



29 August 2019

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

cc. Mr Michael Shulman, Auditor

Dear Secretary,

**Re: – Western Australian Divisional Branch, Plumbing Division, CEPU - financial report for year ending 31 March 2019 (FR2019/25)**

I refer to the financial report of the Western Australian Divisional Branch of the CEPU Plumbing Division. The documents were lodged with the Registered Organisations Commission (**ROC**) on 16 July 2019.

The financial report has 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. Please note the report for year ending 31 March 2020 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. I make the following comments to assist you when you next prepare a financial report.

Nil activity disclosures

Item 21 of the reporting guidelines (RGs) states that if any of the activities identified within items 10-20 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in an officer's declaration statement. The report included all applicable nil activity disclosures except:

- RG13(e) - receive revenue from undertaking recovery of wages activity

Audit scope - officer's declaration statement

Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report* paragraph 24(c) requires the auditor's statement to list the elements of the GPFR. In the lodged auditor's report reference is made to an officer's declaration statement, however an officer's declaration statement was not included in the copy of the documents lodged with the ROC.<sup>1</sup>

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<sup>1</sup> Note that it is not necessary to include an officer's declaration statement if nil activity disclosures are made elsewhere in the general purpose financial report.

In future years only those statements which formed part of the auditor's scope should be identified in the auditor's report.

#### Disclosure of donations expenditure

Note 13 discloses an amount for "donations < \$1,000" and a nil balance for "donations >\$1,000". This appears to be an inadvertent line error. The amount should have appeared on the line for "donations >\$1,000" and the nil balance should have appeared on a line for "donations \$1,000 or less".

#### Committee of management statement

The declaration at (d)(v) of the committee of management statement that there had been no orders for inspection of financial records made by the Registered Organisations Commission under section 273. Please note that orders under section 273 are made by the Fair Work Commission. The declaration should refer to the correct Commission, as per reporting guideline 26(e)(vi).

#### Operating report - Significant changes in financial affairs

Section 254(2)(b) of the RO Act requires an operating report to give details of any significant changes in the reporting unit's financial affairs during the year. I recommend the words "state of affairs", where they appear in the heading and the text, be amended to "financial affairs" to make it clearer that the report addresses this requirement.

#### Operating report – Significant changes in nature of activities

Subsection 254(2)(a) of the RO Act requires an operating report to not only contain a review of the principal activities of the reporting unit and the results of those activities but also of any significant changes in the nature of those activities. I recommend a statement under a heading "Significant changes in nature of activities" be included in future operating reports to explicitly address this part of the requirement.

#### Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any questions about the above or the reporting requirements, please do not hesitate to contact me by email at [stephen.kellett@roc.gov.au](mailto:stephen.kellett@roc.gov.au).

Yours faithfully



Stephen Kellett  
Financial Reporting  
Registered Organisations Commission

**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 2019**

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

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**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 2019**

**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.

**Review of results**

The net result of operations for the year was a loss of \$113,727 (2018: loss of \$51,366). 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 \$33,205 (2018: \$214,993). 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 2019, the number of members of the organisation recorded in the register of members was 510.

**Number of Employees**

As at 31 March 2019, the number of full time equivalent employees was 2 (2018: 2).

**Committee of Management**

The Committee of Management members are as follows:-

G. McDonald (President)  
B. Bintley (Secretary)

M. Morete  
C. Costello

J. Daly  
G. Brand

All committee members held their positions throughout the full year in accordance with the rules of the organisation, except as otherwise stated above.

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.

  
.....  
Brian Bintley – Secretary  
Designated Officer

Dated this 4<sup>th</sup> day of June 2019

**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 4<sup>th</sup> June 2019 in relation to the general purpose financial report of the reporting unit for the financial year ended 31 March 2019.

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 Australian Accounting Standards and the Reporting Guidelines of the Commissioner, Registered Organisations Commission including any other requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act;
- (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.

