

27<sup>th</sup> April 2017



Mr Chris Enright  
Director – Regulatory Compliance Branch  
Fair Work Commission  
GPO Box 1994, Melbourne  
VIC 3001

Via email: [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au)

**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

Dear Mr Enright

**CEPU EE&S Division – VICTORIAN BRANCH  
Operating Reports as at 31 December 2013, 2014 & 2015  
– Reporting of Membership Numbers**

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

- Declaration correcting the membership figure reported in the operating reports for the reporting periods ending 31 December 2013, 2014 and 2015.

As you are aware, in response to the Fair Work Commission querying the reporting of CEPU membership figures, the CEPU instigated an independent audit of the membership figures reported in both its annual returns and annual committee of management operating reports. This audit was conducted by Stannards Accounting and overseen by retired Fair Work Commissioner, Mr Greg Harrison.

As a consequence of the independent audit, the Branch Executive in a meeting held on 27<sup>th</sup> April 2017 authorised the submission of a declaration to the FWC to correct the figures reported in the operating reports for the total members for the reporting periods ending 31 December 2013, 2014 and 2015.

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

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

Yours faithfully



Troy Gray  
Branch Secretary

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**Bendigo**

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Bendigo VIC 3550

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



**Electrical Trade Union of Australia  
Victorian Branch**

Communications, Electrical,  
Electronic, Energy, Information,  
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Services Union of Australia

**President**

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**Bendigo**

38 View Street  
Bendigo VIC 3550

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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 2013; 31 December 2014 and 31 December 2015, the full financial reports, including the operating reports, of the branch were lodged with the Fair Work Commission (FWC) in FR2013/495, FR2014/445 and FR2015/436 respectively.
- An independent audit report into the membership figures reported in the committee of management operating reports for the reporting periods 31 December 2013; 31 December 2014 and 31 December 2015, conducted by Stannards Accounting in 2016 (the Stannards audit), found the following variances with the figures reported in the operating reports:

As at 31 Dec	2013	2014	2015
Reported	18807	17864	18151
Audited	19357	18425	18120
Variance	550	561	-31

- On 27<sup>th</sup> April 2017, in response to the findings of the Stannards audit, the Branch Executive authorise the Branch Secretary to amend the committee of management operating reports for the years ended 31 December 2013, 31 December 2014 and 31 December 2015 to reflect the membership figures resulting from the Stannards audit.

Signed:

Name: Mr Troy Gray

Date: 27<sup>th</sup> April 2017





24 June 2016

Mr Troy Gray  
Branch Secretary  
Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied  
Services Union of Australia – Electrical, Energy and Services Division – Victorian Divisional  
Branch  
Level 1, 200 Arden Street  
NORTH MELBOURNE VIC 3051

via email: [troy@etu.asn.au](mailto:troy@etu.asn.au)

Dear Mr Gray

**Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied  
Services Union of Australia – Electrical, Energy and Services Division – Victorian  
Divisional Branch Financial Report for the year ended 31 December 2015 - [FR2015/436]**

I acknowledge receipt of the financial report for the year ended 31 December 2015 for 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). The financial report was lodged with the Fair Work Commission (FWC) on 30 May 2016. I also acknowledge the supplementary information provided to the FWC on 21 June 2016 in relation to the minutes of the meetings held on 26 May 2016

The financial report has now been filed. You are not required to take any further action in respect of the report lodged except for the requirement under the sub-heading Statement of Loans, Grants and Donations below.

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

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

**Statement of comprehensive income**

**Statement of Loans, Grants and Donations**

A Loans, Grants and Donations statement for the reporting unit was lodged with the FWC as required under subsection 237(1) of the RO Act on 25 March 2016. A figure for donations that exceeded \$1,000 was also supplied in the financial report however this figure for donations is different to the figure supplied on the Loans, Grants and Donations Statement.

Can you please confirm that the figure report in the Loans, Grants and Donations statement is correct, and if not, submit an amended statement.



## Reporting Requirements

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

Should you wish to discuss 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 (03) 8656 4681 or by email at [joanne.fenwick@fwc.gov.au](mailto:joanne.fenwick@fwc.gov.au).

Yours sincerely



Joanne Fenwick  
Financial Reporting Specialist  
Regulatory Compliance Branch

**Electrical Trades Union of Australia -  
Victorian Branch**

**Consolidated Financial Statements**

**For the Year Ended 31 December 2015**

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## **OPERATING REPORT**

**For the year ended 31 December 2015**

Your committee presents its report on the Union and its controlled entities for the financial year ended 31 December 2015.

### **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 Executive at any time during, or since the end of, the year are:

Troy Gray	– State Secretary
Wesley Hayes (Appointed 15/11/15)	– Assistant State Secretary
Ivan Balta (Appointed 15/11/15)	– Assistant State Secretary
Gary Carruthers	– President
Graeme Watson	– Treasurer
Paul Swann	– Vic President
Jim Theodosiou (Appointed 24/09/2015)	– Branch Executive
Jeremy Barnard	– Branch Executive
Stephen O'Brien	– Branch Executive
Daniel Filazzola	– Branch Executive
Luke Peterson (Resigned 24/09/15)	– Branch Executive
Patrick Tutton	– Branch Executive
Ken Purdham	– Branch Executive

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:

Troy Gray

#### **c. Number of members**

The number of persons who were members at the end of the financial year was 18,151 (2014: 18,482).

#### **d. Number of employees**

The number of persons, who were, at the end of the financial year to which the report relates, full time equivalent employees of the reporting unit was 42 (2014: 45).

#### **e. 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;

**OPERATING REPORT (CONT.)**

**For the year ended 31 December 2015**

- 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 designed to support organizing;
- 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 above activities were successfully achieved or in progress during the financial year.

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 Organizations) Act 2009; by providing written notice addressed and delivered to the State 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 – Review of operations**

The consolidated profit / (loss) of the Union for the financial year amounted to \$2,594,373 profit (2014: \$1,630,264 profit).

**3. Other items**

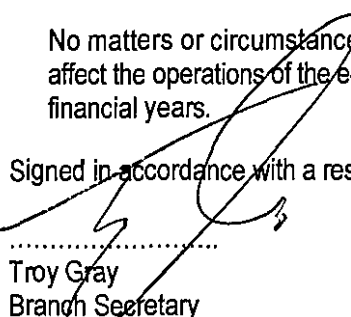
**a. Significant changes in the financial affairs**

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

**b. Events after the reporting date**

No 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.

