

26 October 2017



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

By email: regorgs@roc.gov.au

Dear Mr Enright

**CEPU EE&S Division – VICTORIAN BRANCH
Operating Reports as at 31 December 2010, 2011 & 2012
– Reporting of Membership Numbers**

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

- Declaration correcting the membership figures reported in the branch operating reports for the reporting periods ending 31 December 2010, 2011 and 2012.

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

As a consequence of these audits, the Branch Executive in a meeting held on 26th October 2017, authorised the submission of a declaration to the Registered Organisations Commission (ROC) to correct the figures reported in the branch operating reports for the total branch members for the reporting periods ending 31 December 2010, 2011 and 2012.

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

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

Yours sincerely,

**Troy Gray
Branch Secretary**

**Electrical Trade Union of Australia
Victorian Branch**

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

President

Daniel Filazzola

Secretary

Troy Gray

Assistant Secretaries

Ivan Balta

Aaron Harris

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38 View Street
Bendigo VIC 3550

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

Fair Work (Registered Organisations) Act 2009

**DECLARATION - CORRECTING REPORT TO
CEPU Electrical, Energy and Services Division - Victorian Branch
OPERATING REPORT**
lodged pursuant to s.268

I, Troy Gray, of Level 1, 200 Arden St, North Melbourne, in the state of
Victoria, declare:

- I am the Branch Secretary of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Electrical, Energy and Services Division - Victorian Branch (the Branch), a branch of an organisation registered under the *Fair Work (Registered Organisations) Act 2009* (the Act).
- Pursuant to s.268 of the Act, for the periods ended 31 December 2010, 31 December 2011 and 31 December 2012, the full financial reports, including the operating reports, of the branch were lodged with the Fair Work Commission (FWC) in FR2010/2906, FR2011/2910 and FR2012/597 respectively.
- An independent audit of the membership figures reported in the branch committee of management operating reports for the reporting periods 31 December 2010, 31 December 2011 and 31 December 2012 found the following variances with the figures reported in the operating reports:

As at 31 Dec	2010	2011	2012
Reported	17,872	18,671	18,789
Audited	17,839	18,655	19,246
Variance	-33	-16	457

- On 26th October 2017, in response to the findings of the audit, the Branch Executive authorised the Branch Secretary to amend the branch committee of management operating reports for the years ended 31 December 2010, 31 December 2011 and 31 December 2012 to reflect the membership figures resulting from the audit.

Signed:

Name:

Mr Troy Gray

Date:

26/10/17



**Electrical Trade Union of Australia
Victorian Branch**

Communications, Electrical,
Electronic, Energy, Information,
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Secretary

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Assistant Secretaries

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FAIR WORK
COMMISSION

6 September 2013

Mr Troy Gray
Branch Secretary
Victorian Divisional Branch
Electrical, Energy and Services Division
Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied
Services Union of Australia
PO Box 432
NORTH MELBOURNE VIC 3051

Also by fax: (03) 8329 0066

Dear Mr Gray

Re: Lodgement of Financial Accounts and Statements – Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Electrical, Energy and Services Division, Victorian Divisional Branch - for year ended 31 December 2012 (FR2012/597)

I refer to the above financial statements and accounts lodged with the Fair Work Commission on 28 June 2013.

I have examined the report closely as well as previous reports and correspondence from the Commission. I have identified the following matter of detail which should be kept in mind when preparing and lodging future reports, to more correctly reflect the *Fair Work (Registered Organisations) Act 2009* ('the RO Act').

Prescribed Information - Operating Report

Regulation 159 of the *Fair Work (Registered Organisations) Regulations 2009* (the RO Regulations) states:

"For paragraph 254 (2) (f) of the Act, the following information is prescribed:

(b) the number of persons who were, at the end of the financial year to which the report relates, employees of the reporting unit, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis;

I note that the Operating Report stated the total number of full-time and part-time employees. This appears in previous years to have been taken to mean a 'full-time equivalent' total but strictly speaking this was an inference and not certain. In order to remove doubt and ensure the report complies with regulation 159(b), I would ask that future operating reports specify the total number employees as a full-time equivalent.

The documents have been filed. There is no further action required in respect of this return. If you wish to discuss any aspect of the financial reporting requirements, please do not hesitate to contact Mr Stephen Kellett on (02) 6723 7237.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Michael Moutevelis', with a long horizontal flourish extending to the right.

Michael Moutevelis
Assistant Adviser
Regulatory Compliance Branch



6 September 2013

Mr Troy Gray
Branch Secretary
Victorian Divisional Branch
Electrical, Energy and Services Division
Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied
Services Union of Australia
PO Box 432
NORTH MELBOURNE VIC 3051

Also by fax: (03) 8329 0066

Dear Mr Gray,

Re: Application for extension of time - s265(5) Fair Work (Registered Organisations) Act 2009 - Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Electrical, Energy and Services Division, Victorian Divisional Branch - for year ended 31 December 2012 (FR2012/597)

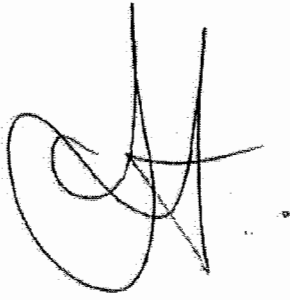
I refer to your letter of application for an extension of time under subsection 265(5) of the Act, which was received on 14 August 2013.

I note your advice that changes to key personnel delayed the providing of the Branch's financial report to members. I have also had regard to correspondence from Mr Moutevelis of this office to you on 9 August 2013 in which he indicated that an extension of time should be made.

Under subsection 265(5) I may extend the period in which the financial report must be provided to members by no more than one month.

Having regard to the circumstances, I grant an extension of time up to the date the report was provided to the members, that is, up until 27 June 2013.

Yours sincerely

A handwritten signature in black ink, appearing to be 'CE', with a large loop on the left and a vertical stroke on the right.

Chris Enright
Delegate of the General Manager
Fair Work Commission

9 August 2013

Mr Michael Moutevelis
Assistant Adviser
Regulatory Compliance Branch
Fair Work Commission
Terrace Towers
80 Williams Street
East Sydney NSW 2011



Dear Mr Moutevelis

**Re: Lodgement of Financial Statements and Accounts – for year ended
31 December 2012 (FR2012/597)**

I am in receipt of your letter dated 9 August 2013 in which you have outlined a matter that you have identified in examining our financial reports for the year ended 31 December 2012. The matter that you have identified is correct in that the financial report was provided to members on 27 June 2013 and to a committee of management meeting on the same day. As the reports were provided to Members outside of the period of 5 months within the end of the financial year we are required to apply for an extension of time for the provision of the financial report to members in accordance with Section 265(5) of the RO Act.

I hereby request your consideration for a time extension for the provision of financial reports for the year ended 31 December 2012 to members. I request that the extension time be until the date on which the reports were actually provided to the members which was 27 June 2013.

The reason for the delay in providing the financial reports for the year ended 31 December 2012 to members was due to a change in key personnel, namely, the sudden departure (8 March 2013) of the responsible officer and FWA registered contact for the ETU in conjunction with a changeover of State Secretary in March 2013.

Yours sincerely,

Troy Gray
State Secretary
Victorian Divisional Branch
Electrical, Energy and Services Division
Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services
Union of Australia



**Electrical Trade Union of Australia
Victorian Branch**

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

President

Gary Carruthers

Secretary

Troy Gray

Assistant Secretary

Wes Hayes

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200 Arden Street
North Melbourne VIC 3051

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Tel 0407 925 696



9 August 2013

FAXED



FAIR WORK
COMMISSION

Mr Troy Gray
Branch Secretary
Victorian Divisional Branch
Electrical, Energy and Services Division
Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied
Services Union of Australia
PO Box 432
NORTH MELBOURNE VIC 3051

Also by fax: (03) 8329 0066

Dear Mr Gray,

**Re: Lodgement of Financial Statements and Accounts - for year ended 31 December 2012
(FR2012/597)**

I acknowledge receipt of the financial report of the Victorian Divisional Branch of the Electrical, Energy and Services Division of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia for the year ended 31 December 2012. The documents were lodged with the Fair Work Commission on 28 June 2013.

I have examined the financial report. Following that examination I have identified a matter, the detail of which is set out below, that you are required to address before the report can be filed.

Reports must be provided to Members within 5 months of end of financial year where report is presented before committee of management meeting

The designated officer's certificate states that the financial report was provided to members on 27 June 2013, and presented to a committee of management meeting on the same day. Under section 265(5)(b) of the *Fair Work (Registered Organisations) Act 2009* [RO Act], where the report is presented to a Committee of Management meeting, the report must be provided to members within 5 months of the end of the financial year.