Resolved by the Committee of Management:

  
.....  
Brian Bintley – Secretary  
Designated Officer

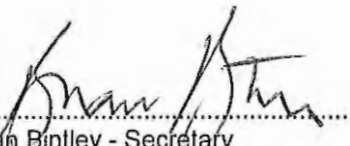
Dated this 4<sup>th</sup> day of June 2019

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

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER  
FOR THE YEAR ENDED 31 MARCH 2019

I, Brian Bintley, Secretary of CEPU (WA Plumbing Division) certify:

- (i) That the documents lodged herewith are copies of the full report for the CEPU (WA Plumbing Division) for the period ended referred to in Section 268 of the *Fair Work (Registered Organisations) Act 2009*; and
- (ii) That the full report was provided to members of the reporting unit on 10 June 2019; and
- (iii) That the full report was presented to a meeting of the committee of management of the reporting unit on 8 July 19  
in accordance with Section 266 of the *Fair Work (Registered Organisations) Act 2009*.

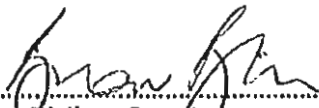
  
.....  
Brian Bintley - Secretary  
Designated Officer

Dated: 08/07/2019.....

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

**OFFICER DECLARATION STATEMENT**

I, Brian Bintley, being the Secretary of the Branch, declare that all activities required to be disclosed during the reporting period ended 31 March 2019 have been described in the financial report.

  
.....  
Brian Bintley - Secretary  
Designated Officer

Dated: .....<sup>th</sup> 4 June 2019.....



**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 2019 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)

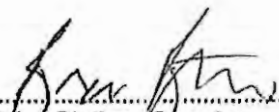
Dated this 4<sup>th</sup> day of June 2019

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

**EXPENDITURE REPORT  
FOR THE YEAR ENDED 31 MARCH 2019**

The Committee of Management of the Union presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 March 2019.

	2019 \$	2018 \$
<b>CATEGORIES OF EXPENDITURE</b>		
Remuneration and other employment-related costs and Expenses - employees	276,904	277,530
Advertising	-	-
Operating Costs	71,127	79,009
Donations to Political Parties	-	-
Legal Costs	-	-
<b>Total</b>	<b>348,031</b>	<b>356,539</b>

  
.....  
Brian Bintley - Secretary  
Designated Officer

Dated: 4<sup>th</sup> June 2019.....

**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 2019**

	2019 \$	2018 \$
<b>Revenue</b>		
Membership Subscriptions	227,380	286,791
Capitation Fees	-	-
Directors Fees	-	-
Donations	-	-
Grants	-	-
Sponsorships	-	18,182
Levies	-	-
Interest Income	-	-
Other Income	6,925	-
<b>Total Revenue</b>	<b>234,305</b>	<b>304,973</b>
<b>Expenses</b>		
Affiliations	3,041	-
Audit Fees:-		
Financial Statements Audit	4,800	4,800
Other Services	1,280	4,000
Advertising	-	-
Bank Charges	365	591
Computers/IT	281	2,252
Consideration to employers for making payroll deductions	-	-
Depreciation	9,724	6,500
Donations	1,186	1,000
Dues & Subscriptions	4,832	1,057
Fees/allowance – meetings and conferences	-	-
Grants	-	-
Legal Fees – Other Matters (Litigation: \$nil)	-	-
Levies (Compulsory) – excluding National Office per capita	-	-
Conferences and Meeting Expenses	-	159
Membership Database	-	(482)
Office Supplies	128	13
Penalties – RO Act or RO Regulations	-	-
Postage	421	260
Printing	800	2,844
Per Capita Payments – National Office	10,254	18,688
Travel & Accommodation	3,418	5,605
Telephone	6,426	3,547
Motor Vehicle Operating Expenses:-		
MV Insurance & Registration	4,123	2,282
MV Parking & Tolls	1,587	1,146
MV Repair & Maintenance	2,098	2,748
MV Petrol	2,598	6,779

**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 2019 (cont'd)**

	2019 \$	2018 \$
Employment Expenses:-		
Wages & Salaries	227,497	245,484
Meal Allow (Tea Money)	2,600	2,600
Superannuation	21,026	21,129
Salary Sacrifice – Superannuation	6,640	6,672
FBT	3,530	3,361
Provision – Annual Leave	166	(6,008)
Provision – Long Service Leave & Retirement	13,928	7,653
Workers' Compensation	2,379	2,920
Management Service Fee	5,682	5,351
Insurance		2,471
Entertainment	1,534	917
Other Employer Expenses	592	-
Staff Amenities	255	-
<b>Total Expenses</b>	<b>348,031</b>	<b>356,339</b>
<b>Net (Loss) / Profit</b>	<b>(113,727)</b>	<b>(51,366)</b>

