any other case:
 - (i) at the end of two weeks after the notice is received by the Union, or
 - (ii) on the day specified in the noticewhichever is the later.

Officers or members who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position

No other officer or member of the Union is:

- (a) is a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (b) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

OPERATING REPORT continued

Other Prescribed Information

In accordance with Regulation 159 of the Fair Work (Registered Organisations) Regulations 2009 ("Regulations"):

- (a) the number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for Section 230 of the Act and who are taken to be members of the Union under section 244 of the Act was 1,393 (2019: 1,555).
- (b) the number of persons who were, at the end of the financial year to which the report relates, employees of the Union, where the number of employees includes both full-time and part-time employees, measured on a full-time equivalent basis was 2.4.
- (c) the names of each person who have been a member of the Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position were;

Name

| | |
|-------------------------|--|
| Kelvin Welbourn | Branch President (Honorary) |
| Amy Stubberfield | Branch Vice-President (Honorary) |
| Susan Riley | Branch Secretary |
| Christopher John Ellery | Branch Assistant Secretary – resigned post 31/7/19 Committee of Management Technical Division – elected 20/2/20 |
| Scott Thomson | Branch Assistant Secretary – elected 1/8/19 |
| Paul Lightfoot | Committee of Management Technical Division |
| Neil Johnson | Committee of Management Technical Division |
| Ian McCallum | Committee of Management Technical Division |
| Robert Parker | Committee of Management Technical Division – resigned post 31/7/19 |
| David Smithwick | Committee of Management Technical Division – resigned post 14/8/19 |
| Mark Dennis | Committee of Management Technical Division |
| David Francey | Committee of Management Technical Division - resigned post 31/7/19 |
| Andrew Young | Committee of Management Technical Division |
| Maureen Parker | Committee of Management Operator Division – resigned post 4/10/19 (deceased) |
| David Ketchion | Committee of Management Technical Division – elected 1/8/19 |
| Fiona Crouch | Committee of Management Operator Division – elected 20/2/20 |

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

Signed in accordance with a resolution of the Committee of Management.

For Committee of Management: Susan Riley
Title of Office held: Branch Secretary

Signature:

Susan Riley

Dated:

7/7/20

Melbourne

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED
SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH
(VICTORIA)
ABN 13 511 341 559**

**COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020**

On 7 July 2020 the Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 March 2020:

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

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



Signature of designated officer:

Name and title of designated officer: Susan Riley - Branch Secretary

Dated: 7 July 2020

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED
SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH
(VICTORIA)
ABN 13 511 341 559

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020**

| | Notes | 2020 \$ | 2019 \$ |
|--|-------|------------------|----------------|
| Revenue | | | |
| Membership subscription | | 639,028 | 697,413 |
| Capitation fees | 3A | - | - |
| Levies | 3B | - | - |
| Interest | 3C | 460 | 771 |
| Contributions | 3D | (190,966) | - |
| Other revenue | | 35,337 | 28,429 |
| Total revenue | | 483,859 | 726,613 |
| Other Income | | | |
| Grants and/or donations | 3E | - | - |
| Revenue from recovery of wages activity | 3F | - | - |
| Total other income | | - | - |
| Total income | | 483,859 | 726,613 |
| Expenses | | | |
| Employee expenses | 4A | 363,543 | 306,115 |
| Capitation fees | 4B | 133,432 | 146,412 |
| Affiliation fees | 4C | 7,244 | 4,956 |
| Administration expenses | 4D | 134,200 | 147,972 |
| Grants or donations | 4E | 200 | - |
| Depreciation and amortisation | 4F | 17,586 | 9,997 |
| Finance costs | 4G | 2,556 | - |
| Legal costs | 4H | 26,934 | 53,730 |
| Audit fees | 14 | 18,550 | 18,580 |
| Write-down and impairment of assets | 4I | (8,903) | 2,064 |
| Net losses from sale of assets | 4J | - | - |
| Other expenses | 4K | 4,460 | 4,554 |
| Total expenses | | 699,802 | 694,380 |
| (Loss)/profit for the year | | (215,943) | 32,233 |
| Other comprehensive income | | | |
| Items that will not be subsequently reclassified to profit or loss | | - | - |
| (Loss) on revaluation of financial assets | | (43,356) | (254) |
| Total comprehensive (loss)/income for the year | | (259,299) | 31,979 |

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

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED
SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH
(VICTORIA)
ABN 13 511 341 559

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

| | Notes | 2020 \$ | 2019 \$ |
|--------------------------------------|-------|----------------|----------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 5A | 174,333 | 156,690 |
| Trade and other receivables | 5B | 39,688 | 20,311 |
| Other current assets | 5C | - | 3,727 |
| Total current assets | | 214,021 | 180,728 |
| Non-Current Assets | | | |
| Plant and equipment | 6A | 20,596 | 27,354 |
| Intangibles | 6B | 367 | 565 |
| Right of use asset | 11A | 35,970 | - |
| Other financial assets | 6C | 521,574 | 617,691 |
| Total non-current assets | | 578,507 | 645,610 |
| Total assets | | 792,528 | 826,338 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade payables | 7A | 32,329 | 34,918 |
| Other payables | 7B | 228,422 | 35,147 |
| Employee provisions | 8A | 123,357 | 125,043 |
| Lease liability | 11B | 10,333 | - |
| Total current liabilities | | 394,441 | 195,108 |
| Non-Current Liabilities | | | |
| Employee provisions | 8A | - | - |
| Lease liability | 11B | 26,156 | - |
| Total non-current liabilities | | 26,156 | - |
| Total liabilities | | 420,597 | 195,108 |
| Net assets | | 371,931 | 631,230 |
| EQUITY | | | |
| Financial reserves | 9A | (34,790) | 8,566 |
| Retained earnings | | 406,721 | 622,664 |
| Total equity | | 371,931 | 631,230 |

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

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED
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(VICTORIA)
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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

| | Notes | Fair value reserve for financial assets at FVTOCI \$ | Retained earnings \$ | Total equity \$ |
|--|-------|---|----------------------------|--------------------|
| Balance as at 1 April 2018 | | 8,820 | 590,431 | 599,251 |
| Profit for the year | | - | 32,233 | 32,233 |
| Other comprehensive loss for the year | | (254) | - | (254) |
| Closing balance as at 31 March 2019 | | 8,566 | 622,664 | 631,230 |
| Loss for the year | | - | (215,943) | (215,943) |
| Other comprehensive loss for the year | | (43,356) | | (43,356) |
| Closing balance as at 31 March 2020 | | (34,790) | 406,721 | 371,931 |

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

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED
SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH
(VICTORIA)
ABN 13 511 341 559

