



8 August 2017

Mr Barry McVee
Secretary, Western Australian Communications Division Branch
Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services
Union of Australia

Sent via email: cwuwa@inet.net.au

Dear Mr McVee

Re: – Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Western Australian Communications Division Branch - financial report for year ending 31 March 2017 (FR2017/10)

I refer to the financial report of the Western Australian Communications Division Branch. The documents were lodged with the Registered Organisations Commission ('the ROC') on 29 June 2017.

The financial report has now been filed. The financial report was filed based on a primary review. This involved confirming whether the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

You are not required to take any further action in respect of the report lodged. Please note that the financial report for the period ending 31 March 2018 may be subject to an advanced compliance review.

Reporting Requirements

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

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

If you have any queries regarding this letter, please contact me via email at stephen.kellett@roc.gov.au.

Yours faithfully

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett
Financial Reporting
Registered Organisations Commission

29 June 2017

Ref: 5.01/001

Sam Gallichio
Regulatory Compliance Branch
Fair Work Commission
GPO Box 1994
MELBOURNE VIC 3001

Dear Sir,

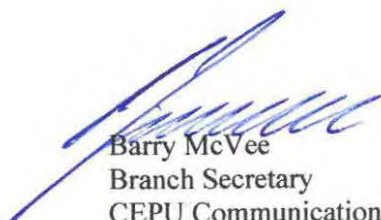
**Lodgement of Financial Statements and Accounts – Western
Australian Branch, Communications Division, CEPU – for year
ending 31 March 2017**

I, Barry McVee, being the Secretary of the Communications Electrical,
Electronic, Energy, Information, Postal, Plumbing and Allied Services
Union of Australia, Communications Division, WA Branch certify:

- That the document lodged herewith is a copy of the full Financial Report, for the year ending 31st March 2017, in accordance with s.268 of the Registered Organisations Act;
- That the Full Financial Report was placed on our website (www.cwuwa.org) for members on 18th May 2017. The AGM Meeting Notice was placed on the website on the same date in accordance with s265(6); and
- The full report was passed by our Branch Committee of Management on Wednesday 17th May 2017; and
- That the full report was endorsed at the Annual General Meeting on Wednesday 21 June 2017, in accordance with s266 of the Fair Work (Registered Organisations) Act.

Please contact me if you have any queries.

Yours sincerely



Barry McVee
Branch Secretary
CEPU Communications Division
WA Branch



**COMMUNICATIONS
ELECTRICAL
PLUMBING
UNION**

**COMMUNICATIONS
DIVISION**
Western Australia

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

**Communications Electrical Plumbing Union
Communications Division WA**

Financial Report

For the year ended 31 March 2017

Communications Electrical Plumbing Union

Communications Division WA

Independent Auditor's Report	3
Prescribed Designated Officer Certificate	6
Operating Report	7
Committee of Management Statement	9
Statement of Profit or Loss and Other Comprehensive Income	10
Statement of Financial Position	11
Statement of Changes In Equity	12
Statement of Cash Flows	13
Recovery of Wages Activity	14
Notes to the Financial Statements	15

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNICATIONS ELECTRICAL PLUMBING UNION COMMUNICATIONS DIVISION WA

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Communications Electrical Plumbing Union Communications Division WA (the Union), which comprises the statement of financial position as at 31 March 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the committee's declaration.

In our opinion:

- (1) The financial report of Communications Electrical Plumbing Union - Communications Division WA is in accordance with:
 - (a) the Fair Work (Registered Organisations) Act 2009, including:
 - (i) presenting fairly, in all material respects, the Union's financial position as at 31 March 2017 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations); and
 - (iii) any other requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.
 - (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.
- (2) The Union has kept satisfactory accounting records for the financial year including records of:
 - (i) the sources and nature of the Unions' income, including membership subscriptions and other income from members; and
 - (ii) the nature of and reasons for the Unions' expenditure.
- (3) All information and explanations that officers or employees of the Union were required to provide have been provided.
- (4) There was no deficiency, failure or shortcoming in any matters referred to in (1) to (3) above.
- (5) The management's use of the going concern basis of accounting in the preparation of the Union's financial statements is appropriate.
- (6) The scope of the audit encompassed recovery of wages activity which was nil during the year.

Basis for Opinion

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

We confirm that the independence declaration required by the Corporations Act 2001 and other professional and statutory Acts and Regulations, has been given to the branch committee of management of the Union.

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

Auditor's Declaration

- (1) In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.
- (2) I, Simon Fermanis declare I am an approved auditor, member of CPA Australia and the Institute of Chartered Accountants in Australia and I hold a current Public Practice Certificate.

Responsibilities of the Branch Committee for the Financial Report

The committee of management of the Union are responsible for the preparation of the financial report that presents fairly in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 and for such internal control as the committee 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 are responsible for assessing the Union'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 either intend to liquidate the Union or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are 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 the 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 this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for 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 Union's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committee ' 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 Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Union 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.

We communicate with the committee 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.