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 2019**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
(Loss) / Profit for the year	<del>(113,727)</del>	(51,366)
Other comprehensive income for the year	-	-
Total comprehensive (loss) /income for the year	<del>(113,727)</del>	(51,366)
<b>Total comprehensive (loss) / income attributable to: Members of the organisation</b>	<del>(113,727)</del>	(51,366)

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 2019**

	Notes	2019 \$	2018 \$
<b>Current Assets</b>			
Cash on Hand	3	11,191	11,530
Trade and Other Receivables	4	910	13,050
Loan – CEPU Vic	6	-	-
Accrued Income		34,956	42,241
Total Current Assets		47,057	66,821
<b>Non Current Assets</b>			
Property, Plant and Equipment	5	26,607	4,551
Total Non Current Assets		26,607	4,551
Total Assets		73,664	71,372
<b>Current Liabilities</b>			
Trade Payables	7	30,556	17,697
Non Interest Bearing Liabilities	8	304,507	215,441
Provisions	9	13,740	13,574
Total Current Liabilities		348,803	246,712
<b>Non Current Liabilities</b>			
Provisions	9	53,581	39,653
Total Non Current Liabilities		53,581	39,653
Total Liabilities		402,384	286,365
Net Assets Deficiency		(328,720)	(214,993)
<b>Equity</b>			
Accumulated Deficit		(328,720)	(214,993)
Total Equity Deficit		(328,720)	(214,993)

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 2019**

	2019 \$	2018 \$
Accumulated (Deficit) – Beginning of the Year	(214,993)	(163,627)
(Loss) / Profit for the Year	(113,727)	(51,366)
Total Accumulated (Deficit) / Profit – End of the Year	(328,720)	(214,993)

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 2019**

	Notes	2019 Inflows/ (Outflows) \$	2018 Inflows/ (Outflows) \$
<b>Cash flows from Operating Activities</b>			
Membership Fees		234,665	244,550
Other Receipts		6,925	16,671
Interest Received		-	-
Payments to Creditors and Employees		(316,167)	(364,610)
Net Cash Provided by Operating Activities	11(b)	(74,577)	(103,389)
<b>Cash flows from Investing Activities</b>			
Payments for Property, Plant and Equipment		(31,780)	-
Net Cash Provided by / (Used in) Investing Activities		(31,780)	-
<b>Cash flows from Financing Activities</b>			
Monies received from/(paid to) CEPU – Plumbing Div - National Office		93,922	58,000
Monies received from/(paid to) CEPU – Plumbing Div - Victoria Branch		12,096	44,164
Net Cash Provided by/(Used) in Financing Activities		106,028	102,164
Net Increase/(Decrease) In Cash and Cash Equivalents		(339)	(1,225)
<b>Cash and Cash Equivalents at Beginning of Year</b>		11,530	12,755
<b>Cash and Cash Equivalents at End of Year</b>	11(a)	11,191	11,530

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 2019**

**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:

	<b>2019</b>	<b>2018</b>
Furniture and Office Equipment	33.33%	33.33%
Motor Vehicles	25.00%	25.00%

**(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 number of employees at the end of the year was 2.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,  
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PLUMBING DIVISION – WESTERN AUSTRALIA BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019 (cont'd)**

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

**Accounting Policies (cont'd)**

**(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 reflected as unearned income. Subscriptions are levied semi-annually in respect of membership.

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.

No change to comparative information was required given the adoption of AASB15: Revenue from Contracts with customers. All revenue is recognised at the point of service recognition, and is sourced in Australia. There are no unsatisfied performance obligations.

**(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.

**(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.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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

**(h) Critical Accounting Estimates and Judgements (Cont'd)**

*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 (i.e. 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 (i.e. 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 (i.e. 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.

**(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 16: *Leases* (applicable to annual reporting periods beginning on or after 1 January 2019).

