



FAIR WORK
COMMISSION

2 April 2015

Mr Terry Noone
Federal Secretary
Musicians' Union of Australia

Sent by email: musiciansua@gmail.com

Dear Mr Noone

RE: Lodgement of Financial accounts and statements - Musicians' Union of Australia, Federal Office - for year ending 30 June 2009 (FR2009/10077)

I acknowledge receipt of the financial report of the Musicians' Union of Australia, Federal Office for the year ending 30 June 2009. The documents were lodged with the Fair Work Commission on 23 March 2015. I also acknowledge receipt of your letter dated 31 March 2015 providing additional information in relation to annual and long service leave expenses, cash flows from Branches and key management personnel compensation, and of an amended Operating Report.

The report was assessed against the 2nd edition of the Reporting Guidelines that applied in 2009 and the *Fair Work (Registered Organisations) Act 2009* ('the RO Act').¹

The report has now been filed. You are not required to take any further action in respect of the report lodged. However I make the following comments to assist you when you prepare the financial report for the year ending 30 June 2010. The Fair Work Commission will confirm these matters have been addressed prior to filing the next financial report.

References to legislation and FWC

The report contained references to the "RAO Schedule" or to the *Workplace Relations Act 1996* in the Operating Report and in the Committee of Management statement.² All legislative references in all documents in future reports must be to the current legislation, that is, the *Fair Work (Registered Organisations) Act 2009* or the *Fair Work (Registered Organisations) Regulations 2009*. Also reference in the Committee of Management statement to the 'Industrial Registrar' or 'Registrar' should now be 'General Manager'.

Auditor's report addressed to members

As I indicated in earlier advice, the Auditor's Statement was not addressed. Item 22³ of ASA700 states: "The auditor's report shall be addressed as required by the circumstances of the engagement."

¹ The RO Act commenced on 1 July 2009.

² In some circumstances, pursuant to item 622(2) of Part 9 of Schedule 22 of the *Fair Work (Transitional Provisions and Consequential Amendments) Act 2009* references to provisions of the RAO Schedule could be construed as references to the equivalent provisions of the RO Act. This applied for example to the 2nd edition of the Reporting Guidelines which retained references to the RAO Schedule until they were updated in the 3rd edition issued in June 2013. RAO references in the 2nd edition may have caused some confusion for those preparing reports in this transitional period, but to dispel doubt, reports from 2010 inclusive onwards should refer to the RO Act.

³ Prior to 2012, the relevant item of ASA700 as it then applied was paragraph 25.

Item A16 of ASA700⁴ provides: “Law or regulation often specifies to whom the auditor’s report is to be addressed in that particular jurisdiction. The auditor’s report is normally addressed to those for whom the report is prepared...”

In this instance (i.e. for the Federal Office) the report is prepared for the members of the organisation. Accordingly, the Auditor’s statement is required to be addressed to the Members of the Musicians’ Union of Australia.

Disclosure of employee benefits expenses to office holders and other employees

The Reporting Guidelines (2nd ed.) require reporting units to disclose in the profit and loss statement⁵ or in the notes to the financial statements employee benefits *expenses* to holders of office (item 11(g)) and employee benefits expenses to other employees (item 11(h)).

Disclosure of employee benefits provisions to office holders and other employees

The Reporting Guidelines (2nd ed.) also require either the balance sheet⁶ or the notes to disclose any *liability* for employee benefits in respect of office holders (item 14(c)) and other employees (item 14(d)).

Key management personnel compensation

Australian Accounting Standard *AASB 124 Related Party Disclosures* paragraph 17 requires the General Purpose Financial Report to disclose within the statements or the notes compensation paid to key management personnel.

This normally includes a listing of the key management personnel for the organisation, the total amount of compensation paid to all key management personnel, and then totals for each of the following categories:

- Short term employee benefits
- Post employment benefits
- Other long term employee benefits
- Termination benefits
- Any share based payments.