We also provide the committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

PKF Mack

PKF MACK



SIMON FERMANIS

PARTNER

17 MAY 2017
WEST PERTH
WESTERN AUSTRALIA

**Communications Electrical Plumbing Union
Communications Division WA**

Prescribed Designated Officer Certificate

For the year ended 31 March 2017

I, Barry McVee, being the officer responsible of the Communications Electrical Plumbing Union - Communications Division WA, certify:

- That the documents lodged herewith are copies of the full report for the Communications Electrical Plumbing Union - Communications Division WA for the year ended 31 March 2017 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- That the full report was provided to members of the reporting unit on 17 May 2017; and
- That the full report was presented to a meeting of the committee of management of the reporting unit on 17 May 2017 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer



Name of prescribed designated officer

BARRY McVEE

Title of prescribed designated officer

BRANCH SECRETARY

Date

17.05.2017

**Communications Electrical Plumbing Union
Communications Division WA**

Operating Report

For the year ended 31 March 2017

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

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

The principal activity of the Communications Electrical Plumbing Union - Communications Division WA during the financial year was as a communication union. There were no significant changes in the Union's activity during the financial year.

Significant changes in financial affairs

There were no significant changes in the nature of the Union's principal activity during the financial year.

Right of members to resign

All members of the Union have the right to resign from the Union in accordance with Rule 14 of the Union Rules (and Section 174 of the Fair Work (Registered Organisations) Act 2009); namely by providing notice addressed and delivered to the Secretary of the Union, including via email.

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

To the best of our knowledge and belief, no officer of the Union, by virtue of their office of Communications Electrical Plumbing Union - Communications Division WA is:

- a. A trustee of a superannuation entity or exempt public sector superannuation scheme; or
- b. An exempt public sector superannuation scheme; and
- c. Where a criterion for the officer being the trustee or director is that the office is an officer of a registered organisation.

Bryan Watkins is a director of a superannuation trustee company.

Number of members

Number of members on the register of members on 31 March 2017 was 1,776 (2016: 1,779)

Number of employees

As at 31 March 2017, the Union employed two full time Elected Officials, one part time employee and one full time employee.

**Communications Electrical Plumbing Union
Communications Division WA**

Operating Report (continued)

For the year ended 31 March 2017

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

The names of each person who has 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 is as follows

Telecommunications & Information Technology Industry Section

Peter John Noble	Branch Vice-President	01/04/2016 – 31/03/2017
Colleen Mary Noonan	Branch Vice-President / Affirmative Action	01/04/2016 – 31/03/2017
John Edward Kus	Committee of Management	01/04/2016 – 31/03/2017
Andrew Gomersall	Committee of Management	01/04/2016 – 31/03/2017
Norman John Tredrea	Committee of Management	01/04/2016 – 31/03/2017
Mark Kelley	Committee of Management	01/04/2016 – 31/03/2017
Machiel Van der Stelt	Committee of Management	18/04/2016 – 31/03/2017
Clinton Thomas	Committee of Management	18/04/2016 – 31/03/2017

Postal Industry Section

Barry McVee	(Branch Secretary)	01/04/2016 – 31/03/2017
Bryan David Watkins	(Branch President)	01/04/2016 – 31/03/2017
Roy Waller	(Branch Vice President)	01/04/2016 – 31/03/2017
John Vagg	(Committee of Management Member)	01/04/2016 – 31/03/2017
Stephen Plichta	(Committee of Management Member)	01/04/2016 – 31/03/2017
John Evangelista	(Committee of Management Member)	01/04/2016 – 31/03/2017
Christine Rabey	(Committee of Management Member)	01/04/2016 – 31/03/2017
Matthew Wilson	(Committee of Management Member)	01/04/2016 – 31/03/2017
Kevin Brown	(Committee of Management Member)	01/04/2016 – 17/08/2016

Signature of designated officer: 

Name and title of designated officer: Barry McVee / Branch Secretary

Dated: 17.05.2017

**Communications Electrical Plumbing Union
Communications Division WA**

Committee of Management Statement

For the year ended 31 March 2017

On 17 May 2017 the Branch Executive Council of the Communications Electrical Plumbing Union - Communications Division WA passed the following resolution in relation to the general purpose financial report for the year ended 31 March 2017:

The Union declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards and International Financial Reporting Standards (IFRS);
- (b) the financial statements and notes comply with the reporting guidelines of the Commissioner;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Union for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the General Purpose Financial Report 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 Union 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 Union have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009; 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 the Commissioner duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been provided to the member or the Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Registered Organisations Commission under section 273 of the Fair Work (Registered Organisations) Act 2009, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

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

Signature of designated officer: 

Name and title of designated officer: BARRY McVEE / BRANCH SECRETARY

Dated: 17.05.2017.