The Union has chosen not to early-adopt AASB 16. However, the Union has conducted a high-level assessment of the impact of this new standard, as follows.

A core change under AASB 16: *Leases* is that most leases will be recognised on the balance sheet by lessees, as the new standard does not differentiate between operating and finance leases.

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

**(k) New Accounting Standards for Application in Future Periods (Cont'd)**

An asset and a financial liability are recognised in accordance with this new standard. There are, however, two exceptions allowed. These are short-term and low-value leases.

Given that the Union's activities as a lessor and lessee will not be materially impacted by this new standard, the Union does not expect any significant impact on its financial statements from this perspective. Nonetheless, starting next year, additional disclosures will be required.

AASB 16 will be applied by the Union from its mandatory adoption date of 1 January 2019. The simplified transition approach will be the Union's chosen approach

**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).

**3. Cash and Cash Equivalents**

	2019 \$	2018 \$
Cheque Account	11,191	11,530
	11,191	11,530

**4. Trade and Other Receivables**

	2019 \$	2018 \$
Trade Receivables – CEPU (Vic)	910	13,050
Other Receivables	-	-
	910	13,050

There were no impaired receivables (2018: \$nil)

All receivables were less than 30 days old.

No significant credit risk exists with any single counterparty, nor is there any collateral over receivables.

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**5. Property, Plant and Equipment**

	2019 \$	2018 \$
Office Equipment		
At Cost	3,811	2,486
Less: Accumulated Depreciation	(2,486)	(2,486)
Total Office Equipment	1,325	-
Motor Vehicles		
At Cost	54,522	24,067
Less: Accumulated Depreciation	(29,240)	(19,516)
Total Motor Vehicles	25,282	4,551
Total Property, Plant and Equipment	26,607	4,551

	WDV 1/4/18 \$	Additions \$	Disposals \$	Depreciation \$	WDV 31/3/18 \$
Office Equipment	-	1,325	-	-	1,325
Motor Vehicles	4,551	30,455	-	(9,724)	25,282
Total	4,551	31,780	-	(9,724)	26,607

**6. Receivables**

	2019 \$	2018 \$
Loan – CEPU Plumbing Div Vic Branch	-	-
This amount was interest free and unsecured	-	-

**7. Trade Creditors**

	2019 \$	2018 \$
Trade Creditors – CEPU Plumbing Div National Office	15,110	-
Trade Creditors – CEPU Plumbing Div VIC Branch	534	578
Trade Creditors – CEPU National Council	1,692	-
Other Payables	13,220	17,119
	30,556	17,697

**8. Non Interest Bearing Liabilities**

	2019 \$	2018 \$
Amount Payable to CEPU Plumbing Div National Office	237,229	148,163
Amount Payable to CEPU Plumbing Div Vic Branch	67,278	67,278
These amounts are interest free and unsecured	304,507	215,441



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**9. Provisions**

	2019 \$	2018 \$
<i>Current</i>		
Annual Leave – Elected Officials	8,628	10,807
Annual Leave – Other Staff	5,112	2,767
	13,740	13,574
<i>Non Current</i>		
Long Service Leave – Elected Officials	44,094	34,582
Long Service Leave – Other Staff	9,487	5,071
	53,581	39,653

There was no separation or redundancy or other provision for elected officials and employees at reporting date (2018: \$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	
	2019 \$	2018 \$	2019 \$	2018 \$	2019 \$	2018 \$
Wages and Salaries and Allowances	120,793	115,565	109,304	106,663	230,097	222,228
Annual Leave	(2,179)	(76)	2,345	(5,932)	166	(6,008)
Long Service Leave	9,512	4,674	4,416	2,979	13,928	7,653
Separations and redundancies	-	-	-	25,856	-	25,856
	128,126	120,163	116,065	129,566	244,191	249,729
Superannuation	14,200	14,200	13,466	13,601	27,666	27,801
Total	142,326	134,363	129,531	143,167	271,857	277,530

Termination costs of \$Nil were incurred this year for Other Staff (2018: \$25,856).