If these dates are correct, the reporting unit is required to apply for an extension of time for the provision of the financial report to members in accordance with section 265(5) of the RO Act. Please provide a written request for an extension of time, signed by a relevant officer, including any reason for the delay.

Terrace Towers
80 William Street
East Sydney NSW 2011

Telephone: (02) 8374 6666
International: (612) 8374 6666
Facsimile: (02) 9380 6990
Email: sydney@fwc.gov.au

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (02) 8374 6614 or by email at orgs@fwc.gov.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Michael Moutevelis', written over a horizontal line.

Michael Moutevelis
Assistant Adviser
Regulatory Compliance Branch
Fair Work Commission

MOUTEVELIS, Michael

From: Phillip Carruthers [phillip@etu.asn.au]
Sent: Friday, 28 June 2013 3:54 PM
To: Orgs
Subject: Annual Report ETU Vic Branch
Attachments: Signed- Electrical Trades Union of Australia- Victorian Branch Consolida....pdf

Categories: SYDNEY RIA TEAM

Dear Sir/Madam,

Please find attached the Annual Report of the ETU Vic Branch as required by s.268 of the Fair Work (Registered Organisations) Act 2009.

Kind Regards,

Phillip
Phillip Carruthers
Chief Operating Officer



Head Office: Level 1, 200 Arden Street, North Melbourne VIC 3051
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Mobile: 0412 222 241
Phone: 03 8329 0000
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<http://www.etuvic.com.au>



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Electrical Trades Union of Australia - Victorian Branch

Consolidated Financial Statements

For the Year Ended 31 December 2012

Electrical Trades Union of Australia - Victorian Branch

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For the Year Ended 31 December 2012

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Electrical Trades Union of Australia - Victorian Branch

Operating Report

For the Year Ended 31 December 2012

Your committee presents its report on the Union and its controlled entities for the financial year ended 31 December 2012

1. General information

a Members

In accordance with section 254 of the Fair Work (Registered Organisations) Act 2009 we advise that the names of those who have been members of the Branch Executives at any time during, or since the end of, the year are:

Names	Appointed/Resigned
Dean Mighell	Resigned on 4 March 2013
Gary Carruthers	
Graeme Watson	
Paul Swann	
Mark Farrell	
Jeremy Barnard	
Stephen O'Brien	
Daniel Filazzola	
Patrick Tutton	
Luke Peterson	
Troy Gray	Appointed on 5 March 2013

All members of the Branch Executive held office since the start of the financial year to the date of this report unless otherwise stated.

b Union Secretary

The following person held the position of State Secretary of the Union at the end of the financial year:

Dean Mighell

c Number of employees

The number of persons who were, at the end of the financial year to which the report relates, employees of the reporting unit, were 39 (2011: 42).

d Principal activities and significant changes in nature of activities

The principal activities of the economic entity during the financial year were:

- Implementation of the decisions of the Branch Executive and Branch Council;
- Implementation of the union's organising agenda, including direct assistance and strategic advice on particular industry or site organising projects, the training and development of officials;

Electrical Trades Union of Australia - Victorian Branch

Operating Report

For the Year Ended 31 December 2012

1. General information continued

d Principal activities and significant changes in nature of activities continued

- Industrial support including representation of individual member grievances, advice on legal and legislative matters, pursuing relevant changes to the conditions of eligibility rules of the union, and responding to other union's rules applications where they have an impact on membership of the ETU;
- The administration of federal awards, the variation of awards following major test cases (such as living wage) and making applications to vary federal awards;
- Management of information technology and strategic membership systems designs to support organising;
- Communicating to members and to the broader community via media releases in support of campaigns, video and film development, and targeted publications, including the magazine ETU News; and
- National bargaining in key industries and assistance to other branches on bargaining by request.

The branch has also been involved in lobbying and negotiations with different levels of Government and key industry organisations around issues of importance to ETU members, e.g. shorter hours, apprentices, safety and licences.

There were no significant changes in the nature of the economic entity's principal activities during the financial year.

e Right of Members to Resign

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

f Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme s254(2)(d)

No officers of the branch held the position of trustee or as a director of a trustee company of a superannuation entity or exempt public sector superannuation scheme.

2. Business review

a Operating result

The consolidated surplus of the Union for the financial year amounted to \$1,731,721(2011: \$ 4,821,423).

b Review of operations

A review of the operations of the economic entity during the financial year and the results of those operations show:

Electrical Trades Union of Australia - Victorian Branch

Operating Report

For the Year Ended 31 December 2012

2. Business review continued

b Review of operations continued

- There were 18,789 total members of the union at 31 December 2012 (2011: 18,671); and
- As at 31 December 2012 the Electrical Trades Union of Australia - Victorian Branch had 38 full time employees and 1 part time employee.

3. Other items

a Significant changes in state of affairs

There have been no significant changes in the state of affairs of entities in the economic entity during the year.

b Events after the reporting date

Mr Dean Mighell resigned as State Secretary of the Electrical Trades Union of Australia - Victorian Branch effective at the conclusion of the day of 4 March 2013.

Mr Troy Gray was appointed as State Secretary of the Electrical Trades Union of Australia - Victorian Branch effective from 5 March, 2013.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the economic entity, the results of those operations or the state of affairs of the economic entity in future financial years.

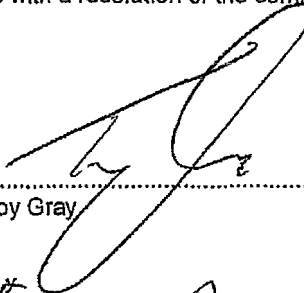
c Auditors independence declaration

The auditors' independence declaration for the year ended 31 December 2012 has been received and can be found on page 6.

d Rounding of amounts

The amounts in the financial statements and operating report have been rounded to the nearest one dollar.

Signed in accordance with a resolution of the committee of management:

Branch Secretary: 

Troy Gray

Dated this 27th day of June 2013

Electrical Trades Union of Australia - Victorian Branch

Statement by Committee of Management

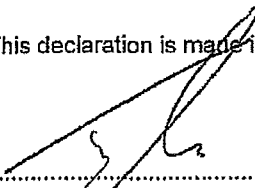
For the Year Ended 31 December 2012


On the 27 / 6 / 2013 the Executive Committee of the Electrical Trades Union Of Australia – Victorian Branch, passed the following resolution in relation to the general purpose financial report ("GPFR") for the year ended 31 December, 2012.

The Electrical Trades Union of Australia - Victorian Branch declares in relation to the GPFR that in its opinion:

- (a) The financial report and notes comply with the Australian Accounting Standards;
- (b) The financial statements and notes comply with the reporting guidelines of the General Manager of the Fair Work Commission;
- (c) The financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the Electrical Trades Union of Australia – Victorian Branch for the financial year ended 31 December, 2012
- (d) There are reasonable grounds to believe that the Electrical Trades Union of Australia – Victorian Branch will be able to pay its debts as and when they become due and payable;
- (e) During the financial year ended 31 December, 2012 and since the end of the financial year:
 - i) Meetings of the Branch Executive were held in accordance with the rules of the Electrical Trades Union of Australia – Victorian Branch;
 - ii) The financial affairs of the Electrical Trades Union of Australia – Victorian Branch have been managed in accordance with the rules of the Electrical Trades Union of Australia – Victorian Branch;
 - iii) The financial records of the Electrical Trades Union of Australia – Victorian Branch 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 financial records of the Electrical Trades Union of Australia – Victorian Branch have been kept, as far as practicable, in a consistent manner to each of the other branches of the national organisation;
 - v) No information has been sought in any request of a member of the Electrical Trades Union of Australia or the General Manager of Fair Work Australia under section 272 of the Fair Work (Registered Organisations) Act 2009; and
 - vi) No orders have been made by the General Manager of Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009
- (f) The reporting unit has not engaged in recovery of wages activity which has resulted in the derivation of revenue in respect of such activity.