**Communications Electrical Plumbing Union
Communications Division WA**

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2017

	Notes	2017 \$	2016 \$
Revenue			
Membership subscription	2	736,251	677,384
Capitation fees	2	-	-
Levies	2	-	-
Interest	2	18,514	22,597
Other revenue	2	53,457	48,701
Total revenue		808,222	748,682
Other Income			
Grants and/or donations	2	-	30
Share of net profit from associate		-	-
Net gain from sale of assets		-	-
Total other income		-	30
Total revenue and other income		808,222	748,712
Expenses			
Employee expenses	3	(470,507)	(508,158)
Capitation fees	3	(163,600)	(150,857)
Affiliation fees	3	(2,267)	(2,800)
Administration expenses	3	(87,383)	(107,524)
Grants or donations	3	-	-
Depreciation and amortisation	3	(12,868)	(14,055)
Legal costs	3	(1,146)	(6,258)
Audit fees	17	(16,527)	(16,500)
Share of net loss from associate		-	-
Write down and impairment of assets		-	-
Net losses from sale of assets		-	-
Other expenses	3	(31,378)	(21,872)
Total expenses		(785,676)	(828,024)
Loss for the year		22,546	(79,312)
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss			
Gain on revaluation of land & buildings		-	-
Total comprehensive income (loss) for the year		22,546	(79,312)

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

**Communications Electrical Plumbing Union
Communications Division WA**

Statement of Financial Position

As at 31 March 2017

	Notes	2017 \$	2016 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	769,220	762,533
Trade and other receivables	5	10,312	10,800
Other current assets	6	49,445	46,012
Total current assets		<u>828,977</u>	<u>819,345</u>
Non-Current Assets			
Land and buildings	7	1,335,383	1,344,219
Plant and equipment	8	8,421	12,452
Total non-Current assets		<u>1,343,804</u>	<u>1,356,671</u>
Total assets		<u>2,172,781</u>	<u>2,176,016</u>
LIABILITIES			
Current Liabilities			
Trade payables and accruals	9	19,253	36,342
Other payables	10	43,867	49,269
Employee provisions	11	255,226	261,564
Total current liabilities		<u>318,346</u>	<u>347,175</u>
Non-Current Liabilities			
Employee provisions	11	5,283	2,235
Total non-current liabilities		<u>5,283</u>	<u>2,235</u>
Total liabilities		<u>323,629</u>	<u>349,410</u>
Net assets		<u>1,849,152</u>	<u>1,826,606</u>
EQUITY			
General funds	12	1,254,648	1,254,648
Retained earnings		594,504	571,958
Total equity		<u>1,849,152</u>	<u>1,826,606</u>

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

**Communications Electrical Plumbing Union
Communications Division WA**

Statement of Changes in Equity
For the year ended 31 March 2017

	Notes	General Funds \$	Retained earnings \$	Total equity \$
Balance as at 1 April 2015		1,254,648	651,270	1,905,918
Loss for the year		-	(79,312)	(79,312)
Gain on revaluation of land & buildings		-	-	-
Closing balance as at 31 March 2016		<u>1,254,648</u>	<u>571,958</u>	<u>1,826,606</u>
Loss for the year		-	22,546	22,546
Gain on revaluation of land & buildings		-	-	-
Closing balance as at 31 March 2017		<u>1,254,648</u>	<u>594,504</u>	<u>1,849,152</u>

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

**Communications Electrical Plumbing Union
Communications Division WA**

Statement of Cash Flows

For the year ended 31 March 2017

	Notes	2017 \$	2016 \$
OPERATING ACTIVITIES			
Cash received			
Members		735,679	677,384
Interest		19,573	24,328
Other		53,457	48,731
Receipts from other controlled entities		-	-
Cash used			
Employees		(473,797)	(504,282)
Suppliers		(327,985)	(311,257)
Payments to other controlled entities		-	-
Net cash from (used by) operating activities	13	6,927	(65,096)
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		-	-
Proceeds from sale of land and buildings		-	-
Other		-	-
Cash used			
Purchase of plant and equipment		-	(3,883)
Purchase of land and buildings		-	-
Investment on term deposit		(240)	(325)
Net cash used by investing activities		(240)	(4,208)
FINANCING ACTIVITIES			
Cash received			
Contributed equity		-	-
Other		-	-
Cash used			
Repayment of borrowings		-	-
Other		-	-
Net cash from (used by) investing activities		-	-
Net increase/(decrease) in cash held		6,687	(69,304)
Cash & cash equivalents at the beginning of the financial year		762,533	831,837
Cash & cash equivalents at the end of the financial year	4	769,220	762,533

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

**Communications Electrical Plumbing Union
Communications Division WA**

Recovery of Wages Activity

For the year ended 31 March 2017

	2017 \$	2016 \$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
The reporting unit:		
name of account	-	-
name of fund	-	-
Name of other reporting unit of the organisation:		
name of account	-	-
name of fund	-	-
Name of other entity:		
name of account	-	-
name of fund	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total payments	-	-
Cash assets in respect of recovered money at end of year	-	-
Number of workers to which the monies recovered relates	-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	-	-
Number of workers the payable relates to	-	-
Fund or account operated for recovery of wages	-	-

**Communications Electrical Plumbing Union
Communications Division WA**

Notes to the Financial Statements

Note 1	Summary of Significant Accounting Policies
Note 2	Revenue
Note 3	Expenses
Note 4	Cash and cash equivalents
Note 5	Trade and other receivables
Note 6	Other current assets
Note 7	Land and buildings
Note 8	Plant and equipment
Note 9	Trade creditors and accruals
Note 10	Other payables
Note 11	Employee provisions
Note 12	General funds
Note 13	Cash flow reconciliation
Note 14	Contingent liabilities, assets and commitments
Note 15	Related party disclosures
Note 16	Key management personnel
Note 17	Remuneration of auditor
Note 18	Financial instruments
Note 19	Fair value measurement
Note 20	Events after the reporting period
Note 21	Section 272 Fair Work (Registered organisations) Act 2009

Notes to the Financial Statements

For the year ended 31 March 2017

Note 1 Summary of significant accounting policies

Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Union is a not-for-profit entity. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

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. 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.

a) Comparative amounts

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

b) 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.