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

  
.....  
Troy Gray  
Branch Secretary

Dated this 26<sup>th</sup> day of May 2016



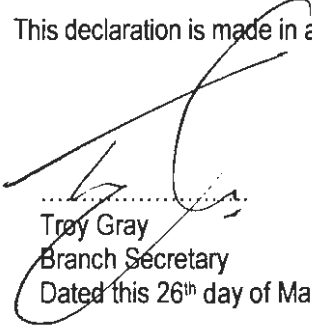
**STATEMENT BY COMMITTEE OF MANAGEMENT**  
**For the year ended 31 December 2015**


On the 26 May 2016 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 2015.

The Electrical Trades Union of Australia - Victorian Branch declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (c) the financial statements 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, 2015;
- (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 2015 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.

  
Troy Gray  
Branch Secretary  
Dated this 26<sup>th</sup> day of May 2016

  
Graeme Watson  
Treasurer

**CERTIFICATE BY BRANCH SECRETARY  
For the year ended 31 December 2015**

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 for the Electrical Trades Union of Australia — Victorian Branch for the period ended 31 December 2015, referred to in Section 268 of the Fair Work (Registered Organisations) Act 2009; and
- (b) the full report was provided to members of the Union on 26 May 2016; and
- (c) the full report was presented to the Committee of Management of the reporting unit on 26 May 2016 in accordance with Section 266 of the Fair Work (Registered Organisations) Act 2009.



.....  
Troy Gray  
Branch Secretary

Dated this 26<sup>th</sup> day of May 2016

## INDEPENDENT AUDITOR'S 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 2015, and the consolidated statement of 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 directors' declaration of the consolidated entity comprising the union 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 are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 and for such internal control as the committee determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the committee also state, 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. These Auditing 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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.

#### **THE POWER OF BEING UNDERSTOOD**

#### **AUDIT | TAX | CONSULTING**

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which operates in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 16 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

### *Independence*

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies and the Fair Work (Registered Organisations) Act 2009.

### *Opinion*

In our opinion:

- (a) the financial report of Electrical Trades Union of Australia – Victorian Branch is in accordance with the Fair Work (Registered Organisations) Act 2009, including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards; and
- (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1

### *Going Concern*

The auditor declares that as part of the audit of the financial statements, it was concluded that management's use of the going concern basis of accounting in the preparation of the consolidated entity's financial statements is appropriate.

### *Approved Auditor*

The auditor declares that he is an approved auditor who is a member of The Institute of Chartered Accountants in Australia and New Zealand and holds a current Public Practice Certificate.

A handwritten signature in blue ink, appearing to read 'RSM'.

**RSM AUSTRALIA PTY LTD**

A handwritten signature in blue ink, appearing to read 'R B Miano'.

**R B MIANO**

Partner

Fellow - Chartered Accountants (Australia & New Zealand)

Dated: 26 May 2016

Melbourne, VIC

**STATEMENT OF COMPREHENSIVE INCOME**  
For the year ended 31 December 2015

	Notes	Consolidated		Parent	
		2015	2014	2015	2014
		\$	\$	\$	\$
Revenue	2(a)	15,423,029	16,380,386	10,854,999	11,372,537
Other income	2(b)	5,392,318	4,387,008	5,772,411	5,639,296
Employee benefits expenses	4	(9,438,837)	(9,204,510)	(6,940,346)	(6,868,347)
Depreciation and amortisation expense		(977,898)	(954,336)	(597,407)	(618,228)
Other expenses	5	(7,804,239)	(8,978,284)	(6,057,859)	(7,237,300)
<b>Profit/(loss) before income tax</b>		<b>2,594,373</b>	<b>1,630,264</b>	<b>3,031,798</b>	<b>2,287,958</b>
Income tax expense		-	-	-	-
<b>Profit/(loss) for the year</b>		<b>2,594,373</b>	<b>1,630,264</b>	<b>3,031,798</b>	<b>2,287,958</b>
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the year</b>		<b>2,594,373</b>	<b>1,630,264</b>	<b>3,031,798</b>	<b>2,287,958</b>
Comprehensive income attributable to members of the parent entity		2,482,905	1,457,636	3,031,798	2,287,958
Comprehensive income attributable to outside equity interest		111,468	172,628	-	-

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

**STATEMENT OF FINANCIAL POSITION**  
As at 31 December 2015

	Notes	Consolidated		Parent	
		2015	2014	2015	2014
		\$	\$	\$	\$
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents	6	14,782,448	22,169,976	7,074,350	12,042,390
Trade and other receivables	7	3,714,260	1,309,873	7,826,864	1,853,950
Inventories	8	109,175	87,274	109,175	87,274
Other current assets	9	147,734	243,708	103,294	207,350
<b>Total current assets</b>		<b>18,753,617</b>	<b>23,810,831</b>	<b>15,113,683</b>	<b>14,190,964</b>
<b>Non-Current Assets</b>					
Trade and other receivables	7	634,732	1,884,732	634,732	534,732
Financial assets	10	17,301,198	11,251,154	12,442,616	7,686,566
Property, plant and equipment	12	20,318,399	17,931,697	3,394,899	3,632,766
Intangibles	13	235,427	-	235,427	-
Investments accounted for using the equity method	14	29,751	29,751	29,751	29,751
<b>Total non-current assets</b>		<b>38,519,507</b>	<b>31,097,334</b>	<b>16,737,425</b>	<b>11,883,815</b>
<b>Total Assets</b>		<b>57,273,124</b>	<b>54,908,165</b>	<b>31,851,108</b>	<b>26,074,779</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Trade and other payables	15	3,646,288	3,337,686	14,248,906	11,342,850
Employee provisions	16	3,826,178	3,922,287	3,334,074	3,495,599
<b>Total current liabilities</b>		<b>7,472,466</b>	<b>7,259,973</b>	<b>17,582,980</b>	<b>14,838,449</b>
<b>Non-Current Liabilities</b>					
Employee provisions	16	5,932	-	-	-
<b>Total non-current liabilities</b>		<b>5,932</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>7,478,398</b>	<b>7,259,973</b>	<b>17,582,980</b>	<b>14,838,449</b>
<b>Net assets</b>		<b>49,794,726</b>	<b>47,648,192</b>	<b>14,268,128</b>	<b>11,236,330</b>
<b>EQUITY</b>					
Reserves		2,865,546	2,865,546	-	-
Accumulated surplus		46,742,359	44,526,089	14,268,128	11,236,330
Equity attributable to members of the parent entity		49,607,905	47,391,635	14,268,128	11,236,330
Outside equity interests in controlled entities		186,821	256,557	-	-
<b>Total equity</b>		<b>49,794,726</b>	<b>47,648,192</b>	<b>14,268,128</b>	<b>11,236,330</b>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