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020**

| | Notes | 2020 \$ | 2019 \$ |
|---|-------|-----------------------|-----------------------|
| OPERATING ACTIVITIES | | | |
| Cash received | | | |
| Receipts from other reporting units/controlled entity(s) | 10B | 15,252 | 7,555 |
| Interest | | 460 | 771 |
| Other | | 701,762 | 757,304 |
| | | <u>717,474</u> | <u>765,630</u> |
| Cash used | | | |
| Employees | | (350,526) | (291,327) |
| Suppliers | | (249,875) | (282,345) |
| Payment to other reporting units/controlled entity(s) | 10B | (161,847) | (174,762) |
| Net cash from (used by) operating activities | 10A | <u>(44,774)</u> | <u>17,196</u> |
| INVESTING ACTIVITIES | | | |
| Cash received | | | |
| Proceeds from sale of plant and equipment | | - | - |
| Other -Proceeds from redemption of investments | | 75,084 | 37,500 |
| Cash used | | | |
| Purchase of plant and equipment | | - | (11,428) |
| Net cash from investing activities | | <u>75,084</u> | <u>26,072</u> |
| FINANCING ACTIVITIES | | | |
| Cash received | | | |
| Contributed equity | | - | - |
| Cash used | | | |
| Payment of lease liabilities – principal | | (10,111) | - |
| Payment of lease liabilities – interest | | (2,556) | - |
| Repayment of borrowings | | - | - |
| Net cash from (used by) financing activities | | <u>(12,667)</u> | <u>-</u> |
| Net increase (decrease) in cash held | | 17,643 | 43,268 |
| Cash & cash equivalents at the beginning of the reporting period | | 156,690 | 113,422 |
| Reclassification of cash and cash equivalents to other investments | | - | - |
| Reclassification of other investments to cash and cash equivalents | | - | - |
| Cash & cash equivalents at the end of the reporting period | 5A | <u>174,333</u> | <u>156,690</u> |

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

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED
SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH
(VICTORIA)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Note 1 Summary of significant accounting policies

1.1 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 Organisations) Act 2009. For the purpose of preparing the general purpose financial statements, the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) is a not-for-profit entity.

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

1.2 Comparative amounts

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. There has been no adjustments made for this financial year end's comparative figures.

1.3 Significant accounting judgements and estimates

The following 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.

The Committee of Management assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

The accounting policies adopted are consistent with those of the previous financial year except for the following standards and amendments, which have been adopted for the first time this financial year:

- AASB 15 Revenue from contracts with customers
- AASB 16 Leases

AASB 15 Revenue from contracts with customers

The Reporting entity has adopted AASB 15 Revenue from Contracts with Customers for the first time in the current year with a date of initial application of 1 April 2019.

The key changes to the Reporting entity's accounting policies and the impact on these financial statements from applying AASB 15 are described in note 1.5. There is no impact on these financial statements from applying AASB 15.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

Note 1 Summary of significant accounting policies continued

1.4 New Australian Accounting Standards continued

Adoption of New Australian Accounting Standard Requirements continued

AASB 16 Leases

The Reporting entity has applied AASB 16 Leases for the first time in preparing these financial statements. The nature and effect of the changes resulting from the adoption of these standards are described below.

AASB 16 changes how the Reporting entity accounts for leases previously classified under AASB 117 as off-balance-sheet operating leases.

In applying AASB 16 to all leases (except as noted below), the Reporting entity:

- a) recognises right-of-use assets and lease liabilities in the statement of financial position, initially measured at the present value of future lease payments;
- b) recognises depreciation of right-of-use assets and interest on lease liabilities in the statement of profit or loss; and
- c) recognises the total amount of cash paid within financing activities in the statement of cash flows.

The impact of the adoption of AASB 16 on the Reporting entity's financial statements is described below.

Impact of the adoption of AASB 16

The Reporting entity has applied AASB 16 using the modified retrospective approach whereby the cumulative effect of initially applying this Standard is recognised as an adjustment to the opening balance of retained earnings at the date of initial application.

However, the Reporting entity has applied the practical expedient allowed by AASB 16 for an operating lease that existed at the date of initial application. The value of right-of-use assets and related lease liabilities in respect of the existing operating leases were determined to be equal and therefore no adjustment to retained earnings was necessary.

The tables below show the amount of adjustment for each financial statement line item affected by the application of AASB 16 for the current period:

Impact on profit or loss

| | 2020 |
|--|-------------|
| Increase in depreciation and amortisation expense (a) | 10,630 |
| Increase in interest expenses on lease liabilities (a) | 2,556 |
| Decrease in corporate and administration expenses (rental expense) (a) | (12,667) |
| Decrease in profit for the year | 519 |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

Note 1 Summary of significant accounting policies continued

1.4 New Australian Accounting Standards continued

Adoption of New Australian Accounting Standard Requirements continued

Impact on assets, liabilities and equity

| | Under AASB 117 | AASB 16 adjustments | As presented |
|--|-------------------|------------------------|--------------|
| Assets | | | |
| Right-of-use assets (a) | - | 35,970 | 35,970 |
| Net impact on total assets | | <u>35,970</u> | |
| Liabilities | | | |
| Lease liabilities (a) | - | (36,489) | (36,489) |
| Net impact on total liabilities | | <u>(36,489)</u> | |
| | | <hr/> | |
| Total impact on total liabilities and equity | | <u>(519)</u> | |

a) The application of AASB 16 to leases previously classified as operating leases under AASB 117 resulted in the recognition of right-of-use assets and leases liabilities. It also resulted in a decrease in rental expenses and an increase in depreciation expense and in interest expense.

Impact on Statement of Cashflows

The application of AASB 16 has an impact on the statement of cash flows of the Reporting entity.

Under AASB 16, lessees is presenting cash payments for the interest and principal portion for leases liability as part of financing activities.

Under AASB 117, all lease payments on operating leases were presented as part of cash flows from operating activities.

Consequently, the net cash generated by operating activities has increased by \$12,667 and net cash used in financing activities increased by the same amount.

The adoption of AASB 16 did not have an impact on net cash flows.

Future Australian Accounting Standards Requirements

There were 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 reporting unit.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Note 1 Summary of significant accounting policies continued

1.5 Revenue

Revenue from contracts with customers

The Reporting entity recognises revenue on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Reporting entity expects to receive in exchange for those goods or services. Revenue is recognised by applying a five step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

The revenue recognition policies for the principal revenue streams of the Reporting entity are:

Revenue from membership subscriptions is recognised on a straight-line basis over the term of the relevant subscription.

Donation income is recognised when it is received.

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

1.6 Government grants

Government grants are not recognised until there is reasonable assurance that the reporting unit 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 reporting unit recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the reporting unit 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 reporting unit with no future related costs are recognised in profit or loss in the period in which they become receivable.

1.7 Gains

Sale of assets

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Note 1 Summary of significant accounting policies continued

1.8 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.

1.9 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.

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.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. The 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.

1.10 Leases

The Reporting Entity assesses whether a contract is or contains a lease, at inception of a contract. The Reporting Entity recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Reporting Entity recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Reporting Entity uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments, less any lease incentives.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Note 1 Summary of significant accounting policies continued

1.10 Leases continued

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

1.11 Borrowing costs

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.12 Cash

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. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

1.13 Financial instruments

Financial assets and financial liabilities are recognised when a reporting unit entity becomes a party to the contractual provisions of the instrument.

1.14 Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the reporting unit's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the reporting unit initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The reporting unit's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the reporting unit commits to purchase or sell the asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Note 1 Summary of significant accounting policies continued

1.14 Financial assets continued

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss

Financial assets at amortised cost

The reporting unit measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The reporting unit's financial assets at amortised cost includes trade receivables and loans to related parties.

