



19 October 2017

Mr Brian Bintley
Secretary, Western Australian Divisional Branch
Plumbing Division
CEPU

Sent via email: b.bintley@ppteu.asn.au

Dear Mr Bintley

Re: – CEPU, Plumbing Division, Western Australian Divisional Branch - financial report for year ending 31 March 2017 (FR2017/11)

I refer to the financial report of the Western Australian Divisional Branch of the Plumbing Division. The documents were lodged with the Registered Organisations Commission ('the ROC') on 15 September 2017. A Designated Officer Certificate signed by you was received today.

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. However I make the following comment to assist you when preparing the next report. Please note that the financial report for the year ending 31 March 2018 may be subject to an advanced compliance review.

Documents must be lodged with ROC within 14 days of presentation

Section 268 of the RO Act requires the full report and the designated officer's certificate to be lodged with the ROC within 14 days of the meeting at which the full report is presented for the purposes of section 266. The Designated Officer's Certificate indicates that this (i.e. the second) meeting occurred on 31 July 2017. If this is correct the full report should have been lodged with the ROC by 14 August 2017.

As the full report was lodged on 15 September it was 32 days outside the prescribed period.

Please note that in future financial years if the branch anticipates that it cannot lodge on time, a written request for an extension of time, signed by a relevant officer, including any reason for the delay, must be made prior to the expiry of the 14 day period.

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](#).

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

From: Robert Pititto [mailto:robert@picac.vic.edu.au]
Sent: Thursday, 19 October 2017 1:58 PM
To: KELLETT,Stephen
Cc: Brian Bintley; Michael Shulman
Subject: FW: Attention Mr Brian Bintley - financial reporting - y/e 31 March 2017 - certificate to be re-signed [SEC=UNCLASSIFIED]

Hi Stephen,

As discussed today, pls find attached replacement certificate.

Kind regards

Robert Pititto

Finance Manager

Plumbing Industry Climate Action Centre

Unit 6 | 306 Albert Street | Brunswick Victoria 3056

E robert@picac.vic.edu.au **T** +61 3 9356 8908 **M** +61 467 333 010

www.picac.vic.edu.au



scanner@etuwa.com
.au_20171019_1018

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

s.268 Fair Work (Registered Organisations) Act 2009

CEPU (PLUMBING DIVISION) WA BRANCH

Certificate for the year ended 31 March 2017

I Brian Bintley being the State Secretary of the CEPU (PLUMBING DIVISION) WA BRANCH certify:

- that the documents lodged herewith are copies of the full report for the name CEPU (PLUMBING DIVISION) WA BRANCH for the period ended referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was available to members of the reporting unit on 30st June 2017; and
- that the full report was presented to a meeting of the committee of management) of the reporting unit on 31st July 2017 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

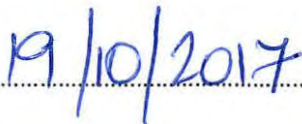
Signature of prescribed designated officer:



Name of prescribed designated officer: Brian Bintley

Title of prescribed designated officer: State Secretary

Dated:



s.268 Certificate

From: Robert Pititto [<mailto:robert@picac.vic.edu.au>]

Sent: Friday, 15 September 2017 2:03 PM

To: ROC - Registered Org Commission

Cc: Michael Shulman

Subject: HPRM: ON CMS FR2017/11 CEPU Plumbing Division - WA Branch (certificate by prescribed designated officer & 2017 accounts).

[FR2017/11](#)

To whom it may concern,

Please find attached certificate by prescribed designated officer for CEPU Plumbing division - WA branch along with the 2017 audited financial accounts.