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


.....
Branch Secretary
Troy Gray


.....
Treasurer
Graeme Watson

Dated this 27th day of June 2013

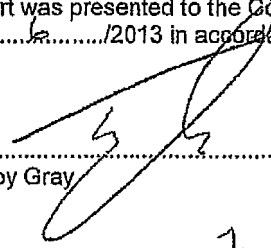
Electrical Trades Union of Australia - Victorian Branch

Certificate of Secretary

For the Year Ended 31 December 2012

I, Troy Gray, being the Branch Secretary of Electrical Trades Union of Australia – Victorian Branch certify that:

- (a) The documents lodged herewith are copies of the full report, referred to in Section 268 of the Fair Work (Registered Organisations) Act 2009 for Electrical Trades Union of Australia – Victorian Branch for the period ended 31 December 2012;
- (b) The full report was provided to members on 27 6 /2013 in accordance with Section 268 of the Fair Work (Registered Organisations) Act 2009; and
- (c) The full report was presented to the Committee of Management of the reporting unit on 27 6 /2013 in accordance with Section 266 of the Fair Work (Registered Organisations) Act 2009.

Branch Secretary: 
Troy Gray

Dated this 27 day of June 2013

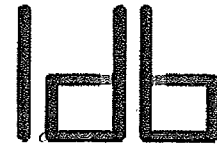
LDB Audit Services Pty Ltd

ABN: 69 123 774 669 ACN:123 774 669

1-3 Albert Street, Blackburn VIC 3130
PO Box 550, Blackburn VIC 3130

Telephone 03 9875 2900⁶
Facsimile 03 9875 2999

www.ldb.com.au



AUDIT SERVICES

Electrical Trades Union of Australia - Victorian Branch

Independent Audit Report to the members of Electrical Trades Union of Australia - Victorian Branch

Report on the Financial Report

We have audited the accompanying financial report of Electrical Trades Union of Australia - Victorian Branch, which comprises the consolidated statement of financial position as at 31 December 2012, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by committee of management of the entity and the consolidation entity comprising the entity and the entities it controlled at the year's end or from time to time during the financial year.

Committee's Responsibility for the Financial Report

The committee of the union is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work (Registered organisation) Act 2009, and for such internal control as committee determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In Note 1, committee also states, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the union's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

LDB Audit Services Pty Ltd

ABN: 59 123 774 569 ACN:123 774 569

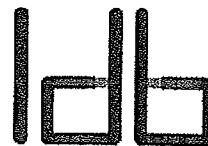
1-3 Albert Street, Blackburn VIC 3130

PO Box 550 Blackburn VIC 3130

Telephone 03 9875 2900

Facsimile 03 9875 2999

www.ldb.com.au



AUDIT SERVICES

Electrical Trades Union of Australia - Victorian Branch

Independent Audit Report to the members of Electrical Trades Union of Australia - Victorian Branch

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements and the Fair Work (Registered Organisation) Act 2009. We confirm that the independence declaration required by the Fair Work (Registered Organisation) Act 2009, provided to the committee of Electrical Trades Union of Australia – Victorian Branch, would be in the same terms if provided to the committee as at the date of this auditor's report.

Opinion

In our opinion:

- (a) the financial report presents fairly, in all material respects,, the financial position of Electrical Trades Union of Australia - Victorian Branch and its subsidiaries as at 31 December 2012, and their financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards;
- (b) the consolidated financial statements and notes also comply with *International Financial Reporting Standards* as disclosed in Note 1; and.
- (c) the consolidated financial statements and notes also comply with the requirements of Fair Work (Registered Organisations) Regulations 2009 and part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

LDB Audit Services Pty Ltd

1-3 Albert Street

BLACKBURN VIC 3130

CRAIG LUTWYCHE
DIRECTOR

Dated this 27th day of June 2013

Electrical Trades Union of Australia - Victorian Branch

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2012

	Note	Consolidated		Parent	
		2012	2011	2012	2011
		\$	\$	\$	\$
Revenue	2(a)	12,104,391	11,743,516	11,568,348	10,928,159
Other income	2(b)	3,122,766	5,556,305	2,548,597	4,856,160
Changes in inventories of finished goods and work in progress		(891,749)	(1,082,967)	(891,749)	(1,082,967)
Employee benefits expense	4	(5,557,315)	(5,209,383)	(5,557,315)	(5,209,383)
Depreciation and amortisation expense		(879,685)	(839,767)	(656,641)	(615,304)
Other expenses	5	(6,166,688)	(5,346,278)	(6,557,963)	(7,753,171)
Finance costs		-	(3)	-	-
Surplus attributable to members		1,731,720	4,821,423	453,277	1,123,494
Other comprehensive income					
Net gain on revaluation of land and buildings		2,568,322	2,000,000	-	2,000,000
Distribution of trust corpus		(146,718)	(171,862)	-	-
Net gain on disposal of assets available for sale, reclassified to profit or loss		(2,000,000)	-	(2,000,000)	-
Other comprehensive income for the year		421,604	1,828,138	(2,000,000)	2,000,000
Total comprehensive income for the year		2,153,324	6,649,561	(1,546,723)	3,123,494

Electrical Trades Union of Australia - Victorian Branch

Consolidated Statement of Financial Position

As At 31 December 2012

	Note	Consolidated		Parent	
		2012 \$	2011 \$	2012 \$	2011 \$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6	14,276,399	9,229,840	3,275,439	6,463,342
Trade and other receivables	7	10,166,888	942,651	10,064,873	1,679,980
Inventories	8	106,848	228,520	106,848	228,520
Other financial assets	11	-	6,999,317	-	3,000,000
Other assets	9	60,543	55,176	39,756	55,176
Non-current assets held for sale	10	-	10,000,000	-	10,000,000
TOTAL CURRENT ASSETS		24,610,678	27,455,504	13,486,916	21,427,018
NON-CURRENT ASSETS					
Trade and other receivables	7	2,003,372	491,178	508,808	494,840
Financial assets	11	10,374,686	8,527,441	4,741,411	3,780,852
Property, plant and equipment	13	18,272,347	16,160,468	3,652,712	3,886,111
TOTAL NON-CURRENT ASSETS		30,650,405	25,179,087	8,902,931	8,161,803
TOTAL ASSETS		55,261,083	52,634,591	22,389,847	29,588,821
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	14	426,079	563,690	5,867,757	12,130,786
Borrowings		-	22,149	-	22,149
Short-term employee entitlements	15	2,205,687	1,798,117	2,205,687	1,798,117
Other liabilities	16	2,597,593	2,369,788	2,597,592	2,369,788
TOTAL CURRENT LIABILITIES		5,229,359	4,753,744	10,671,036	16,320,840
NON-CURRENT LIABILITIES					
Employee benefits		43,900	46,347	43,900	46,347
TOTAL NON-CURRENT LIABILITIES		43,900	46,347	43,900	46,347
TOTAL LIABILITIES		5,273,259	4,800,091	10,714,936	16,367,187
NET ASSETS		49,987,824	47,834,500	11,674,911	13,221,634
ACCUMULATED FUNDS					
Reserves		9,692,905	9,124,583	-	2,000,000
Accumulated surplus		40,294,919	38,709,917	11,674,911	11,221,634
TOTAL ACCUMULATED FUNDS		49,987,824	47,834,500	11,674,911	13,221,634

Electrical Trades Union of Australia - Victorian Branch

Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2012

2012	Parent		Total
	Accumulated Surplus	Asset Revaluation Reserve	
	\$	\$	\$
Balance at 1 January 2012	11,221,634	2,000,000	13,221,634
Surplus attributable to members	453,277	-	453,277
Transfer prior year revaluation increments to asset realisation on sale of freehold property	-	(2,000,000)	(2,000,000)
Balance at 31 December 2012	11,674,911	-	11,674,911

2011	Parent		Total
	Accumulated Surplus	Asset Revaluation Reserve	
	\$	\$	\$
Balance at 1 January 2011	10,098,205	-	10,098,205
Surplus attributable to members	1,123,494	-	1,123,494
Revaluation increment/ (decrement)	-	2,000,000	2,000,000
Transfers from reserve	(65)	-	(65)
Balance at 31 December 2011	11,221,634	2,000,000	13,221,634

2012	Consolidated		Total
	Accumulated Surplus	Asset Revaluation Reserve	
	\$	\$	\$
Balance at 1 January 2012	38,709,918	9,124,582	47,834,500
Surplus attributable to members	1,731,720	-	1,731,720
Revaluation increment/ (decrement)	-	568,322	568,322
Total other comprehensive income for the period	(146,718)	-	(146,718)
Balance at 31 December 2012	40,294,920	9,692,904	49,987,824

2011	Note	Consolidated		Total
		Accumulated Surplus	Asset Revaluation Reserve	
		\$	\$	\$
Balance at 1 January 2011		34,060,422	10,282,013	44,342,435
Surplus attributable to members		4,821,423	-	4,821,423
Revaluation increment/ (decrement)		-	2,000,000	2,000,000
Transfer from asset revaluation reserve realised increment on freehold property sold during the year		-	(3,157,431)	(3,157,431)
Transfers from reserve		(65)	-	(65)
Total other comprehensive income for the period		(171,862)	-	(171,862)
Balance at 31 December 2011		38,709,918	9,124,582	47,834,500

