

14th November, 2017

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

By email: regorgs@roc.gov.au

Dear Mr Enright

**CEPU Plumbing Division – Victorian Branch
Operating Reports as at 31 March 2010 to 31 March 2015
– Reporting of Membership Numbers**

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

- Declaration correcting the membership figures reported in the branch operating reports for the reporting periods ending 31 March 2010 to 31 March 2015.

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

As a consequence of these audits, the Branch Committee of Management, in a meeting held on the 31st October, 2017, authorised the submission of a declaration to the Registered Organisations Commission (ROC) to correct the figures reported in the operating reports for the total branch members for the reporting periods ending 31 March 2010 to 31 March 2015.

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

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

Yours faithfully



Earl Setches
Branch Secretary

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

Fair Work (Registered Organisations) Act 2009

**DECLARATION - CORRECTING REPORT TO
CEPU Plumbing Division – Victorian Branch
OPERATING REPORT**

lodged pursuant to s.268

I, Earl Setches, of 52 Victoria Street, Carlton South, in the state of Victoria 3053, declare:

- I am the Branch Secretary of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Plumbing Division – Victorian Branch (the Branch), a branch of an organisation registered under the *Fair Work (Registered Organisations) Act 2009* (the Act).
- Pursuant to s.268 of the Act, for the periods ended 31 March 2010 to 31 March 2015, the full financial reports, including the operating reports, of the branch were lodged with the Fair Work Commission (FWC) in FR2010/2511, FR2011/2510, FR2012/208, FR2013/113, FR2014/56 and FR2015/58 respectively.
- Independent audits of the membership figures reported in the branch committee of management operating reports for the reporting periods 31 March 2010 to 31 March 2015 found the following variances with the figures reported in the operating reports:

As at 31 Mar	2010	2011	2012	2013	2014	2015
Reported	7,637	7,318	7,707	7,406	7,278	6,169
Audited	9,055	9,234	9,188	11,652	11,865	11,908
Variance	1,418	1,916	1,481	4,246	4,587	5,739

- On 31st October, 2017, in response to the findings of these audits, Branch Committee of Management authorised the Branch Secretary to amend the committee of management operating reports for the years ended 31 March 2010 to 31 March 2015 to reflect the membership figures resulting from the audit.

Signed:



Name: Mr Earl Setches

Date: 14th November, 2017



31 August 2015

Mr Earl Setches
Branch Secretary
Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services
Union of Australia-Plumbing Division Victorian Divisional Branch
Sent via email: esetches@pteu.asn.au

Dear Mr Setches,

**Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia-Plumbing Division Victorian Divisional Branch
Financial Report for the year ended 31 March 2015 - [FR2015/58]**

I acknowledge receipt of the financial report of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia-Plumbing Division Victorian Divisional Branch. The documents were lodged with the Fair Work Commission on 29 July 2015.

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

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

Please note that the financial report for the year ending 31 March 2016 may be subject to an advanced compliance review.

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Should you wish to discuss this letter, or if you require further information on the financial reporting requirements of the RO Act, I may be contacted on (03) 8661 7796 or by email at sam.gallichio@fwc.gov.au.

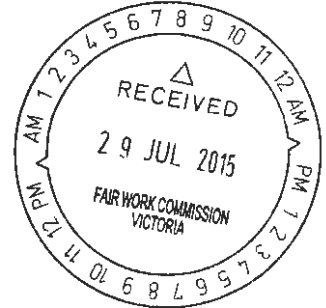
Yours sincerely

Sam Gallichio
Adviser
Regulatory Compliance Branch

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

Plumbing Division – Victoria Branch

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2015**



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

Plumbing Division – Victoria Branch

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2015**





PLUMBING TRADES EMPLOYEES UNION
Communications, Electrical and Plumbing Union

VICTORIAN BRANCH

ABN 17 685 414 428

EARL SETCHES
Branch Secretary

PADDY McCRUDDEN
Assistant Secretary

52 Victoria St
Carlton South 3053

Ph: 03 9662 3388
Fax: 03 9663 2613

28 July 2015

Att: Stephen Kellett
Fair Work Commission
Level 8, 80 William Street
East Sydney NSW 2011

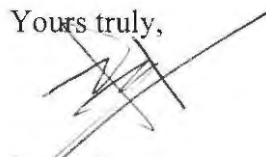
Re: Lodgement of Financial Statements and Accounts (Victorian Branch)

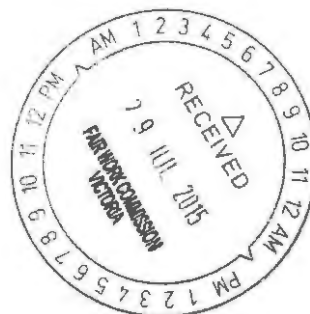
We would like to lodge our financial statements and accounts for 2015 in accordance with the provisions of Chapter 8, Part 3 of the Fair Work Act 2009 as follows

1. Full financial report
2. Secretary's certificate

If you need any further information, please feel free contact me on 03-9662-3388

Yours truly,


Junha Jang
Finance Manager





PLUMBING TRADES EMPLOYEES UNION
Communications, Electrical and Plumbing Union

VICTORIAN BRANCH
ABN 17 685 414 428

EARL SETCHES
Branch Secretary

PADDY McCRUDDEN
Assistant Secretary

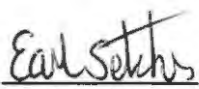
52 Victoria St
Carlton South 3053

Ph: 03 9662 3388
Fax: 03 9663 2613

SECRETARY'S CERTIFICATE

I (Earl Setches) being the State Secretary of the CEPU Plumbing Division Victorian Branch, certify:

- That the documents lodged herewith are copies of the full audited reports of the CEPU Plumbing Division Victorian Branch for the financial year ended 31st March 2015, referred to in s268 of the RAO Schedule; and
- That the full report was provided to members on our website on and from 1-Jul-2015; and
- The full report was presented at a Committee Meeting of Members on 28-Jul-2015.