Financial assets at fair value through other comprehensive income

The reporting unit measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost.

The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The reporting unit's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Note 1 Summary of significant accounting policies continued

1.14 Financial assets continued

Investments in equity instruments designated at fair value through other comprehensive income

Upon initial recognition, the reporting unit can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, except when the [reporting unit] benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The reporting unit elected to classify irrevocably its listed and non-listed equity investments under this category.

Financial assets at fair value through profit or loss (including designated)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The reporting unit has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - a) the reporting unit has transferred substantially all the risks and rewards of the asset, or
 - b) the reporting unit has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Note 1 Summary of significant accounting policies continued

1.14 Financial assets continued

When the reporting unit has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the [reporting unit] continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment

(i) Trade receivables

For trade receivables that do not have a significant financing component, the reporting unit applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the reporting unit does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The reporting unit has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(ii) Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the reporting unit recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the reporting unit expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The reporting unit considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the reporting unit may also consider a financial asset to be in default when internal or external information indicates that the reporting unit is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Note 1 Summary of significant accounting policies continued

1.15 Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost unless or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The reporting unit's financial liabilities include trade and other payables.

Subsequent measurement

Financial liabilities at fair value through profit or loss (including designated)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 are satisfied.

Financial liabilities at amortised cost

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

1.16 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Note 1 Summary of significant accounting policies continued

1.17 Land, buildings, plant and equipment

Asset recognition threshold

Purchases of land, buildings, plant and equipment are recognised initially 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.

Revaluations—land and buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight line method of depreciation. 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 are based on the following useful lives:

| Class of Fixed Asset | Depreciation Rate |
|-----------------------------|--------------------------|
| Motor Vehicles | 10% - 25% |
| Office Equipment | 2% - 50% |
| Leasehold improvements | 20% |

Derecognition

An item of land, buildings, plant 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Note 1 Summary of significant accounting policies continued

1.18 Intangibles

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a diminishing value basis over their estimated useful life. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The depreciation rate of the reporting unit's intangible assets are:

| | | |
|-------------|-------------|------|
| | 2020 | 2019 |
| Intangibles | 35% | 35% |

Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit and loss when the asset is derecognised.

1.19 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 reporting unit were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.20 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Note 1 Summary of significant accounting policies continued

1.21 Taxation

The reporting unit 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.

1.22 Fair value measurement

The reporting unit 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. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 15A.

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 reporting unit. 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 reporting unit 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Note 1 Summary of significant accounting policies continued

1.22 Fair value measurement continued

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 reporting unit 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 reporting unit 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.

1.23 Financial Support

Communications, electrical, electronic, energy, information, postal, plumbing and allied services union of Australia, communications division, telecommunications and services branch (Victoria) did not receive or offer financial support from/to another reporting unit during the financial year.

1.24 Going Concern

At 31 March 2020, the Union reported a net current asset deficiency of \$180,420. Notwithstanding this factor, the financial report has been prepared on the basis that the Union is a going concern, which assumes continuity of normal business activities and the realisation and the settlement of liabilities in the normal course of business.

The Union has \$521,574 of investments under management which are classified as non-current assets in the Statement of financial position as at 31 March 2020. Restrictions are placed on the use of these funds imposed by the National Council. However, management is of the view that the Union has access to these investment funds for operational expenses as and when required pursuant to Rule 58 of the Union's rules and based on previous usage of the funds.

If the Union is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial report.

No adjustments have been made to the financial report relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Union not continue as going concern.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

Note 2 Events after the reporting period

There were no events that occurred after 31 March 2020, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of reporting unit.

| | 2020 | 2019 |
|--|-----------|------|
| | \$ | \$ |
| Note 3 Income | | |
| Note 3A: Capitation fees* | | |
| CEPU Divisional Conference | - | - |
| CEPU National Council | - | - |
| Total capitation fees | - | - |
| Note 3B: Levies* | | |
| Levies | - | - |
| Total levies | - | - |
| Note 3C: Interest | | |
| Deposits | 460 | 771 |
| Loans | - | - |
| Total interest | 460 | 771 |
| Note 3D: Contributions | | |
| Reversal of 2018 CEPU Divisional Conference Contribution | (190,966) | - |
| Total contributions | (190,966) | - |
| Note 3E: Grants or donations* | | |
| Grants | - | - |
| Donations | - | - |
| Total grants or donations | - | - |

*As required by the Reporting Guidelines. Item to remain even if 'nil'

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

| | 2020 | 2019 |
|--|---------|---------|
| | \$ | \$ |
| Note 3F: Revenue from recovery of wages activity* | | |
| Amounts recovered from employers in respect of wages | - | - |
| Interest received on recovered money | - | - |
| Total revenue from recovery of wages activity | - | - |
| Note 4 Expenses | | |
| Note 4A: Employee expenses* | | |
| Holders of office: | | |
| Wages and salaries | 193,438 | 179,254 |
| Superannuation | 26,396 | 25,782 |
| Leave and other entitlements | 465 | 4,410 |
| Separation and redundancies | - | - |
| Other employee expenses | 14,780 | 13,355 |
| Subtotal holders of office | 235,079 | 222,801 |
| Employees other than office holders: | | |
| Wages and salaries | 111,784 | 71,067 |
| Superannuation | 13,006 | 9,305 |
| Leave and other entitlements | (2,152) | (2,394) |
| Separation and redundancies | - | - |
| Other employee expenses | 5,826 | 5,336 |
| Subtotal employees other than office holders | 128,464 | 83,314 |
| Total employee expenses | 363,543 | 306,115 |
| Note 4B: Capitation fees* | | |
| CEPU Divisional Conference | 128,657 | 141,807 |
| CEPU National Council | 4,775 | 4,605 |
| Total capitation fees | 133,432 | 146,412 |

*As required by the Reporting Guidelines. Item to remain even if 'nil'

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**NOTES TO THE FINANCIAL STATEMENTS
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| | 2020 | 2019 |
|---|----------------|----------------|
| | \$ | \$ |
| Note 4C: Affiliation fees* | | |
| Ballarat Trades Hall Council | 1,650 | 1,100 |
| Bendigo Trades Hall Council | 760 | 760 |
| Geelong Trades Hall Council | 357 | 333 |
| Miscellaneous | - | 25 |
| Victorian Trades Hall Council | 3,945 | 2,353 |
| Gippsland Trades & Labour Council | 309 | 309 |
| Goulburn Valley Trades & Labour Council | 223 | 76 |
| Total affiliation fees/subscriptions | 7,244 | 4,956 |
| Note 4D: Administration expenses | | |
| Consideration to employers for payroll deductions | - | - |
| Compulsory levies | 200 | - |
| Fees/allowances - meeting and conferences | - | - |
| Conference and meeting expenses | 767 | 1,811 |
| Contractors/consultants | - | - |
| Property expenses | 27,386 | 26,518 |
| Office expenses | 48,576 | 46,984 |
| Information communications technology | - | - |
| Debts forgiven by CEPU Divisional Conference | - | - |
| Other | 48,921 | 54,397 |
| Subtotal administration expense | 125,850 | 129,710 |
| Operating lease rentals: | | |
| Minimum lease payments | 8,350 | 18,262 |
| Total administration expenses | 134,200 | 147,972 |
| Note 4E: Grants or 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 | 200 | - |
| Total paid that exceeded \$1,000 | - | - |
| Total grants or donations | 200 | - |

