



8 May 2014

Mr Sam Moody
Secretary, Adelaide Branch
Musicians' Union of Australia
U4/23A King William Road
UNLEY SA 5061

Sent by email: musosa@bigpond.net.au

Dear Mr Moody

The Musicians' Union of Australia, Adelaide Branch - Financial Report for year ended 30 June 2013 - (FR2013/309)

I acknowledge receipt of the financial report of The Musicians' Union of Australia, Adelaide Branch (the reporting unit). The documents were lodged with the Fair Work Commission on 19 March 2014. The financial report has now been filed.

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 30 June 2014 may be subject to an advanced compliance review.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the 2013 report lodged but the Fair Work Commission will confirm these matters have been addressed prior to filing next year's report.

Auditor's report: declaration regarding going concern

Paragraph 45 of the reporting guidelines requires an auditor to include in his auditor's statement a declaration that as part of the audit of the financial statement they have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate. This declaration was not included in the auditor's statement.

Membership subscriptions to be reported on accruals basis

The notes state that membership subscriptions are brought to account on a cash basis during the year.

Section 252 of the RO Act places obligations upon reporting units to keep financial records. Under section 252(4) an organisation may *keep* the financial records for its membership subscriptions on a cash basis.

This is distinct however from the obligation under section 253 to *prepare* a general purpose financial report (GPFR). Section 253 requires that '...a reporting unit must cause a general purpose financial report to be *prepared*, in accordance with the Australian Accounting Standards, from the financial records kept under subsection 252(1) in relation to the financial year...'

Paragraph 27 of Australian Accounting Standard *AASB101 Presentation of Financial Statements*,

states that 'an entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting'.

In the future please ensure that membership subscriptions are brought to account on an accruals basis in accordance with the Australian Accounting Standards. It is further noted that this will result in a change of accounting policy that will need to be disclosed in accordance with AASB 108 (Accounting Policies, Changes in Accounting Estimates and Errors). You may need to discuss this with your auditor.

Disclosure of employee provisions/benefits to office holders and other employees

The Reporting Guidelines [items 17(f) and 17(g)] require reporting units to disclose in the statement of comprehensive income or in the notes to the financial statements employee expenses to holders of office and employee expenses to other employees by various categories.

The financial statements have disclosed employee expenses separately for the secretary, an office-holder, by salary and superannuation but disclosed no balance nor made any statement in respect of any of the other categories¹ for office-holder or any of the categories for 'other employees'.

The Reporting Guidelines [items 21(c) and 21(d)] also require either the statement of financial position or the notes to disclose any liability for employee benefits in respect of office holders and other employees by various categories.

The financial statements have disclosed annual leave and long service leave provisions by office-holder and the operating report contains a statement in respect of employee liabilities/provisions for other employees, but there is no balance or any statement in respect of the other categories for office-holder.²

In future years please ensure that all categories for both expenses and provisions are disclosed, or, if any of the prescribed categories/activities have not occurred in the reporting period, include a statement to this effect in the notes to the GPFR (or nil balances included³).

Disclosure of non-occurring activities

I note the statements in respect of activities prescribed by the Reporting Guidelines that did not occur during the reporting period in the operating report. These statements must in future be incorporated into the Notes to the financial statements.

Prescribed time-frames

I note your explanation for the delay in lodgement and the shortfall in notice for the general meeting held on 18 March 2014. FWC will expect the timeframes prescribed in sections 265(5) and 266 to be complied with in respect of the next financial report.

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

Yours sincerely



Stephen Kellett

Senior Adviser, Regulatory Compliance Branch

¹ The expense categories include wages/salaries, leave entitlements, superannuation, separation and redundancies and other expenses

² The provisions categories include annual leave, long service leave, separation/redundancies and 'other' provisions

³ See Note 8A on page 37/53 of model financial statements at

https://www.fwc.gov.au/documents/documents/organisations/reporting_guidelines/Model-financial-statements.pdf



Stephen Kellett
Statutory Services Branch
Fair Work Australia
Level 8, 80 William St
East Sydney NSW 2011

Musicians Union of Australia
Adelaide Branch
U4/ 23A King William Rd
Unley, SA, 5061
ph 8272 5013
mob 0412 933 865
email musosa@bigpond.net.au