The definitions for these categories can be found within accounting standard *AASB 119: Employee Benefits*.

Related party disclosures

AASB 124 Related Party Disclosures paragraph 18 states that when an entity has had related party transactions during the reporting period it must disclose the nature of the related party relationship, as well as information about those transactions and outstanding balances including commitments. If there were no other related party transactions besides key management personnel compensation, the notes to the financial statements should include a specific entry stating that no other transaction with related parties has occurred during the reporting period.

Notes to the Balance Sheet

Item 13 of the Reporting Guidelines (2nd ed.) requires the disclosure of the name of any other reporting unit of the organization for which the balance sheet discloses a payable or receivable, and of the amount (cost or value) attributable to that reporting unit.

Notes to the Cash Flow Statement

Item 15 of the Reporting Guidelines (2nd ed.) states: “where another reporting unit of the organisation is the source of a cash inflow or the application of a cash outflow, such cash flow should be separately disclosed in the notes to the financial statements and show the name of the other reporting unit concerned”.

⁴ Prior to 2012, the relevant item of ASA700 as it then applied was paragraph 26

⁵ i.e. the statement of comprehensive income (as per AASB 101 issued from Sept. 2007)

⁶ i.e. the statement of financial position (as per AASB 101 issued from Sept. 2007)

Concluding remarks

The above comments relate to minimum requirements either omitted or not fully disclosed in the 2009 report and which were historically and typically included in FWC's assessment of reports in the period of years from 2009 to 2012. The comments do not cover other requirements which may have applied under applicable Australian Accounting Standards at that time. The report for 2010 should, as appropriate, reflect such other standards where they apply.⁷

On the FWC website a number of factsheets in relation to the financial reporting process are available. The model set of financial statements may assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

If you have any queries regarding this letter, please contact me via email at stephen.kellett@fwc.gov.au.

Yours sincerely,

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett
Senior Adviser, Regulatory Compliance Branch

⁷ Cf. par. 92 of AASB101 (re-classification adjustments); par. 122 of AASB101 (explanation of accounting estimates and judgments); paragraphs 14, 28 and 30 of AASB108 (new and future Accounting standards); AASB7 (Financial instruments)

Long Service Leave \$ 276.16

Employees

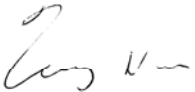
Holiday Pay \$2,208.57

Long Service Leave \$ 563.89

iv) Amended Operating report attached.

Please contact me if you have any questions.

Yours sincerely,



Terry Noone

Federal Secretary

Musicians' Union of Australia

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE ABN 99 561 356 238
AMENDED Operating Report For the year ended 30 June 2009

In accordance with sec. 254 of the Workplace Relations Act 1996 (the Act) your Committee Members submit the financial accounts of the MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE for the financial year ended 30 June 2009.

Your committee members submit the financial accounts of the MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE for the financial year ended 30 June 2009.

Committee Members

The names of committee members at the date of this report are:

Terry Noone
Glenn Price
Peter Davidson
Sam Moody
Gavan Anderson
Ken Laing

Principal Activities

The principal activities of the organisation during the year was to provide industrial, professional and managerial services to members consistent with the objects of the Union and particularly the object of protecting and improving the interests of the members. A review of these activities indicated that they were largely successful and produced the operating result indicated below. No significant change occurred in the nature of those activities during the year.

Operating Result

The operating result of the Federal Office amounted to

Year ended	30 June 2009	30 June 2008
	(\$13,730)	(\$7,445)

Significant Changes

There was no significant change in the financial affairs of the organisation during the year.

Rights of Members

All members have the right to resign from the Union in accordance with the Rules of the Union (and section 174 of the Workplace Relations Act); namely, by providing written notice addressed and delivered to the Secretary of the Branch.

Superannuation Officeholders

No officers and/or members of the organisation are directors of companies that are trustees of superannuation funds which require one or more of their directors to be a member of a registered organisation.