*As required by the Reporting Guidelines. Item to remain even if 'nil'

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

| | 2020 | 2019 |
|---|----------------|---------------|
| | \$ | \$ |
| Note 4F: Depreciation and amortisation | | |
| Depreciation | | |
| Land & buildings | - | - |
| Property, plant and equipment | 6,758 | 9,692 |
| Right of use assets | 10,630 | - |
| Total depreciation | 17,388 | 9,692 |
| Amortisation | | |
| Intangibles | 198 | 305 |
| Total amortisation | 198 | 305 |
| Total depreciation and amortisation | 17,586 | 9,997 |
| Note 4G: Finance costs | | |
| Interest on leases | 2,556 | - |
| Total finance costs | 2,556 | - |
| Note 4H: Legal costs* | | |
| Litigation | - | - |
| Other legal matters | 26,934 | 53,730 |
| Total legal costs | 26,934 | 53,730 |
| Note 4I: Write-down and impairment of assets | | |
| Asset write-downs and impairments of: | | |
| Land and buildings | - | - |
| Plant and equipment | - | - |
| Intangible assets | - | - |
| Doubtful debt provision | (8,903) | 2,064 |
| Total write-down and impairment of assets | (8,903) | 2,064 |

*As required by the Reporting Guidelines. Item to remain even if 'nil'

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| | 2020 | 2019 |
|---|---------|----------|
| | \$ | \$ |
| Note 4J: Net losses from sale of assets | | |
| Land and buildings | - | - |
| Plant and equipment | - | - |
| Intangibles | - | - |
| Total net losses from asset sales | - | - |
| Note 4K: Other expenses | | |
| Penalties - via RO Act or RO Regulations | - | - |
| Computer expenses | 4,460 | 4,554 |
| Total other expenses | 4,460 | 4,554 |
| Note 5 Current assets | | |
| Note 5A: Cash and cash equivalents | | |
| Cash at bank | 114,609 | 97,430 |
| Other – cash management account | 59,724 | 59,260 |
| Total cash and cash equivalents | 174,333 | 156,690 |
| Note 5B: Trade and other receivables | | |
| Receivables | | |
| Trade receivables | - | - |
| Members' dues in arrears | 35,744 | 34,642 |
| Receivable from other reporting unit – CEPU P&T | - | 3,708 |
| Total receivables | 35,744 | 38,350 |
| Less provision for doubtful debts | | |
| Members' dues in arrears-provision for impairment | (9,136) | (18,039) |
| Total provision for doubtful debts | (9,136) | (18,039) |
| Receivable | 26,608 | 20,311 |
| Other receivables: | | |
| Other receivables | 13,080 | - |
| Total other receivables | 13,080 | - |
| Total trade and other receivables (net) | 39,688 | 20,311 |

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| | 2020 | 2019 |
|--|-----------|-----------|
| | \$ | \$ |
| Note 5C: Other current assets | | |
| Prepayments | - | 3,727 |
| Total other current assets | - | 3,727 |
| Note 6 Non-current assets | | |
| Note 6A: Plant and equipment | | |
| Plant and equipment: | | |
| Office equipment | | |
| at cost | 103,212 | 103,212 |
| accumulated depreciation | (92,126) | (88,343) |
| | 11,068 | 14,869 |
| Motor vehicles | | |
| at cost | 23,536 | 23,536 |
| accumulated depreciation | (14,026) | (11,051) |
| | 9,510 | 12,485 |
| Leasehold improvements | | |
| at cost | 8,950 | 8,950 |
| accumulated depreciation | (8,950) | (8,950) |
| | - | - |
| Total plant and equipment | 20,596 | 27,354 |
| Reconciliation of the opening and closing balances of plant and equipment | | |
| As at 1 April | | |
| Gross book value | 135,698 | 124,270 |
| Accumulated depreciation and impairment | (108,344) | (98,652) |
| Net book value 1 April | 27,354 | 25,618 |
| Additions: | | |
| By purchase | - | 11,428 |
| Impairments | - | - |
| Depreciation expense | (6,758) | (9,692) |
| Disposals: | - | - |
| Net book value 31 March | 20,596 | 27,354 |
| Net book value as of 31 March represented by: | | |
| Gross book value | 135,698 | 135,698 |
| Accumulated depreciation and impairment | (115,102) | (108,344) |
| Net book value 31 March | 20,596 | 27,354 |

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| | 2020 | 2019 |
|---|----------------|----------------|
| | \$ | \$ |
| Note 6B: Intangibles | | |
| Computer website at cost: | | |
| internally developed | - | - |
| Purchased | 9,540 | 9,540 |
| accumulated amortisation | (9,173) | (8,975) |
| Total intangibles | 367 | 565 |
| Reconciliation of the opening and closing balances of intangibles | | |
| As at 1 April | | |
| Gross book value | 9,540 | 9,540 |
| Accumulated amortisation and impairment | (8,975) | (8,670) |
| Net book value 1 April | 565 | 870 |
| Additions: | | |
| By purchase | - | - |
| Amortisation | (198) | (305) |
| Disposals: | | |
| From disposal of entities (including restructuring) | - | - |
| Other | - | - |
| Net book value 31 March | 367 | 565 |
| Net book value as of 31 March represented by: | | |
| Gross book value | 9,540 | 9,540 |
| Accumulated amortisation and impairment | (9,173) | (8,975) |
| Net book value 31 March | 367 | 565 |
| Note 6C: Other financial assets | | |
| Financial assets designated at fair value through other comprehensive income | 521,574 | 617,691 |

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| | 2020 | 2019 |
|---|----------------|---------------|
| | \$ | \$ |
| Note 7 Current liabilities | | |
| Note 7A: Trade payables | | |
| Trade creditors and accruals | 17,090 | 19,310 |
| Operating lease rentals | - | - |
| Subtotal trade creditors | 17,090 | 19,310 |
| Payables to other reporting unit[s]* | | |
| CEPU Divisional Conference | 9,986 | 10,542 |
| CEPU National Council | 5,253 | 5,066 |
| Subtotal payables to other reporting unit[s] | 15,239 | 15,608 |
| Total trade payables | 32,329 | 34,918 |
| Settlement is usually made within 30 days. | | |
| Note 7B: Other payables | | |
| Payables to other reporting unit[s]* | | |
| CEPU Divisional Conference – Amount refundable for 2018 contribution for payment of employee redundancy | 190,966 | - |
| Subtotal payables to other reporting unit[s] | 190,966 | - |
| Wages and salaries | - | - |
| Superannuation | - | - |
| Consideration to employers for payroll deductions* | - | - |
| Legal costs* | - | - |
| Prepayments received/unearned revenue | 38,466 | 37,468 |
| GST payable | (2,417) | (3,729) |
| Other | 1,407 | 1,408 |
| Subtotal other payables | 37,456 | 35,147 |
| Total other payables | 228,422 | 35,147 |
| Total other payables are expected to be settled in: | | |
| No more than 12 months | 228,422 | 35,147 |
| More than 12 months | - | - |
| Total other payables | 228,422 | 35,147 |