**STATEMENT OF CHANGES IN EQUITY**  
For the year ended 31 December 2015

2014 Consolidated	Accumulated Surplus	Asset Revaluation	Other Reserves	Total Equity
	\$	\$	\$	\$
Balance at 1 January 2014	36,770,157	2,865,546	6,827,358	46,463,061
Transfer between accumulated surplus and other reserves	6,827,358	-	(6,827,358)	-
Profit/(loss) for the year	1,630,264	-	-	1,630,264
Distribution to beneficiaries	(445,133)	-	-	(445,133)
Other Comprehensive income	-	-	-	-
<b>Balance at 31 December 2014</b>	<b>44,782,646</b>	<b>2,865,546</b>	<b>-</b>	<b>47,648,192</b>

2015 Consolidated	Accumulated Surplus	Asset Revaluation	Other Reserves	Total Equity
	\$	\$	\$	\$
Balance at 1 January 2015	44,782,646	2,865,546	-	47,648,192
Profit/(loss) for the year	2,594,373	-	-	2,594,373
Distribution to beneficiaries	(447,839)	-	-	(447,839)
Other Comprehensive income	-	-	-	-
<b>Balance at 31 December 2015</b>	<b>46,929,180</b>	<b>2,865,546</b>	<b>-</b>	<b>49,794,726</b>

2014 Parent	Accumulated Surplus	Asset Revaluation	Other Reserves	Total Equity
	\$	\$	\$	\$
Balance at 1 January 2014	8,948,372	-	-	8,948,372
Profit/(loss) for the year	2,287,958	-	-	2,287,958
<b>Balance at 31 December 2014</b>	<b>11,236,330</b>	<b>-</b>	<b>-</b>	<b>11,236,330</b>

2015 Parent	Accumulated Surplus	Asset Revaluation	Other Reserves	Total Equity
	\$	\$	\$	\$
Balance at 1 January 2015	11,236,330	-	-	11,236,330
Profit/(loss) for the year	3,031,798	-	-	3,031,798
<b>Balance at 31 December 2015</b>	<b>14,268,128</b>	<b>-</b>	<b>-</b>	<b>14,268,128</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.



**CASH FLOW STATEMENT**  
For the year ended 31 December 2015

	Notes	Consolidated		Parent	
		2015	2014	2015	2014
		\$	\$	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers		15,098,870	17,228,836	7,799,825	17,691,523
Payments to suppliers and employees		(16,963,211)	(19,402,180)	(10,171,519)	(13,976,379)
Interest received		756,691	1,064,372	353,491	394,748
Net cash provided by/(used in) operating activities	17	<u>(1,107,650)</u>	<u>(1,108,972)</u>	<u>(2,018,203)</u>	<u>4,109,892</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from sale of property plant and equipment		2,916,670	11,317,983	2,894,760	10,149,587
Purchase of property, plant and equipment		(3,725,872)	(653,128)	(692,051)	(520,323)
Purchase of intangibles		(235,427)	-	(235,427)	-
Purchase of financial assets		(6,109,226)	(4,582,545)	(4,817,120)	(7,686,547)
Proceeds from maturity of financial assets		71,816	4,815,214	-	-
Net proceeds / (payments) to related parties		1,250,000	118,640	(100,000)	(31,360)
Net cash provided by/(used in) investing activities		<u>(5,832,039)</u>	<u>11,016,164</u>	<u>(2,949,837)</u>	<u>1,911,357</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Beneficiary payments		(447,839)	(445,133)	-	-
Net cash provided by/(used in) financing activities		<u>(447,839)</u>	<u>(445,133)</u>	<u>-</u>	<u>-</u>
<b>Net increase/(decrease) in cash held</b>		<b>(7,387,528)</b>	<b>9,462,059</b>	<b>(4,968,040)</b>	<b>6,021,249</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>22,169,976</b>	<b>12,707,917</b>	<b>12,042,390</b>	<b>6,021,141</b>
<b>Cash and cash equivalents at end of year</b>	6	<u><b>14,782,448</b></u>	<u><b>22,169,976</b></u>	<u><b>7,074,350</b></u>	<u><b>12,042,390</b></u>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

## NOTES OF THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

### 1. Summary of significant accounting policies

Electrical Trades Union of Australia - Victorian Branch is a registered trade union domiciled in Australia.

#### a. Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisations) Act 2009. For the purpose of preparing the general purpose financial statements, the Electrical Trade Union of Australia – Victorian Branch is a not for profit entity.

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

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

#### b. Comparative amounts

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

#### c. Principles of consolidation

The consolidated financial statements comprise 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.

##### *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.

During the year ended 31 December 2015, there were no assets or liabilities acquired through any business combination.

##### *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 from the provision of membership subscriptions is recognised on a straight line basis over the financial year and is only recognised for financial members.

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.

**NOTES OF THE FINANCIAL STATEMENTS (CONT.)**

**For the year ended 31 December 2015**

**1. Summary of significant accounting policies (Cont.)**

**d. Revenue and other income (Cont.)**

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

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

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

Donation income is recognised when it is received.

**e. Taxation**

Electrical Trades Union of Australia – Victoria Branch is exempt from income tax under section 50.1 of the *Income Tax Assessment Act 1997* however still has an obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenue, expenses and assets are recognized net of GST except:

- Where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- For receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to the Australian Taxation Office is classified within operating cash flows.

**f. Cash and Cash Equivalents**

Cash is recognized at its nominal amount. 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.

**g. Inventories**

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

**h. 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.

**NOTES OF THE FINANCIAL STATEMENTS (CONT.)**

**For the year ended 31 December 2015**

**1. Summary of significant accounting policies (Cont.)**

**h. Property, Plant and Equipment (Cont.)**

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.

*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:

<b>Class of Fixed Asset</b>	<b>Depreciation rate</b>
Buildings	2.50%
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.

**i. Intangibles**

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortisation is recognized on a straight-line basis over their estimated useful life. The estimated useful lives and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Amortisation rates used for each class of amortizable assets are:

<b>Class of Intangibles</b>	<b>Amortisation rate</b>
Computer Software	33.33%

**NOTES OF THE FINANCIAL STATEMENTS (CONT.)**

**For the year ended 31 December 2015**

**1. Summary of significant accounting policies (Cont.)**

**i. Intangibles (Cont.)**

***Derecognition***

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in profit and loss when the asset is derecognized.

**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 instruments are measured as set out below.

***Classification and subsequent measurement***

Financial instruments are subsequently measured at fair value 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 the fair value of the financial instrument. In other circumstances, valuation techniques are adopted.

***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.

***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.

**NOTES OF THE FINANCIAL STATEMENTS (CONT.)**  
**For the year ended 31 December 2015**

**1. Summary of significant accounting policies (Cont.)**

**k. Financial Instruments (Cont.)**

*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.

*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.

**l. Impairment of Assets**

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.