Earl Setches
State Secretary

Date 28-Jul-2015





PLUMBING TRADES EMPLOYEES UNION
Communication, Electrical and Plumbing Union
52 Victoria Street
CARLTON SOUTH
3053

W. A. BRANCH
ABN 33 140 138 596

Brian Bintley
Branch Secretary

Earl Setches
Federal Secretary

Paddy McCrudden
Federal President

28 July 2015

Fair Work Commission
GPO Box 1994
Melbourne Vic 3001

Re: Lodgement of Financial Statements and Accounts (WA Branch)

We would like to lodge our financial statements and accounts for 2015 in accordance with the provisions of Chapter 8, Part 3 of the Fair Work Act 2009 as follows

1. Full financial report
2. Secretary's certificate

If you need any further information, please feel free contact me on 03-9662-3388

Yours truly,

Junha Jang
Finance Manager



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

**Operating Report
For the year ended 31 March 2015**

Principal activities

The principal activities of the CEPU Victoria Branch during the financial year were to provide representation and support to our members. There were no significant changes to the principal activities during the year.

Review of results

The net result of operations for the year was a profit of \$497,587 (2014: profit of \$925,118). The organisation continued to represent its members in industrial and other matters, focusing particularly on training and educational projects to advance the industry. During the year, it also paid particular attention to corporate governance, ensuring that it complies with legislative requirements. As at reporting date, it had accumulated net assets of \$11.79 million, and had reduced interest bearing debt from the prior year. The organisation is well placed to meet the future needs of the industry and moreover its members, through enhanced representation and training services, the latter arising given the ongoing developments at PICAC Ltd. Close alignment with the U.A. (USA) also continues to enhance member services and delivery.

Significant Changes in the State of Affairs

In the opinion of the Members of the Committee of Management, there were no significant changes in the organisation's state of affairs during the financial year.

Resignation of Members

As per section 174 of the Fair Work (Registered Organisations) Act 2009, a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.

Number of Members

As at 31 March 2015, the number of members of the organisation recorded in the register of members was 6,169 (2014: 7,278).

Number of Employees

As at 31 March 2015, the number of full time equivalent employees was 24 (2014: 24).

Committee of Management

The Committee of Management members are as follows:-

N Ottobre	(1.4.14 – 31.3.15)	E Setches	(1.4.14 – 31.3.15)
C Delidakis	(1.4.14 – 31.3.15)	P Mc Crudden	(1.4.14 – 31.3.15)
R Menzies	(1.4.14 – 31.3.15)	D Saunders	(1.4.14 – 31.3.15)
N McCubbin	(1.4.14 – 27.4.14)	T Smart	(1.4.14 – 31.3.15)
B Jovanovski	(28.4.14 – 31.3.15)	R Vaughan	(1.4.14 – 31.3.15)
S Bamford	(1.4.14 – 31.3.15)	B Redina	(1.4.14 – 31.3.15)
I Marris	(1.4.14 – 31.3.15)	M. Robbins	(1.4.14 – 31.3.15)
D McClusky	(2.2.15 – 31.3.15)		

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

**Operating Report
For the year ended 31 March 2015 (cont'd)**

Officers & employees who are directors of a company or a member of a board


Details of officers and employees, who are directors of a company or a member of a board or who are superannuation fund trustees or directors of a company that is a superannuation fund trustee, are as follows:

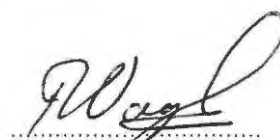
Name of Officeholder	Name of Company or Board	Position Held	Principal Activity of Company or Board	Position Held because officer or employee of Union or nominated by Union or Peak Council
Earl Setches	PICAC	Director	Training	Yes
	Incolink	Director	Redundancy	Yes
	CBUS	Director	Superannuation	Yes
	PAC	Director	Regulations	Yes
	CEPUTEC	Director	Training	Yes
	PJTF	Director	Funds Management	Yes
	NUDJ Plumbing Ltd	Director	Apprentice Placements	Yes
	Indigenous Plumbing Sanitation Fund	Director	Training	Yes
Paddy McCrudden	Co-invest	Director	Funds Management	Yes
	PICAC	Director	Training	Yes
	PJTF	Director	Funds Management	Yes
	PAC	Director	Regulations	Yes
	Indigenous Plumbing Sanitation Fund	Director	Training	Yes
Nazza Ottobre	PJTF	Director	Funds Management	Yes
	PICAC	Director	Training	Yes
	CEPUTEC	Director	Training	Yes
Glenn Menzies	CEPUTEC	Director/ Secretary	Training	Yes
	PICAC	Director	Training	Yes
	CPSISC	Director	Training	Yes
	PAC	Member	Compliance	Yes
Norm Kelly	CEPUTEC	Director	Training	Yes
	City of Whittlesea	Councillor	Council Activities	No

Future Developments

In the opinion of the Committee of Management, there is not likely to be any future developments that will materially affect the Union's operation in subsequent years.

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


.....
C Delidakis


.....
R Vaughan

Dated this 30 day of June 2015

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

CERTIFICATE OF COMMITTEE OF MANAGEMENT

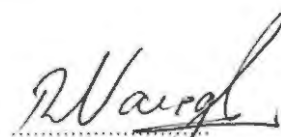
The Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Plumbing Division – Victoria Branch passed the following resolution on 2015 in relation to the general purpose financial report of the reporting unit for the financial year ended 31 March 2015.

The Committee of Management declares in relation to the general purpose financial report that in its opinion:

- (a) the financial statements and notes comply with the Reporting Guidelines of the General Manager of FWC and Australian Accounting Standards;
- (b) 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;
- (c) 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;
- (d) 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;
 - 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;
 - iii. the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009;
 - iv. the information sought in any request of a member of the reporting unit or the General Manager of FWC duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or General Manager of FWC;
 - v. there have been no orders for inspection of financial records made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period; and
 - vi. where the Union comprises of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable in a manner consistent with each of the other reporting units of the organisation.
- (e) in relation to recovery of wages activity no revenue has been derived from undertaking recovery of wages activity during the reporting period.