Kind regards

Robert Pititto

Finance Manager

Plumbing Industry Climate Action Centre

Unit 6 | 306 Albert Street | Brunswick Victoria 3056

[E robert@picac.vic.edu.au](mailto:robert@picac.vic.edu.au) **T** +61 3 9356 8908 **M** +61 467 333 010

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Certificate by
prescribed designater



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CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

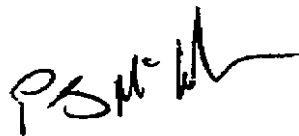
s.268 Fair Work (Registered Organisations) Act 2009

CEPU (PLUMBING DIVISION) WA BRANCH

Certificate for the year ended 31 March 2017

I Paddy McCrudden being the Victorian Assistant Secretary of the CEPU (PLUMBING DIVISION) WA BRANCH certify:

- that the documents lodged herewith are copies of the full report for the name CEPU (PLUMBING DIVISION) WA BRANCH for the period ended referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was available to members of the reporting unit on 30st June 2017; and
- that the full report was presented to a meeting of the committee of management) of the reporting unit on 31st July 2017 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.



Signature of prescribed designated officer

Name of prescribed designated officer: Paddy McCrudden

Title of prescribed designated officer: Federal President

Dated: 15th September, 2017

s.268 Certificate

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

**Plumbing Division
– Western Australia Branch –**

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

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

Operating Report
For the year ended 31 March 2017

Principal activities

The principal activities of the CEPU Western Australia Branch during the financial year were to provide representation and support to its members. The branch has been operated as a 'stand-alone' entity since 1 July 2013, albeit, its rules re-establishing it were not registered by FWC until 3 February 2014.

Review of results

The net result of operations for the year was a loss of \$72,845 (2016: loss of \$57,571). The organisation represents 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, the organisation has a net equity deficit of \$163,627 (2016: \$90,782). The organisation is however placed to meet the future needs of the industry and moreover its members, through financial support from other branches.

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

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 2017, the number of members of the organisation recorded in the register of members was 552.

Number of Employees

As at 31 March 2017, the number of full time equivalent employees was 2 (2016: 2).

Committee of Management

The Committee of Management members are as follows:-

G. McDonald (President)	B. Darby	J. Daly	G. Brandis
B. Bintley (Secretary)	C. Costello	N. Hancock	M. Morete

All committee members held their positions throughout the full year in accordance with the rules of the organisation.

No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

Future Developments

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

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



29/6/17.....

Dated this day of 2017

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

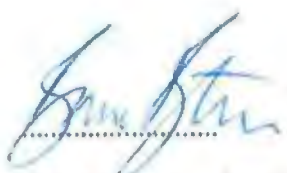
CERTIFICATE OF COMMITTEE OF MANAGEMENT

The Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Plumbing Division – Western Australia Branch passed the following resolution on 29 June 2017 in relation to the general purpose financial report of the reporting unit for the financial year ended 31 March 2017.

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 Commissioner, Registered Organisations Commission 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 Commissioner, Registered Organisations Commission duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or the Commissioner, Registered Organisations Commission;
 - v. there have been no orders for inspection of financial records made by the Registered Organisations Commission under section 273 of the Fair Work (Registered Organisations) Act 2009 during the year; 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.

Resolved by the Committee of Management:


.....

29/6/17
.....

Dated this day of 2017


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
– WESTERN AUSTRALIA BRANCH**

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2017 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 – AA2017/45)

Dated this 29 day of June 2017

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

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017**

	2017 \$	2016 \$
Revenue		
Membership Subscriptions	277,557	282,518
Capitation Fees	-	-
Directors Fees	5,499	9,686
Donations	-	-
Grants	-	-
Sponsorships	-	-
Levies	-	-
Interest Income	8	29
Other Income	-	3,182
Total Revenue	283,064	295,415
Expenses		
Affiliations	1,959	647
Audit Fees:-		
<i>Financial Statements Audit</i>	5,000	3,700
<i>Other Services</i>	-	-
Advertising	-	53
Bank Charges	340	324
Computers/IT	677	96
Consideration to employers for making payroll deductions	-	-
Depreciation	6,561	5,136
Donations	1,000	250
Dues & Subscriptions	110	110
Fees/allowance – meetings and conferences	-	-
Grants	-	-
Legal Fees – Other Matters (Litigation: \$nil)	-	-
Levies (Compulsory)	-	-
Conferences and Meeting Expenses	88	-
Membership Database	4,902	1,559
Office Supplies	240	368
Penalties – RO Act or RO Regulations	-	-
Postage	-	230
Printing	4,010	7,476
Per Capita Payments – National Office	21,695	22,465
Travel & Accommodation	50	1,476
Telephone	2,545	2,913
Motor Vehicle Operating Expenses:-		
<i>MV Insurance & Registration</i>	4,100	3,719
<i>MV Parking & Tolls</i>	1,119	1,092
<i>MV Repair & Maintenance</i>	4,584	6,892
<i>MV Petrol</i>	6,446	6,331