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

**NOTES OF THE FINANCIAL STATEMENTS (CONT.)**

**For the year ended 31 December 2015**

**1. Summary of significant accounting policies (Cont.)**

**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. Investments in associate using the equity method of accounting**

Associates are those entities over which the Union exercises significant influence, but not control. Investments in associates are accounted for in the financial statements using the equity method. Under this method, the Union's share of the post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the cost of the investment.

**q. Standards not yet effective**

At the date of this financial report, AASB 9, AASB 2015-3, AASB 2015-1C, AASB 2015-2, AASB 15, AASB 2014-5, AASB 2014-7, AASB 2014-4, AASB 2014-9 and AASB 2014-10 which may impact the entity in the period of initial application, have been issued but are not yet effective. These new standards and interpretations have not been applied in the preparation of this financial report. Other than changes to disclosure formats, it is not expected that the initial application of these standards and interpretations in the future will have any material impact.

There were no new standards adopted for the first time by the consolidated entity in the year ended 31 December 2015.

**r. Going concern**

The entity is not reliant on financial support from another reporting entity to enable the entity to operate as a going concern or any other financial support.

There were no assets or liabilities acquired as a result of amalgamation, restructure, the granting or revocation of a certificate under s.245 or s.249 of Fair Work (Registered Organisations) Act 2009.

The entity did not provide any financial support to another reporting entity to enable that reporting entity to continue as a going concern.

**s. Significant accounting estimates and judgements**

The consolidated entity makes certain estimates and assumptions concerning the future, which, by definition will seldom represent actual results. During the year ended 31 December 2015, there were no such significant estimates and assumptions made that could have a material impact on the assets and liabilities in future financial years.



**NOTES OF THE FINANCIAL STATEMENTS (CONT.)**  
**For the year ended 31 December 2015**

	Consolidated		Parent	
	2015	2014	2015	2014
	\$	\$	\$	\$
<b>2. REVENUE</b>				
<b>(a) Revenue from continuing operations</b>				
Sales revenue				
- Sale of goods	37,364	28,009	37,364	28,009
Finance income				
- interest received	756,691	1,064,375	353,491	394,748
Other revenue				
- member subscriptions	8,142,350	8,079,156	8,142,350	8,079,156
- management fees	2,321,794	2,870,624	2,321,794	2,870,624
- administration income	4,105,943	4,057,517	-	-
- training income	58,887	280,705	-	-
	<u>14,628,974</u>	<u>15,288,002</u>	<u>10,464,144</u>	<u>10,949,780</u>
	<u><b>15,423,029</b></u>	<u><b>16,380,386</b></u>	<u><b>10,854,999</b></u>	<u><b>11,372,537</b></u>
<b>(b) Other Income</b>				
Profit on sale of fixed assets	2,555,398	2,238,546	2,562,249	2,008,628
Rental income	425,460	423,361	13,039	57,608
Recoveries	214,419	188,533	214,419	188,533
Sundry income	418,943	367,423	304,214	324,915
Directors Fees	203,100	197,895	203,100	197,895
Trust distributions	1,574,998	971,250	2,475,390	2,861,717
Capitation fees	-	-	-	-
Grants or donations	-	-	-	-
Compulsory Levies	-	-	-	-
	<u>5,392,318</u>	<u>4,387,008</u>	<u>5,772,411</u>	<u>5,639,296</u>
<b>3. AUDITOR'S REMUNERATION</b>				
Remuneration of RSM Australia as the auditor of the parent entity for:				
- audit of the financial statements	36,000	51,899	36,000	51,899
- other services	5,000	4,000	5,000	4,000
Remuneration of RSM Australia as the auditor of controlled entities for:				
- audit of the financial statements of controlled entities	28,000	19,730	-	-
- other services	37,539	18,600	-	-
	<u>106,539</u>	<u>94,228</u>	<u>41,000</u>	<u>55,899</u>

**NOTES OF THE FINANCIAL STATEMENTS (CONT.)**  
**For the year ended 31 December 2015**

Consolidated	
2015	2014
\$	\$

**4. EMPLOYEE BENEFITS EXPENSE**

**(a) Employee benefits to Office Holders**

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:

Wages and salaries (i)	419,846	521,709
Annual and long service leave	30,052	41,390
Personal leave	9,112	3,045
Superannuation	82,975	94,793
	<b>541,985</b>	<b>660,937</b>

(i) For the year ended 31 December 2015, there were no separation / redundancy expenses paid in respect of office holders (FY 2014: \$0).

**(b) Employee benefits to employees other than Office Holders**

Wages and salaries (i)	6,749,686	6,306,115
Annual and long service leave	349,834	377,626
Personal leave	66,884	2,559
Superannuation	977,390	910,799
	<b>8,143,794</b>	<b>7,597,099</b>

(i) For the year ended 31 December 2015, this figure includes wages and salaries of \$6,321,046 (FY 2014: \$6,297,547) and redundancy payments of \$428,640 (FY 2014: \$8,568).

**(c) Other employee expenses**

FBT and payroll tax	569,732	473,174
Workcover expenses	75,731	53,320
Training expenses	67,196	395,958
Health benefit expenses	40,399	24,022
Capitation fees	-	-
Affiliation fees	-	-
	<b>753,058</b>	<b>946,474</b>

**Total employee benefits expenses**

	<b>9,438,837</b>	<b>9,204,510</b>
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**(d) Disclosure of remuneration of Elected Officials**

State secretary	174,760	193,627
Assistant state secretary	314,958	176,190
Organisers	2,751,669	2,381,730
	<b>3,241,386</b>	<b>2,751,547</b>

NOTES OF THE FINANCIAL STATEMENTS (CONT.)  
For the year ended 31 December 2015

	Consolidated		Parent	
	2015	2014	2015	2014
	\$	\$	\$	\$
<b>5. OTHER EXPENSES</b>				
<b>Other expenses includes the following amounts:</b>				
Bad and doubtful debts (a)	-	-	-	-
Legal expenses (b)	466,935	370,859	466,689	368,444
Grants and Donations (c)	333,386	662,459	308,368	660,277
Loss on sale of fixed assets	-	-	-	-
Computer related costs	146,264	185,973	131,282	164,401
Motor vehicle costs	281,904	296,969	223,381	233,137
Consultants	524,502	404,970	434,439	368,168
Printing costs	449,171	418,958	449,171	416,194
Ambulance membership costs	370,322	322,789	370,322	322,789
Publication costs	353,164	423,247	218,013	283,219
CEPU Nat. Office - Sustentation	1,037,899	974,132	1,037,899	974,132
Meeting costs (d)	126,704	97,388	114,909	94,219
Penalties - via RO Act or RO Regulations	-	-	-	-
Compulsory levies	-	-	-	-
Capitation fees	-	-	-	-
Affiliation fees	-	-	-	-
Consideration to employers for payroll deductions	-	-	-	-
Impairment expense	-	196,000	-	196,000
	<u>4,090,251</u>	<u>4,353,744</u>	<u>3,754,473</u>	<u>4,080,980</u>

(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 (Parent) both in pursuing industrial matters and in other activities associated with the operations of the union (Parent).