Employee entitlements

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Estimation of useful lives of assets

The Union determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Notes to the Financial Statements

For the year ended 31 March 2017

Note 1 Summary of significant accounting policies (continued)

c) New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date stated in the standard.

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

Future Australian Accounting Standards Requirements

The following Australian Accounting Standards have been issued early but are not yet effective. The following have not been adopted in preparation of the financial statements at the reporting date but will be adopted at application date. The impact of the adoption has not yet been determined.

AASB No.	Title	Application date of standard	Issue date
AASB 9	Financial Instruments	1 January 2018	December 2014
AASB 2010-7	Amendments arising from Accounting Standards arising from AASB 9 (December 2010)	1 January 2018	September 2012
AASB 2014-1	Amendments to Australian Accounting Standards Part E - Financial Instruments	Part E - 1 January 2018	June 2014
AASB 2014-5	Amendments to Australian Accounting Standard Arising From AASB 15	1 January 2018	December 2014
AASB 2014-7	Amendments to Australian Accounting Standard Arising From AASB 9 (December 2014)	1 January 2018	December 2014
AASB 2015-6	Amendments to Australian Accounting Standards – Extending Related Party Disclosures to NFP Public Sector Entities	1 July 2016	March 2015
AASB 2015-7	Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities	1 July 2016	July 2015
AASB 2015-8	Amendments to Australian Accounting Standards – Effective Date of AASB 15	1 January 2018	October 2015
AASB 2015-10	Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128.	1 January 2018	December 2015
AASB 2016-1	Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses [AASB 112]	1 January 2017	February 2016
AASB 2016-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	1 January 2017	March 2016
AASB 2016-3	Amendments to Australian Accounting Standards – Clarifications to AASB 15	1 January 2018	May 2016
AASB 2016-4	Amendments to Australian Accounting Standards – Recoverable Amount of a Non-Cash Generating Specialised Assets of Not-for-Profit Entities	1 January 2017	June 2016
AASB 2016-5	Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions [AASB 2]	1 January 2018	July 2016
AASB 2016-6	Amendments to Australian Accounting Standards – Applying AASB 9 Financial	1 January 2018	October 2016

Notes to the Financial Statements

For the year ended 31 March 2017

Note 1 Summary of significant accounting policies (continued)

AASB No.	Title	Application date of standard	Issue date
AASB 2016-7	Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities	1 January 2017	December 2016
AASB 2016-8	Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities	1 January 2019	December 2019
AASB 15	Revenues from Contracts with Customers	1 January 2018	October 2015
AASB 16	Leases	1 January 2019	February 2016
AASB 1058	Income of Not-for-Profit Entities [Appendix D]	1 January 2019	December 2016

d) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates. Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

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

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

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

e) Government grants

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

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

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

Notes to the Financial Statements

For the year ended 31 March 2017

Note 1 Summary of significant accounting policies (continued)

f) Gains and losses

Sale of assets

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

g) 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.

h) 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 Union 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.

i) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other lease are classified as operating leases.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and liability is recognised at the same time and for the same amount.

Notes to the Financial Statements

For the year ended 31 March 2017

Note 1 Summary of significant accounting policies (continued)

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight line basis which is representative of the pattern of benefits derived from the leased assets.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

j) Borrowing costs

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

k) Cash and cash equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

l) Trade and other receivables

Trade and other receivables are recognised at amortisation cost, less any provision for impairment. The amounts are usually due for settlement no more than 30 days after recognition. Collectability of debtors is reviewed on an ongoing basis. Debts, which are known to be uncollectable, are written off.

m) Financial instruments

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

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

Notes to the Financial Statements

For the year ended 31 March 2017

Note 1 Summary of significant accounting policies (continued)

n) Financial assets

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

Fair value through profit or loss

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

A financial asset is classified as held for trading if:

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

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

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

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

Held-to-maturity investments

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

Notes to the Financial Statements

For the year ended 31 March 2017

Note 1 Summary of significant accounting policies (continued)

Available-for-sale

Listed shares and listed redeemable notes held by the reporting unit that are traded in an active market are classified as available-for-sale and are stated at fair value. The reporting unit also has investments in unlisted shares that are not traded in an active market but that are also classified as available-for-sale financial assets and stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the reporting unit right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

Loan and receivables

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

Effective interest method

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

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

Impairment of financial assets

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

Notes to the Financial Statements

For the year ended 31 March 2017

Note 1 Summary of significant accounting policies (continued)

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

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

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

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

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

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

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

Notes to the Financial Statements

For the year ended 31 March 2017

Note 1 Summary of significant accounting policies (continued)

Derecognition of financial assets

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

o) Financial Liabilities

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

Fair value through profit or loss

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

A financial liability is classified as held for trading if:

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

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

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

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Notes to the Financial Statements

For the year ended 31 March 2017

Note 1 Summary of significant accounting policies (continued)

Other financial liabilities

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

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

Derecognition of financial liabilities

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

p) 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.

q) 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.