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

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017 (cont'd)**

	2017 \$	2016 \$
Employment Expenses:-		
<i>Wages & Salaries</i>	229,421	227,735
<i>Meal Allow (Tea Money)</i>	2,600	2,650
<i>Superannuation</i>	21,687	21,574
<i>Salary Sacrifice – Superannuation</i>	6,849	6,813
<i>FBT</i>	4,674	3,780
<i>Provision – Annual Leave</i>	1,670	3,087
<i>Provision – Long Service Leave & Retirement</i>	21,102	19,570
<i>Workers' Compensation</i>	2,385	2,171
<i>Other Employer Expenses</i>	95	95
<i>Staff Amenities</i>	-	674
Total Expenses	355,909	352,986
Net (Loss) / Profit	(72,845)	(57,571)

The accompanying notes form part of this Financial Report

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

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

	2017 \$	2016 \$
(Loss) / Profit for the year	(72,845)	(57,571)
Other comprehensive income for the year	-	-
Total comprehensive (loss) / income for the year	(72,845)	(57,571)
Total comprehensive (loss) / income attributable to: Members of the organisation	(72,845)	(57,571)

The accompanying notes form part of this Financial Report

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

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017**

	Notes	2017 \$	2016 \$
Current Assets			
Cash On Hand	3	12,755	31,776
Trade and Other Receivables	4	11,539	21,093
Prepayments		2,192	1,924
Loan – CEPU Vic	6	358	-
Total Current Assets		26,844	54,793
Non Current Assets			
Property, Plant and Equipment	5	11,051	16,952
Total Non Current Assets		11,051	16,952
Total Assets		37,895	71,745
Current Liabilities			
Accrued Expenses		3,094	5,980
Trade Payables	7	20,187	28,366
GST Payable		856	1,498
Non Interest Bearing Liabilities	8	94,947	67,017
Provisions	9	19,582	17,912
Total Current Liabilities		138,666	120,773
Non Current Liabilities			
Provisions	9	62,856	41,754
Total Non Current Liabilities		62,856	41,754
Total Liabilities		201,522	162,527
Net Assets Deficiency		(163,627)	(90,782)
Equity			
Accumulated Deficit		(163,627)	(90,782)
Total Equity Deficit		(163,627)	(90,782)

The accompanying notes form part of this Financial Report

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017**

	2017 \$	2016 \$
Accumulated (Deficit) – Beginning of the Year	(90,782)	(33,211)
(Loss) / Profit for the Year	(72,845)	(57,571)
Total Accumulated (Deficit) / Profit – End of the Year	(163,627)	(90,782)

The accompanying notes form part of this Financial Report

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	2017 Inflows/ (Outflows) \$	2016 Inflows/ (Outflows) \$
Cash flows from Operating Activities			
Membership Fees		277,557	282,518
Interest Received		8	29
Payments to Creditors and Employees		(310,548)	(292,913)
Net Cash Provided by Operating Activities	11(b)	(32,983)	(10,366)
Cash flows from Investing Activities			
Payments for Property, Plant and Equipment		(660)	(12,249)
Net Cash Provided by / (Used in) Investing Activities		(660)	(12,249)
Cash flows from Financing Activities			
Monies (paid to)/received from CEPU – Federal Office		-	(50,000)
Monies received from/(paid to) CEPU – Victoria Branch		14,622	19,615
Monies received from ETU (WA)		-	-
Monies paid to ETU (WA)		-	-
Net Cash Provided by/(Used) in Financing Activities		14,622	(30,385)
Net Increase/(Decrease) in Cash and Cash Equivalents		(19,021)	(53,000)
Cash and Cash Equivalents at Beginning of Year		31,776	84,776
Cash and Cash Equivalents at End of Year	11(a)	12,755	31,776

The accompanying notes form part of this Financial Report

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

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. The Union is a 'not for profit' entity.