For the Committee of Management:


C Delidakis


R Vaughan

Dated this 30 day of June 2015

AUDITOR'S INDEPENDENCE DECLARATION

**TO THE COMMITTEE OF MANAGEMENT OF COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY,
INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA PLUMBING DIVISION
– VICTORIA BRANCH –**

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2015 there have been:-

- (i) no contraventions of the auditor independence requirements in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Stannards Accountants and Advisors



MB Shulman
Registered Company Auditor (163888)
Holder of Current Public Practice Certificate
Approved Auditor (FWC Act and Regulations)

Dated this 30th day of June 2015

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

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2015**

	2015 \$	2014 \$
Revenue		
Membership Subscriptions	3,897,637	4,128,171
Enrolment Fees	25,164	24,320
Rental Income from Investment Property	558,261	566,553
Directors' Fees	180,412	111,793
Work Safe and Aboriginal Grants Income	481,539	517,533
Costs Recovered from Training, Education Centres and Others	1,246,371	1,337,454
Sundry Income	206,150	341,738
Profit on disposals of fixed assets	-	56,731
Donations or Grants	-	-
Sponsorships – C Bus	-	45,000
Levies	-	-
Capitation Fees	-	-
Total Revenue	6,595,534	7,129,293
Expenses		
Affiliations		
ALP	58,489	54,196
CEPU National	3,703	6,830
VTHC	40,178	39,021
Regional Trade Councils	10,215	11,161
Administrative Services		
ACIRT	571	1,812
Advertising	3,738	10,599
Audit Fees – Financial Report	8,800	11,500
Compliance Fees (Accounting)	29,555	19,500
Bank and Other Finance Charges	31,148	30,374
Bad Debts and Doubtful Debts	28,869	57,786
Cleaning and Security Services	7,676	7,402
Committee Fees	8,389	29,577
Computer Programming Expenses	60,576	54,196
Depreciation (includes assets <\$1,000 written off)	281,827	383,966
Forgiveness of Loan – ACT Branch	-	(2,437)
Fringe Benefit Tax	58,328	58,666
Grants	-	-
Interest Paid	4,421	4,909
Insurance	123,490	117,789
Land Tax	90,543	64,052
Legal Costs – Litigation	-	-
Legal Fees – Other Matters	58,541	68,448
Loss on disposal of fixed assets	158,286	-
Electricity	9,181	13,319
Repairs and Maintenance	14,225	8,336
Motor Vehicles Expenses	148,465	145,769
Payroll Tax	185,134	213,721
Penalties – via FW(RO) Act or Regulations	-	-
Postage and Mail Outs	122,520	102,045
Printing and Stationery	268,251	275,669
Annual Leave	(21,249)	41,495
Long Service Leave and Retiring Allowances	266,298	330,233

The accompanying notes form part of this Financial Report

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

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2015**

	2015 \$	2014 \$
Administrative Services (cont'd)		
Rates	19,263	25,269
Rent	6,740	9,047
Salaries and Wages	2,867,776	3,173,507
Sundries	73,730	53,650
Superannuation	463,863	460,444
Telephone and Internet Services	86,292	101,465
Travel and Accommodation	36,061	39,767
Fines	2,325	2,185
Fitness and Clothing Allowances	20,525	27,764
Other allowances	78,883	89,117
Debt Collection Expenses	106	8,992
Staff Amenities and Miscellaneous Expenses	11,784	8,316
Consideration to Employers Making Payroll Deductions	-	-
Compulsory Levies	-	-
Fees / allowances – Meeting and Conferences	-	-
Work Safe Expenses	9,543	5,690
	5,737,059	6,165,147
Per Capita Payment to National Office	301,314	171,238
	6,038,373	6,336,385
Total Expenses		
Profit / (Loss) for Year	557,161	792,908
Fair Value Adjustments to Property	-	(22,401)
Net Profit/ (Loss) available for appropriation between General and Incidental Fund	557,161	770,507
Net (Expenses) / Revenue from other Funds	(59,574)	154,611
Net Profit for the Year	497,587	925,118

The accompanying notes form part of this Financial Report

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,
POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA
PLUMBING DIVISION – VICTORIA BRANCH

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2015

	2015 \$	2014 \$
Profit / (Loss) for the period	497,587	925,118
Other comprehensive income for the period	-	-
Total comprehensive income for the period	497,587	925,118
Total comprehensive income attributable to: Members of the organisation	497,587	925,118

The accompanying notes form part of this Financial Report

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

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2015**

	Notes	2015 \$	2014 \$
Current Assets			
Cash and Cash Equivalents	4	5,535,256	3,724,114
Receivables	5	819,734	484,606
Inventory	1(b)	34,546	31,310
Property, Plant and Equipment	7	-	1,353,733
Other	6	74,431	75,462
Loan - CEPU WA		6,469	-
Total Current Assets		6,470,436	5,669,225
Non Current Assets			
Property, Plant and Equipment	7	2,611,078	2,741,905
Investment Property	8	5,517,743	5,595,973
Total Non Current Assets		8,128,821	8,337,878
Total Assets		14,599,257	14,007,103
Current Liabilities			
Payables	9	392,726	451,673
Interest Bearing Debt	13	12,517	12,463
Non Interest Bearing Liabilities	10	557,951	349,188
Provisions	11	1,670,438	1,688,042
Total Current Liabilities		2,633,632	2,501,366
Non Current Liabilities			
Provisions	11	117,254	146,835
Interest Bearing Debt	13	61,746	69,864
Total Non Current Liabilities		179,000	216,699
Total Liabilities		2,812,632	2,718,065
Net Assets		11,786,625	11,289,038
Equity			
Defence Fund	12(a)	2,920,403	2,880,330
General Fund	12(a)	3,955,064	3,534,451
Incidental Fund	12(a)	2,146,253	1,933,631
Special Purpose Fund	12(a)	1,007,053	1,182,774
Asset Revaluation Reserve	12(b)	1,757,852	1,757,852
Total Equity		11,786,625	11,289,038

The accompanying notes form part of this Financial Report

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2015**

	2015	2014
	\$	\$
Accumulated Profit / (Deficit) – Beginning of Year	-	-
Profit / (Loss) for the Year	497,587	925,118
Distribution to:-		
Defence Fund	(40,073)	(39,033)
General Fund	(420,613)	(541,151)
Incidental Fund	(212,622)	(280,459)
Special Purpose Fund	175,721	(64,475)
Total Accumulated Profit / (Deficit) – End of the Year	-	-

The accompanying notes form part of this Financial Report

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2015**

	Notes	2015 Inflows/ (Outflows) \$	2014 Inflows/ (Outflows) \$
Cash flows from Operating Activities			
Contributions and enrolment fees from Members		3,922,801	4,155,717
Interest Received		132,603	107,857
Grants Received		481,539	517,533
Levies Received		-	-
Other Income		269,354	340,823
Directors' Fees		180,412	111,793
Rent Received – Investment Property (PJTF)		558,261	557,890
Amounts recharged and recouped		815,461	1,389,453
Payments to Suppliers and Employees		(5,592,543)	(5,692,427)
Interest Paid		(4,421)	(4,909)
Net Cash Provided by Operating Activities	15	763,467	1,826,206
Cash flows from Investing Activities			
Payments for Property, Plant and Equipment and Investment Properties		(200,370)	(388,280)
Proceeds from Sale of Property, Plant and Equipment		1,324,174	67,770
Net Cash Provided by / (Used in) Investing Activities		1,123,804	(320,510)
Cash flows from Financing Activities			
Borrowings		(8,064)	(7,604)
Repayments (by)/to Federal Office		(92,551)	(441,972)
Repayments (by)/to CEPU WA Branch		24,486	(1,825)
Net Cash Provided by/(Used) in Financing Activities		(76,129)	(451,401)
Net Increase in Cash and Cash Equivalents		1,811,142	1,054,295
Cash and Cash Equivalents at Beginning of Year		3,724,114	2,669,819
Cash and Cash Equivalents at End of Year	15	5,535,256	3,724,114

The accompanying notes form part of this Financial Report

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

1. Statement of Significant Accounting Policies

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Fair Work (Registered Organisations) Regulations 2009 and Fair Work (Registered Organisations) Act 2009.