Electrical Trades Union of Australia - Victorian Branch

Consolidated Statement of Cash Flows

For the Year Ended 31 December 2012

	Note	Consolidated		Parent	
		2012 \$	2011 \$	2012 \$	2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers		13,198,040	12,137,456	12,582,399	11,496,334
Payments to suppliers and employees		(13,127,786)	(12,342,379)	(12,432,947)	(11,798,184)
Distributions received		-	1,326,709	-	1,326,709
Interest received		1,309,793	1,491,996	727,655	677,722
Net cash provided by (used in) operating activities	17	1,380,047	2,613,782	877,107	1,702,581
CASH FLOWS FROM INVESTING ACTIVITIES:					
Proceeds from sale of property plant and equipment		313,468	4,772,727	313,468	-
Proceeds from sale of other investment		3,068,133	2,525,330	-	-
Non-current bank bills matured within 12 months		2,036,529	-	2,036,529	-
Acquisition of property, plant and equipment		(423,242)	(8,566,737)	(423,242)	(8,564,499)
Loans to related parties - payments made		(1,159,509)	(15,115)	(5,839,616)	-
Loans to related parties - proceeds from repayments		-	-	-	10,846,121
Net cash used by investing activities		3,835,379	(1,283,795)	(3,912,861)	2,281,622
CASH FLOWS FROM FINANCING ACTIVITIES:					
Gift of corpus		-	-	(130,000)	-
Beneficiary payments		(146,718)	(171,862)	-	-
Net cash used by financing activities		(146,718)	(171,862)	(130,000)	-
Net increase (decrease) in cash and cash equivalents held		5,068,708	1,158,125	(3,165,754)	3,984,203
Cash and cash equivalents at beginning of year		9,207,691	8,049,566	6,441,193	2,456,990
Cash and cash equivalents at end of financial year	6	14,276,399	9,207,691	3,275,439	6,441,193

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

The financial report includes the consolidated financial statements and notes of Electrical Trades Union of Australia - Victorian Branch and controlled entities (the economic entity) and the separate financial statements and notes of Electrical Trades Union of Australia - Victorian Branch as a parent entity (Parent). Electrical Trades Union of Australia - Victorian Branch is a registered trade union domiciled in Australia.

1 Accounting policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organisation) Act 2009, except for AASB124.

Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Rounding of amounts

The amounts in the financial statements and Operating Report have been rounded to the nearest one dollar.

(b) Comparatives

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening consolidated statement of financial position at the earliest date of the comparative period has been presented.

(c) Principles of consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost. A controlled entity is any entity over which Electrical Trade Union of Australia – Victorian Branch has power to govern the financial and operating policies so as to obtain benefits from its activities.

i Controlled entities

Where controlled entities have entered or left the economic entity during the year, the financial performance of those entities is included only for the period that they were controlled. A list of controlled entities is contained in Note 12 to the financial statements. All controlled entities have a June 30 financial year-end.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

1 Accounting policies continued

(c) Principles of consolidation continued

ii Inter-entity balances

In preparing the consolidated financial statements, all inter-entity balances and transactions between entities in the economic entity have been eliminated in full for the purpose of these consolidated financial statements. Appropriate adjustments have been made to a controlled entity's financial statements where the accounting policies used by those entities were different from those adopted in the consolidated financial statements.

(d) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue recognition relating to the provision of services is recognised upon the delivery of the services to customers.

Investment property revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

All revenue is stated net of the amount of goods and services tax (GST).

(e) Income Tax

No provision for income tax has been raised as the Union is exempt from income tax under section 50-15 of the *Income Tax Assessment Act 1997*.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

1 Accounting policies continued

(f) Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the consolidated statement of financial position.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value.

(h) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

Assets classified as held for sale are not amortised or depreciated.

Non-current assets classified as held for sale and any associated liabilities are presented separately in the consolidated statement of financial position.

(i) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic valuations by external independent valuers, less subsequent depreciation for buildings. It is the policy of the economic entity to have an independent valuation every three years, with annual appraisals being made by the committee of management.

In the periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors valuations to ensure the land and buildings carrying amount is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the consolidated statement of profit or loss and other comprehensive income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

1 Accounting policies continued

(i) Property, Plant and Equipment continued

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

The carrying amount of plant and equipment is reviewed annually by the committee of management to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of buildings is depreciated on a straight-line basis over their useful lives to the economic entity commencing from the time the building is held ready for use. All other fixed assets excluding freehold land, are depreciated on a diminishing value basis over the asset's useful life to the economic entity commencing from the time the asset is held ready for use. Land is not depreciated.

Depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation rate
Buildings	2.5%
Furniture, Fixtures and Fittings	11.25%
Motor Vehicles	18.75%
Office Equipment	10 - 15%
Computer Equipment	37.50%

Assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

(j) Leases

Income is derived from rental operations which represents the letting of excess office space in the union's buildings to outside parties. These parties include other unions, allied organisations and commercial entities.

(k) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the Union commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

1 Accounting policies continued

- (k) **Financial Instruments continued**
instruments are measured as set out below.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (a) the amount at which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- (d) less any reduction for impairment.

The *effective interest rate method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in the consolidated income statement.

The classification of financial instruments depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and at the end of each reporting period for held-to-maturity assets.

The Economic Entity does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

1 Accounting policies continued

(k) Financial Instruments continued

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the economic entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to be realised within 12 months after the end of the reporting period, which will be classified as current assets.

If during the period the economic entity sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be realised within 12 months after the end of the reporting period.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are classified as current liabilities unless the economic entity has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

1 Accounting policies continued

(k) Financial Instruments continued

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the consolidated statement of profit or loss and other comprehensive income in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have fixed maturities, and it is the economic entity's intention to hold these investments to maturity. Any held-to-maturity investments held by the economic entity are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

Objective evidence that a financial asset is impaired includes default by a debtor, evidence that the debtor is likely to enter bankruptcy or adverse economic conditions in the stock exchange. At the end of each reporting period, the economic entity assesses whether there is objective evidence that a financial asset has been impaired through the occurrence of a loss event. In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to indicate that an impairment has arisen.

Where a subsequent event causes the amount of the impairment loss to decrease (e.g. payment received), the reduction in the allowance account (provision for impairment of receivables) is taken through profit and loss.

However, any reversal in the value of an impaired available for sale asset is taken through other comprehensive income rather than profit and loss.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

1 Accounting policies continued

(k) Financial Instruments continued

Impairment continued

Impairment losses are recognised through an allowance account for loans and receivables in the consolidated statement of profit or loss and other comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

When available-for-sale investments are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss.

(l) Impairment of Assets

i Impairment determination

At the end of each reporting period, the economic entity assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information and dividends received from controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Value in use is calculated by discounting the estimated future cash flows of the asset or cash-generating unit (CGU) at a pre-tax discount rate reflecting the specific risks in the asset / CGU. Any excess of the asset's carrying value over its recoverable amount is expensed to the consolidated statement of profit or loss and other comprehensive income.

ii Recoverable amount not possible to estimate

Where it is not possible to estimate the recoverable amount of an individual asset, the economic entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(m) Employee benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

1 Accounting policies continued

(m) Employee benefits continued

requirements. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

(n) Provisions

Provisions are recognised when the economic entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period.

(o) Goods and Services Tax (GST)

Revenues, 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 asset or as part of an item of the expense. Receivables and payables in the consolidated statement of financial position are shown inclusive of GST.

Cash flows are presented in the consolidated statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(p) Adoption of new and revised accounting standards

During the current year, the economic entity adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these Standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these Standards and Interpretations has had on the financial statements of Electrical Trades Union of Australia - Victorian Branch.