Basis of Preparation

The financial report complies with Australian Accounting Standards which include Australian Equivalents to International Financial Reporting Standards (AIFRS).

In accordance with generally accepted accounting principles for these types of organisations, membership contributions are accounted for on an accruals basis. 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. A going concern basis of accounting has been adopted notwithstanding the net equity deficiency of the Union (given financial support of other branches) – see further Note 19.

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

All classes of property, plant and equipment are measured at cost and depreciated as set out below:-

Depreciation

Depreciation is calculated using 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:

	2017	2016
Furniture and Office Equipment	33.33%	33.33%
Motor Vehicles	25.00%	25.00%

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017 (cont'd)**

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

Accounting Policies (cont'd)

(b) 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 in full within one year together with entitlements arising from wages and salaries, have been measured at the amounts expected to be paid when the liability is settled plus relates on-costs. Other employee benefits payable have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Retiring allowance, applicable only to officials, is accrued in accordance with clause 51.4 & 51.5 of the Rules.

Long service leave provisions in relation to officials is recognised in the accounts, in accordance with clause 51.7 and 51.9 of the Rules. Long service leave for non-officials is accrued based on probability of pay-out and years of service.

Contributions made by the Union to employee superannuation funds are charged as expenses when incurred.

The member of employees at the end of the year was 2.

(c) Revenue Recognition

Members subscriptions 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.

All other revenue is recognised on an accruals basis.

(d) 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.

(e) 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.

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017 (cont'd)**

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

Accounting Policies (cont'd)

(f) Trade and other Receivables

Trade and other receivable 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 receivable 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.

(g) 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.

(h) 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.

(i) 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).

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017 (cont'd)**

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

Accounting Policies (cont'd)

(i) Fair value measurement (cont'd)

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.

(j) Capitation Fees

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

(k) New Accounting Standards for Application in Future Periods

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Union, together with an assessment of the potential impact of such pronouncements on the Union when adopted in future periods, are discussed below:

- AASB 9: *Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

The Committee of Management anticipates that the adoption of AASB 9 will not have an impact on the Union's financial instruments.

- AASB 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods commencing on or after 1 January 2018).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017 (cont'd)**

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

Accounting Policies (cont'd)

(k) New Accounting Standards for Application in Future Periods

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

The Committee of Management anticipates that the adoption of AASB 15 will not have an impact on the Union's financial statements.

2. Information to be provided to Members or Commissioner, Registered Organisations Commission

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 Commissioner, Registered Organisations Commission, 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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	2017	2016
	\$	\$
3. Cash and Cash Equivalents		
Cheque Account	12,755	31,776
	<u>12,755</u>	<u>31,776</u>
4. Trade and Other Receivables		
Trade Receivables – CEPU (Vic)	11,539	20,284
Other Receivables	-	809
	<u>11,539</u>	<u>21,093</u>
There were no impaired receivables (2016: \$nil)		
All receivables were less than 30 days old.		
5. Property, Plant and Equipment		
Office Equipment		
At Cost	2,486	1,825
Less: Accumulated Depreciation	(2,003)	(1,457)
Total Office Equipment	<u>483</u>	<u>368</u>
Motor Vehicles		
At Cost	24,067	24,067
Less: Accumulated Depreciation	(13,499)	(7,483)
Total Motor Vehicles	<u>10,568</u>	<u>16,584</u>
Total Property, Plant and Equipment	<u>11,051</u>	<u>16,952</u>