Basis of Preparation

The financial report complies with Australian Accounting Standards which include Australian Equivalents to International Financial Reporting Standards (AIFRS). Comparative information has been restated where necessary to comply with current year presentation of the financial report.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. The Union is a 'not for profit' organisation.

Cost is based on fair values of consideration given in exchange for assets.

The accounting policies set out below have been consistently applied, unless otherwise stated.

Accounting Policies

(a) Property, Plant and Equipment

Cost and valuation

Freehold land and buildings that constitute investment properties are measured at cost or on a fair value basis. At each reporting date, the value of assets in this asset class is reviewed to ensure that it does not differ materially from the asset's book value at that date. Any significant increase or decrease is recognised in accordance with accounting standards. Buildings are being depreciated as set out below.

All other fixed assets are also measured at the lower of cost and fair value.

Depreciation

Depreciation is calculated on the prime cost and diminishing value methods and is brought to account over the estimated economic lives of all buildings, motor vehicles, equipment, furniture and fittings. Depreciation rates applied are:

	2015	2014
Buildings	2.5%	2.5%
Motor Vehicles	25%	25%
Furniture and Office Equipment	15-33.33%	15%-33.33%
Fixtures and Fittings	13%	13%

(b) Inventories

Inventories are valued at the lower of cost and net realisable value (cost is based on a FIFO basis).

(c) Income Tax

No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 50-5 of the Income Tax Assessment Act 1997. An obligation for fringe benefits tax and goods and services tax still exists and has been accounted for by the Union.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)**

1. Statement of Significant Accounting Policies (cont'd)

(d) Employee Benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date.

Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

The Union adopted AASB 119: Employee Benefits and the relevant consequential amendments arising from the related Amending Standards.

Among other things, the main changes introduced by AASB 119 relate to defined benefit plans and termination benefits, which have no impact on the Union's financial statements as the Union has no defined benefit obligations or termination benefits at present. Additionally, AASB 119 has introduced revised definitions for "short-term employee benefits" and "other long-term employee benefits". These revisions can cause a change in accounting policy for the annual leave provision amounts recognised in the financial statements as explained below.

Provision for employee benefits: annual leave

For the purpose of measurement, AASB 119 defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. Previously, annual leave satisfied the definition of short-term employee benefits and therefore the leave liability was measured on an undiscounted basis at the amounts expected to be paid when the liability was settled. However, under AASB 119, as the Union expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows, obligations for annual leave entitlements now meet the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees. The effects of the adjustments required for each period presented are not significant. Further these changes do not significantly impact the classification of leave entitlements between current and non-current liabilities in the statement of financial position.

Long-Service Leave and Retiring Allowances accrued by Union officials from 1 July 1999 are no longer the liability of the National Office. Accordingly, provision for Long Services Leave and Retiring Allowances are recorded in the books of the Victorian Branch taking into account the liability for such employees from 1 July 1999.

Long Service Leave and Retiring Allowances have been accrued in accordance with clause 51 of the Rules of the Union.

No provision is made for sick leave as there is no vested liability to pay for accumulated leave and the sick leave to be taken in future reporting periods is not expected to be greater than entitlements which are expected to accrue in those periods.

Contributions are made by the Union to employee superannuation funds and are expensed when incurred. The Union is not obliged to contribute to these funds other than to meet its liabilities under the superannuation guarantee system and is under no obligation to make up any shortfall in the funds' assets to meet payments due to employees.

The number of employees at the end of the year was 24.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)**

1. Statement of Significant Accounting Policies (cont'd)

(e) Revenue Recognition

Contributions from members are shown net of refunds and are accounted for on an accruals basis. Any contribution received in advance for the next period is included in deferred income.

Interest revenue is recognised on an accrual basis.

Revenue arising from the disposal of non-current assets is recognised when the organisation and the buyer are both committed to a contract and settlement has occurred.

Investment property revenue is recognised on a straight-line basis over the lease term. All other revenue is recognised on an accruals basis.

(f) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the assets or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(g) Cash and Cash Equivalents

For the purposes of the Cash Flow Statement, cash and cash equivalents include cash on hand, cash at bank and investments in money market instruments.

(h) Trade and other receivables

Trade and other receivables are recognised initially at fair value and are generally due for settlement within 30 days.

The collectability of debts is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that the Union will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognised in the income statement as an expense.

(i) Trade and other payables

Trade payables and other accounts payable are recognised when the Union becomes obliged to make future payments resulting from the purchase of goods and services. Trade accounts payable are normally settled within 30 days.

(j) Capitation Fees

These fees are recognised on an accruals basis, and recorded as an expense in the year to which they relate.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)**

1. Statement of Significant Accounting Policies (cont'd)

(k) Critical Accounting Estimates and Judgements

The Committee of Management evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Union.

Key Estimates – Impairment

The Union assesses impairment at each reporting date by evaluating conditions specific to it that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined and reflected in the Financial Report.

(l) Fair value measurement

The Union measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Union would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

(m) New Accounting Standards for Application in Future Periods

Where the AASB has issued a new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, the Union has decided not to early adopt any of the new and amended pronouncements as they will not materially impact this year's financial report.

(n) Going Concern

The Union is not reliant on the agreed financial support of any entity nor has it agreed to provide financial support to any entity so they can continue as a going concern.

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2. Information to be provided to Members or General Manager of FWA

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of sub-section (1), (2) and (3) of Section 272 which reads as follows:-

- (1) A Member of an organisation, or the General Manager of FWC, may apply to the organisation for specified prescribed information in relation to the organisation 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 organisation.
- (3) An organisation must comply with an application made under subsection (1).