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 profit/loss. 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.

Notes to the Financial Statements

For the year ended 31 March 2017

Note 1 Summary of significant accounting policies (continued)

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 rates:

	2017	2016
Buildings	2.5%	2.5%
Plant and equipment	15-30%	15-30%
Motor Vehicles	25%	25%

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.

r) Investment property

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

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

s) 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 straight-line basis over their 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.

Notes to the Financial Statements

For the year ended 31 March 2017

Note 1 Summary of significant accounting policies (continued)

Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and 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 or loss when the asset is derecognised.

t) Impairment for non-financial assets

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

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

u) Taxation

The Union 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.

v) Fair value measurement

The Union 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 19.

Notes to the Financial Statements

For the year ended 31 March 2017

Note 1 Summary of significant accounting policies (continued)

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 Union. 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 Union uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

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

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Union 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.

**Communications Electrical Plumbing Union
Communications Division WA**

Notes to the Financial Statements

For the year ended 31 March 2017

Note 1 Summary of significant accounting policies (continued)

w) Trade and other payables

These amounts represent liabilities for goods or services provided to the Union by a third party during the financial year which remain unpaid at year end. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

y) Going concern

Communications Electrical Plumbing Union - Communications Division WA is not reliant on any financial support to continue on a going concern basis.

The Union has not agreed to provide any financial support to any other party-related or non-related.

Note 2 Revenue

	2017	2016
	\$	\$
Membership subscription	736,251	677,384
Capitation fees	-	-
Levies	-	-
Interest	18,514	22,597
Other revenue	53,457	48,701
Grants	-	-
Donations	-	30
	808,222	748,712

Note 3 Expenses

Employee expenses

Holders of office:

Wages and salaries	228,287	276,851
Superannuation	37,041	36,057
Leave and other entitlements	(2,191)	(14,620)
Separation and redundancies	-	-
Other employee expenses	20,589	23,953

Subtotal employee expenses holders of office

283,726	322,241
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Employees other than office holders:

Wages and salaries	153,659	134,255
Superannuation	23,244	23,604
Leave and other entitlements	(1,100)	18,495
Separation and redundancies	-	-
Other employee expenses	10,978	9,563

Subtotal employee expenses employees other than office holders

186,781	185,917
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Total employee expenses

470,507	508,158
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**Communications Electrical Plumbing Union
Communications Division WA**

Notes to the Financial Statements

For the year ended 31 March 2017

Note 3 Expenses (continued)	2017	2016
	\$	\$
Capitation fees		
CEPU Divisional Conference	163,600	150,857
Total capitation fees	163,600	150,857
Affiliation fees		
Australian Labour Party	2,267	2,800
Unions WA	-	-
Total affiliation fees	2,267	2,800
Administration expenses		
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	5,574	5,623
Contractors / consultants	-	-
Property expenses	27,635	25,452
Office expenses	23,138	33,450
Information communications technology	4,333	6,592
Rental (printer)	2,202	2,250
Other	24,501	34,157
Total administration expense	87,383	107,524
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	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	-	-
Depreciation		
Depreciation		
Land and buildings	8,836	8,836
Property, plant and equipment	4,032	5,219
Total depreciation	12,868	14,055
Legal costs		
Litigation		
Other legal matters	1,146	6,258
Total legal costs	1,146	6,258

**Communications Electrical Plumbing Union
Communications Division WA**

Notes to the Financial Statements

For the year ended 31 March 2017

Note 3 Expenses (continued)	2017	2016
	\$	\$
<u>Other expenses</u>		
Penalties - via RO Act or RO Regulations	-	-
Welfare Member Payments	-	-
Other expenses	31,378	21,872
Total other expenses	31,378	21,872

Note 4 Cash and cash equivalents

Cash on hand	195	195
Cash at bank	69,025	62,338
Short term deposits	700,000	700,000
Total cash and cash equivalents	769,220	762,533

The weighted average interest rate at 31 March 2017 is 2,382% (2016: 2.82%).

Note 5 Trade and other receivables

Receivables from other reporting units

CEPU Divisional Conference	-	-
Total receivables from other reporting units	-	-

Less provision for doubtful debts

CEPU Divisional Conference	-	-
Total provision for doubtful debts	-	-
Net receivable from other reporting units	-	-

Other receivables

Membership fees	18,650	10,170
Provision for doubtful debts – membership fees	(12,279)	(4,370)
Accrued interest	3,941	5,000
Total other receivables	10,312	10,800
Total net trade and other receivables	10,312	10,800

Note 6 Other current assets

Term deposit	10,896	10,655
Prepaid expenses	38,549	35,357
Total other current assets	49,445	46,012

