

1 May 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 2010 (FR2010/2704)

I acknowledge receipt of the financial report of the Musicians' Union of Australia, Federal Office for the year ending 30 June 2010. The documents were lodged with the Fair Work Commission on 24 April 2015. The report has now been filed.

The report was assessed against the 2nd edition of the Reporting Guidelines that applied in 2012 and the *Fair Work (Registered Organisations) Act 2009* ('the RO Act').

You are not required to take any further action in respect of the report lodged. However I make the following comment to assist you when you prepare the next financial report. The Fair Work Commission will confirm this matter has been addressed prior to filing the next financial report.¹

Significant changes in financial affairs

Section 254(2)(b) of the RO Act requires an Operating Report to give details of any significant changes in the reporting unit's financial affairs during the year. The Operating Report did not include a statement in relation to changes to the financial affairs of the Branch.

Concluding remarks

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 *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,



Stephen Kellett
Senior Adviser, Regulatory Compliance Branch

¹ This omission also occurred in the operating reports for 2011 and 2012 lodged at the same time. The next operating report, which must include this statement, will therefore be for the year ended 30 June 2013.

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

**Financial Reports
For the year ended 30 June 2010**

Ascensio Accountants

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Secretary's Certificate

s.268 Fair Work (Registered Organisations) Act 2009

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 s.268 Fair Work (Registered Organisations) Act 2009, and
- (ii) That the full report was provided to the members of the Musician's Union of Australia on 21 April 2015
- (iii) That the full report was presented to a meeting of the committee of management on 23 April 2015 in accordance with s.266 Fair Work (Registered Organisations) Act 2009

Signature:



Title: Federal Secretary

Date: 23/4/15

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE ABN 99 561 356 238

Committee of Management Statement

For the year ended 30 June 2010

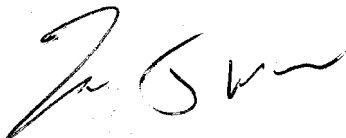
On 21/4/15 the Committee of Management of the Musician's Union of Australia Federal Office passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30th June 2010:

The Committee of Management declares in relation to the GPFR 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 of the Fair Work Commission;
- (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;
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) no information has had to be provided to a member of the reporting unit or the General Manager as a result of a request by a member or General Manager duly made under section 272 of the RO Act because no such request was made
 - (vi) there has been no order for inspection of financial records by the Fair Work Commission under section 273 of the RO Act.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period:

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee

Signed:



Title of Office Held:

Date:

21/4/15

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE ABN 99 561 356 238

Committee's Operating Report

For the year ended 30 June 2010

In accordance with section 254 of the Fair Work (Registered Organisations) Act 2009, your committee members have caused the following operating report of the MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE to be prepared for the financial year ended 30 June 2010.

Committee Members

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

Terry Noone
Glenn Price
Peter Davidson
Sam Moody
Bernice Claire Clark
Ken Laing

Principal Activities

The principal activities of the Federal Office during the financial year were to provide industrial, professional and managerial services to members consistent with the objects of the Federal Office and particularly the object of protecting and improving the interests of the members. A review of the results of these activities indicated that they were largely successful and that the activities continue to serve the Union's purpose. 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 2010	30 June 2009
	(\$7,003)	(\$13,779)

Rights of Members

In accordance with subsection 254(2)(c), all members have the right to resign from the Union in accordance with the Rules of the Union and section 174 of the Fair Work (Registered Organisations) Act 2009; namely, by providing written notice addressed and delivered to the Secretary of the Union.

Superannuation Trustees/Directors

No officers and/or members of the organisation are trustees of a superannuation entity or exempt public sector superannuation scheme or directors of companies that are trustees of superannuation funds entities or exempt public superannuation schemes which require one or more of their trustees or directors to be an officer or a member of a registered organisation.