	WDV 1/4/16 \$	Additions \$	Disposals \$	Depreciation \$	WDV 31/3/17 \$
Office Equipment	368	660	-	(545)	483
Motor Vehicles	16,584	-	-	(6,016)	10,568
Total	<u>16,952</u>	<u>660</u>	<u>-</u>	<u>(6,561)</u>	<u>11,051</u>

6. Receivables		
Loan – CEPU Vic	358	-
This amount was interest free and unsecured	<u>358</u>	<u>-</u>
7. Trade Creditors		
Trade Creditors – CEPU National	1,700	-
Other Payables	18,487	28,366
	<u>20,187</u>	<u>28,366</u>
8. <u>Non Interest Bearing Liabilities</u>		
Amount Payable to Federal Office	71,475	49,780
Amount Payable to Victorian Branch	23,472	17,237
These amounts are interest free and unsecured	<u>94,947</u>	<u>67,017</u>

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9. Provisions	2017 \$	2016 \$
<i>Current</i>		
Annual Leave – Elected Officials	10,883	7,224
Annual Leave – Other Staff	8,699	10,688
	19,582	17,912
<i>Non Current</i>		
Long Service Leave – Elected Officials	29,908	19,065
Long Service Leave – Other Staff	32,948	22,689
	62,856	41,754

There was no separation or redundancy or other provision for elected officials and employees at reporting date (2016: \$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.

10. Employee Benefits

Employee benefits paid/accrued during the year / period	Elected Officials		Other Staff		Total	
	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$
Wages and Salaries and Allowances	115,112	117,524	116,909	112,861	232,021	230,385
Annual Leave	3,659	1,261	(1,989)	1,826	1,670	3,087
Long Service Leave	10,843	8,936	10,259	10,634	21,102	19,570
Separations and redundancies	-	-	-	-	-	-
	129,614	127,721	125,179	125,321	254,793	253,042
Superannuation	14,200	14,473	14,336	13,914	28,536	28,387
Total	143,814	142,194	139,515	139,235	283,329	281,429

No separation or redundancy costs or other expenses were incurred this year for Elected Officials or Other Staff.

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FOR THE YEAR ENDED 31 MARCH 2017 (cont'd)**

11. Cash Flow Information

	2017 \$	2016 \$
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	12,755	31,776
b. Reconciliation of Net Cash Provided by Operating Activities to Net Profit		
<u>Net (Loss) / Profit</u>	(72,845)	(57,571)
<u>Non Cash and Other Items</u>		
Depreciation	6,561	5,136
Provision for Employee Benefits	22,772	16,177
Per Capita Charge	21,695	22,465
<u>Changes in Operating Assets and Liabilities</u>		
Decrease in Other Receivables	809	(717)
(Increase) in Prepayments	(268)	(473)
(Decrease) in Trade Creditors, Accruals and GST Payables	(11,707)	4,617
	<u>(32,983)</u>	<u>(10,366)</u>

12. 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>Committee Members</u>
G. McDonald	B. Darby
	G. Brandis
<u>Secretary</u>	C. Costello
B. Bintley	J. Daly
	N. Hancock
	M. Morete

- b. Amounts received or due and receivable by members of the Committee of Management as wages and allowances were \$129,614 (2016: \$127,721). Annual leave provisions accruing to these personnel during the year, long service leave and retirement allowances are disclosed in Note 9. There were no bonuses or termination benefits paid to these personnel. There were no loans to/from key personnel. 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 \$14,200 (2016: \$14,473).

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12. Related Party Information (cont'd)

c. Amounts paid by the Branch to key personnel, B. Bintley and M. Rose were:-

Remuneration of Key Officers	Short-Term Remuneration		Post – Employment Benefits		Other Benefits	
	2017 \$	2016 \$	2017 \$	2016 \$	2017 \$	2016 \$
B. Bintley	129,614	127,721	14,200	14,473	-	-
M. Rose	125,179	125,321	14,336	13,914	-	-

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

The officeholders received no 'non cash' benefits. No officeholder of the Branch during the year and/or in the prior period 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.

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.

d. All 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.