Description	2015	2014
	\$	\$
Litigation	263,212	186,389
Other legal matters	203,477	182,055
<b>TOTAL</b>	<u>466,689</u>	<u>368,444</u>

(c) Political Funding and Other Donations

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

	2015	2014
	\$	\$
Grants	-	-
Donations:		
Total paid that were \$1,000 or less	55,020	47,597
Total paid that exceeded \$1,000	253,348	612,680
<b>TOTAL</b>	<u>308,368</u>	<u>660,277</u>

(d) There were no fees or allowances paid to persons in respect of their attendance as representatives of the Branch at meetings.

**NOTES OF THE FINANCIAL STATEMENTS (CONT.)**  
**For the year ended 31 December 2015**

Notes	Consolidated		Parent	
	2015	2014	2015	2014
	\$	\$	\$	\$
<b>6. CASH AND CASH EQUIVALENTS</b>				
Cash on hand	4,556	5,233	4,600	4,600
Cash at bank	3,927,892	3,914,743	2,469,750	3,037,790
Short-term bank deposits	10,850,000	18,250,000	4,600,000	9,000,000
	<u>14,782,448</u>	<u>22,169,976</u>	<u>7,074,350</u>	<u>12,042,390</u>
<b>7. TRADE AND OTHER RECEIVABLES</b>				
<b>Current</b>				
Trade receivables	3,600,180	1,291,822	3,233,550	615,552
Provision for Impairment	-	-	-	-
	<u>3,600,180</u>	<u>1,291,822</u>	<u>3,233,550</u>	<u>615,552</u>
Other receivables	24,113	18,051	245,307	469,485
Controlled entity receivable	-	-	4,304,134	768,913
Accrued interest	89,967	-	43,873	-
	<u>3,714,260</u>	<u>1,309,873</u>	<u>7,826,864</u>	<u>1,853,950</u>
<b>Non-current</b>				
Related party receivable	19(e) -	1,350,000	-	-
Unpaid trust distributions	534,732	534,732	534,732	534,732
Other receivables	100,000	-	100,000	-
	<u>634,732</u>	<u>1,884,732</u>	<u>634,732</u>	<u>534,732</u>
There is no receivable owing from another reporting unit as at 31 December 2015.				
<b>8. INVENTORIES</b>				
Merchandise	109,175	87,274	109,175	87,274
	<u>109,175</u>	<u>87,274</u>	<u>109,175</u>	<u>87,274</u>
<b>9. OTHER CURRENT ASSETS</b>				
Prepayments	147,734	229,976	103,294	207,350
Other assets	-	13,732	-	-
	<u>147,734</u>	<u>243,708</u>	<u>103,294</u>	<u>207,350</u>

**NOTES OF THE FINANCIAL STATEMENTS (CONT.)**  
**For the year ended 31 December 2015**

	Consolidated		Parent	
	2015	2014	2015	2014
	\$	\$	\$	\$
<b>10. FINANCIAL ASSETS</b>				
Available for sale financial assets (a)	6,533,304	3,557,640	4,694,771	1,993,040
Other investments (b)	7	7	7	19
Held to maturity financial assets (c)	10,767,887	7,693,507	7,747,838	5,693,507
	17,301,198	11,251,154	12,442,616	7,686,566
 (a) Available for sale financial assets comprise				
Listed investments - fair value	5,530,409	3,257,571	3,691,876	1,692,971
Unlisted investments - fair value	1,002,895	300,069	1,002,895	300,069
	6,533,304	3,557,640	4,694,771	1,993,040
 (b) Other investments comprises				
Unlisted investments				
- shares in controlled entities - cost	-	-	-	12
- shares in other related parties - cost	7	7	7	7
	7	7	7	19
 (c) Held to maturity investment comprise				
Term deposits	6,058,521	4,000,002	4,038,472	4,000,002
Fixed interest securities	1,892,923	2,748,738	892,923	748,738
Bonds	2,816,443	944,767	2,816,443	944,767
	10,767,887	7,693,507	7,747,838	5,693,507

**11. CONTROLLED ENTITIES**

	Country of Incorporation	Percentage	Percentage
		Owned (%) 2015	Owned (%) 2014
ETU - Victorian Branch Trust	Australia	100	100
ETU - (Victorian Branch) Distress, Mortality & Trading Fund	Australia	100	100
ETU (Distress, Mortality & Trading) 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
Electrical Electronic Industry Training Ltd	Australia	100	100
Protect Services Pty Ltd	Australia	75	75

**NOTES OF THE FINANCIAL STATEMENTS (CONT.)**  
**For the year ended 31 December 2015**

	Consolidated		Parent	
	2015	2014	2015	2014
	\$	\$	\$	\$
<b>12. PROPERTY, PLANT AND EQUIPMENT</b>				
<b>LAND AND BUILDINGS</b>				
Buildings				
At independent valuation	13,690,000	13,690,000	-	-
Accumulated depreciation	(732,824)	(477,649)	-	-
<b>Total Buildings</b>	<b>12,957,176</b>	<b>13,212,351</b>	-	-
<b>TOTAL LAND AND BUILDINGS</b>	<b>12,957,176</b>	<b>13,212,351</b>	-	-
<b>PLANT AND EQUIPMENT</b>				
Furnitures, fixtures and fittings				
At Cost	5,493,953	5,466,827	5,493,953	5,466,827
Accumulated depreciation	(3,083,593)	(2,784,448)	(3,083,593)	(2,784,448)
<b>Total Furnitures, fixtures and fittings</b>	<b>2,410,360</b>	<b>2,682,379</b>	<b>2,410,360</b>	<b>2,682,379</b>
Improvements				
At Cost	3,789,926	863,635	-	-
Accumulated depreciation	(88,538)	(55,474)	-	-
<b>Total Improvements</b>	<b>3,701,388</b>	<b>808,161</b>	-	-
Motor Vehicles				
At Cost	1,354,105	1,316,120	1,085,933	1,085,057
Accumulated depreciation	(384,623)	(395,022)	(292,658)	(326,979)
<b>Total Motor Vehicles</b>	<b>969,482</b>	<b>921,098</b>	<b>793,275</b>	<b>758,078</b>
Office equipment				
At Cost	525,893	610,163	382,768	359,105
Accumulated depreciation	(346,674)	(387,118)	(269,065)	(245,136)
<b>Total Office equipment</b>	<b>179,219</b>	<b>223,045</b>	<b>113,703</b>	<b>113,969</b>
Computer equipment				
At Cost	400,944	383,285	397,070	361,434
Accumulated depreciation	(322,670)	(301,122)	(319,509)	(283,094)
<b>Total Computer equipment</b>	<b>78,274</b>	<b>82,163</b>	<b>77,561</b>	<b>78,340</b>
Other property, plant and equipment				
At Cost	2,500	2,500	-	-
<b>Total Other property, plant and equipment</b>	<b>2,500</b>	<b>2,500</b>	-	-
<b>TOTAL PLANT AND EQUIPMENT</b>	<b>7,361,223</b>	<b>4,719,346</b>	<b>3,394,899</b>	<b>3,632,766</b>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>20,318,399</b>	<b>17,931,697</b>	<b>3,394,899</b>	<b>3,632,766</b>