Standard Name	Impact
AASB 2011-9 Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income	The adoption of this standard has not changed the reported financial position and performance of the union, however the presentation of items in other comprehensive income has changed.
AASB 112 Income Taxes	There has been no impact on the reported financial position and performance

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

1 Accounting policies continued

(q) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Economic Entity has decided against early adoption of these standards. The following table summarises those future requirements, and their impact on the economic entity:

Standard Name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments and amending standards AASB 2010-7 / AASB 2012-6	30 June 2016	Changes to the classification and measurement requirements for financial assets and financial liabilities. New rules relating to derecognition of financial instruments.	The impact of AASB 9 has not yet been determined as the entire standard has not been released.
AASB 1053 - Application of Tiers of Australian Accounting Standards and amending standards AASB 2010-2, AASB 2011-11, AASB 2012-1, AASB 2012-7 and AASB 2012-11	30 June 2014	This standard allows certain entities to reduce disclosures.	The entity is not adopting the RDR and therefore these standards are not relevant.
AASB 2011-2 Amendments to Australian Accounting Standards arising from Trans-Tasman convergence – Reduced Disclosure Requirements	30 June 2014	Highlights the disclosures not required in AASB 1054 for entities applying the RDR.	The entity is not adopting the RDR and therefore this standard is not relevant.
AASB 10 Consolidated Financial Statements / AASB 11 Joint Arrangements / AASB 12 Disclosures of Interests in Other Entities, AASB 127 Separate Financial Statements, AASB 128 Investments in Associates and AASB 2012-10 Amendments to Australian Accounting Standards - Transition Guidance and Other Amendments	30 June 2014	AASB 10 includes a new definition of control, which is used to determine which entities are consolidated, and describes consolidation procedures. The Standard provides additional guidance to assist in the determination of control where this is difficult to assess. AASB 11 focuses on the rights and obligations of a joint venture arrangement, rather than its legal form (as is currently the case). IFRS 11 requires equity accounting for joint ventures, eliminating proportionate consolidation as an accounting choice.	The Group will review its controlled entities to determine whether they should be consolidated under AASB 10, no changes are anticipated. All joint ventures of the group are equity accounted and therefore minimal impact is expected due to the adoption of AASB 11.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

1 Accounting policies continued

(q) New accounting standards for application in future periods continued

<p>AASB 13 Fair Value Measurement.</p> <p>AASB 2011-8 - Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]</p>	<p>30 June 2014</p>	<p>AASB 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across Accounting Standards but does not change when fair value is required or permitted.</p> <p>There are a number of additional disclosure requirements.</p>	<p>Fair value estimates currently made by the entity will be revised and potential changes to reported values may be required.</p> <p>The entity has not yet determined the magnitude of any changes which may be needed.</p> <p>Some additional disclosures will be needed.</p>
<p>AASB 2011-4 - Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements [AASB 124]</p>	<p>30 June 2014</p>	<p>Remove individual key management personnel disclosure requirements (i.e. components of remuneration) for disclosing entities.</p>	<p>Since the entity is a disclosing entity, the KMP remuneration note in the financial statements will not include individual components of remuneration.</p>
<p>AASB 2011-6 - Amendments to Australian Accounting Standards - Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation - Reduced Disclosure Requirements [AASB 127, AASB 128 & AASB 131]</p>	<p>30 June 2014</p>	<p>This Standard extends the relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity comply with Australian Accounting Standards or Australian Accounting Standards - Reduced Disclosure Requirements.</p>	<p>Since the entity does not comply with the Reduced Disclosure Regime there is no impact on the adoption of this standard.</p>
<p>AASB 2011-7 - Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]</p>	<p>30 June 2014</p>	<p>This standard provides many consequential changes due to the release of the new consolidation and joint venture standards.</p>	<p>The impact of this standard is expected to be minimal.</p>

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

1 Accounting policies continued

(q) New accounting standards for application in future periods continued

<p>AASB 119 Employee Benefits (September 2011)</p> <p>AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) and AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements</p>	<p>30 June 2014</p>	<p>The main changes in this standard relate to the accounting for defined benefit plans and are as follows:</p> <ul style="list-style-type: none"> - elimination of the option to defer the recognition of gains and losses (the 'corridor method'); - requiring remeasurements to be presented in other comprehensive income; and - enhancing the disclosure requirements. 	<p>Since the entity does not have a defined benefit plan, the adoption of these standards will not have any impact.</p>
<p>AASB 2010-10 - Further Amendments to Australian Accounting Standards - Removal of Fixed Dates for First-time Adopters [AASB 2009-11 & AASB 2010-7]</p>	<p>30 June 2014</p>	<p>Makes amendments to AASB 1</p>	<p>No impact since the entity is not a first-time adopter of IFRS.</p>
<p>AASB 2012-2 - Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities [AASB 132 & AASB 7]</p>	<p>30 June 2014</p>	<p>Requires the inclusion of information about the effect or potential effect of netting arrangements.</p>	<p>There is no impact on disclosures as there are no offsetting arrangements currently in place.</p>
<p>AASB 2012-4 - Amendments to Australian Accounting Standards – Government Loans [AASB 1]</p>	<p>30 June 2014</p>	<p>Adds exception to retrospective application of Australian Accounting Standards for first time adopters.</p>	<p>No impact as these are not the first time adoption accounts for the entity.</p>

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

1 Accounting policies continued

(q) New accounting standards for application in future periods continued

<p>AASB 2012-5 - Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle [AASB 1, AASB 101, AASB 116, AASB 132 & AASB 134 and Interpretation 2]</p>	<p>30 June 2014</p>	<p>AASB 1 - this standard clarifies that an entity can apply AASB 1 more than once.</p> <p>AASB 101 - clarifies that a third statement of financial position is required when the opening statement of financial position is materially affected by any adjustments.</p> <p>AASB 116 - clarifies the classification of servicing equipment.</p> <p>AASB 132 and Interpretation 2 - Clarifies that income tax relating to distributions to holders of an equity instrument and to transaction costs of an equity transaction shall be accounted for in accordance with AASB 112 Income Taxes</p> <p>AASB 134 - provides clarification about segment reporting.</p>	<p>No expected impact on the entities financial position or performance.</p>
<p>AASB 2011-12 Amendments to Australian Accounting Standards arising from Interpretation 20</p>	<p>30 June 2014</p>	<p>Allows transitional provisions for stripings costs in accordance with Interpretation 20.</p>	<p>There will be no impact as entity is not in the mining industry.</p>
<p>AASB 2012-9 Amendment to AASB 1048 arising from the Withdrawal of Australian Interpretation 1039</p>	<p>30 June 2014</p>	<p>Removes reference to withdrawn Interpretation 1039.</p>	<p>No impact on the financial statements.</p>
<p>AASB 1055 - Budgetary Reporting AASB 2013-1 Amendments to AASB 1049 - Relocation of Budgetary Reporting Requirements</p>	<p>30 June 2015</p>	<p>This standard specifies the nature of budgetary disclosures and circumstances for inclusion in the financial statements.</p>	<p>No impact as the entity is not a public sector entity.</p>
<p>AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities [AASB 132]</p>	<p>30 June 2015</p>	<p>This standard adds application guidance to AASB 132 to assist with applying some of the offset criteria of the standard.</p>	<p>There will be no impact to the entity as there are no offsetting arrangements currently in place.</p>

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

2 Revenue

(a) Revenue from continuing operations

Finance income includes all interest-related income, other than those arising from financial assets at fair value through profit or loss. The following amounts have been included in the finance income line in the consolidated statement of profit or loss and other comprehensive income for the reporting periods presented:

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Sales revenue				
- sale of goods	22,470	42,389	22,470	42,389
	<u>22,470</u>	<u>42,389</u>	<u>22,470</u>	<u>42,389</u>
Finance income				
- other interest received	2(c) 1,201,600	1,552,718	665,557	737,361
	<u>1,201,600</u>	<u>1,552,718</u>	<u>665,557</u>	<u>737,361</u>
Other revenue				
- member subscriptions	7,835,456	7,423,065	7,835,456	7,423,065
- management fees	3,029,269	2,676,693	3,029,269	2,676,693
- other trading revenue	15,596	48,651	15,596	48,651
	<u>12,081,921</u>	<u>11,701,127</u>	<u>11,545,878</u>	<u>10,885,770</u>
Total Revenue	<u>12,104,391</u>	<u>11,743,516</u>	<u>11,568,348</u>	<u>10,928,159</u>

(b) Other Income breakup

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Rental income	751,795	661,100	178,213	125,981
Recoveries	53,950	77,792	53,950	77,792
Sundry income	12,434	33,862	11,847	33,459
Directors fees	314,592	300,195	314,592	235,422
Trust distributions	149,995	1,325,925	149,995	4,383,506
Net gain on disposal of property, plant and equipment	1,840,000	3,157,431	1,840,000	-
	<u>3,122,766</u>	<u>5,556,305</u>	<u>2,548,597</u>	<u>4,856,160</u>