19 March 2014

Dear Sir

Certificate of Secretary

S268 of Schedule 1B *Workplace Relations Act 1996*

I, Sam Moody, being the Secretary of the Musicians' Union of Australia - Adelaide Branch certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- that due to the significant task of preparing the outstanding Audit reports of the Sydney Branch of the Union, there was a longer than anticipated delay to the delivery of the Adelaide Branch Audit Reports which resulted in the Union failing to deliver the Reports to Fair Work Australia within the prescribed time of 6 months and 14 days after the end of the financial year as per (s268); and
- that once prepared, the full report and a Notice that a General meeting of the Union would be held on the 18th of March, was delivered to members on the 2nd of March 2014, as either a printed copy via mail, or electronically via email. Unfortunately, due to an administrative oversight, the minimum of 21 days notice as per (s265(5)) was not met. After realising the error, a decision to proceed with the General Meeting was made on the basis of the necessity to lodge the documents given that the required timeline had already expired, the difficulty of organising a suitable venue for the following week, the likelihood of confusion amongst the membership had a new date been rescheduled at late notice, and that no members had contacted the Branch with any concerns or questions about the content of Audit; and
- that the Annual General Meeting of the membership was held on the 18th of March 2014 and that, in accordance with (s266), the full Audit Report was presented and accepted via a Motion and vote of the members in attendance.

Yours Faithfully

Sam Moody
Secretary

Musicians Union of Australia - Adelaide Branch



**Musicians' Union of
Australia
Adelaide Branch**

U4 23A King William Rd
Unley SA 5061
ph: 08 8272 5013
email: musosa@bigpond.net.au

28 February 2014

Dear member

The Annual General Meeting of the Adelaide Branch of the Musicians' Union of Australia will be held upstairs at the Earl of Leicester Hotel, 85 Leicester Street, Parkside on Tuesday the 18th of March 2014, at 7.30pm.

Attached is the Audit report for the year ended June 2013 which will be tabled at the meeting.

The Leicester have informed me that the kitchen is open for dinner from 5pm and that booking in advance would be sensible if you plan on eating at the hotel before the meeting. They can be contacted on 8271 5700.

I hope you to see you there.

Kind regards
Sam Moody
Secretary
Musicians' Union of Australia - Adelaide Branch

MUSICIANS' UNION OF AUSTRALIA - ADELAIDE BRANCH

OPERATING REPORT



This Operating Report covers the activities of the Musicians' Union of Australia - Adelaide Branch, for the financial year ended 30th June 2013.

1. Review of principal activities, results of those activities and any significant changes in the nature of those activities during the year.

A review of the Federation's operational procedures was undertaken with the object of identifying inefficiencies within the organisation in the areas of administration, compliance and member services, for the purposes of eliminating such inefficiencies.

Preliminary discussions were held with the State Government initiated Thinker in Residence program which sought to improve the sustainability of the Live Music Industry in South Australia.

Advice and assistance was provided in the preparation and lodgement of several small claims applications on behalf of members.

Assistance was provided to one member in regard to a long and protracted court case, involving copyright ownership. The member was successful in proving copyright ownership and the case was eventually dismissed by the High Court.

Assistance was provided to several members with the preparation and negotiation of contracts pertaining to independent contracts for musical performances, instrumental teaching services, licensing of copyright material, and partnership agreements.

Assistance was provided to the Sydney Branch and Federal Office for the preparation of outstanding Financial Audit Reports.

A project to improve the Federation's website was undertaken. The initial stage of the project is will be completed in early 2014.

The Branch recorded an operating loss, for the year ending June 2013, of (\$12,845.00) compared to an operating profit of \$20,484.00 for the preceding year ending June 2012. This was primarily due to a decrease in available interest rates for investments.

2. Right of Members to Resign

All members of the Union have the right to resign from the Union in accordance with Rule 14 (1) and 14 (3) of the Union Rules, (and Section 174 (1) of the *Fair Work (Registered Organisations) Act 2009*)

3. Superannuation Fund Trustee's

No officers or employees of the Adelaide Branch were trustees of a superannuation fund or directors of a company that were trustees of a superannuation fund during the financial year.