NOTES OF THE FINANCIAL STATEMENTS (CONT.)  
For the year ended 31 December 2015

12. PROPERTY, PLANT AND EQUIPMENT (Cont.)

Movements in Carrying Amounts

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

Consolidated

	Works in Progress \$	Buildings \$	Furniture, Fixtures and Fittings \$	Motor Vehicles \$	Office Equipment \$	Computer Equipment \$	Other Plant and Equipment \$	Improvements \$	Total \$
<b>Balance at 1 January 2015</b>									
Balance at the beginning of year	-	13,212,351	2,682,379	921,098	223,045	82,163	2,500	808,161	17,931,697
Additions	-	-	27,125	696,107	28,971	47,378	-	2,926,291	3,725,872
Disposals - written down value	-	-	-	(358,228)	-	(3,044)	-	-	(361,272)
Depreciation expense	-	(255,175)	(299,144)	(269,495)	(72,797)	(48,223)	-	(33,064)	(977,898)
Revaluation increase recognised in equity	-	-	-	-	-	-	-	-	-
Balance at 31 December 2015	-	12,957,176	2,410,360	989,482	179,219	78,274	2,500	3,701,388	20,318,399
<b>Balance at 1 January 2014</b>									
Balance at the beginning of year	-	14,337,170	2,962,919	870,133	254,926	58,933	2,500	825,764	19,312,345
Additions	-	23,587	59,276	445,288	39,279	76,270	-	9,428	653,128
Disposals - written down value	-	(925,324)	-	(140,959)	-	(13,157)	-	-	(1,079,440)
Depreciation expense	-	(223,082)	(339,816)	(253,364)	(71,160)	(39,883)	-	(27,031)	(954,336)
Revaluation increase recognised in equity	-	-	-	-	-	-	-	-	-
Balance at 31 December 2014	-	13,212,351	2,682,379	921,098	223,045	82,163	2,500	808,161	17,931,697

Parent

	Works in Progress \$	Buildings \$	Furniture, Fixtures and Fittings \$	Motor Vehicles \$	Office Equipment \$	Computer Equipment \$	Other Plant and Equipment \$	Improvements \$	Total \$
<b>Balance at 1 January 2015</b>									
Balance at the beginning of year	-	-	2,682,379	758,078	113,969	78,340	-	-	3,632,766
Additions	-	-	27,125	593,081	23,664	48,181	-	-	692,051
Disposals - written down value	-	-	-	(329,467)	-	(3,044)	-	-	(332,511)
Depreciation expense	-	-	(299,144)	(228,417)	(23,930)	(45,916)	-	-	(597,407)
Balance at 31 December 2015	-	-	2,410,360	793,275	113,703	77,581	-	-	3,394,899
<b>Balance at 1 January 2014</b>									
Balance at the beginning of year	-	-	2,962,919	724,773	131,334	52,605	-	-	3,871,631
Additions	-	-	59,276	383,902	12,591	64,553	-	-	520,322
Disposals - written down value	-	-	-	(140,959)	-	-	-	-	(140,959)
Depreciation expense	-	-	(339,816)	(209,638)	(29,956)	(38,818)	-	-	(618,228)
Balance at 31 December 2014	-	-	2,682,379	758,078	113,969	78,340	-	-	3,632,766



NOTES OF THE FINANCIAL STATEMENTS (CONT.)  
For the year ended 31 December 2015

	Consolidated		Parent	
	2015	2014	2015	2014
	\$	\$	\$	\$
<b>13. INTANGIBLES</b>				
Computer software at cost:				
Purchased	235,427	-	235,427	-
Accumulated depreciation	-	-	-	-
Total computer software	<u>235,427</u>	<u>-</u>	<u>235,427</u>	<u>-</u>

**Movements in Carrying Amounts**

Movement in carrying amounts for each class of intangibles between the beginning and the end of the current financial year:

Consolidated	Computer	Total
	Software	
	\$	\$
<b>Balance at 1 January 2015</b>		
Balance at the beginning of year	-	-
Additions	235,427	235,427
Disposals - written down value	-	-
Depreciation expense	-	-
Balance at 31 December 2015	<u>235,427</u>	<u>235,427</u>

<b>Balance at 1 January 2014</b>		
Balance at the beginning of year	-	-
Additions	-	-
Disposals - written down value	-	-
Depreciation expense	-	-
Balance at 31 December 2014	<u>-</u>	<u>-</u>

Parent	Computer	Total
	Software	
	\$	\$
<b>Balance at 1 January 2015</b>		
Balance at the beginning of year	-	-
Additions	235,427	235,427
Disposals - written down value	-	-
Depreciation expense	-	-
Balance at 31 December 2015	<u>235,427</u>	<u>235,427</u>

<b>Balance at 1 January 2014</b>		
Balance at the beginning of year	-	-
Additions	-	-
Disposals - written down value	-	-
Depreciation expense	-	-
Balance at 31 December 2014	<u>-</u>	<u>-</u>