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)**

3. Fund Analysis

3.1 Defence Fund	Notes	2015 \$	2014 \$
INCOME			
Interest Received		40,073	39,033
Levies		-	-
Total Income		40,073	39,033
MOVEMENT			
Surplus for Year		40,073	39,033
Surplus B/Fwd		2,880,330	2,841,297
Accumulated Surplus	12(a)	2,920,403	2,880,330
3.2 General Fund			
INCOME			
Interest Received		49,173	32,616
Net Surplus/(Deficit) transferred (2/3 of Net Profit / (Loss) from Ordinary Activities)		371,441	508,535
Total Income		420,613	541,151
MOVEMENT			
Surplus/(Deficit) for Year		420,613	541,151
Surplus B/Fwd		3,534,451	2,993,300
Accumulated Surplus	12(a)	3,955,064	3,534,451
3.3 Incidental Fund			
INCOME			
Interest Received		26,902	18,487
Net Surplus/(Deficit) transferred (1/3 of Net Profit/(Loss) from Ordinary Activities)		185,720	261,972
Total Income		212,622	280,459
MOVEMENT			
Surplus/(Deficit) for the Year		212,622	280,459
Surplus B/Fwd		1,933,631	1,653,172
Accumulated Surplus	12(a)	2,146,253	1,933,631
3.4 Special Purpose Fund			
INCOME			
Interest Received		16,455	17,721
Sales of t-shirts / windcheaters		13,494	16,435
Federal Office Levy		-	-
Total Income		29,949	34,156
EXPENDITURE			
Donations		* 169,441	56,979
Functions – staff and other		9,922	25,551
T-shirts / windcheater purchases		26,307	28,824
Federal Office Levy Payments (Forgiveness)		-	(141,673)
Total Expenditure		205,670	(30,319)
MOVEMENTS			
(Deficit) / Surplus for the year		(175,721)	64,475
Surplus B/Fwd		1,182,774	1,118,299
Accumulated Surplus	12(a)	1,007,053	1,182,774

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* *Of this amount, \$153,462 of donations were in excess of \$1,000 each, the balance (\$15,979) were less than \$1,000 each.*

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)**

3. Fund Analysis (cont'd)

General Fund

Pursuant to the Rules of the Union, the General Fund includes all enrolment fees, contributions, levies and fines (except as specifically prescribed in the rules) and except with the previous permission of the Divisional Council or Divisional Executive shall only be used for the payment of allowances and general expenditures necessarily incurred in the working of the Branch.

Incidental Fund

Pursuant to the Rules of the Union, the surplus allocatable in the General Fund at the close of each financial period is divided into three equal parts with one part being allocated to the Incidental Fund and two parts of the General Fund. This Fund is wholly at the disposal of the Branch for any purpose whatsoever.

Defence Fund

This fund represents the accumulated levy made on members of the Victorian Branch. Legal Fees incurred are deemed to be for the defence of the Union and can be written off against this fund. However, this year legal fees have been written off in the General Fund.

Special Purpose

This reserve is used for specific purposes approved by the Divisional Council or Divisional Executive. It incorporates levies in respect of the Federal Office, and membership transactions.

	2015 \$	2014 \$
4. Cash and Cash Equivalents		
Cash at Bank	5,530,756	3,718,614
Cash on Hand	4,500	5,500
	5,535,256	3,724,114
5. Receivables		
Sundry Debtors and Accrued Income	1,255	50,965
GST Receivable	(65,468)	(43,419)
Amounts due from related parties	27,802	51,825
Amounts due from Training and Education Centres	856,145	425,235
	819,734	484,606
No receivables were overdue at reporting date (2014: \$nil)		
No receivables were impaired at reporting date (2014: \$nil).		
All receivables are aged between 0-90 days, as follows:-		
Days	\$ 2015	\$ 2014
0 – 30	308,104	373,124
31 – 60	1,255	50,965
61 – 90	575,843	103,936
	885,202	528,025
6. Other Current Assets		
Prepayments	74,431	75,462

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7. Property, Plant and Equipment	2015	2014
	\$	\$
Current		
Freehold Land – At cost	-	300,000
Buildings – At cost or recoverable value	-	1,095,713
Less: Accumulated Depreciation of Building	-	(41,980)
Total Property, Plant & Equipment (Current)	-	<u>1,353,733</u>
The properties in St Kilda and Broome were sold this year.		
Non-Current		
Freehold Land		
At Valuation	1,105,650	1,105,650
At Cost	-	-
	<u>1,105,650</u>	<u>1,105,650</u>
Buildings on Freehold Land		
At Valuation	900,000	900,000
At Cost	551,386	551,386
Less: Accumulated Depreciation	(304,321)	(268,037)
	<u>1,147,065</u>	<u>1,183,349</u>
Motor Vehicles		
At Cost	609,529	641,104
Less: Accumulated Depreciation	(377,827)	(287,106)
	<u>231,702</u>	<u>353,998</u>
Furniture and Equipment		
At Cost	781,224	723,443
Less: Accumulated Depreciation	(665,972)	(639,850)
	<u>115,252</u>	<u>83,593</u>
Fixtures and Fittings		
At Cost	45,431	45,431
Less: Accumulated Depreciation	(34,022)	(30,116)
	<u>11,409</u>	<u>15,315</u>
Total Property, Plant and Equipment (Non Current)	<u>2,611,078</u>	<u>2,741,905</u>

Freehold land and buildings located at 50-52 Victoria Street, Carlton North were valued by D Brindley, Certified Practising and Sworn Valuers of Woodards (Network) Pty Ltd on 31 March 2003. The basis of valuation of the property was the capitalisation of estimated net rental at the rate that reflects the risks relating to such property classes in the location. Property acquired subsequently is measured at cost.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)**

7. Property, Plant and Equipment (cont'd)

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current year.