4. Membership of the Branch

There were 170 members of the Branch as at 30th June 2013

5. Employees of the Adelaide Branch

As at the 30th of June 2013 the Branch employed 1 part time employee

6. Adelaide Branch Committee of Management

The following persons were members of the Branch Committee of Management, during the year ended 30th June 2013.

President	Clarke	Douglas G	July 2012 – June 2013
Vice President	Lyle	John G	July 2012 – June 2013
Vice President	Fiddian	Ian	July 2012 – June 2013
Secretary/Treasurer	Moody	Samuel J	July 2012 – June 2013
Committee Member	Brow	Donald	July 2012 – June 2013
Committee Member	Turner	Alan	July 2012 – June 2013
Committee Member	Bevan	Michael	July 2012 – Dec 2012
Committee Member	Newton	Ian	July 2012 – Dec 2012
Committee Member	Kostoglou	Letho	July 2012 – Dec 2012
Committee Member	John	Callisto	Jan 2013 - June 2013*
Committee Member	Frank	Lang	Jan 2013 - June 2013*
Committee Member	Dave	Pearse	Jan 2013 - June 2013*
Trustee	Guy	Robert W.	July 2012 - June 2013
Trustee	Spilsbury	Brett	Jan 2013 - June 2013*
Trustee	Dave	Pearse	Jan 2013 - June 2013*

*committee election declared 7/1/2013

7. Directors of Companies and Member's of Boards

The Secretary, Sam Moody, is a voting member of the SA Unions Executive Committee by way of the Musicians' Union of Australia – Adelaide Branch's affiliation of SA Unions. No remuneration, board fees or non cash benefits are paid to the Secretary for participation in this position.

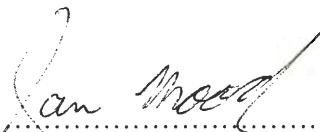
The Secretary, Sam Moody, is a member of the Semaphore Workers' Club Committee as a result of the Semaphore Workers' Club Association Rules, which state that a nominated representative from the Musicians' Union of Australia shall have the right to a seat on the committee. No remuneration, board fees or non cash benefits are paid to the Secretary for participation in this position.

There are no other instances whereby members of the Adelaide Branch Committee are Directors of Companies or Members of Boards as either a direct, or indirect consequence of being members of the Adelaide Branch Committee.

8. Significant Changes to Finances

- (a) the Organisation has prepared the financial statements on a going concern basis and the Branch was not reliant on the financial support of another reporting unit;
- (b) the Branch did not provide financial support to ensure another reporting unit has the ability to continue as a going concern;
- (c) the Branch did not acquire an asset or a liability during the financial year as a result of amalgamation, a restructure of the branches, a determination by the General manager under subsection 245(1) of the *RO Act* of an alternative reporting structure for the organisation or, a revocation by the General manager under subsection 249(1) of the *RO Act* of a certificate issued to the Organisation under subsection 245(1); or as part of a business combination;
- (d) no other funds or reserves other than that disclosed in the Financial Statements were set up by the branches
- (e) the Branch did not receive any capitation fee from another reporting unit of the Organisation;
- (f) the Branch did not receive any compulsory levies or appeals for voluntary contributions from members
- (g) the Branch did not receive any donations or grants

- (h) the Branch did not receive any other financial support from another reporting unit of the organisation;
- (i) the Branch did not pay any consideration for employers making payroll deductions of membership subscriptions;
- (j) the Branch did not pay to another reporting unit of the Organisation a capitation fee;
- (k) affiliation fees of \$1414.25 were paid to SA Unions;
- (l) no compulsory levies have been imposed on the Branch;
- (m) no penalties were imposed on the Branch under the *RO Act* with respect to conduct of the reporting unit;
- (n) the Branch did not have any amount receivable from or payable to other reporting unit of the organisation;
- (o) the Branch did not have any amount payable to employers as consideration for the employers as consideration for the employers making payroll deductions of membership subscriptions;
- (p) the Branch did not have any amount payable in respect of legal costs and other expenses related to litigation or other legal matters;
- (q) the Branch did not make any provision for annual leave, long service leave, separation, redundancy and other provisions in respect of employees (other than holders of offices) of the reporting unit;
- (r) no other funds or reserves other than those disclosed in the Financial Statements were set up by the Branch;
- (s) the Branch did not engage another entity to administer its financial affairs;
- (t) the Branch did not receive or pay to another reporting unit of the organisation a cash flow;
- (u) the Branch did not engage another entity to administer its financial affairs.