*As required by the Reporting Guidelines. Item to remain even if 'nil'

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| | 2020 | 2019 |
|---|-----------------|----------------|
| | \$ | \$ |
| Note 8 Provisions | | |
| Note 8A: Employee provisions* | | |
| Office Holders: | | |
| Annual leave | 26,076 | 23,827 |
| Long service leave | 66,770 | 68,554 |
| Separations and redundancies | - | - |
| Other | - | - |
| Subtotal employee provisions—office holders | 92,846 | 92,381 |
| Employees other than office holders: | | |
| Annual leave | 8,271 | 12,055 |
| Long service leave | 22,240 | 20,607 |
| Separations and redundancies | - | - |
| Other | - | - |
| Subtotal employee provisions—employees other than office holders | 30,511 | 32,662 |
| Total employee provisions | 123,357 | 125,043 |
| Current | 123,357 | 125,043 |
| Non-Current | - | - |
| Total employee provisions | 123,357 | 125,043 |
| Note 9 Equity | | |
| Note 9A: Financial Value Reserve for Financial Assets at FVTOCI | | |
| Financial value reserve for financial assets at FVTOCI | | |
| Balance as at start of year | 8,566 | 8,820 |
| Transferred to/(from) reserve | (43,356) | (254) |
| Transferred out of reserve | - | - |
| Balance as at end of year | (34,790) | 8,566 |

*As required by the Reporting Guidelines. Item to remain even if 'nil'

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| | 2020 | 2019 |
|--|-----------|----------|
| | \$ | \$ |
| Note 9 Equity continued | | |
| Note 9B: Other Specific disclosures - Funds* | | |
| Compulsory levy/voluntary contribution fund – if invested in assets | - | - |
| Other fund(s) required by rules | | |
| Balance as at start of year | - | - |
| Transferred to reserve | - | - |
| Transferred out of reserve | - | - |
| Balance as at end of year | - | - |
| Note 10 Cash flow | | |
| Note 10A: Cash flow reconciliation | | |
| Cash and cash equivalents as per: | | |
| Statement of cash flows | 174,333 | 156,690 |
| Statement of financial position | 174,333 | 156,690 |
| Difference | - | - |
| Reconciliation of profit/(deficit) to net cash from operating activities: | | |
| Profit/(deficit) for the year | (215,943) | 32,233 |
| Adjustments for non-cash items | | |
| Depreciation/amortisation | 6,956 | 9,997 |
| Right of use asset depreciation | 10,630 | - |
| Right of use asset interest | 2,556 | - |
| Investment distributions reinvested | (22,323) | (28,404) |
| Loss on disposal of assets | - | - |
| Bad and doubtful debts | (8,903) | 2,064 |
| Reversal of 2018 Divisional Conference contribution | 190,966 | - |

*As required by the Reporting Guidelines. Item to remain even if 'nil'

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| | 2020 | 2019 |
|--|------------------|-------------|
| | \$ | \$ |
| Note 10 Cash flow continued | | |
| Note 10A: Cash flow reconciliation continued | | |
| Changes in assets/liabilities | | |
| (Increase)/decrease in net receivables | (10,474) | (9,875) |
| (Increase)/decrease in prepayments | 3,727 | (245) |
| Increase/(decrease) in supplier payables | (280) | 9,410 |
| Increase/(decrease) in other payables | - | - |
| Increase/(decrease) in employee provisions | (1,686) | 2,016 |
| Increase/(decrease) in other provisions | - | - |
| Net cash from (used by) operating activities | (44,774) | 17,196 |
| Note 10B: Cash flow information* | | |
| Cash inflows | | |
| CEPU Divisional conference | - | - |
| CEPU P&T | 15,006 | 7,555 |
| CEPU NSW | 246 | - |
| Total cash inflows | 15,252 | 7,555 |
| Cash outflows | | |
| CEPU Divisional conference | (156,781) | (169,676) |
| CEPU National Council | (5,066) | (5,086) |
| Total cash outflows | (161,847) | (174,762) |
| Non cash flows in profit | | |
| CEPU Divisional conference – accrual of amount refundable for 2018 contribution for payment of employee redundancy | (190,966) | - |

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| | 2020 | 2019 |
|--------------------------------------|---------------|----------|
| | \$ | \$ |
| Note 11 Leases | | |
| Note 11A: Right of use assets | | |
| Right of use assets: | | |
| At cost | 46,600 | - |
| Less: accumulated amortisation | (10,630) | - |
| Total right of use assets | 35,970 | - |

The movement in the carrying amounts of right-of-use assets between the beginning and end of the current financial year is set out below:

| | Right-of-use Asset - Neopost | Right-of-use Asset - Photocopier | Total |
|--------------------------------|---------------------------------|-------------------------------------|---------------|
| | \$ | \$ | \$ |
| Net book value 1 April | - | - | - |
| Additions | 16,613 | 29,987 | 46,600 |
| Disposals | - | - | - |
| Depreciation | (4,531) | (6,099) | (10,630) |
| Net book value 31 March | 12,082 | 23,888 | 35,970 |

Note 11B: Lease liabilities

| | 2020 | 2019 |
|--------------------------------|---------------|----------|
| | \$ | \$ |
| Lease liabilities: | | |
| Current | 10,333 | - |
| Non-current | 26,156 | - |
| Total lease liabilities | 36,489 | - |

Leases disclosure under AASB 16 (2019: AASB 117)

| | | |
|------------------------------------|----------------|---------------|
| Minimum payments due under leases: | | |
| - not later than one year | 15,722 | 16,889 |
| - between one year and five years | 41,834 | 59,967 |
| - later than five years | - | - |
| | 57,556 | 76,856 |
| Less: Interest in arrears | (3,927) | - |
| | 53,629 | 76,856 |

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Note 11 Leases continued

Leases disclosure under AASB 16 (2019: AASB 117) continued

| | 2020 | 2019 |
|---|---------------|------|
| | \$ | \$ |
| Total minimum payments analysis consists of: | | |
| - Leases with AASB 16 recognition principles applied | 36,489 | - |
| - Leases exempted from AASB 16 recognition (low value asset) – phone system | 17,140 | - |
| | <u>53,629</u> | - |

Leasing terms

The leases of the Reporting Entity relates to its current photocopier and mail sorting machine.

The term of the photocopier lease is five years commencing 8 March 2019. There are no stated annual CPI or market rent review or options to extend the lease for a further term.

The term of the mail sorting machine lease is five years commencing 30 November 2017. There are no stated annual CPI or market rent review or options to extend the lease for a further term.

The term of the phone system lease is five years commencing 5 March 2019. There are no stated annual CPI or market rent review or options to extend the lease for a further term. AASB 16 recognition principles not applied on the phone system lease as it is an exempt low value asset.

Note 12 Contingent liabilities

The reporting unit has no contingent liabilities as at 31 March 2020.