Prescribed Information under the Fair Work (Registered Organisations) Regulations (2009)

The number of persons that were at the end of the financial year recorded in the register of members of the Musicians' Union of Australia was: 985 and the number of persons taken to be members of the reporting unit (the Federal Office) was: 0

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE ABN 99 561 356 238

Committee's Operating Report

For the year ended 30 June 2010

The number of persons who were at the end of the financial year employees of the reporting unit including both full-time and part-time employees measured on a full-time equivalent basis was: 0.40

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

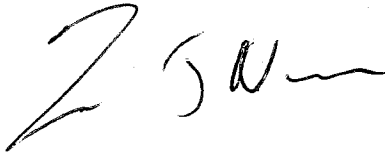
<u>NAME</u>	<u>PERIOD</u>
Denis Shelverton	01/07/09 - 30/06/10
Terry Noone	01/07/09 - 30/06/10
Bernice Claire Clark	01/07/09 - 30/06/10
Glenn Price	01/07/09 - 30/06/10
Sam Moody	01/07/09 - 30/06/10
Ken Laing	01/07/09 - 30/06/10

Other Relevant Information

NIL

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

Signed:



Date:

21/4/10

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE ABN 99 561 356 238**Income and Expenditure Statement****For the year ended 30 June 2010**

	2010	2009
	\$	\$
Income		
Interest received	0	2
Sustentation Fees from Branches	3,736	3,363
Overseas Artists	42,834	37,782
Total income	<u>46,570</u>	<u>41,146</u>
Expenses		
Audit fees	2,000	2,000
Bank Fees And Charges	419	596
Conference/Exec Expenses	948	150
Consultancy Fees	4,000	0
Depreciation	141	188
Fines & Interest (ATO)	770	0
Holiday Pay (provision) – Employees	(1,667)	2,208
Holiday Pay (provision) – Officials	(4)	1,081
Interest Expense	(386)	0
Long Service Leave (provision) – Employees	564	564
Long Service Leave (provision) - Officials	276	276
Printing & stationery	1,206	456
Salaries & Allowances - Employees	25,080	24,974
Salaries & Allowances - Officials	12,433	12,040
Storage & Removal	675	1,940
Membership Fees	227	300
Superannuation - Employees	2,120	2,375
Superannuation - Officials	1,304	1,101
Telephone	1,820	2,852
Travel & Accommodation	357	1,233
Workcover	1,289	592
Total expenses	<u>53,574</u>	<u>54,925</u>
Profit (loss) from ordinary activities	(7,003)	(13,779)
Profit from extraordinary items		
- Melbourne Branch Subsidies	4,404	14,921
Net profit (loss) attributable to the Federal Office	(2,599)	1,142
Total changes in equity of the Federal Office	(2,599)	1,142
Opening retained profits	(35,457)	(36,599)
Net profit (loss) attributable to the Federal Office	<u>(2,599)</u>	<u>1,142</u>
Closing retained profits	(38,056)	(35,457)

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 2010

	2010	2009
	\$	\$
<hr/>		
Current Assets		
Cash Assets		
Cash At Bank - Cheque Account	834	10,407
	834	10,407
Receivables		
Loan - Sydney Branch	10,542	7,933
	10,542	7,933
Total Current Assets	11,376	18,340
Non-Current Assets		
Property, Plant and Equipment		
Furniture & Fittings	33,163	33,163
Less: Accumulated depreciation	(32,741)	(32,600)
	422	563
Total Non-Current Assets	422	563
Total Assets	11,798	18,903

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 2010

	2010	2009
	\$	\$
Current Liabilities		
Payables		
Unsecured:		
Sundry Creditors	7,294	10,117
	7,294	10,117
Current Tax Liabilities		
GST clearing	470	2,176
ATO Running Account	550	330
PAYG Withholding Payable	1,505	2,871
	2,525	5,377
Provisions		
Provision for Annual Leave - Employees	15,829	17,496
Provision for Annual Leave - Officials	7,780	7,784
Provision for LSL - Employees	7,702	7,138
Provision for LSL - Officials	2,724	2,448
Provision for Audit Fees	6,000	4,000
	40,035	38,866
Total Current Liabilities	49,854	54,359
Total Liabilities	49,854	54,359
Net Assets (Liabilities)	(38,056)	(35,457)
 Members' Funds		
Accumulated surplus (deficit)	(38,056)	(35,457)
Total Members' Funds	(38,056)	(35,457)

The accompanying notes form part of these financial statements.