Per Capital Payment	2017	2016
During the year, the Western Australia Branch of the Union incurred to the Federal Office a per capital payment calculated in accordance with the rules.	\$ 21,695	\$ 22,465
Transfer of motor vehicle from Victorian Branch	-	12,249

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12. Related Party Information (cont'd)

f. Related Party balances at year end (unsecured and interest free)

Amounts receivable/(payable) at reporting date – Federal office and other branches	2017 \$	2016 \$
Federal Office	(71,475)	(49,780)
Victoria Branch	(11,575)	3,047
CEPU National	(1,700)	-
	<u>(84,750)</u>	<u>(46,733)</u>
 Balance Reconciliation- related entities		
Federal Office		
Carrying amount at beginning of the year	(49,780)	(77,315)
Per capita charge	(21,695)	(22,465)
Receipts	(20,000)	-
Payments made	20,000	50,000
Carrying amount at end of the year	<u>(71,475)</u>	<u>(49,780)</u>
Victoria Branch		
Carrying amount at beginning of the year	3,047	22,661
Receipts	(26,519)	(116,854)
Payments made	11,897	97,240
Carrying amount at end of the year	<u>(11,575)</u>	<u>3,047</u>
CEPU National		
Carrying amount at beginning of the year	-	-
Receipts	(1,700)	-
Payments made	-	-
Carrying amount at end of the year	<u>(1,700)</u>	<u>-</u>

13. Donations

	2017 \$	2016 \$
Political Party	-	-
Other	1,000	250
	<u>1,000</u>	<u>250</u>
Donations < \$1,000	1,000	250
Donations > \$1,000	-	-
	<u>1,000</u>	<u>250</u>

14. Affiliation Fees

	2017 \$	2016 \$
Political Party	-	-
Other – CEPU National Council	1,959	647
	<u>1,959</u>	<u>647</u>
Affiliation Fees < \$1,000	413	647
Affiliation Fees > \$1,000	1,546	-
	<u>1,959</u>	<u>647</u>

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15. Commitments

Capital expenditure commitments as at 31 March 2017 were \$nil (2016: \$nil).

16. Contingent Liability

There was no contingent liability at 31 March 2017 (2016: \$nil).

17. Segment Reporting

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

18. Union's Details

The principal place of business of the branch is:

401 Oxford Street
MT HAWTHORN WA 6016

19. 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. The Union's ongoing continuation as a going concern is subject to ongoing (approved) financial support provided to it by PTEU Federal and Victorian Branches. Such support is to be provided indefinitely.

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

The Union has not acquired or disposed of assets or liabilities as part of a business combination.

Amounts accrued as trade payables in respect of legal costs were \$nil (2016: \$nil).

Amounts accrued as trade payables in respect of consideration to employers for making payroll deductions were \$nil (2016: \$nil).

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017 (cont'd)**

20. Financial Instruments

a. Financial Risk Management

The entity's financial instruments consist of deposits with banks, non interest bearing liability and accounts receivables and payable.

The entity does not have any derivative instruments at 31 March 2017.

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 entity is exposed to through its financial instruments are liquidity risk, interest rate risk and credit risk.

Foreign Currency

The entity is not exposed to fluctuations in foreign currency.

Liquidity Risk

The entity 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 no material credit risk exposure to a group of debtors under financial transactions entered into by the entity.

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FOR THE YEAR ENDED 31 MARCH 2017 (cont'd)**

20. 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:

	Financial Instruments	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	
		2017 \$	2016 \$	2017 \$	2016 \$	2017 \$	2016 \$	2017 \$	2016 \$	2017 \$	2016 \$	2017 %	2016 %
(i)	Financial Assets:-												
	Cash and Cash Equivalents	12,755	31,776	-	-	-	-	-	-	12,755	31,776	2.1	2.1
	Receivables	-	-	-	-	-	-	11,897	21,093	11,897	21,093		
	Other Financial Assets	-	-	-	-	-	-	-	-	-	-		
	Total	12,755	31,776	-	-	-	-	11,897	21,093	24,652	52,869		
(ii)	Financial Liabilities:-												
	Interest Bearing Debt	-	-	-	-	-	-	-	-	-	-		
	Payables:-												
	Non Interest Bearing Liabilities	-	-	-	-	-	-	119,084	102,861	119,084	102,861		
	Total	-	-	-	-	-	-	119,084	102,861	119,084	102,861		
	Net Financial Assets/(Liabilities)	12,755	31,776	-	-	-	-	(107,187)	(81,768)	(94,432)	(49,992)		