**Communications Electrical Plumbing Union
Communications Division WA**

Notes to the Financial Statements

For the year ended 31 March 2017

Note 7 Land and buildings

	2017	2016
	\$	\$
Fair value	1,380,000	1,380,000
Accumulated depreciation	(44,617)	(35,781)
Total land and buildings	<u>1,335,383</u>	<u>1,344,219</u>

Reconciliation of the opening and closing balances of Land and buildings

As at 1 April

Gross book value	1,380,000	1,380,000
Accumulated depreciation and impairment	(35,781)	(26,945)
Net book value 1 April	<u>1,344,219</u>	<u>1,353,055</u>
Revaluation	-	-
Depreciation expense	(8,836)	(8,836)
Net book value 31 March	<u>1,335,383</u>	<u>1,344,219</u>
Net book value as of 31 March represented by:		
Gross book value	1,380,000	1,380,000
Accumulated depreciation and impairment	(44,617)	(35,781)
Net book value 31 March	<u>1,335,383</u>	<u>1,344,219</u>

Valuations of land and buildings

The revalued land and buildings consist of one property at 196, Lord Street, Perth. Management determined that this constitute one class of asset under AASB 13, based on the nature, characteristics and risks of the property

Fair value of the properties was determined by using market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for difference in the nature, location or condition of the specific property. As at 15 April 2015, the properties' fair values are based on valuations performed by National Property Valuers, an accredited independent valuer.

Significant unobservable valuation input	Range
Price per square metre	\$2,500

A significant increase (decrease) in estimated price per square metre in isolation would result in a significantly higher (lower) fair value.

See note 19 for further information on fair value measurement.

Communications Electrical Plumbing Union
Communications Division WA

Notes to the Financial Statements

For the year ended 31 March 2017

Note 8 Plant and equipment

	2017 \$	2016 \$
Motor vehicles:		
At cost	65,160	65,160
Accumulated depreciation	(65,160)	(65,160)
	-	-
Plant and equipment:		
At cost	109,600	109,600
Accumulated depreciation	(101,179)	(97,148)
	8,421	12,452
Total plant and equipment	8,421	12,452

Reconciliation of the opening and closing balances of plant and equipment

2017	Motor vehicles	Plant and equipment	Total
As at 1 April 2016			
Gross book value	65,160	109,600	174,760
Accumulated depreciation and impairment	(65,160)	(97,148)	(162,308)
Net book value 1 April 2016	-	12,452	12,452
Additions:			
By purchase	-	-	-
Depreciation expense	-	(4,031)	(4,031)
Net book value 31 March 2017	-	8,421	8,421
Net book value as of 31 March 2017 represented by:			
Gross book value	65,160	109,600	174,760
Accumulated depreciation and impairment	(65,160)	(101,179)	(166,339)
Net book value 31 March 2017	-	8,421	8,421
2016	Motor vehicles	Plant and equipment	Total
As at 1 April 2015			
Gross book value	65,160	105,717	170,877
Accumulated depreciation and impairment	(65,160)	(91,929)	(157,089)
Net book value 1 April 2015	-	13,788	13,788
Additions:			
By purchase	-	3,883	3,883
Depreciation expense	-	(5,219)	(5,219)
Net book value 31 March 2016	-	12,452	12,452
Net book value as of 31 March 2016 represented by:			
Gross book value	65,160	109,600	174,760
Accumulated depreciation and impairment	(65,160)	(97,148)	(162,308)
Net book value 31 March 2016	-	12,452	12,452

**Communications Electrical Plumbing Union
Communications Division WA**

Notes to the Financial Statements

For the year ended 31 March 2017

	2017	2016
	\$	\$
Note 9 Trade creditors and accruals		
Trade creditors and accruals	7,390	13,408
Subtotal trade creditors	<u>7,390</u>	<u>13,408</u>
Payables to other reporting units		
CEPU Divisional Conference	11,863	22,934
Subtotal payables to other reporting units	<u>11,863</u>	<u>22,934</u>
Total trade payables	<u><u>19,253</u></u>	<u><u>36,342</u></u>

Settlement is usually made within 30 days.

Note 10 Other payables

Superannuation	6,301	7,540
Consideration to employers for payroll deductions	-	-
Legal costs	-	-
Unearned revenue	10,586	14,349
GST payable	3,291	2,352
Other payables	23,659	25,028
Total other payables	<u><u>43,867</u></u>	<u><u>49,269</u></u>

Settlement is usually made within 90 days.

Total other payables are expected to be settled in:

No more than 12 months	43,867	49,269
More than 12 months	-	-
Total other payables	<u><u>43,867</u></u>	<u><u>49,269</u></u>

**Communications Electrical Plumbing Union
Communications Division WA**

Notes to the Financial Statements

For the year ended 31 March 2017

	2017	2016
	\$	\$
Note 11 Employee provisions		
Office holders:		
Annual leave	69,949	73,175
Long service leave	159,372	158,337
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	229,321	231,512
Employees other than office holders:		
Annual leave	4,617	11,251
Long service leave	26,571	21,036
Separation and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	31,188	32,287
Total employee provisions	260,509	263,799
Current	255,226	261,564
Non-current	5,283	2,235
Total employee provisions	260,509	263,799

Note 12 General funds

Asset revaluation reserve

Balance as at start of year	1,254,648	1,254,648
Transferred to reserve (*)	-	-
Transferred out of reserve	-	-
Balance as at end of year	1,254,648	1,254,648

(*) Refer to Note 7 for Valuations of land and buildings.