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE ABN 99 561 356 238
Statement of Changes in Equity

	Retained Profits	Total
Balance at 01/07/2008	(36,599)	(36,599)
Profit attributable to the members	(13,779)	(13,779)
Extraordinary Items	14,921	14,921
Subtotal	(35,457)	(35,457)
Balance at 30/06/2009	(35,457)	(35,457)
Profit attributable to the members	(7,003)	(7,003)
Extraordinary Items	4,404	4,404
Subtotal	(38,056)	(38,056)
Balance at 30/06/2010	(38,056)	(38,056)

The accompanying notes form part of these financial statements.

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE ABN 99 561 356 238**Statement of Cash Flows****For the year ended 30 June 2010**

	2010	2009
	\$	\$
Cash Flow From Operating Activities		
Receipts from customers	43,962	36,787
Payments to Suppliers and employees	(58,324)	(45,432)
Interest received	0	2
Interest and other costs of finance	385	0
Net cash provided by (used in) operating activities (note 2)	<u>(13,977)</u>	<u>(8,643)</u>
Cash Flow From Extraordinary Items		
Net cash provided by (used in) extraordinary item (note 3)	<u>4,404</u>	<u>14,921</u>
Net increase (decrease) in cash held	(9,572)	6,278
Cash at the beginning of the year	10,407	4,128
Cash at the end of the year (note 1)	<u>834</u>	<u>10,407</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>834</u>	<u>10,407</u>
	<u>834</u>	<u>10,407</u>

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

Operating profit	(7,003)	(13,779)
Depreciation	141	188
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	(2,609)	(4,357)
Increase (decrease) in trade creditors and accruals	(2,823)	49
Increase (decrease) in employee entitlements	(831)	4,130
Increase (decrease) in sundry provisions	(852)	5,127
Net cash provided by (used in) operating activities	<u>(13,977)</u>	<u>(8,643)</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 Federal Office is exempt under Section 50-15 of the Income Tax Assessment Act 1997.

New Australian Accounting Standards

i) Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date stated in the standard.

ii) Future Australian Accounting Standards Requirements

There have been no accounting standards issued which will have a financial impact on the financial report in future periods and which are not yet effective.

Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

i) Critical Accounting Estimates and Assumptions

The Federal Office makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

ii) Critical Judgements in applying the Branch's Accounting Principles

There are no critical judgements that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

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 FEDERAL OFFICE 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.

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE ABN 99 561 356 238

Notes to the Financial Statements

For the year ended 30 June 2010

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.

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 to changes in presentation for the current financial year.

Subsequent to the lodging of the 2009 report an error of \$49.00 was identified in the expense "Bank Fees and Charges" of that report, this error has been corrected in the Comparative Figures in this report. A corresponding error of \$49.00 was also identified in "Sundry Creditors" in the 2009 report. This error has been corrected in the Comparative Figures this report.

A consequence of the first error above was that there was also an error of \$49.00 in the operating result of the 2009 report. This error has been corrected in the Comparative Figure in this report.

Revenue

Revenue from overseas artists is measured at the fair value of the consideration received or receivable.

Revenue from sustentation is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

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)

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>

The accompanying notes form part of these financial statements.