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| | 2020 | 2019 |
|---|---------|---------|
| | \$ | \$ |
| Note 13 Related party disclosures | | |
| Note 13A: Related party transactions for the reporting period | | |
| The following table provides the total amount of transactions that have been entered into with related parties for the relevant year. | | |
| Revenue received from related party includes the following: | | |
| CEPU P&T insurance, course printing and electronic mailing reimbursement | 10,270 | 10,432 |
| CEPU NSW course printing reimbursements | 224 | - |
| Expenses paid to related party includes the following: | | |
| CEPU Divisional Conference – capitation fees | 128,657 | 141,807 |
| CEPU Divisional Conference – payroll tax | 14,703 | 12,772 |
| CEPU National Council | 4,775 | 4,605 |
| Reversal of prior year contributions: | | |
| CEPU Divisional Conference – reversal of 2018 contribution | 190,966 | - |
| Amounts owed by related party include the following: | | |
| CEPU Divisional Conference | - | - |
| CEPU P&T | - | 3,708 |
| Amounts owed to related party include the following: | | |
| CEPU Divisional Conference | 9,986 | 10,542 |
| CEPU National Council | 5,253 | 5,066 |
| CEPU Divisional Conference – Amount refundable for 2018 contribution for payment of employee redundancy | 190,966 | - |

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the yearend are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2020, the reporting unit has recorded no impairment of receivables relating to amounts owed by related parties and declared person or body (2019: \$NIL). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

No property was transferred throughout the year.

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| | 2020 | 2019 |
|---|----------------|----------------|
| | \$ | \$ |
| Note 13B: Key management personnel remuneration for the reporting period | | |
| Short-term employee benefits | | |
| Salary | 193,438 | 179,254 |
| Annual leave accrued | 14,399 | 12,586 |
| Annual leave taken | (12,150) | (9,956) |
| Performance bonus | - | - |
| Other | - | - |
| Total short-term employee benefits | 195,687 | 181,884 |
| Post-employment benefits: | | |
| Superannuation | 26,396 | 25,782 |
| Total post-employment benefits | 26,396 | 25,782 |
| Other long-term benefits: | | |
| Long-service leave accrued | 8,100 | 1,780 |
| Long service leave taken | (9,884) | - |
| Total other long-term benefits | (1,784) | 1,780 |
| Termination benefits | - | - |
| Total | 220,299 | 209,446 |

Note 13C: Transactions with key management personnel and their close family members

| | | |
|---|---|---|
| Loans to/from key management personnel | | |
| NA | - | - |
| Other transactions with key management personnel | | |
| NA | - | - |

Note 14 Remuneration of auditors

| | | |
|--|---------------|---------------|
| Value of the services provided | | |
| Financial statement audit services | 14,000 | 14,000 |
| Other services – Financial statements, FBT and accounting advice | 4,550 | 4,580 |
| Total remuneration of auditors | 18,550 | 18,580 |

No other services were provided by the auditors of the financial statements.

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| | 2020 | 2019 |
|---|----------------|----------------|
| | \$ | \$ |
| Note 15 Financial instruments | | |
| The entity's financial instruments consist mainly of deposits with banks, investments, accounts receivable and accounts payable. | | |
| The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows: | | |
| Note 15A: Categories of financial instruments | | |
| Financial assets | | |
| Fair value through profit or loss: | | |
| At amortised cost: | | |
| Trade receivables | 39,688 | 20,311 |
| Fair value through OCI: | | |
| Investments | 521,574 | 617,691 |
| Total | 561,262 | 638,002 |
| Held-to-maturity investments: | | |
| Cash and cash equivalents | 174,333 | 156,690 |
| Total | 174,333 | 156,690 |
| Available-for-sale assets: | | |
| Investments at fair value | - | - |
| Unlisted investments as cost | - | - |
| Total | - | - |
| Loans and receivables: | | |
| Trade receivables | - | - |
| Total | - | - |
| Carrying amount of financial assets | 735,595 | 794,692 |
| Financial liabilities | | |
| Fair value through profit or loss: | | |
| NA | - | - |
| Total | - | - |
| Other financial liabilities: | | |
| Trade and other payables | 260,751 | 70,065 |
| Total | 260,751 | 70,065 |
| Carrying amount of financial liabilities | 260,751 | 70,065 |

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| | 2020 | 2019 |
|---|----------|---------|
| | \$ | \$ |
| Note 15B: Net income and expense from financial assets | | |
| Held-to-maturity | | |
| Interest revenue | - | - |
| Exchange gains/(loss) | - | - |
| Impairment | - | - |
| Gain/loss on disposal | - | - |
| Net gain/(loss) held-to-maturity | - | - |
| Loans and receivables / amortised cost | | |
| Interest revenue | - | - |
| Exchange gains/(loss) | - | - |
| Impairment | 8,903 | (2,064) |
| Gain/loss on disposal | - | - |
| Net gain/(loss) from loans and receivables | 8,903 | (2,064) |
| Available for sale / Fair value through OCI | | |
| Interest revenue | - | - |
| Dividend revenue | 22,239 | 28,404 |
| Exchange gains/(loss) | - | - |
| Gain/loss recognised in equity | (43,356) | (254) |
| Amounts reversed from equity: | - | - |
| Impairment | - | - |
| Fair value changes reversed on disposal | - | - |
| Gain/loss on disposal | - | - |
| Net gain/(loss) from available for sale | 21,117 | 28,150 |
| Fair value through profit and loss | | |
| Held for trading: | | |
| Change in fair value | - | - |
| Interest revenue | - | - |
| Dividend revenue | - | - |
| Exchange gains/(loss) | - | - |
| Total held for trading | - | - |
| Designated as fair value through profit and loss: | | |
| Change in fair value | - | - |
| Interest revenue | - | - |
| Dividend revenue | - | - |
| Exchange gains/(loss) | - | - |
| Total designated as fair value through profit and loss | - | - |
| Net gain/(loss) at fair value through profit and loss | - | - |
| Net gain/(loss) from financial assets | (12,214) | 26,086 |

The net income/(expense) from financial assets is (\$12,214) (2019: \$26,086).

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Note 15C: Net income and expense from financial liabilities

The net income/expense from financial liabilities not at fair value from profit and loss is \$Nil (2019:\$Nil).

Note 15D: Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the entity.

Credit risk is managed through maintaining procedures (such as the utilisation of systems for the approval, granting and removal of credit limits, regular monitoring of exposure against such limits and monitoring of the financial stability of significant customers and counterparties) ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the committee has otherwise cleared as being financially sound.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

There is no collateral held by the entity securing trade and other receivables.

The entity has no significant concentrations of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of trade and other receivables are provided in Note 5B.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 7A.