**NOTES OF THE FINANCIAL STATEMENTS (CONT.)**  
**For the year ended 31 December 2015**

	Consolidated		Parent	
	2015	2014	2015	2014
	\$	\$	\$	\$
<b>14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD</b>				
Investment in associate	225,751	225,751	225,751	225,751
Provision for impairment	(196,000)	(196,000)	(196,000)	(196,000)
	<b>29,751</b>	<b>29,751</b>	<b>29,751</b>	<b>29,751</b>
<b>15. TRADE AND OTHER PAYABLES</b>				
Unsecured liabilities				
Trade payables (i)	630,628	674,960	461,649	540,161
Other payables	257,304	172,045	45,750	49,476
Accrued expenses - general	732,097	417,931	659,012	350,000
Legal costs payable - litigation	-	34,669	-	34,669
Legal costs payable - other legal matters	-	-	-	-
Members contribution in advance	1,951,826	1,887,204	1,951,826	1,887,204
Related party payables	74,433	150,877	11,130,669	8,481,340
Consideration to employers for payroll deductions	-	-	-	-
Deposit received in advance	-	-	-	-
	<b>3,646,288</b>	<b>3,337,686</b>	<b>14,248,906</b>	<b>11,342,850</b>
(i) Trade payables includes payables to other reporting units:				
CEPU - Communications Division	23,299	49,669	23,299	49,669
CEPU - General Fund	-	28,079	-	28,079
CEPU - Electrical Division WA Branch	17,397	42,758	17,397	42,758
CEPU - Electrical Div S.A. Branch	1,671	14,388	1,671	14,388
CEPU - Tasmania Branch	7,196	17,024	7,196	17,024
	49,563	151,917	49,563	151,917
<b>16. EMPLOYEE PROVISIONS</b>				
Current - employee entitlements provision	3,826,178	3,922,287	3,334,074	3,495,599
Non-Current - employee entitlements provision	5,932	-	-	-
	<b>3,832,110</b>	<b>3,922,287</b>	<b>3,334,074</b>	<b>3,495,599</b>
The above current and non-current employee entitlements contain the following amounts:				
<i>Office Holders</i>				
Annual Leave	697,807	274,150	687,174	274,150
Long Service Leave	696,998	263,905	693,763	263,905
Retirement Benefit / Redundancy	1,353,994	464,501	1,353,994	464,501
	<b>2,748,799</b>	<b>1,002,556</b>	<b>2,734,931</b>	<b>1,002,556</b>
<i>Non Office Holders</i>				
Annual Leave	474,539	1,033,704	294,294	839,815
Long Service Leave	587,248	996,193	287,306	769,640
Retirement Benefit / Redundancy	21,524	889,834	17,543	883,588
	<b>1,083,311</b>	<b>2,919,731</b>	<b>599,143</b>	<b>2,493,043</b>
<b>Total employee entitlements</b>	<b>3,832,110</b>	<b>3,922,287</b>	<b>3,334,074</b>	<b>3,495,599</b>

Other than the above kinds of employee benefits liabilities, there were no other employee benefits liabilities to either of office holders or non office holders.

**NOTES OF THE FINANCIAL STATEMENTS (CONT.)**  
**For the year ended 31 December 2015**

	Consolidated		Parent	
	2015	2014	2015	2014
	\$	\$	\$	\$
<b>17. CASH FLOW INFORMATION</b>				
Net surplus/(deficit) for the year	2,594,373	1,630,268	3,031,798	2,287,961
Non-cash flows in profit				
- depreciation	977,898	954,336	597,407	618,228
- net (gain)/loss on disposal of PPE (a)	(2,555,398)	(2,238,545)	(2,562,249)	(2,008,628)
- net (gain)/loss on disposal of shares	(12,633)	-	61,070	-
- impairment expense	-	196,000	-	196,000
Changes in assets and liabilities, net of the effect of purchase and disposal of controlled entities:				
- (increase)/decrease in trade and other receivables	(2,404,388)	(231,636)	(5,972,915)	3,083,067
- (increase)/decrease in inventories	(21,901)	(27,902)	(21,901)	(27,902)
- (increase)/decrease in other assets	95,974	(54,753)	104,056	(177,337)
- increase/(decrease) in trade and other payables	308,602	(2,257,832)	2,906,056	(355,901)
- increase/(decrease) in provisions	(90,177)	921,092	(161,525)	494,404
Net cashflow from operating activities	<u>(1,107,650)</u>	<u>(1,108,972)</u>	<u>(2,018,203)</u>	<u>4,109,892</u>

(a) The gain in disposal of PPE includes additional sale proceeds from the sale of last years property.

(b) There was no reporting unit that was the source or application of cash flows.

(c) There were no funds or accounts (if any) operated in respect of compulsory levies or voluntary contributions.

(d) There were no investment of monies raised by compulsory levies or voluntary contributions.

(e) There was no fund or account (other than general fund) required by rules of organisation.

(f) There were no transfers or withdrawals from any specific purpose fund, account or controlled entity.

**18. COMMITMENTS**

**Operating lease commitments - as lessee**

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

Within one year	136,644	2,496	136,644	2,496
After one year but not more than five years	182,208	8,112	182,208	8,112
More than five years	-	-	-	-
	<u>318,852</u>	<u>10,608</u>	<u>318,852</u>	<u>10,608</u>

**Operating lease commitments - as lessor**

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

Within one year	565,688	311,245	-	-
After one year but not more than five years	1,844,486	1,282,374	-	-
More than five years	-	-	-	-
	<u>2,410,174</u>	<u>1,593,619</u>	<u>-</u>	<u>-</u>

**NOTES OF THE FINANCIAL STATEMENTS (CONT.)  
For the year ended 31 December 2015**

**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:

<b>Key Management Person</b>	<b>Position</b>
Troy Gray	State Secretary
Wesley Hayes	Assistant State Secretary
Ivan Balta	Assistant State Secretary
Gary Carruthers	President
Graeme Watson	Treasurer
Paul Swann	Vice President
Jim Theodosiou (Appointed 24/09/2015)	Branch executive
Jeremy Barnard	Branch executive
Stephen O'Brien	Branch executive
Daniel Filazzola	Branch executive
Luke Peterson (Resigned 24/09/2015)	Branch executive
Patrick Tutton	Branch executive
Ken Purdham	Branch executive
Phillip Carruthers (Resigned 31/12/2015)	Chief Operating Officer
Rodney Dalglish (Appointed 07/09/2015)	General Manager Business Services

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

	<b>2015</b>	<b>2014</b>
Short-term employee benefits	459,010	566,144
Post-employee benefits	82,975	94,793
	<u>541,985</u>	<u>660,937</u>

**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

**NOTES OF THE FINANCIAL STATEMENTS (CONT.)**  
**For the year ended 31 December 2015**

**20. RELATED PARTIES (CONT.)**

**(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 18: Key Management Personnel Compensation.

*(ii) Nominee related parties:*

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

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

**(d) Other Related Parties**

There have been no transactions with parties where immediate family members of key management personnel hold control or significant

**(e) Transactions with related parties**

The following transactions occurred with related parties:

	2015	2014
	\$	\$
<b>Loans receivable</b>		
Industrial Printing & Publishing Pty Ltd	-	1,350,000
	<b>Net Inflow/ (outflow)</b>	<b>Net Inflow/ (outflow)</b>
	\$	\$
EPIC Industry Training Board	(14,100)	(5,000)
<b>Reciprocal members fee paid net of administration fee received:</b>		
The Electrical Telecommunications and Renewable Energy Contractors Inc	-	(157,342)
<b>Director's fees received:</b>		
Industrial Printing & Publishing Pty Ltd	12,000	12,000
CoINVEST Ltd	40,558	40,444
ElecNet (Aust) Pty Ltd	150,541	145,491

There was no doubtful debts provisions provided for any of the above related party transactions.