2015	Freehold Land \$	Buildings \$	Motor Vehicles \$	Furniture & Equipment \$	Fixtures & Fittings \$	Total \$
Carrying amount at beginning of year	1,405,650	2,237,082	353,998	83,593	15,315	4,095,638
Additions	-	130,764	-	69,606	-	200,370
Disposals	(300,000)	(1,176,903)	-	(5,559)	-	(1,482,462)
Impairment Loss	-	-	-	-	-	-
Depreciation expense	-	(43,878)	(122,296)	(32,388)	(3,906)	(202,468)
Carrying amount at end of year	1,105,650	1,147,065	231,702	115,252	11,409	2,611,078

2014	Freehold Land \$	Buildings \$	Motor Vehicles \$	Furniture & Equipment \$	Fixtures & Fittings \$	Total \$
Carrying amount at beginning of year	1,405,650	2,256,726	210,282	154,588	19,288	4,046,534
Additions	-	66,642	304,763	16,875	-	388,280
Disposals	-	-	(11,039)	-	-	(11,039)
Impairment Loss	-	(21,057)	-	(1,344)	-	(22,401)
Depreciation Expense	-	(65,229)	(150,008)	(86,526)	(3,973)	(305,736)
Carrying amount at end of year	1,405,650	2,237,082	353,998	83,593	15,315	4,095,638

	2015 \$	2014 \$
8. Investment Property		
Carrying amount at the beginning of year	5,875,691	5,875,691
Less: Depreciation	(357,948)	(279,718)
Carrying amount at the end of year	5,517,743	5,595,973

* (Valued by Jones Lang LaSalle, Certified Practising Valuers on 23 March 2010 on a 'market value for mortgage security' basis).

9. Payables

Creditors and accruals	392,726	451,673
Consideration to employers for payroll deductions	-	-
Legal Costs – other matters / litigation	-	-
	<u>392,726</u>	<u>451,673</u>

10. Non Interest Bearing Liabilities

Amount Payable to Federal Office	557,951	349,188
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)**

11. Provisions	2015	2014
	\$	\$
<i>Current</i>		
Annual Leave	257,772	314,182
Long Service Leave and Retiring Allowances	1,412,666	1,373,860
	1,670,438	1,688,042
<i>Non Current</i>		
Long Service Leave and Retiring Allowances	117,254	146,835
	117,254	146,835

Of the amounts owing above, they are payable as follows:-

	Annual Leave		Long Service Leave and Retirement Allowance		Total	
	2015	2014	2015	2014	2015	2014
	\$	\$	\$	\$	\$	\$
Officeholders	71,077	67,694	519,173	455,200	590,250	522,894
Other Staff	186,695	246,488	1,010,747	1,065,495	1,197,442	1,311,983
Total	257,772	314,182	1,529,920	1,520,695	1,787,692	1,834,877

There are no provisions for separation and redundancy or other provisions for officeholders or other employees (2014: \$nil)

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Union does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Union does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

12. Equity		Defence	General	Incidental	Special Purpose
(a) Accumulated Funds		\$	\$	\$	\$
Balance at beginning of year	2,880,330	3,534,451	1,933,631	1,182,774	1,182,774
Surplus/(Deficit) for the year	40,073	420,613	212,622	(175,721)	(175,721)
Balance at end of year	2,920,403	3,955,064	2,146,253	1,007,053	1,007,053
(b) Asset Revaluation Reserve				2015	2014
Opening balance				\$ 1,757,852	\$ 1,757,852
Revaluation increment arising on revaluing freehold land & buildings				-	-
Closing balance				1,757,852	1,757,852

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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13. Interest Bearing Debt		2015	2014
		\$	\$
Current		12,517	12,463
Non Current		61,746	69,864
		<u>74,263</u>	<u>82,327</u>

This debt repayable over 12 years is secured by a first registered mortgage over the land and buildings located at 22-28 Phoenix Street, Brunswick and Units 6,7,8, 306 Albert Street, Brunswick.

14. Employee Benefits	Elected Officials		Employees		Total	
Employee benefits paid/accrued during the year						
	2015	2014	2015	2014	2015	2014
	\$	\$	\$	\$	\$	\$
Wages and Salaries	430,485	455,693	2,437,291	2,717,814	2,867,776	3,173,507
Annual Leave	4,494	8,631	(25,743)	32,864	(21,249)	41,495
Long Service Leave and Retirement Allowance	69,912	98,740	196,386	231,493	266,298	330,233
Superannuation	78,622	63,322	385,241	397,122	463,863	460,444
Total	<u>583,513</u>	<u>626,386</u>	<u>2,993,175</u>	<u>3,379,293</u>	<u>3,576,688</u>	<u>4,005,679</u>

No separation or redundancy costs or other expenses were incurred this year for elected officials or employees (2014: \$nil).

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)**

15. Cash Flow Information

	2015	2014
	\$	\$
a. Reconciliation of Cash		
Cash at the end of the reporting period is reconciled to the related items in the statement of financial position as follows:-		
Cash at Bank	5,530,756	3,718,614
Cash on Hand	4,500	5,500
	5,535,256	3,724,114
b. Reconciliation of Net Cash Provided by Operating Activities to Net Profit		
<u>Net Profit / (Loss)</u>	Notes	
Defence Fund	3.1	40,073
General Fund	3.2	420,613
Incidental Fund	3.3	212,622
Special Purpose Fund	3.4	(175,721)
		497,587
<u>Non Cash Items</u>		
Depreciation (excluding direct asset write offs)		280,700
Provisions		(47,185)
Forgiven Loan – ACT Branch		-
Federal Office Loan Forgiven		-
(Profit) / Loss on Disposal of Non Current Assets		158,286
Impairment Loss		-
Per Capita Charge		301,314
		925,118
<u>Changes in Operating Assets and Liabilities</u>		
(Increase)/Decrease in Prepayments		1,031
(Increase)/Decrease in Inventories		(3,236)
Increase/(Decrease) in Trade Creditors and Accruals		(89,902)
(Increase)/Decrease in Sundry Debtors and Training Centre Receivables		(357,177)
(Increase)/Decrease in GST Receivables		22,049
Net Cash Provided by Operating Activities		763,467
		1,826,206

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)**

16. Related Party Information

- a. The names or persons who formed part of the Committee of Management at any time during the year were:-

<u>President</u>	<u>Vice-President</u>
N. Ottobre	T. Smart
<u>Trustee</u>	<u>Trustee</u>
C. Delidakis	R. Vaughan
<u>Secretary</u>	<u>Assistant Secretary</u>
E. Setches	P. McCrudden
<u>Committee of Management</u>	
I. Marris	B. Jovanovski
N. McCubbin	B. Redina
S. Bamford	M. Robbins
D. Saunders	D. McClusky
R. Menzies	

- b. Amounts received or due and receivable (ie. wages paid to E Setches, R Vaughan, P McCrudden and committee fees paid) to members of the Committee of Management were \$430,485 (2014 : \$455,693). Annual leave provisions to these personnel during the year, long service leave and retirement allowances are disclosed in Note 14. There were no bonuses or termination benefits paid to officeholders. There were no loans to/from officeholders (2014: \$nil). Amounts paid on behalf of the Secretary, Assistant Secretary and Committee Members to the Building Union Superannuation Scheme in respect to the retirement of Committee of Management members were \$78,622 (2014: \$63,322).