The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements.

| | 2020 | 2019 |
|------------------------------|----------------|----------------|
| | \$ | \$ |
| Financial assets | | |
| Trade and other receivables | 39,688 | 20,311 |
| Other investments | 521,574 | 617,691 |
| Total | <u>561,262</u> | <u>638,002</u> |
| Financial liabilities | | |
| Trade and other payables | 260,751 | 70,065 |
| Total | <u>260,751</u> | <u>70,065</u> |

In relation to the entity's gross credit risk the following collateral is held: None

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Note 15D: Credit risk continued

Ageing of financial assets that were past due but not impaired for 2020

| | 0 to 30 days | 31 to 60 days | 61 to 90 days | 90+ days | Total |
|-----------------------------|---------------|---------------|---------------|---------------|---------------|
| | \$ | \$ | \$ | \$ | \$ |
| Trade and other receivables | 13,189 | 128 | 385 | 25,987 | 39,688 |
| Total | 13,189 | 128 | 385 | 25,987 | 39,688 |

Ageing of financial assets that were past due but not impaired for 2019

| | 0 to 30 days | 31 to 60 days | 61 to 90 days | 90+ days | Total |
|-----------------------------|--------------|---------------|---------------|---------------|---------------|
| | \$ | \$ | \$ | \$ | \$ |
| Trade and other receivables | 4,076 | 198 | 459 | 15,578 | 20,311 |
| Total | 4,076 | 198 | 459 | 15,578 | 20,311 |

Note 15E: Liquidity risk

Liquidity risk arises from the possibility that the entity might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The entity manages this risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operational, investing and financing activities;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timings of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will be rolled forward.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND
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ABN 13 511 341 559**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

Note 15E: Liquidity risk continued

| 2020 | On Demand | < 1 year \$ | 1– 2 years \$ | 2– 5 years \$ | >5 years \$ | Total \$ |
|--------------------------|--------------|----------------|------------------|------------------|----------------|-------------|
| Trade and other payables | - | 260,751 | - | - | - | 260,751 |
| Total | - | 260,751 | - | - | - | 260,751 |
| 2019 | On Demand | < 1 year \$ | 1– 2 years \$ | 2– 5 years \$ | >5 years \$ | Total \$ |
| Trade and other payables | - | 70,065 | - | - | - | 70,065 |
| Total | - | 70,065 | - | - | - | 70,065 |

Note 15F: Market risk

(i) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows.

Sensitivity analysis of the risk that the entity is exposed to for 2020

| | Risk variable | Change in risk variable % | Effect on | |
|--------------------|---------------|------------------------------|-----------------------|--------------|
| | | | Profit and loss \$ | Equity \$ |
| Interest rate risk | 174,333 | +0.2% | 349 | 349 |
| Interest rate risk | 174,333 | -0.2% | (349) | (349) |

Sensitivity analysis of the risk that the entity is exposed to for 2019

| | Risk variable | Change in risk variable % | Effect on | |
|--------------------|---------------|------------------------------|-----------------------|--------------|
| | | | Profit and loss \$ | Equity \$ |
| Interest rate risk | 156,690 | +0.2% | 313 | 313 |
| Interest rate risk | 156,690 | -0.2% | (313) | (313) |

Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

Note 15F: Market risk continued

Sensitivity analysis of the risk that the entity is exposed to for 2020

| | Risk variable | Change in risk variable % | Effect on | |
|------------------|---------------|------------------------------|-----------------|---------|
| | | | Profit and loss | Equity |
| | | | \$ | \$ |
| Other price risk | 521,574 | +0.2% | 1,043 | 1,043 |
| Other price risk | 521,574 | -0.2% | (1,043) | (1,043) |

Sensitivity analysis of the risk that the entity is exposed to for 2019

| | Risk variable | Change in risk variable % | Effect on | |
|------------------|---------------|------------------------------|-----------------|---------|
| | | | Profit and loss | Equity |
| | | | \$ | \$ |
| Other price risk | 617,691 | +0.2% | 1,235 | 1,235 |
| Other price risk | 617,691 | -0.2% | (1,235) | (1,235) |

Note 15G: Asset pledged/or held as collateral

There were no assets pledged or held as collateral as at 31 March 2020 (2019: \$Nil).

Note 16 Fair value measurement

Note 16A: Financial assets and liabilities

Management of the reporting unit assessed that (cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- Fair values of the reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The performance risk as at 31 March 2020 was assessed to be insignificant.
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the reporting entity based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 31 March 2020 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

Note 16 Fair value measurement

Note 16A: Financial assets and liabilities continued

The following table contains the carrying amounts and related fair values for the reporting unit's financial assets and liabilities:

| | Carrying amount 2020 \$ | Fair value 2020 \$ | Carrying amount 2019 \$ | Fair value 2019 \$ |
|------------------------------|----------------------------------|-----------------------------|----------------------------------|-----------------------------|
| Financial Assets | | | | |
| Cash and cash equivalents | 174,333 | 174,333 | 156,690 | 156,690 |
| Trade and other receivables | 39,688 | 39,688 | 20,311 | 20,311 |
| Other investments | 521,574 | 521,574 | 617,691 | 617,691 |
| Total | 735,595 | 735,595 | 794,692 | 794,692 |
| Financial Liabilities | | | | |
| Trade and other payables | 260,751 | 260,751 | 70,065 | 70,065 |
| Total | 260,751 | 260,751 | 70,065 | 70,065 |

Note 17 Administration of financial affairs by a third party

Name of entity providing service:

-

Terms and conditions:

-

Nature of expenses/consultancy service:

-

Detailed breakdown of revenues collected and/or expenses incurred

| | 2020 \$ | 2019 \$ |
|-------------------------|------------|------------|
| Revenue | | |
| Membership subscription | - | - |
| Capitation fees | - | - |
| Levies | - | - |
| Interest | - | - |
| Rental revenue | - | - |
| Other revenue | - | - |
| Grants and/or donations | - | - |
| Total revenue | - | - |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

Note 17 Administration of financial affairs by a third party continued

Expenses

| | | |
|---|----------|----------|
| Employee expense | - | - |
| Capitation fees | - | - |
| Affiliation fees | - | - |
| Consideration to employers for payroll deductions | - | - |
| Compulsory levies | - | - |
| Fees/allowances - meeting and conferences | - | - |
| Conference and meeting expenses | - | - |
| Administration expenses | - | - |
| Grants or donations | - | - |
| Finance costs | - | - |
| Legal costs | - | - |
| Audit fees | - | - |
| Penalties - via RO Act or the <i>Fair Work Act 2009</i> | - | - |
| Other expenses | - | - |
| Total expenses | - | - |

Note 18 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 Commissioner:

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

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ABN 13 511 341 559**

OFFICER DECLARATION STATEMENT

I, Susan Riley, being the Branch Secretary of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing And Allied Services Union Of Australia, Communications Division, Telecommunications And Services Branch (Victoria) declare that the following activities did not occur during the reporting period ending 31 March 2020.

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees from another reporting unit
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that exceeded \$1,000
- pay legal costs relating to litigation
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by the officer:

Susan Riley

Dated:

7/7/20

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)

Opinion

We have audited the financial report of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) (the Reporting Entity), which comprises the statement of financial position as at 31 March 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended 31 March 2020, notes to the financial statements, including a summary of significant accounting policies, the Committee of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) as at 31 March 2020, and its financial performance and its cash flows for the year ended on that date in accordance with:

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

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

Basis for Opinion

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

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

Material Uncertainty Related to Going Concern

Without qualifying our opinion expressed above, we draw attention to Note 1.24 in the financial report which indicates that the Union is in a current net asset deficiency position of \$180,420. These conditions indicate the existence of a significant uncertainty which may cast significant doubt about the Union's ability to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Our opinion is not qualified in respect of this matter.