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE ABN 99 561 356 238

Notes to the Financial Statements

For the year ended 30 June 2010

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

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE ABN 99 561 356 238

Notes to the Financial Statements

For the year ended 30 June 2010

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 Federal Office 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: Related Party Disclosures

During the reporting period, the Federal Office made transactions with/on behalf of the following related entities: Musician's Union of Australia Brisbane Branch, Adelaide Branch, Brisbane Branch, Hobart Branch, Launceston Branch, Melbourne Branch and Sydney Branch. The net effect of transactions with related entities is fully disclosed in the financial statements and the notes to the accounts. These include:

a) Sustainment (i.e. capitation) from Branches

Adelaide	\$	603
Brisbane	\$	46
Hobart	\$	688
Launceston	\$	106
Melbourne	\$	1,689
Sydney	\$	605
		<hr/>
	\$	3,736

b) loan (to Sydney Branch) (see Statement of Financial position)

c) subsidies and repayments (from/to Melbourne Branch) (see Note 10)

Related parties of the Federal Office also include all members of the committee of management, i.e. the Federal Executive.

There have been no other transactions between the officers and the Federal Office other than those relating to their membership of the Union and the reimbursement by the Federal Office in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

Key Management Personnel Compensation

	<u>Amount</u>
Short-term Employee Benefits	\$ 12,433
Post-Employment Benefits	\$ 1,304
Other Long-Term Benefits	\$ 276
Termination Payments	\$ -
Share-Based Payments	\$ -
TOTAL	<u>\$ 14,013</u>

Note 8: Additional Disclosures in accordance with the Reporting Guidelines

Cash Flows between the Federal Office and Branches for the period:

2010 Cash Flows	<u>Cash Inflow</u>	<u>Cash Outflow</u>
Adelaide Branch	\$ 603	
Brisbane Branch	\$ 46	
Hobart Branch	\$ 688	
Launceston Branch	\$ 106	
Melbourne Branch	\$ 6,093	

The accompanying notes form part of these financial statements.

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE ABN 99 561 356 238

Notes to the Financial Statements

For the year ended 30 June 2010

Sydney Branch

		\$	2,609
\$	7,536	\$	2,609

MUSICIANS UNION OF AUSTRALIA FEDERAL OFFICE ABN 99 561 356 238

Notes to the Financial Statements

For the year ended 30 June 2010

Note 10: Melbourne Branch Subsidies

	<u>2010</u>	<u>2009</u>
	\$	\$
Balance Brought Forward	160,692.36	145,771.20
Add: Current Year Advances	<u>21,096.01</u>	<u>25,020.97</u>
	181,788.37	170,792.17
Less: Advances refunded	<u>16,691.76</u>	<u>10,099.81</u>
Balance Carried Forward	<u><u>165,096.61</u></u>	<u><u>160,692.36</u></u>
Interest on Advances B/Fund	48,343.87	39,419.66
Add: Current Year Interest	<u>9,727.47</u>	<u>8,924.21</u>
Interest on Advance C/Fwd	<u><u>58,071.34</u></u>	<u><u>48,343.87</u></u>

Melbourne Branch Subsidies (and interest receivable) have not been brought to account a liability of the Federal Office 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 Federal Office which at balance date was not considered certain, and in the regard are considered contingent liabilities only.

Note 11: Financial Risk Management

(a) *General objectives, policies and processes*

The Federal Office is exposed to risks that arise from its use of financial instruments. This note describes the Federal Office's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the Federal Office's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Federal Office's financial instruments consist mainly of deposits with banks, receivables and payables. The main risks the Federal Office is exposed to through its financial instruments are credit risk and liquidity risk.

The Committee of Management has overall responsibility for the determination of the Federal Office's risk management objectives and policies.

(b) *Credit Risk*

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Federal Office incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Federal Office.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed in the Detailed Statement of Financial Position and the Notes to the Accounts.

(c) *Liquidity Risk*

Liquidity risk is the risk that the Federal Office may encounter difficulties raising funds to meet commitments associated with financial instruments. The Federal Office manages liquidity risk by monitoring cash flows. The liquidity of the Federal Office is dependent of the continued support of affiliate branches.

To the Members of the Musician's Union of Australia Federal Office

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 Income and Expenditure Statement, 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 2010.

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 Fair Work (Registered Organisations) Act 2009. 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 7, 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 2010 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: 21 April 2015



Natale Rugari, Principal
Member CPA Australia
Registered Company Auditor