Other transactions between the Committee Members and the Union were conducted on normal commercial terms in respect of subscriptions.

- c. Amounts paid to key officers are:-

Remuneration of Key Officers	Short-term Benefits Remuneration		Post – Employment Benefits		Other Benefits	
	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$
E. Setches	154,140	167,230	25,743	19,807	-	-
P. McCrudden	149,708	159,146	28,181	19,940	-	-
TOTAL	303,848	326,376	53,924	39,747	-	-

Annual leave and long service leave provisions accrued during the year are:-

	Annual Leave		Long Service Leave	
	2015 \$	2014 \$	2015 \$	2014 \$
E. Setches	2,834	825	27,153	21,632
P. McCrudden	10,057	(2,250)	19,568	16,411
TOTAL	12,891	(1,425)	46,721	38,043

No termination benefit or share based payments or bonuses were received by key personnel or other officeholders.

The officeholders received no 'non cash' benefits not included in remuneration (2014: \$nil). No officeholder of the Branch during the year and/or the prior year had any material personal interest in a matter that he/she has or did acquire, or a relative of the officeholder has or did acquire.

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FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)**

16. Related Party Information (cont'd)

- c. No officeholder or officer of the Branch (this year or last year) received any remuneration in their own name because they were a member of, or held position with a Board or other organisation because:-
- i) The officeholder held such a position with the Board or other organisation only because they were an officeholder of the Branch; or
 - ii) They were nominated for the position by the Branch; or
 - iii) They received remuneration from any third party, in connection with the performance of their duties as an officeholder of the Branch.

Directors fees received by officeholders in their positions as directors of other entities and passed on directly to the Union amounted to \$180,412 (2014: \$111,793).

- d. Other transactions between the Committee Members and the Union were conducted on normal commercial terms in respect of subscriptions and supply of other goods and services.
- e. Transactions with Federal Office, Branches and Related entities

	2015	2014
Per Capital Payment		
During the year, the Victorian Branch of the Union paid to the Federal Office a per capital payment calculated in accordance with the rules.	301,314	171,238
Loan forgiveness by Federal Office to the Branch during the year.	-	(141,673)
Rental Income on Investment Property - Plumbing Joint Training Fund Ltd	543,788	564,899
Rental Income on office – CEPU National Office	9,927	-
f. Related Party balances at year end		
Amounts receivable/(payable) at reporting date – Federal office and other branches		
Federal	(557,951)	(349,188)
Western Australia	(22,661)	1,825
	(580,612)	(347,363)
Rent receivable – related entity Plumbing Joint Trading Fund Limited	773,162	238,743
Payable to Union – related entity NUDJ Plumbing Services Ltd	25,000	57,786
CEPUTEC	2,802	-

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)**

16. Related Party Information (cont'd)

Branch Receivables / Payables

Branch Receivables / Payables	2015	2014
	\$	\$
Balance Reconciliation - Branches		
Federal Office		
Carrying amount at beginning of the year	(349,188)	(761,595)
Capita charge	(301,314)	(171,238)
Sundry charges	-	-
Waivered – Capita and Levy	-	141,673
Receipts	(7,449)	-
Payment made	100,000	441,972
Carrying amount at end of the year	<u>(557,951)</u>	<u>(349,188)</u>
Western Australia Branch		
Carrying amount at beginning of the year	1,825	-
Levy charge	-	-
Sundry charges	-	-
Sundry income	-	-
Receipts	(30,955)	-
Payment made	6,469	1,825
Carrying amount at end of the year	<u>(22,661)</u>	<u>1,825</u>

17. Commitments

Capital expenditure commitments as at 31 March 2015 are \$nil (2014: \$nil).

18. Contingent Liability

There was no contingent liability at 31 March 2015 (2014: \$nil).

19. Segment Reporting

The Union Provides services to members employed in executing plumbing, gas fitting, pipe fittings and domestic engineering works in the state of Victoria.

20. Other Matters

The Union does not have any formal agreement to provide financial support to another reporting unit to ensure its ability to continue as a going concern. It did not receive any financial support from any other reporting unit.

The Union did not acquire an asset or liability as a result of an amalgamation, restructure or alternative reporting unit determination or revocation.

The Union did not acquire assets or liabilities as part of a business combination.

21. Union's Details

The principal place of business of the branch is:

52 Victoria Street
CARLTON VIC 3053

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)**

22. Financial Instruments

a. Financial Risk Management

The Union's financial instruments consist of deposits with banks, short-term investments, accounts receivables and payable.

The Union's does not have any derivative instruments at 31 March 2015.

The purpose of the financial instruments is to raise finances for the operations of the entity.

i) Treasury Risk Management

The Committee of Management meets on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

ii) Financial Risk

The main risks the Union's is exposed to through its financial instruments are liquidity risk, interest rate risk and credit risk.

Foreign Currency

The Union's is not exposed to fluctuations in foreign currency.

Liquidity Risk

The Union's manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of provisions for impairment of those assets as disclosed in the statement of financial position and notes to the financial statements.

The entity has a material credit risk exposure amounting to \$856,145 (2014: \$425,235) to a debtors under financial transactions entered into by the entity.

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FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)**

22. Financial Instruments (cont'd)

iii) Interest Rate Risk

The Union's exposure to interest rate risks and the effective interest rates of financial assets and liabilities both recognised and unrecognised are as follows:

	Floating Interest Rate		Fixed Interest Rate maturing in: less than 1 year		Fixed Interest Rate maturing in: 1 year or more		Non Interest Bearing		Total Carrying Amount as per Statement of Financial Position		Weighted Average Effecting Interest Rate	
	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$	2015 %	2014 %
(i) Financial Assets												
Cash and Cash Equivalents	5,530,756	3,718,614	-	-	-	-	4,500	5,500	5,535,256	3,724,114	2.9	3.1
Receivables	-	-	-	-	-	-	819,734	484,606	819,734	484,606		
Other Financial Assets	-	-	-	-	-	-	-	-	-	-		
Total	5,530,756	3,718,614	-	-	-	-	824,234	490,106	6,354,990	4,208,720		
(ii) Financial Liabilities												
Interest Bearing Debt	-	-	12,517	12,463	61,746	69,864	-	-	74,263	82,327	5.53	5.67
Payables	-	-	-	-	-	-	392,726	451,673	392,726	451,673		
Non Interest Bearing Liabilities	-	-	-	-	-	-	557,951	349,188	557,951	349,188		
Total	-	-	12,517	12,463	61,746	69,864	950,677	800,861	1,024,940	883,208		
Net Financial Assets/(Liabilities)	5,530,756	3,718,614	(12,517)	(12,463)	(61,746)	(69,864)	(126,443)	(310,755)	5,330,050	3,325,532		

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)**

22. Financial Instruments (cont'd)

b. Net Fair Values

The net fair value of investments in commercial bills/securities at 31 March 2015 is estimated at \$nil (carrying amount \$nil). The net fair value of the Union's other financial assets and financial liabilities are not significantly different from the class of assets and liabilities as disclosed above and recognised in the statement of financial position as at 31 March 2015.

c. Sensitivity Analysis

Interest rate risk

The Union has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in this risk.