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AUDIT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)

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

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

Our opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Committee of Management for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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





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AUDIT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Reporting Unit audit. We remain solely responsible for the audit opinion.

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





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AUDIT

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY,
INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES
UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)**

Independence

I declare that I am an auditor registered under the RO Act, a member of Chartered Accountants Australia and New Zealand and hold a current Public Practice Certificate.

MORROWS AUDIT PTY LTD

A.M.FONG

Director

Registration number (as registered by the RO Commissioner under the RO Act): AA2020/8

Melbourne: 7 July 2020



COMPILATION REPORT TO THE COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)

Scope

We have compiled the accompanying special purpose financial statements of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) which comprises the attached Detailed Income and Expenditure statement for the year ended 31 March 2020 on pages 54 to 56. The specific purpose for which the special purpose financial statements have been prepared is to provide information relating to the performance of the entity that satisfies the information needs of the committee of management.

The Responsibility of the Committee of Management

The committee of management is solely responsible for the information contained in the special purpose Detailed Income and Expenditure statement, the reliability, accuracy and completeness of the information and for the determination that the basis used is appropriate to meet their needs and for the purpose that the special purpose Detailed Income and Expenditure statement was prepared.

Our Responsibility

On the basis of information provided by the committee of management we have compiled the accompanying Detailed Income and Expenditure statement in accordance with the basis of accounting and APES 315: Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile the special purpose Detailed Income and Expenditure statement in accordance with the requirements of the committee of management.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by the committee of management to compile the special purpose Detailed Income and Expenditure statement. Accordingly, we do not express an audit opinion or a review conclusion on the special purpose Detailed Income and Expenditure statement.

The special purpose Detailed Income and Expenditure statement was compiled exclusively for the benefit of the committee of management, who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose Detailed Income and Expenditure statement.



MORROWS AUDIT PTY LTD

Melbourne: 7 July 2020

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED
SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH
(VICTORIA)
ABN 13 511 341 559**

**DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020**

| | 2020 \$ | 2019 \$ |
|---|----------------|----------------|
| REVENUE | | |
| Membership Subscription | 639,028 | 697,413 |
| Interest | 460 | 771 |
| Contributions | (190,966) | - |
| Other revenue | 35,337 | 28,429 |
| | <u>483,859</u> | <u>726,613</u> |
| OTHER INCOME | | |
| Net gains from sale of assets | - | - |
| | <u>-</u> | <u>-</u> |
| TOTAL INCOME | <u>483,859</u> | <u>726,613</u> |
| EXPENDITURE | | |
| Employee benefits expense: | | |
| Salaries and allowances | | |
| - elected officials | 193,438 | 179,254 |
| - employees | 111,784 | 71,067 |
| Superannuation contributions | | |
| - elected officials | 26,396 | 25,782 |
| - employees | 13,006 | 9,305 |
| Provision for annual leave | 3,880 | (1,466) |
| Provision for long service leave | (5,567) | 3,482 |
| Other | | |
| - fringe benefit tax | 2,157 | 1,779 |
| - payroll tax | 14,702 | 12,772 |
| - insurance | - | - |
| - reimbursement | - | - |
| - workcover | 3,747 | 4,140 |
| - redundancy | - | - |
| | <u>363,543</u> | <u>306,115</u> |
| Capitation fees | | |
| CEPU Divisional Conference | 128,657 | 141,807 |
| CEPU National Council | 4,775 | 4,605 |
| | <u>133,432</u> | <u>146,412</u> |
| Affiliation fees | | |
| - Ballarat Trades Hall Council | 1,650 | 1,100 |
| - Bendigo Trades Hall Council | 760 | 760 |
| - Geelong Trades Hall Council | 357 | 333 |
| - Miscellaneous | - | 25 |
| - Victorian Trades Hall Council | 3,945 | 2,353 |
| - Gippsland Trades & Labour Council | 309 | 309 |
| - Goulburn Valley Trades & Labour Council | 223 | 76 |
| | <u>7,244</u> | <u>4,956</u> |

This statement should be read in conjunction with the attached compilation report on page 53

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND
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SERVICES BRANCH (VICTORIA)**

ABN 13 511 341 559

**DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020**

| | 2020 | 2019 |
|--|---------|---------|
| | \$ | \$ |
| Administration expense: | | |
| Bank Charges | 7,201 | 9,344 |
| Bad Debts | 101 | 8,669 |
| Car Hire & Fares | 459 | 411 |
| Campaigns | - | - |
| Commission paid | 317 | 315 |
| Consultancy fees | - | - |
| Debts forgiven by CEPU Divisional Conference | - | - |
| General expenses | 282 | 1,730 |
| Insurance | 2,010 | 1,486 |
| Laptops | - | - |
| Leasing charges | 8,350 | 18,262 |
| Light, Power & Cleaning | 3,220 | 3,570 |
| Meeting expenses | 767 | 1,811 |
| Member services | 1,697 | 2,375 |
| Motor vehicle expenses | 14,365 | 13,847 |
| Office rental | 22,156 | 21,462 |
| Office Assistance | 10,725 | 7,150 |
| Postage | 1,564 | 4,085 |
| Printing and stationery | 6,411 | 6,651 |
| Recruitment assist/services | 1,900 | 735 |
| Repairs and maintenance | 10,486 | 8,901 |
| Staff amenities | 1,288 | 920 |
| Telephone and fax | 40,601 | 36,248 |
| Training and education | 100 | - |
| VHTC Levy | 200 | - |
| | 134,200 | 147,972 |
| Grants or donations | | |
| Donations | 200 | - |
| | 200 | - |
| Depreciation and amortisation | | |
| Depreciation | 6,956 | 9,997 |
| Depreciation – ROU asset | 10,630 | - |
| | 17,586 | 9,997 |
| Finance costs | | |
| Interest expense – ROU asset | 2,556 | - |
| | 2,556 | - |
| Legal costs | | |
| Legal fees | 26,934 | 53,730 |
| | 26,934 | 53,730 |

This statement should be read in conjunction with the attached compilation report on page 53

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED
SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH
(VICTORIA)
ABN 13 511 341 559

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020

| | 2020 \$ | 2019 \$ |
|--|------------------|---------------|
| Audit Fees | | |
| Audit | 18,550 | 18,580 |
| | <u>18,550</u> | <u>18,580</u> |
| | | |
| Write-down and impairment of assets | | |
| Doubtful debt provision | (8,903) | 2,064 |
| | <u>(8,903)</u> | <u>2,064</u> |
| | | |
| Net losses from sale of assets | | |
| Loss on sale of fixed assets | - | - |
| | <u>-</u> | <u>-</u> |
| | | |
| Other expenses | | |
| Computer charges | - | - |
| Computer consultant | 4,460 | 4,554 |
| | <u>4,460</u> | <u>4,554</u> |
| | | |
| Total Expenditure | <u>699,802</u> | 694,380 |
| | | |
| Net (loss) for the year | <u>(215,943)</u> | 32,233 |
| | | |
| Other comprehensive income/(loss) | <u>(43,356)</u> | (254) |
| | | |
| TOTAL COMPREHENSIVE INCOME (LOSS) | <u>(259,299)</u> | 31,979 |

This statement should be read in conjunction with the attached compilation report on page 53