**Communications Electrical Plumbing Union
Communications Division WA**

Notes to the Financial Statements

For the year ended 31 March 2017

	2017	2016
	\$	\$
Note 13 Cash flow reconciliation		
Reconciliation of cash and cash equivalents as per Statement of Financial Position to Cash Flow Statement:		
Cash and cash equivalents as per:		
Cash flow statement	769,220	762,533
Statement of Financial Position	769,220	762,533
Difference	<u>-</u>	<u>-</u>
Reconciliation of profit/(loss) to net cash from operating activities:		
Loss for the year	22,546	(79,312)
Adjustments for non-cash items		
Depreciation/amortisation	12,868	14,055
Changes in assets/liabilities		
(Increase)/decrease in trade and other receivables	487	1,731
(Increase)/decrease in other assets	(3,192)	(1,837)
Increase/(decrease) in payables and accruals	(17,090)	(7,152)
Increase/(decrease) in other payables	(5,402)	3,543
Increase/(decrease) in employee provisions	(3,290)	3,876
Net cash from (used by) operating activities	<u>6,927</u>	<u>(65,096)</u>
<u>Cash flow information</u>		
Cash inflows		
Communications Electrical Plumbing Union	808,710	750,443
Communications Division WA		
Total cash inflows	<u>808,710</u>	<u>750,443</u>
Cash outflows		
Communications Electrical Plumbing Union	(802,023)	(819,747)
Communications Division WA		
Total cash outflows	<u>(802,023)</u>	<u>(819,747)</u>

**Communications Electrical Plumbing Union
Communications Division WA**

Notes to the Financial Statements

For the year ended 31 March 2017

Note 14 Contingent liabilities, assets and commitments

Operating lease commitments – as lessee

The operating lease is for a photocopier that is leased by the Union and it was renewed for more five years with the contract expiring on 02 May 2021. The Union pays the lease through fixed monthly instalments.

Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:

	2017	2016
	\$	\$
Within one year	2,156	2,202
After one year but not more than five years	6,661	8,625
More than five years	-	180
	<u>8,817</u>	<u>11,007</u>

Operating lease commitments – as lessor

The Union had no operating lease commitments during the 2016 and 2017 financial years.

Capital commitments

The Union had no capital commitments during the 2016 and 2017.

Finance lease commitments

The Union had no finance lease commitments during the 2016 and 2017 financial years.

Other contingent assets of liabilities

At reporting date there are no known contingent liabilities or assets that would have a material effect on the presentation of the annual financial statements.

Note 15 Related party disclosures

Related parties transactions for the reporting period

CEPU Divisional Conference

- This is the National Office of CEPU.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

	2017	2016
	\$	\$
CEPU Divisional Conference - National Office		
Revenue received from National Office		
National Office reimbursements	4,001	10,765
Expenses paid to National Office		
Capitation fees	163,600	150,857

**Communications Electrical Plumbing Union
Communications Division WA**

Notes to the Financial Statements

For the year ended 31 March 2017

Note 15 Related party disclosures (continued)

	2017	2016
	\$	\$
CEPU Divisional Conference - National Office		
Amounts owed by National Office		
Reimbursements owed by National Office	-	-
Amounts owed to National Office		
Capitation fees	11,863	22,934
Loans from/to National Office	-	-
Assets transferred from/to National Office	-	-
Terms and conditions of transactions with related parties		
<p>The revenue to and expenses from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for reimbursement and capitation fees at the year end 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 2017, the Union has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2016: \$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.</p>		
Note 16 Key management personnel		
(a) Remuneration for the reporting period		
<p>The key management personnel are the Officials.</p>		
Short-term employee benefits		
Salary (including leave taken less accrued)	228,287	249,046
Annual leave accrued	(3,227)	(11,787)
Performance bonus	-	-
Total short-term employee benefits	<u>225,060</u>	<u>237,259</u>
Post-employment benefits:		
Superannuation	37,041	36,057
Total post-employment benefits	<u>37,041</u>	<u>36,057</u>
Other long-term benefits:		
Long-service leave accrued	1,036	6,733
Total other long-term benefits	<u>1,036</u>	<u>6,733</u>
Termination benefits	-	-
Total	<u>263,137</u>	<u>280,049</u>

**Communications Electrical Plumbing Union
Communications Division WA**

Notes to the Financial Statements

For the year ended 31 March 2017

Note 16 Key management personnel (continued)

2017	2016
\$	\$

(b) Transactions with key management personnel and their close family members

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

Note 17 Remuneration of auditor

Value of the services provided

Financial statement audit services	16,500	16,500
Other services	-	-
Total remuneration of auditor	<u>16,500</u>	<u>16,500</u>

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

Note 18 Financial instruments

Financial risk management objectives

The Union's activities do not expose it to many financial risks and therefore are not actively managing these risks.