Other Prescribed Information

In accordance with Regulation 159 of the Workplace Relations (Registration & Accountability of Organisations) Regulations:

(a) The number of persons that were at the end of the financial year recorded in the register of members for sec. 230 of the RAO Schedule and who are taken to be members of the registered organisation under sec. 244 of the RAO Schedule was 989

(b) The number of persons who were at the end of the financial year employees of the organisation including both full-time and part-time employees measured on a full-time equivalent basis was: 0.60

(c) The names of those who have been members of the Committee of Management of the Union at any time during the financial year and the periods for which he or she held office were:

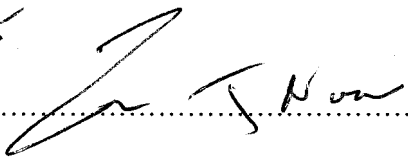
NAME	PERIOD
Reg Walsh	01/07/08 - 30/06/09
Gavan Anderson	01/07/08 - 30/06/09
Michael Fortescue	01/07/08 - 30/06/09
Denis Shelverton	01/07/08 - 30/06/09
Terry Noone	01/07/08 - 30/06/09
Bernice Claire Clark	01/07/08 - 30/06/09
Glenn Price	01/07/08 - 30/06/09
Sam Moody	01/07/08 - 30/06/09
Maurice Ledwith	01/07/08 - 02/08/08

Other Relevant Information

NIL”

Signed for and on behalf of the Members of the Committee of Management:

Date: 31/3/15

Signature: 

Title: Federal Secretary

**MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE
ABN 99 561 356 238**

**Financial Report
For the year ended 30 June 2009**

Ascensio Accountants

Suite 12, 116-120 Melbourne Street

NORTH ADELAIDE SA 5006

Phone: 08 8267 4800 Fax: 08 8239 0728

Email: nat@ascensio.com.au

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MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE

Secretary's Certificate For the year ended 30 June 2009

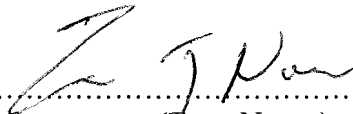
Secretary's Certificate S268 of Schedule 1B Workplace Relations Act 1996

I, Terry Noone, being Federal Secretary of the Musician's Union of Australia certify:

(i) That the documents attached are copies of the full report referred to in S268 of the RAO Schedule, and

(ii) That the full report was provided to the members of the Musician's Union of Australia

(iii) That the full report was presented to the a Meeting of the Federal Executive of the Musicians' Union of Australia being the Committee of Management for the Musician's Union of Australia Federal Office on 24 March 2015 in accordance with the rules of the Union and section 266 of the RAO Schedule

Signature: .....
(Terry Noone)

Title: Federal Secretary

Date: 24/3/15

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE ABN 99 561 356 238
Operating Report For the year ended 30 June 2009

In accordance with sec. 254 of the Workplace Relations Act 1996 (the Act) your Committee Members submit the financial accounts of the MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE for the financial year ended 30 June 2009.

Your committee members submit the financial accounts of the MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE for the financial year ended 30 June 2009.

Committee Members

The names of committee members at the date of this report are:

Terry Noone
Glenn Price
Peter Davidson
Sam Moody
Gavan Anderson
Ken Laing

Principal Activities

The principal activities of the association during the financial year were to provide industrial, professional and managerial services to members consistent with the objects of the Union and particularly the object of protecting and improving the interests of the members. No significant change in the nature of these activities occurred during the year.

Operating Result

The operating result of the Federal Office amounted to

Year ended 30 June 2009	30 June 2008
(\$13,730)	(\$7,445)

Rights of Members

All members have the right to resign from the Union in accordance with the Rules of the Union (and section 174 of the Workplace Relations Act); namely, by providing written notice addressed and delivered to the Secretary of the Branch.

Superannuation Officeholders

No officers and/or members of the organisation are directors of companies that are trustees of superannuation funds which require one or more of their directors to be a member of a registered organisation.