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

2 Revenue continued

(c) Interest Revenue

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Interest revenue from:				
- other related parties	66,862	-	-	-
- bank	1,134,738	1,552,718	665,557	737,361
Total interest revenue on financial assets not at fair value through profit or loss	1,201,600	1,552,718	665,557	737,361

3 Auditors' Remuneration

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Remuneration of the auditor of the parent entity for:				
- auditing or reviewing the financial statements	23,309	36,680	23,309	36,680
- other services	26,964	8,400	26,964	8,400
Remuneration of other auditors of controlled entities for:				
- auditing or reviewing the financial statements of controlled entities	17,658	14,700	-	-
	67,931	59,780	50,273	45,080

4 Employee benefits expense

(a) Employee benefits to Key Management Personnel

In accordance with the Fair Work (Registered Organisations) Act 2009 and Regulations, the Salaries and Wages in the Statement of Profit or Loss and Other Comprehensive Income is made up of the following:

	2012	2011
	\$	\$
Wages and salaries	626,114	426,741
Annual leave	30,499	36,099
Personal leave	5,305	3,402
Superannuation	115,080	111,280
Total	776,998	577,522

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

4 Employee benefits expense continued

(b) Employee benefits to employees other than Key Management Personnel

	2012	2011
	\$	\$
Wages and salaries	3,412,813	3,430,088
Annual leave	167,400	247,497
Personal leave	31,779	38,492
Long service leave	205,109	12,173
Superannuation	555,238	518,472
Total	4,372,339	4,246,722

(c) Other employee expenses

	2012	2011
	\$	\$
FBT and payroll tax	290,066	286,558
Workcover expenses	35,044	31,841
Training expenses	64,639	37,877
Health benefit expenses	17,756	28,372
Other	473	491
Total	407,978	385,139

(d) Disclosure of remuneration of Elected Officials

	\$
State Secretary	146,996
Assistant State Secretary	132,927
Organiser	114,687
Total	394,610

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

5 Other Expenses

The result for the year includes the following specific expenses

	Note	Consolidated		Parent	
		2012	2011	2012	2011
		\$	\$	\$	\$
Other expenses:					
Bad and doubtful debts:	5(a)	48,465	31,813	48,291	31,813
Legal expenses	5(b)	911,952	696,032	911,952	689,012
Grants and Donations	5(c)	403,587	370,802	403,587	370,802
CEPU Nat. Office -Sustentation		1,034,141	855,090	1,034,141	855,090

(a) Bad & Doubtful debts

A doubtful debts provision is raised by the Electrical Trades Union - Victorian Branch for bad and doubtful debts incurred as a result of unpaid membership fees and other unpaid transactions previously recorded as income. Movements in this provision are recognised through the income statement.

(b) Legal Expenses

Legal expenses are incurred by the union both in pursuing industrial action and in other activities associated with the operations of the union.

	2012
	\$
Description	
Industrial activities of the Union	31,777
Operations of the Union	880,175
Total	911,952

(c) Political Funding and Other Donations

Consistent with the aims of the organisation the union from time to time provides funding and donations to political candidates and other like-minded organisations.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

6 Cash and cash equivalents

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Cash on hand	6,652	4,953	6,600	4,900
Cash at bank	2,319,747	1,717,642	1,768,839	1,458,442
Short-term bank deposits	11,450,000	6,000,000	1,000,000	5,000,000
Other cash and cash equivalents	500,000	1,507,245	500,000	-
	14,276,399	9,229,840	3,275,439	6,463,342

Reconciliation of cash

Cash and Cash equivalents reported in the consolidated statement of cash flows are reconciled to the equivalent items in the consolidated statement of financial position as follows:

	Note	Consolidated		Parent	
		2012	2011	2012	2011
		\$	\$	\$	\$
Cash and cash equivalents		14,276,399	9,229,840	3,275,439	6,463,342
Bank overdrafts		-	(22,149)	-	(22,149)
Balance as per consolidated statement of cash flows		14,276,399	9,207,691	3,275,439	6,441,193

The effective interest rate on short-term bank deposits was 4.74% (2011: 5.85%); these deposits have an average maturity of 90 days.

7 Trade and other receivables

Current receivables table

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
CURRENT				
Trade receivables	859,284	575,444	851,135	575,444
Provision for impairment	(242,499)	(195,117)	(242,499)	(195,117)
	616,785	380,327	608,636	380,327
Related party receivables	-	221,657	-	1,071,150
Other receivables - Other	9,512,192	120,262	9,500,000	120,262
Interest receivables	116,636	220,405	46,086	108,241
Other receivables	(78,725)	-	(89,849)	-
Total current trade and other receivables	10,166,888	942,651	10,064,873	1,679,980

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

7 Trade and other receivables continued

Non current receivables table

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
NON-CURRENT				
Related party receivables	1,500,000	173	5,436	3,835
Related entity - unpaid trust distributions	503,372	491,005	503,372	491,005
Total non-current trade and other receivables	2,003,372	491,178	508,808	494,840

8 Inventories

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
CURRENT				
Merchandise	106,848	228,520	106,848	228,520
	106,848	228,520	106,848	228,520

9 Other Current Assets

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Prepayments	60,543	55,176	39,756	55,176
	60,543	55,176	39,756	55,176

10 Property held for sale

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Property	-	10,000,000	-	10,000,000
Total property held for sale	-	10,000,000	-	10,000,000

The deposit of \$500,000 was received by the Electrical Trades Union of Australia - Victorian Branch on the 4th September, 2012.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

11 Financial Assets

(a) Summary table - Current

	Note	Consolidated		Parent	
		2012	2011	2012	2011
		\$	\$	\$	\$
CURRENT					
Held-to-maturity financial assets	11(d)	-	6,999,317	-	3,000,000
Total current assets		-	6,999,317	-	3,000,000

(b) Summary table - Non-Current

	Note	Consolidated		Parent	
		2012	2011	2012	2011
		\$	\$	\$	\$
NON-CURRENT					
Available for sale financial assets	11(c)	1,446,822	1,491,190	242,834	245,803
Held-to-maturity financial assets	11(d)	8,927,864	7,036,251	4,498,577	3,535,049
Total non-current assets		10,374,686	8,527,441	4,741,411	3,780,852

(c) Available-for-sale financial assets comprise:

	Note	Consolidated		Parent	
		2012	2011	2012	2011
		\$	\$	\$	\$
NON-CURRENT					
Listed investments					
- shares in listed entities - fair value		1,221,064	1,265,432	17,064	20,032
		1,221,064	1,265,432	17,064	20,032
NON-CURRENT					
Unlisted investments					
- shares in controlled entities - cost	12	-	-	12	13
- shares in other related parties - cost	11(e)	7	7	7	7
- units in unit trusts - cost	11(e)	225,750	225,750	225,750	225,750
- shares in other corporations - cost	11(e)	374,250	374,250	374,250	374,250
Less: impairment provision	11(e)	(374,249)	(374,249)	(374,249)	(374,249)
		225,758	225,758	225,770	225,771

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

11 Financial Assets continued

(c) Available-for-sale financial assets comprise: continued

Total available-for-sale financial assets	1,446,822	1,491,190	242,834	245,803
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Unlisted investments are not traded in an active market and therefore fair value cannot be reliably measured.

(d) Held-to-maturity investments comprise:

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Other financial asset - current	-	6,999,317	-	3,000,000
Government and fixed interest securities - non current	1,431,706	1,491,649	-	-
Bonds - non current	997,581	1,006,455	-	-
Other financial asset - non current	6,498,577	4,538,147	4,498,577	3,535,049
	8,927,864	14,035,568	4,498,577	6,535,049

(e) Investments in other entities

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Unlisted				
Sparkie Pty Ltd	2	2	2	2
IPP Pty Ltd	1	1	1	1
Elecnet Trust	5	5	5	5
IPP Property Trust	225,750	225,750	225,750	225,750
	225,758	225,758	225,758	225,758

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

12 Controlled Entities

	Country of Incorporation	Percentage Owned (%)	Percentage Owned (%)
		2012	2011
ETU - Victorian Branch Trust	Australia	100	100
ETU - (Victorian Branch) Distress, Mortality & Training Fund	Australia	100	100
ETU (Distress, Mortality & Training) Pty Ltd	Australia	100	100
ETU Arden Trust	Australia	100	100
ETU Swanston Trust	Australia	100	100
ETU Morwell Trust	Australia	100	100
ETU Comrades Trust	Australia	100	100
ETU (Victorian Branch) Pty Ltd	Australia	100	100
ETU (National) Pty Ltd	Australia	100	100
Comrades Social Club Pty Ltd	Australia	100	100
ETU Pty Ltd	Australia	100	100