Categories of financial instruments

Financial Assets

Cash and cash equivalents	769,220	762,533
Total	<u>769,220</u>	<u>762,533</u>
Held-to-maturity investments		
Term deposit	10,896	10,655
Total	<u>10,896</u>	<u>10,655</u>
Loans and receivables:		
Trade and other receivables	6,371	5,800
Total	<u>6,371</u>	<u>5,800</u>
Carrying amount of financial assets	<u>786,487</u>	<u>778,988</u>

**Communications Electrical Plumbing Union
Communications Division WA**

Notes to the Financial Statements

For the year ended 31 March 2017

Note 18 Financial instruments (continued)

	2017	2016
	\$	\$
<u>Financial Liabilities</u>		
Other financial liabilities:		
Trade payables and accruals	19,253	36,342
Other payables	33,281	34,920
Carrying amount of financial liabilities	52,534	71,262
Net income and expense from financial assets		
Cash and cash equivalent		
Interest revenue	18,188	22,272
Exchange gains / (losses)	-	-
Impairment	-	-
Gain / (loss) on disposal	-	-
Net gain / (loss) from held-to-maturity	18,188	22,272
Held-to-maturity		
Interest revenue	326	325
Exchange gains / (losses)	-	-
Impairment	-	-
Gain / (loss) on disposal	-	-
Net gain / (loss) from held-to-maturity	326	330
Loans and receivables		
Interest revenue	-	-
Exchange gains / (losses)	-	-
Impairment	-	-
Gain / (loss) on disposal	-	-
Net gain / (loss) from loans and receivables	-	-
Net gain / (loss) from financial assets	18,514	22,597

The net income/expense from financial assets not at fair value through profit or loss is \$18,514 (2016: \$22,597).

**Communications Electrical Plumbing Union
Communications Division WA**

Notes to the Financial Statements

For the year ended 31 March 2017

Note 18 Financial instruments (continued)

	2017 \$	2016 \$
Net income and expenses from financial liabilities		
Other financial liabilities		
Change in fair value	-	-
Interest expense	-	-
Exchange gains / (losses)	-	-
Net gain / (loss) from other financial liabilities	-	-
Net gain / (loss) from financial liabilities	-	-

The net income/expense from financial liabilities not at fair value through profit or loss is Nil (2016: Nil)

Credit risk

The Union is not exposed to any significant credit risk however it actively monitors all receivables to ensure receipt.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Branch Committee of Management. The Union manages liquidity risk by maintaining adequate reserves and banking facilities and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Contractual maturities for financial liabilities

The following tables detail the union's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

2017	On demand \$	< 1 year \$	1 – 2 years \$	2 – 5 years \$	> 5 years \$	Total \$
Trade creditors and accruals	-	19,253	-	-	-	19,253
Other payables	-	33,281	-	-	-	33,281
Total	-	52,534	-	-	-	52,534

**Communications Electrical Plumbing Union
Communications Division WA**

Notes to the Financial Statements

For the year ended 31 March 2017

Note 18 Financial instruments (continued)

2016	On demand \$	< 1 year \$	1 – 2 years \$	2 – 5 years \$	> 5 years \$	Total \$
Trade creditors and accruals	-	36,342	-	-	-	36,342
Other payables	-	34,920	-	-	-	34,920
Total	-	71,262	-	-	-	71,262

Market risk

The Union is not exposed to any significant market risks, including interest rate risk, price risk and currency risk, and is therefore not actively managing these risks.

Note 19 Fair value measurement

Management of the Union assessed that cash and cash equivalents, trade and other receivables, trade payables and accruals and other payables 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 Union'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 own performance risk as at 31 March 2017 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 Union 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 2017 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

**Communications Electrical Plumbing Union
Communications Division WA**

Notes to the Financial Statements

For the year ended 31 March 2017

Note 19 Fair value measurement (continued)

The following table contains the carrying amount and related fair values for the Union's financial assets and liabilities:

	Carrying amount 2017 \$	Fair value 2017 \$	Carrying amount 2016 \$	Fair value 2016 \$
Financial assets				
Cash and cash equivalents	769,220	769,220	762,533	762,533
Trade and other receivables	6,371	6,371	5,800	5,800
Other assets	10,896	10,896	10,655	10,655
Total	786,487	786,487	778,988	778,988
Financial liabilities				
Trade payables and accruals	19,253	19,253	36,342	36,342
Other payables	33,281	33,281	34,920	34,920
Total	52,534	52,534	71,262	71,262

Fair value hierarchy

The following tables provide an analysis of financial and non-financial assets and liabilities that are measured at fair value, by fair value hierarchy.

Fair value hierarchy – 31 March 2017

	Date of valuation \$	Level 1 \$	Level 2 \$	Level 3 \$
Assets measured at fair value				
Land and buildings	15/04/15	-	1,335,219	-
Total		-	1,335,219	-

Fair value hierarchy – 31 March 2016

Assets measured at fair value				
Land and buildings	15/04/15	-	1,344,219	-
Total		-	1,344,219	-

Note 20 Events after the reporting period

There were no events that occurred after 31 March 2017, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Union.

Notes to the Financial Statements

For the year ended 31 March 2017

Note 21 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 the 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).