Other Prescribed Information

In accordance with Regulation 159 of the Workplace Relations (Registration & Accountability of Organisations) Regulations:

(a) The number of persons that were at the end of the financial year recorded in the register of members for sec. 230 of the RAO Schedule and who are taken to be members of the registered organisation under sec. 244 of the RAO Schedule was 989

(b) The number of persons who were at the end of the financial year employees of the organisation including both full-time and part-time employees measured on a full-time equivalent basis was: 0.60

(c) The names of those who have been members of the Committee of Management of the Union at any time during the financial year and the periods for which he or she held office were:

NAME	PERIOD
Reg Walsh	01/07/08 - 30/06/09
Gavan Anderson	01/07/08 - 30/06/09
Michael Fortescue	01/07/08 - 30/06/09

Denis Shelverton	01/07/08 - 30/06/09
Terry Noone	01/07/08 - 30/06/09
Bernice Claire Clark	01/07/08 - 30/06/09
Glenn Price	01/07/08 - 30/06/09
Sam Moody	01/07/08 - 30/06/09
Maurice Ledwith	01/07/08 - 02/08/08

Other Relevant Information


NIL”

Signed for and on behalf of the Members of the Committee of Management:

Date:

30/31/15

Signature:



Title: Federal Secretary

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE ABN 99 561 356 238
Committee of Management Statement
For the year ended 30 June 2009

On 20 March 2015 the The Federal Executive of the Musicians' Union of Australia which is the Committee of Management of the Federal Office of the Musicians' Union of Australia passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2009:

The Federal Executive of the Musicians' Union of Australia which is the Committee of Management of the Federal Office of the Musicians' Union of Australia declares in relation to the GPFR for the year ended 30 June 2009 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 Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation; and . .
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (vi) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule"

For Committee of Management: Terry Noone
Title of Office Held: Federal Office Secretary

Signed:



Date:

20/3/15

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE ABN 99 561 356 238**Income and Expenditure Statement****For the year ended 30 June 2009**

	2009	2008
	\$	\$
Income		
Interest received	2	24
Sustentation Fees from Branches	3,363	3,193
Overseas Artists	37,782	45,492
Total income	<u>41,146</u>	<u>48,710</u>
Expenses		
Audit fees	2,000	2,000
Bank Fees And Charges	547	430
Computer Expenses	0	1,336
Conference/Exec Expenses	150	0
Depreciation	188	250
Holiday Pay (provisions)	3,289	1,164
Legal Fees	0	3,000
Long Service Leave (provisions)	840	840
Office Equipment	0	402
Printing & stationery	456	599
Salaries & Allowances - Employees	24,974	24,974
Salaries & Allowances - Officials	12,040	12,000
Storage & Removal	1,940	2,077
Membership Fees	300	300
Sundry expenses	0	27
Superannuation - Employees	2,375	1,866
Superannuation - Officials	1,101	976
Telephone	2,852	1,879
Travel & Accommodation	1,233	1,286
Workcover	592	749
Total expenses	<u>54,876</u>	<u>56,155</u>
Profit (loss) from ordinary activities	<u>(13,730)</u>	<u>(7,445)</u>
Profit from extraordinary items:		
Melbourne Branch Subsidies	14,921	727
Net profit attributable to the association	<u>1,191</u>	<u>(6,718)</u>
Opening retained profits	(36,599)	(29,881)
Net profit attributable to the association	1,191	(6,718)
Closing retained profits	<u>(35,408)</u>	<u>(36,599)</u>

The accompanying notes form part of these financial statements.