Interest rate sensitivity analysis

At 31 March 2015, the effect on profit and equity as a result of changes in the interest, with all other variable remaining constant, would be as follows:

	2015	2014
	\$	\$
Change in profit		
Increase in interest rate by 2%	110,615	72,725
Decrease in interest rate by 2%	(110,615)	(72,725)
Change in equity		
Increase in interest rate by 2%	110,615	72,725
Decrease in interest rate by 2%	(110,615)	(72,725)

23. Fair Value Measurement

The Union measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- freehold land and buildings.

The Union does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

a. Fair Value Hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

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FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)**

23. Fair Value Measurement (cont'd)

a. Fair Value Hierarchy (cont'd)

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation Techniques

The Union selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected are consistent with one or more of the following valuation approaches:-

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Union gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following tables provide the fair values of the Branch's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation with the fair value hierarchy.

Note	31 March 2015			Total
	Level 1	Level 2	Level 3	
	\$	\$	\$	\$
Recurring fair value measurements				
<i>Financial assets</i>				
Financial assets at fair value through profit or loss:	-	-	-	-
Available-for-sale financial assets:	-	-	-	-
Total financial assets recognised at fair value	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	7,770,458	-	7,770,458
Total non-financial assets recognised at fair value	-	7,770,458	-	7,770,458

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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23. Fair Value Measurement (cont'd)

a. Fair Value Hierarchy (cont'd)

	Note	31 March 2014			Total \$
		Level 1 \$	Level 2 \$	Level 3 \$	
Recurring fair value measurements					
<i>Financial assets</i>					
Financial assets at fair value through profit or loss:		-	-	-	-
Available-for-sale financial assets:		-	-	-	-
Total financial assets recognised at fair value		-	-	-	-
<i>Non-financial assets</i>					
Freehold land & buildings		-	9,238,705	-	9,238,705
Total non-financial assets recognised at fair value		-	9,238,705	-	9,238,705

b. Valuation Techniques and Inputs Used to Measure Level 2 Fair Values

Description	Fair Value at 31 March 2015 \$	Fair Value at 31 March 2014 \$	Valuation Technique(s)	Inputs Used
<i>Non-financial assets</i>				
Financial assets at fair value through profit or loss:	7,770,458	9,238,705	Market approach using recent observable market data or income approach using discounted cash flows	Price per square metre, market borrowing rate
Available-for-sale financial assets:	-	-	Market approach using recent observable market data or discounted cashflows	Price per share, market borrowing rate
	7,770,458	9,238,705		

c. Disclosed Fair Value Measurements

The following assets and liabilities are not measured at fair value in the statement of financial position, but their fair values are disclosed in the notes:-

- accounts receivable and other debtors;
- accounts payable and other payables; and
- hire purchase liabilities.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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23. Fair Value Measurement (cont'd)

c. Disclosed Fair Value Measurements

The following table provides the level of the fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation techniques(s) and inputs used:

Description	Fair Value at Hierarchy Level	Valuation Technique(s)	Inputs Used
<i>Assets</i>			
Accounts receivable and other debtors	3	Income approach using discounted cash flow methodology	Market interest rates for similar assets

Description	Fair Value at Hierarchy Level	Valuation Technique(s)	Inputs Used
<i>Liabilities</i>			
Accounts payable and other payables	3	Income approach using discounted cash flow methodology	Market interest rates for similar assets
Hire purchase liabilities	2	Income approach using discounted cash flow methodology	Current commercial borrowing rates for similar instruments

24. Events Subsequent to Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, the results of those operations, or the state of affairs of the Union in future financial years.

INDEPENDENT AUDIT REPORT

To the Members of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Plumbing Division – Victorian Branch

Scope

The financial report and Committee of management responsibility

The financial report comprises the Certificate of Committee of Management, Income Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement, and accompanying notes to the financial statements for the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Plumbing Division – Victorian Branch for the year ended 31 March 2015 set out on pages 3 to 32.

The Committee of Management are responsible for the preparation and true and fair presentation of the financial report in accordance with Australian Accounting Standards, the Reporting Guidelines of the General Manager of FWC and other mandatory financial reporting requirements in Australia. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the Victorian Branch. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with Australian Accounting Standards, the Reporting Guidelines of the General Manager of FWC and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Union's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting estimates made by members of the Committee of Management.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

INDEPENDENT AUDIT REPORT
(cont'd)

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion


In our opinion, under the Fair Work (Registered Organisations) Act 2009, the general purpose financial report is presented fairly in accordance with any of the following that apply in relation to the reporting unit:

- a. Australian Accounting Standards, and Australian Accounting interpretations;
- b. in relation to recovery of wages activity;
 - (i) that the scope of the audit encompassed recovery of wages activity
 - (ii) that the financial statements and notes and recovery of wages activity fairly report all information required by the reporting guidelines of General Manager of FWC, including;
 - 1. Any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity; and
 - 2. Any donations or other contributions deducted from recovered money; and
- c. Any other requirements imposed by these Reporting Guidelines or the Fair Work (Registered Organisations) Act 2009.

In our opinion, there were kept by the organisation satisfactory accounting records detailing the source and nature of all income and the nature of all expenditure.

As part of our audit of the organisation for the year ended 31 March 2015, we are of the opinion that management's use of the going concern basis of accounting in the preparation of its financial statements is appropriate.


Stannards Accounting and Advisors


MB Shulman
Registered Company Auditor (163888)
Holder of Current Public Practice Certificate
Approved Auditor (FWC Act and Regulations)

Dated this 20th day of June 2015