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**11. Cash Flow Information**

**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: -

	2019 \$	2018 \$
Cash at Bank	11,191	11,530

**b. Reconciliation of Net Cash Provided by Operating Activities to Net Profit**

Cash at the end of the reporting period is reconciled to the related items in the statement of financial position as follows: -

	2019 \$	2018 \$
<u>Net (Loss) / Profit</u>	(113,727)	(51,366)
<u>Non Cash and Other Items</u>		
Depreciation	9,724	6,500
Provision for Employee Benefits	14,094	(29,211)
Per Capita Charge	10,254	18,688
Sundry Charges	1,692	-
<u>Changes in Operating Assets and Liabilities</u>		
(Increase) / Decrease in Other Receivables	-	(1,511)
(Increase) / Decrease in Accrued Income	7,285	(42,241)
Decrease / (Increase) in Prepayments	-	2,192
(Decrease) in Trade Creditors, Accruals and GST Payables	(3,899)	(6,440)
	(74,577)	(103,389)

**12. Related Party Information**

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

President  
G. McDonald

Secretary  
B. Bintley

Committee Members  
M. Morete  
G. Brandis  
C. Costello  
J. Daly

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**12. Related Party Information (cont'd)**

**b. Key Management Personnel Remuneration for the Reporting Period**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>Short-term employee benefits</b>		
Salary	230,097	222,228
Annual leave	166	(6,008)
Performance bonus	-	-
<b>Total short-term employee benefits</b>	<b>230,263</b>	<b>216,220</b>
<b>Post-employment benefits</b>		
Superannuation	27,666	27,801
<b>Total post-employment benefits</b>	<b>27,666</b>	<b>27,801</b>
<b>Other long-term benefits</b>		
Long-service leave & retiring allowances	13,928	7,563
<b>Total long-term benefits</b>	<b>13,928</b>	<b>7,563</b>
Termination benefits	-	-
<b>Total Remuneration</b>	<b>271,857</b>	<b>277,530</b>
Loans to/from key management personnel	-	-
Other transactions with key management personnel	-	-

**c. Benefits**

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.

<b>Per Capita Payment</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
During the year, the Western Australia Branch of the Union incurred to the Federal Office a per capita payment calculated in accordance with the rules	10,254	18,688



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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	2019 \$	2018 \$
Federal Office	(252,339)	(148,163)
Victoria Branch	(66,902)	(54,806)
CEPU National	(1,692)	-
	(320,933)	(202,969)
Balance Reconciliation- related entities (loans and trade receivables/trade payables)		
Federal Office		
Carrying amount at beginning of the year	(148,163)	(71,475)
Per capita charge	(10,254)	(18,688)
Receipts	(93,922)	(58,000)
Payments made	-	-
Carrying amount at end of the year	(252,339)	(148,163)
Victoria Branch		
Carrying amount at beginning of the year	(54,806)	(11,575)
Receipts	(12,096)	(56,281)
Payments made	-	13,050
Carrying amount at end of the year	(66,902)	(54,806)
CEPU National Council		
Carrying amount at beginning of the year	-	(1,700)
Sundry Charges	(1,692)	-
Payments made	-	1,700
Carrying amount at end of the year	(1,692)	-

**13. Donations**

	2019 \$	2018 \$
Political Party	-	-
Other	1,136	1,000
	1,136	1,000
Donations < \$1,000	1,136	1,000
Donations > \$1,000	-	-
	1,136	1,000

**14. Affiliation Fees**

	2019 \$	2018 \$
Political Party	-	-
Other – CEPU National Council	3,041	-
	3,041	-
Affiliation Fees < \$1,000	-	-
Affiliation Fees > \$1,000	3,041	-
	3,041	-

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**15. Commitments**

Capital expenditure commitments as at 31 March 2019 were \$nil (2018: \$nil).

**16. Contingent Liability**

There was no contingent liability at 31 March 2019 (2018: \$nil).

**17. Segment Liability**

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:

24/257 Batcatta Road,  
BALCATTWA 6021

**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 an asset or liability as a result of an amalgamation under Part 2 of Chapter 3 of the Fair Work (Registered Organisations) Act 2009, a restructure of reporting units, or a determination or revocation by the General Manager, Fair Work Commission.

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 (2018: \$nil).