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE ABN 99 561 356 238
Detailed Statement of Financial Position as at 30 June 2009

	2009	2008
	\$	\$
<hr/>		
Current Assets		
Cash Assets		
Cash At Bank - Cheque Account	10,407	4,128
	<u>10,407</u>	<u>4,128</u>
Receivables		
Loan - Sydney Branch	7,933	3,576
	<u>7,933</u>	<u>3,576</u>
Total Current Assets	<u>18,340</u>	<u>7,704</u>
Non-Current Assets		
Property, Plant and Equipment		
Furniture & Fittings	33,163	33,163
Less: Accumulated depreciation	(32,600)	(32,412)
	<u>563</u>	<u>751</u>
Total Non-Current Assets	<u>563</u>	<u>751</u>
Total Assets	<u>18,903</u>	<u>8,455</u>

The accompanying notes form part of these financial statements.

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE ABN 99 561 356 238
Detailed Statement of Financial Position as at 30 June 2009

	2009	2008
	\$	\$
<hr/>		
Current Liabilities		
Payables		
Unsecured:		
Sundry Creditors	10,068	10,068
	10,068	10,068
Current Tax Liabilities		
GST clearing	2,176	745
ATO Running Account	330	0
PAYG Withholding Payable	2,871	1,505
	5,377	2,250
Provisions		
Provision for Annual Leave - Employees	17,496	15,287
Provision for Annual Leave - Officials	7,784	6,703
Provision for LSL - Employees	7,138	6,574
Provision for LSL - Officials	2,448	2,172
Provision for Audit Fees	4,000	2,000
	38,866	32,736
Total Current Liabilities	54,310	45,054
Total Liabilities	54,310	45,054
Net Assets (Liabilities)	(35,408)	(36,599)
Members' Funds		
Accumulated surplus (deficit)	(35,408)	(36,599)
Total Members' Funds	(35,408)	(36,599)

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

	Retained Profits	Total
Balance at 01/07/2007	(29,881)	(29,881)
Profit attributable to the members	(6,718)	(6,718)
Subtotal	(36,599)	(36,599)
Balance at 30/06/2008	(36,599)	(36,599)
Profit attributable to the members	(13,730)	(13,730)
Extraordinary Items	14,921	14,921
Subtotal	(35,408)	(35,408)
Balance at 30/06/2009	(35,408)	(35,408)

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE ABN 99 561 356 238**Statement of Cash Flows****For the year ended 30 June 2009**

	2009	2008
	\$	\$
Cash Flow From Operating Activities		
Receipts from customers	36,787	45,110
Payments to Suppliers and employees	(45,432)	(52,583)
Interest received	2	24
Net cash provided by (used in) operating activities (note 2)	<u>(8,643)</u>	<u>(7,449)</u>
Cash Flow From Extraordinary Items		
Net cash provided by (used in) Melbourne Branch Subsidies	<u>14,921</u>	<u>727</u>
Net increase (decrease) in cash held	6,278	(6,722)
Cash at the beginning of the year	<u>4,128</u>	<u>10,850</u>
Cash at the end of the year (note 1)	<u>10,407</u>	<u>4,128</u>

Note 1. Reconciliation Of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash At Bank - Cheque Account	<u>10,407</u>	<u>4,128</u>
	<u>10,407</u>	<u>4,128</u>

Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Operating Profit

Operating profit after income tax	(13,730)	(7,445)
Depreciation	188	250
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	(4,357)	(3,576)
Increase (decrease) in trade creditors and accruals	0	(2,932)
Increase (decrease) in employee entitlements	4,130	2,004
Increase (decrease) in sundry provisions	5,127	4,250
Net cash provided by (used in) operating activities	<u>(8,643)</u>	<u>(7,449)</u>

The accompanying notes form part of these financial statements.

Note 1: Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards and the Fair Work (Registered Organisations) Act 2009.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Income tax

No provision has been made in the accounts for income tax, on the basis that the Union is exempt under Section 50-15 of the Income Tax Assessment Act 1997.

Property, Plant and Equipment

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

a) Plant and equipment

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

b) Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to MUSICIANS UNION OF AUSTRALIA MELBOURNE BRANCH commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Employee entitlements

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount.

Contributions are made by MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE to an employee superannuation fund and are charged as expenses when incurred.