13 Property Plant and Equipment

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
LAND AND BUILDINGS				
Building				
At independent valuation	14,617,238	12,734,988	-	-
Accumulated depreciation	(103)	(463,131)	-	-
Total buildings	14,617,135	12,271,857	-	-
TOTAL LAND AND BUILDINGS	14,617,135	12,271,857	-	-
PLANT AND EQUIPMENT				
Capital works in progress				
At cost	78,000	-	78,000	-
Total capital works in progress	78,000	-	78,000	-
Furniture, fixtures and fittings				
At cost	4,713,360	4,648,697	4,713,360	4,648,697
Accumulated depreciation	(2,103,352)	(1,765,157)	(2,103,352)	(1,765,157)
Total furniture, fixtures and fittings	2,610,008	2,883,540	2,610,008	2,883,540
Motor vehicles				
At cost	961,136	843,058	961,136	843,058
Accumulated depreciation	(228,617)	(169,932)	(228,617)	(169,932)
Total motor vehicles	732,519	673,126	732,519	673,126
Office equipment				
At cost	459,889	483,533	459,889	483,533

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

Accumulated depreciation	(301,899)	(265,569)	(301,899)	(265,569)
Total office equipment	157,990	217,964	157,990	217,964
Computer equipment				
At cost	304,532	279,453	304,532	279,453
Accumulated depreciation	(230,337)	(167,972)	(230,337)	(167,972)
Total computer equipment	74,195	111,481	74,195	111,481
Other property, plant and equipment				
At cost	2,500	2,500	-	-
Total other property, plant and equipment	2,500	2,500	-	-
TOTAL PLANT AND EQUIPMENT	3,655,212	3,888,611	3,652,712	3,886,111
TOTAL PROPERTY, PLANT AND EQUIPMENT	18,272,347	16,160,468	3,652,712	3,886,111

In the current financial year property held by the economic entity was primarily owner-occupied for the full year.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

Parent

	Works in Progress	Buildings	Furniture, Fixtures and Fittings	Motor Vehicles	Office Equipment	Computer Equipment	Other Property, Plant and Equipment	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 31 December 2012								
Balance at the beginning of year	-	10,000,000	2,883,540	673,126	217,964	111,481	-	13,886,111
Additions	78,000	-	64,662	549,029	2,381	33,469	-	727,541
Disposals - written down value	-	(10,000,000)	-	(274,566)	(26,025)	(1,855)	-	(10,302,446)
Depreciation expense	-	-	(338,195)	(215,070)	(36,330)	(68,900)	-	(658,495)
Balance at 31 December 2012	78,000	-	2,610,007	732,519	157,990	74,195	-	3,652,711
Balance at 31 December 2011								
Balance at the beginning of year	-	-	3,164,745	578,745	170,259	39,323	-	3,953,072
Additions	-	8,000,000	89,676	490,778	95,282	123,596	-	8,799,332
Disposals - written down value	-	-	-	(231,344)	(7,999)	(11,645)	-	(250,988)
Depreciation expense	-	-	(370,881)	(165,053)	(39,578)	(39,793)	-	(615,305)
Revaluation increase recognised in equity	-	2,000,000	-	-	-	-	-	2,000,000
Balance at 31 December 2011	-	10,000,000	2,883,540	673,126	217,964	111,481	-	13,886,111

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

Movements in Carrying Amounts continued

Consolidated

	Works in Progress \$	Buildings \$	Furniture, Fixtures and Fittings \$	Motor Vehicles \$	Office Equipment \$	Computer Equipment \$	Other Property, Plant and Equipment \$	Total \$
Balance at 31 December 2012								
Balance at the beginning of year	-	22,271,857	2,883,540	673,126	217,964	111,481	2,500	26,160,468
Additions	78,000	-	64,662	549,029	2,381	33,469	-	727,541
Disposals - written down value	-	(10,000,000)	-	(274,566)	(26,025)	(1,855)	-	(10,302,446)
Depreciation expense	-	(223,043)	(338,195)	(215,070)	(36,330)	(68,900)	-	(881,538)
Revaluation increase recognised in equity	-	2,568,322	-	-	-	-	-	2,568,322
Balance at 31 December 2012	78,000	14,617,136	2,610,007	732,519	157,990	74,195	2,500	18,272,347
Balance at 31 December 2011								
Balance at the beginning of year	-	12,494,081	3,164,745	578,745	170,259	39,323	2,500	16,449,653
Additions	-	8,002,238	89,676	490,778	95,282	123,596	-	8,801,570
Disposals - written down value	-	-	-	(231,344)	(7,999)	(11,645)	-	(250,988)
Depreciation expense	-	(224,462)	(370,881)	(165,053)	(39,578)	(39,793)	-	(839,767)
Revaluation increase recognised in equity	-	2,000,000	-	-	-	-	-	2,000,000
Balance at 31 December 2011	-	22,271,857	2,883,540	673,126	217,964	111,481	2,500	26,160,468

The Economic Entity's land and buildings were revalued at 31 December 2012 by independent valuers. The 2011 valuation was performed by the Committee of Management. Valuations were made on the basis of open market value in an arms length transaction based on similar properties.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

14 Trade and other payables

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
CURRENT				
Unsecured liabilities				
Trade payables	299,334	433,013	270,588	324,445
Sundry payables and accrued expenses	9,331	-	-	-
GST payables	3,709	46,715	-	54,778
Other payables	85,705	83,962	85,705	83,962
Related party payables	-	-	5,483,464	11,667,601
Other payables	28,000	-	28,000	-
	426,079	563,690	5,867,757	12,130,786

15 Employee Entitlements

(a) Analysis of total Employee Entitlements

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Current	2,205,687	1,798,117	2,205,687	1,798,117
Non-current	43,900	46,347	43,900	46,347
	2,249,587	1,844,464	2,249,587	1,844,464

Consolidated

	Employee entitlements	Total
	\$	\$
Current		
Opening balance at 1 January 2012	1,844,464	1,844,464
Net movement in provisions	405,123	405,123
Balance at 31 December 2012	2,249,587	2,249,587

Parent

	Employee entitlements	Total
	\$	\$
Current		
Opening balance at 1 January 2012	1,844,464	1,844,464
Net movement in provisions	405,123	405,123
Balance at 31 December 2012	2,249,587	2,249,587

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

16 Other Liabilities

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
CURRENT				
Members contribution in advance	1,432,868	1,380,884	1,432,868	1,380,884
Accrued expense	1,164,725	986,754	1,164,724	986,754
Other liability - other	-	2,150	-	2,150
	2,597,593	2,369,788	2,597,592	2,369,788

17 Cash Flow Information

Reconciliation of net income to net cash provided by operating activities:

	Consolidated		Parent	
	2012	2011	2012	2011
	\$	\$	\$	\$
Net surplus/(deficit) for the year	1,731,721	4,821,423	453,277	1,123,494
Cash flows excluded from profit attributable to operating activities				
- IFRS adjustments on non-current financial instruments	35,042	44,711	(9,456)	7,504
Non-cash flows in profit:				
- depreciation	879,685	839,767	656,641	615,304
- net (gain)/loss on disposal of property, plant and equipment	(1,813,468)	(3,141,275)	(1,813,468)	16,156
- gift of corpus	-	-	975,289	-
Changes in assets and liabilities, net of the effects of purchase and disposal of controlled entities:				
- (increase)/decrease in trade and other receivables	(156,005)	(182,516)	(166,154)	(202,364)
- (increase)/decrease in inventories	121,672	39,937	121,672	39,937
- (increase)/decrease in other assets	(5,367)	4,604	15,420	2,313
- increase/(decrease) in trade and other payables	182,052	54,314	239,171	(32,580)
- increase/(decrease) in provisions	404,715	132,817	404,715	132,817
Net cashflow from operating activities	1,380,047	2,613,782	877,107	1,702,581

18 Reserves

The asset revaluation reserve records realised gains on revaluation of property, plant and equipment recorded at fair value. See Consolidated Statement of Changes in Equity (Page 11)

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

19 Key Management Personnel Compensation

(a) Compensation Practices

The committee's policy for determining the nature and amount of compensation for key management for the economic entity is as follows:

The compensation structure for key management personnel is governed by registered rules of the Electrical Division of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia. This information is publicly available from other sources. For details of remuneration disclosures, refer to Note 4(d): Disclosure of remuneration of Elected Officials.