Amounts accrued as trade payables in respect of consideration to employers for making payroll deductions were \$nil (2018: \$nil)

The affairs of the Branch were not administered by another reporting unit. No payments were made by the reporting unit to former related parties in 2019 (2018: \$nil).

**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 2019.

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.

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20. Financial Instruments (Cont'd)

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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**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	
	2019 \$	2018 \$	2019 \$	2018 \$	2019 \$	2018 \$	2019 \$	2018 \$	2019 \$	2018 \$	2019 %	2018 %
(i) Financial Assets:-												
Cash and Cash Equivalents	11,191	11,530	-	-	-	-	-	-	11,191	11,530	2.1	2.1
Receivables	-	-	-	-	-	-	910	13,050	910	13,050		
Other Financial Assets	-	-	-	-	-	-	-	-	-	-		
<b>Total</b>	<b>11,191</b>	<b>11,530</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>910</b>	<b>13,050</b>	<b>12,101</b>	<b>24,580</b>		
(ii) Financial Liabilities:-												
Interest Bearing Debt	-	-	-	-	-	-	-	-	-	-		
Non Interest Bearing Liabilities	-	-	-	-	-	-	335,063	233,138	335,063	233,138		
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>335,063</b>	<b>233,138</b>	<b>335,063</b>	<b>233,138</b>		
<b>Net Financial Assets/(Liabilities)</b>	<b>11,191</b>	<b>11,530</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(334,153)</b>	<b>(220,088)</b>	<b>(322,962)</b>	<b>(208,558)</b>		

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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 2019 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 2019.

**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 2018, the effect on profit and equity as a result of changes in the interest, with all other variable remaining constant, would be as follows

	2019 \$	2018 \$
Change in profit		
Increase in interest rate by 2%	223	231
Decrease in interest rate by 2%	(223)	(231)
Change in equity		
Increase in interest rate by 2%	223	231
Decrease in interest rate by 2%	(223)	(231)

**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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**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.

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.

	31 March 2019			
	Level 1	Level 2	Level 3	Total
Recurring fair value measurements	\$	\$	\$	\$
Financial assets at fair value through profit or loss:	-	-	-	-
Available-for-sale financial assets:	-	-	-	-
<b>Total financial assets recognised at fair value</b>	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
<b>Total non-financial assets recognised at fair value</b>	-	-	-	-

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**20. Financial Instruments (Cont'd)**

**d. Fair Value Hierarchy (Cont'd)**

Recurring fair value measurements	31 March 2018			
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets at fair value through profit or loss:	-	-	-	-
Available-for-sale financial assets:	-	-	-	-
<b>Total financial assets recognised at fair value</b>	-	-	-	-
<i>Non-financial assets</i>				
Freehold land & buildings	-	-	-	-
<b>Total non-financial assets recognised at fair value</b>	-	-	-	-

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

Description	Fair Value at 31 March 2019 \$	Fair Value at 31 March 2018 \$	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
	-	-	-	-

**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:

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**20. Financial Instruments (Cont'd)**

**f. Disclosed Fair Value Measurements (Cont'd)**

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

**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.

**22. Fund Analysis**

For the year ended 31 March 2019, there was no applicable fund or account operated in respect of compulsory levies, voluntary contributions or required by the rules of the Branch and there was no transfer and/or withdrawal from a fund, account, asset or controlled entity which is kept for a specific purpose except as disclosed in the report.



**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 (“the 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, 2019, 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, the Committee of Management Statement, the subsection 255 (2A) report and the Officer Declaration Statement.

In our opinion under the Fair Work (Registered Organisations) Act 2009 (RO Act), 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) Any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of 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 2019, 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.

We confirm that the independence declaration, 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.

***Information Other than the Financial Report and Auditor’s Report Thereon***

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor’s report is in the Operating Report accompanying the financial report.

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

In connection with our audit of the financial report, our responsibility is to read the other information, and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**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 ("the Branch") (Cont'd)**

***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 RO Act. 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.
- 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.

**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 (“the Branch”) (Cont’d)**

- 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.

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.auasb.gov.au/Home.aspx>.

We declare that Michael Shulman is a registered auditor under the RO Act.



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: 4/6/14