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE does not record, as an asset or a liability, the difference between the employer established defined benefit superannuation plan's accrued benefits and the net market value of the plans assets.

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE operates an ownership-based remuneration scheme, details of which are provided in the Notes to Accounts. Profits or losses incurred by employees, being the difference between the market value and the par value of the shares acquired, are not recorded as remuneration paid to employees.

Cash

For the purpose of the statement of cash flows, cash includes cash on hand and in all call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months, net of bank overdrafts.

Comparative Figures

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

Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking in to account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

Note 2: Information to be provided to members or General Manager

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provision of Section 272, which reads as follows:

- (1) A member of a reporting unit, or the General Manager, 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)

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE ABN 99 561 356 238

Notes to the Financial Statements

For the year ended 30 June 2009

2009

2008

Note 3: Auditors' Remuneration

Remuneration of the auditor of the company for:

Auditing or reviewing the financial report	2,000	2,000
Other services	0	0
	<u>2,000</u>	<u>2,000</u>

Note 4: Contingent Liabilities

The Members of the Committee of Management are unaware of any contingent liability, the effect of which may be material in relation to the financial statements

Note 5: Events Subsequent to Balance Date

No event has arisen subsequent to balance date, the effect of which may be material in relation to the financial statements.

Note 6: Going Concern

Notwithstanding the deficiency in net assets, the financial report has been prepared on the basis of the Union as a going concern on the basis that the Federal Office receives continued financial support from its members, its constituent branches, and both secured and unsecured creditors.

Note 7: Melbourne Branch Subsidies

	<u>2009</u>	<u>2008</u>
	\$	\$
Balance Brought Forward	145,771.20	145,044.00
Add: Current Year Advances	<u>25,020.97</u>	<u>20,403.73</u>
	170,792.17	165,447.73
Less: Advances refunded	<u>10,099.81</u>	<u>19,676.53</u>
Balance Carried Forward	<u>160,692.36</u>	<u>145,771.20</u>
Interest on Advances B/Fund	39,419.66	31,322.00
Add: Current Year Interest	<u>8,924.21</u>	<u>8,097.66</u>
Interest on Advance C/Fwd	<u>48,343.87</u>	<u>39,419.66</u>

Melbourne Branch Subsidies (and interest receivable) have not been brought to account a liability of the Union on the basis that they have been fully expended on meeting Federal Office expenses and are not capable of being refunded except out of future income of the Union which at balance date was not considered certain, and in the regard are considered contingent liabilities only.

The accompanying notes form part of these financial statements.

We have audited the accompanying financial report of MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE (the Union), which comprises the Statement by Members of the Committee, the Statement of Comprehensive Income, the Statement of Financial Position, Statement of Cash Flows, Statement of Changes In Equity, a summary of significant accounting policies, other explanatory notes and the Certificate by Members of the Committee for the financial year ended 30 June 2009.

Committee's Responsibility for the Financial Report

The Committee of the Branch is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Workplace Relations Act 1996. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 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 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.

Qualifications

As stated in Note 6, and notwithstanding the deficiency in net assets, the financial report has been prepared on the basis of the Union as a going concern on the basis that the Union receives continued financial support from its members, constituent branches, and both secured and unsecured creditors. Although no indication has been given that such financial support will be withheld, no guarantee has been given and, accordingly, the ability of the Union to pay its debts as and when required is not certain. In this regard, there is a risk that the going concern basis may be invalid in which case a provision would be required for any loss on realisation of the assets of the Union.

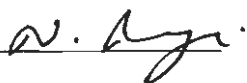
Opinion

Except for, and subject to, the matters referred to in the qualifications above, in our opinion:

The financial report of MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE

- presents a true and fair view of the Union's financial position as at 30 June 2009 and of its performance and its cash flows for the year ended on that date; and
- complies with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009.

Signed on: 23rd MARCH 2010



Natale Rugari CPA
Registered Company Auditor