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20. Financial Instruments (cont'd)

b. Net Fair Values

The net fair value of the investments in commercial bills/securities at 31 March 2017 is estimated at \$nil (carrying amount \$nil). The net fair value of the Union's other financial assets and financial liabilities are not expected to be significantly different from the class of asset and liabilities as disclosed and recognised in the statement of financial position as at 31 March 2017.

c. Sensitivity Analysis

Interest rate risk

The entity 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 2017, the effect on profit and equity as a result of changes in the interest, with all other variable remaining constant, would be as follows:

	2017	2016
	\$	\$
Change in profit		
Increase in interest rate by 2%	255	636
Decrease in interest rate by 2%	(255)	(636)
 Change in equity		
Increase in interest rate by 2%	255	636
Decrease in interest rate by 2%	(255)	(636)

d. Fair Value Hierarchy

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 assets or liabilities at fair value on a non-recurring basis.

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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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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20. Financial Instruments (cont'd)

d. 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.

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20. Financial Instruments (cont'd)

d. Fair Value Hierarchy (cont'd)

The following tables provide the fair values of the Union'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 2017			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		-	-	-	-
Total non-financial assets recognised at fair value		-	-	-	-

	Note	31 March 2016			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		-	-	-	-
Total non-financial assets recognised at fair value		-	-	-	-

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

Description	Fair Value at 31 March 2017 \$	Fair Value at 31 March 2016 \$	Valuation Technique(s)	Inputs Used
<i>Non-financial assets</i>				
Financial assets at fair value through profit or loss:	-	-	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
	-	-		-

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FOR THE YEAR ENDED 31 MARCH 2017 (cont'd)**

20. Financial Instruments (cont'd)

f. 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.

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
<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

21. 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 – Western Australia Branch

Report on the Audit of the Financial Report

Auditor's Opinion

We have audited the accompanying general purpose financial report of the Branch, which comprises the statement of financial position as at 31 March, 2017, and the statement of comprehensive income, statement of cash flows, statement of changes in equity for the year then ended, a summary of significant accounting policies, other explanatory notes and the Committee of Management Statement.

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 the Commissioner, Registered Organisations Commission, 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 2017, we are of the opinion that the Committee of Management's use of the going concern basis of accounting in the preparation of its financial statements is appropriate.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibility 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 Branch in accordance with the independence requirements of Corporations Act 2001 and 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 responsibilities in accordance with the Code.

Basis for Opinion (Cont'd)

We confirm that the independence declaration by the *Corporations Act 2001*, which has been given to the Committee of Management, would be in the same terms if given to the Committee as at the time of this auditor's report.

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

Committee of Management Responsibility for the Financial Report

The Branch Committee of Management are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Reporting Guidelines of the Commissioner, Registered Organisations Commission. This responsibility includes establishing and maintaining internal controls relevant to the preparation and true and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making estimates that are responsible in the circumstances.

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

Those charged with governance are responsible for overseeing the Branch's financial reporting process.

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 the 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 auditing 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 Branch's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.

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- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Branch'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 Branch to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Branch to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Branch audit. We remain solely responsible for our audit opinion.


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

We also provide the Committee of Management 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.

From the matters communicated with the Committee of Management, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We can describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.aasb.gov.au/home.aspx>.

(by Andy + Ms)
Stannards Accountants and Advisors


Michael Shulman
Registered Company Auditor (163888)
Holder of Current Public Practice Certificate
Approved Auditor (FWC Act and Regulations – AA2017/45)

Dated: *29/6/17*