(b) Key Management Personnel

Names and positions held of key management personnel in office at any time during the financial year are:

Key Management Person	Position
Dean Mighell	State Secretary
Howard Worthing	Resigned as Assistant State Secretary on 22 September 2011
Troy Gray	Assistant State Secretary
Wesley Hayes	Assistant State Secretary
Gary Carruthers	President
Graeme Watson	Treasurer
Paul Swann	Vice President
Mark Farrell	Branch executive
Jeremy Barnard	Branch executive
Stephen O'Brien	Branch executive
Daniel Filazzola	Branch executive
Luke Peterson	Branch executive
Patrick Tutton	Branch executive

Key management personnel remuneration included within employee expenses for the year is shown below:

	2012	2011
	\$	\$
Short-term employee benefits	661,917	466,242
Post-employment benefits	115,080	111,280
	<u>776,997</u>	<u>577,522</u>

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

20 Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

(a) Identification of Related Parties Ultimate Parent Entity

The ultimate parent entity of Electrical Trades Union of Australia – Victorian Branch is the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia

(b) Related Parties

The Economic Entity's main related parties are as follows:

(i) Key management personnel:

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personnel.

For details of remuneration disclosures relating to key management personnel, refer to Note 19: Key Management Personnel Compensation.

(ii) Entities subject to significant influence by the economic entity:

An entity which has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

One or more nominees of the Electrical Trades Union of Australia – Victorian Branch sits on the following board:

- ElecNet (Aust) Pty Ltd, as trustee of the Electrical Industry Severance Scheme (trading as Protect)
- Protect Services Pty Ltd
- CoINVEST Ltd
- EPIC Industry Training Board
- Electrical Industry Foundation Trust
- Electrical Electronic Industry Training Ltd
- The Electrical Telecommunications and Renewable Energy Contractors Inc
- Industrial Printing & Publishing Pty Ltd

No director's fee has been received personally by the officers of the Union with respect to these boards.

(c) Other related parties

There have been no transactions with parties where immediate family members of key management personnel hold control or significant influence over that party.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

(d) Transactions with related parties

The following transactions occurred with related parties:

	2012 \$
Loans Receivable	
Industrial Printing & Publishing Pty Ltd	1,500,000
Debtor receivable	
ElecNet (Aust) Pty Ltd	23,750
The Electrical Telecommunications and Renewable Energy Contractors Inc	7,974
Electrical Electronic Industry Training Ltd	6,284
	-
	\$
	Net Inflow/ (outflow)
Industrial Printing & Publishing Pty Ltd	66,862
Trust distribution received	
Protect Services Pty Ltd	137,627
Reciprocal members fee paid net of administration fee received:	
The Electrical Telecommunications and Renewable Energy Contractors Inc	(366,274)
Service fee paid net of administration fee received:	
Electrical Electronic Industry Training Ltd	(374,915)
Director's fees received	
Industrial Printing & Publishing Pty Ltd	12,000
CoINVEST Ltd	43,502
ElecNet (Aust) Pty Ltd	259,091

21 Financial Risk Management

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

The Economic Entity's financial instruments consist mainly of deposits with banks, long term and short-term investments, accounts receivable and payable, bank overdrafts.

The Economic Entity does not have any derivative instruments as at 31 December 2012.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

21 Financial Risk Management continued

	Note	Consolidated		Parent	
		2012 \$	2011 \$	2012 \$	2011 \$
Financial Assets					
Cash and cash equivalents	6	14,276,399	9,229,840	3,275,439	6,463,342
Trade and other receivables	7	12,170,259	1,433,828	10,573,680	2,174,819
Held-to-maturity investments	11(d)	8,927,864	14,035,567	4,498,577	6,535,049
Available-for-sale financial assets:					
- at fair value					
- listed investments	11(c)	1,221,064	1,265,432	17,064	20,032
- at cost					
- unlisted investments	11(c)	225,757	225,757	225,769	225,770
Total available-for-sale financial assets		1,446,821	1,491,189	242,833	245,802
Total financial assets		36,821,343	26,190,424	18,590,529	15,419,012
Financial Liabilities					
Financial liabilities at amortised cost					
Trade and other payables	14	426,079	563,690	5,867,757	12,130,786
- Borrowings	6	-	22,149	-	22,149
Total financial liabilities		426,079	585,839	5,867,757	12,152,935

Financial risk management policies

The committee of management has overall responsibility for the establishment of the economic entity's financial risk management framework. This includes the development of policies covering specific areas such as interest rate risk, credit risk and the use of derivatives.

Specific financial risk exposures and management

The main risks the economic entity is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk and equity price risk.

Credit Risk

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

The Economic Entity has no significant concentration of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of Trade and Other Receivables are provided in Note 7.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

21 Financial Risk Management continued

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 7.

Liquidity risk

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

- preparing forward-looking cash flow analysis in relation to its operational, investing and financial activities which are monitored on a monthly basis;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and

Typically, the economic entity ensures that it has sufficient cash on demand to meet expected operational expenses.

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period, whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Economic Entity is also exposed to earnings volatility on floating rate instruments.

The Union is exposed to a variety of financial risks through its use of financial instruments.

This note discloses the Union's objectives, policies and processes for managing and measuring these risks.

The Union's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The Union does not speculate in financial assets.

The most significant financial risks to which the Union is exposed to are described below:

Specific risks

- Market risk - currency risk, cash flow interest rate risk and price risk
- Credit risk
- Liquidity risk

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

21 Financial Risk Management continued

Financial instruments used

The principal categories of financial instrument used by the Union are:

- Trade receivables
- Cash at bank
- Bank overdraft
- Investments in listed shares
- Trade and other payables
- Floating rate bank loans
- Bills of exchange

22 Capital Commitments

There was no material capital commitment as at balance date.

23 Contingent Liabilities and Contingent Assets

In the opinion of the Committee of Management, the Union did not have any material contingencies at 31 December 2012 (31 December 2011:None).

24 Events after the end of the Reporting Period

The financial report was authorised for issue on 27th June /2013 by the board of directors.

Mr Dean Mighell resigned as State Secretary of the Electrical Trades Union of Australia - Victorian Branch conclusion of the day 4 March, 2013.

Mr Troy Gray was appointed as State Secretary of the Electrical Trades Union of Australia - Victorian Branch effective from 5 March, 2013.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial years.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2012

25 Other Disclosures

(a) Fair Work (Registered Organisations) Act 2009

i Section 272

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

Information to be provided to members or the General Manager of Fair Work Australia:

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

26 Union Details

The registered office of and principal place of business of the union is:

Electrical Trades Union of Australia - Victorian Branch
200 Arden Street
NORTH MELBOURNE, VIC 3051



FAIR WORK
COMMISSION

18 January 2013

Mr Dean Mighell
Branch Secretary, ETU VICTORIA
Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services
Union of Australia - Electrical, Energy and Services Division - Victorian Divisional Branch
Sent by fax: (03) 8329 0066

Dear Mr Mighell,

Re: Lodgement of Financial Report - [FR2012/597]

Fair Work (Registered Organisations) Act 2009 (the RO Act)

The financial year of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - Electrical, Energy and Services Division - Victorian Divisional Branch (the reporting unit) ended on 31 December 2012.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date, namely 15 July 2013 (that is the period within 6 months and 14 days of the end of the financial year) under s.268 of the RO Act.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets regarding financial reporting under the RO Act are provided on the Fair Work Commission website at: [Financial Reporting Fact Sheets](#).

The documents can be emailed to orgs@fwc.gov.au. If it is envisaged that the financial report cannot be lodged by the due date you are requested to contact this office prior to the due date to discuss the issue.

It should be noted that s.268 is a civil penalty provision. Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$33,000 for a body corporate and \$6,600 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7936 or via email at robert.pfeiffer@fwc.gov.au.

Yours sincerely,

Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch

11 Exhibition Street
Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001

Telephone : (03) 8661 7777
Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
Prepare financial statements and Operating Report.		
(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.	/ /	As soon as practicable after end of financial year
(b) A #designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).		
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	Within a reasonable time of having received the GPFR (NB: Auditor's report must be dated on or after date of Committee of Management Statement)
Provide full report free of charge to members – s265 The full report includes: <ul style="list-style-type: none"> the General Purpose Financial Report (which includes the Committee of Management Statement); the Auditor's Report; and the Operating Report. 	/ /	(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting, or (b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.
Present full report to:		
(a) General Meeting of Members - s266 (1),(2); OR	/ /	Within 6 months of end of financial year
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	Within 6 months of end of financial year
Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268	/ /	Within 14 days of meeting

* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.