**NOTES OF THE FINANCIAL STATEMENTS (CONT.)**  
**For the year ended 31 December 2015**

**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 2015.

**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 financial asset investments.

**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.

**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 economic entity's interest rate exposure is summarised as follows:

	<b>Weighted Average Floating Interest</b>		<b>Fixed Interest</b>
	<b>Interest Rate %</b>	<b>Rate</b>	<b>Rate</b>
		<b>2015</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>			
Short-term bank deposits	2.95%	10,850,000	-
Held-to-maturity investment	3.35%	7,951,444	2,816,443
		<b>18,801,444</b>	<b>2,816,443</b>
		<b>18,801,444</b>	<b>2,816,443</b>
	<b>Weighted Average Floating Interest</b>		<b>Fixed Interest</b>
	<b>Interest Rate %</b>	<b>Rate</b>	<b>Rate</b>
		<b>2014</b>	<b>2014</b>
		<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>			
Short-term bank deposits	3.65%	18,250,000	-
Held-to-maturity investment	3.55%	6,748,740	944,767
		<b>24,998,740</b>	<b>944,767</b>
		<b>24,998,740</b>	<b>944,767</b>

**NOTES OF THE FINANCIAL STATEMENTS (CONT.)**  
**For the year ended 31 December 2015**

**22. SEGMENT REPORTING**

The consolidated entity is organised into two operating segments: conducting of union activities and provision of administration services. These operating segments are based on the internal reports that are reviewed and used by the Committee in assessing performance and determining the allocation of resources. The operating segment analysis presented in these financial statements reflects operations analysis by business. It best describes the way the economic entity is managed and provides a meaningful insight into the business activities of the economic entity.

The following tables present details of revenue and operating profit by business segment as well as a reconciliation between the information disclosed for reportable segments and the aggregated information in the financial statements.

	<b>Administration Services</b>	<b>Union Services</b>	<b>Intersegment Eliminations</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>2015</b>				
Revenue from external customers	4,105,943	16,098,716	-	20,204,659
Intersegment revenue	-	159,549	(159,549)	-
Reportable segment profit before finance income and tax	445,872	2,292,202	(900,392)	1,837,682
Reportable segment assets	1,198,963	56,074,164	-	57,273,127
Reportable segment liabilities	1,051,109	6,427,289	-	7,478,398
<b>2014</b>				
Revenue from external customers	4,057,517	15,641,500	-	19,699,017
Intersegment revenue	-	153,559	(153,559)	-
Reportable segment profit before finance income and tax	690,513	1,765,849	(1,890,466)	565,896
Reportable segment assets	1,515,075	53,393,093	-	54,908,168
Reportable segment liabilities	1,179,359	6,080,613	-	7,259,972
<b>Reconciliation of reportable segment profit or loss</b>	<b>2015</b>	<b>2014</b>		
	<b>\$</b>	<b>\$</b>		
Total profit or loss for reportable segments	1,837,682	565,896		
Finance income	756,691	1,064,375		
Profit/(loss) before tax from continuing operations	<u>2,594,373</u>	<u>1,630,271</u>		



**NOTES OF THE FINANCIAL STATEMENTS (CONT.)**  
**For the year ended 31 December 2015**

**23. FAIR VALUE**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

At 31 December 2015	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Financial Assets</b>				
Listed investments - fair value	5,530,409	-	-	5,530,409
Unlisted investments - fair value	-	1,002,895	-	1,002,895
<b>Total financial assets</b>	<u>5,530,409</u>	<u>1,002,895</u>	<u>-</u>	<u>6,533,304</u>
<b>Financial Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>At 31 December 2014</b>				
<b>Financial Assets</b>				
Listed investments - fair value	3,257,571	-	-	3,257,571
Unlisted investments - fair value	-	300,069	-	300,069
<b>Total financial assets</b>	<u>3,257,571</u>	<u>300,069</u>	<u>-</u>	<u>3,557,640</u>
<b>Financial Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

**24. CONTINGENT LIABILITIES**

There were no contingent liabilities as at 31 December 2015 (31 December 2014: \$nil).

**25. EVENTS AFTER BALANCE DATE**

No 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.

**NOTES OF THE FINANCIAL STATEMENTS (CONT.)  
For the year ended 31 December 2015**

**26. Section 272 Fair Work (Registered Organisations) Act 2009**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1), (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).

**27. Union Details**

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

Electrical Trades Union of Australia - Victorian Branch  
Level 1, 200 Arden Street, NORTH MELBOURNE, VIC 3051



15 January 2016

Mr Troy Gray

Branch Secretary

Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - Electrical, Energy and Services Division - Victorian Divisional Branch

Sent via email: [etu@etu.asn.au](mailto:etu@etu.asn.au)

Dear Mr Gray,

**Re: Lodgement of Financial Report - [FR2015/436]  
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 2015.

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 under s.268 of the RO Act, namely 15 July 2016 (being the expiry date of 6 months and 14 days from the end of the financial year).

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 and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. Further, the General Manager's updated Reporting Guidelines that apply to all financial reports prepared on or after 30 June 2014 are also available on the website supported by a webinar presentation.

The Fair Work Commission has developed a model set of financial statements. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. The model statement and other resources can be accessed through our website under [Financial Reporting](#) in the Compliance and Governance section.

I request that the financial report and any statement of loans, grants or donations made during the financial year (statement must be lodged within 90 days of end of financial year) be emailed, rather than posted, to [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au). A sample statement of loans, grants or donations is available at [sample documents](#).

**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 \$51,000 for a body corporate and \$10,200 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you wish to seek any clarification in relation to the above, please contact me on (03) 8656 4699 or via email at [Sam.Gallichio@fwc.gov.au](mailto:Sam.Gallichio@fwc.gov.au).

Yours sincerely,

Sam Gallichio

Adviser

Regulatory Compliance Branch

## 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	/ /	<p>Within a reasonable time of having received the GPFR</p> <p>(NB: Auditor's report must be dated on or after date of Committee of Management Statement</p>
<p>Provide full report free of charge to members – s265</p> <p>The full report includes:</p> <ul style="list-style-type: none"> <li>the General Purpose Financial Report (which includes the Committee of Management Statement);</li> <li>the Auditor's Report; and</li> <li>the Operating Report.</li> </ul>	/ /	<p>(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,</p> <p>or</p> <p>(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.</p>
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.