.....
SAM MOODY, BRANCH SECRETARY

10th January 2014



Musicians Union of Australia
Adelaide Branch
U4 23A King William Rd
Unley SA 5061
ph 8272 5013
email musosa@bigpond.net.au

Committee of management statement

In accordance with paragraph 253(2)(c) of the *Fair Work (Registered Organisations) Act 2009*, the Musicians' Union of Australia - Adelaide Branch Committee of Management makes the following declarations regarding the General Purpose Financial Report:

That;

- 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 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 including the rules of a branch concerned; and
 - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - iii. the financial records of the reporting unit have been kept and maintained in accordance with the *RO Act*; 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 manner consistent with each of the other reporting units of the organisation; and
 - v. where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the *RO Act*, that information has been provided to the member or General Manager; and
 - vi. where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the *RO Act*, there has been compliance
- f) the reporting unit has not undertaken any recovery of wages activity as defined by the Reporting Guidelines of the *RO Act* :

The preceding Committee of Management Statement was moved and carried unanimously at a meeting of the Adelaide Branch Committee on the 11th of December 2013.

11/12/13

Doug Clarke

President

Musicians Union of Australia - Adelaide Branch

**MUSICIANS UNION OF AUSTRALIA ADELAIDE
BRANCH**

**Financial Statements
For the year ended 30 June 2013**

NKM Accounting

Suite 17, 116-120 Melbourne Street
NORTH ADELAIDE SA 5006

Phone: 08 8267 4800 Fax: 08 8239 0728

Email: nat@rugari.com.au

MUSICIANS UNION OF AUSTRALIA ADELAIDE BRANCH
Detailed Balance Sheet as at 30 June 2013

	2013	2012
	\$	\$
Current Assets		
Cash Assets		
Cash At Bank Commonwealth	12,852	2,646
CBA net account	20	0
Musicians' Mortuary Benefit Trust A/C	29,665	30,052
Cash on hand	200	200
	42,737	32,898
Other		
ING Deposit Account	30,142	46,385
ING Term Deposit	545,000	538,000
CBA Term Deposit	0	520,000
ING Term Deposit	500,000	0
Federal Expenses Recoupable	6,760	6,765
	1,081,902	1,111,150
Total Current Assets	1,124,639	1,144,048
Non-Current Assets		
Property, Plant and Equipment		
Office & Furniture Equipment	55,399	55,359
Less: Accumulated amortisation	(55,399)	(54,703)
	0	656
Total Non-Current Assets	0	656
Total Assets	1,124,639	1,144,704

The accompanying notes form part of these financial statements.

MUSICIANS UNION OF AUSTRALIA ADELAIDE BRANCH
Detailed Balance Sheet as at 30 June 2013

	2013	2012
	\$	\$
<hr/>		
Current Liabilities		
Payables		
Unsecured:		
Trade creditors current	5,059	6,982
	5,059	6,982
Provisions		
Annual Leave (provisions)	0	4,935
Long Service Leave (provision)	9,360	8,580
	9,360	13,515
Total Current Liabilities	14,419	20,497
Total Liabilities	14,419	20,497
Net Assets	1,110,220	1,124,207
Members' Funds		
Reserves		
Musicians' Mortuary Benefit Fund	29,665	30,807
Non Union Trust Fund	345	345
Accumulated surplus (deficit)	1,080,210	1,093,055
Total Members' Funds	1,110,220	1,124,207

The accompanying notes form part of these financial statements.

MUSICIANS UNION OF AUSTRALIA ADELAIDE BRANCH
Statement of Changes in Equity

	Retained Profits	Total
Balance at 01/07/2011	1,072,571	1,072,571
Profit attributable to the members	20,484	20,484
Subtotal	1,093,055	1,093,055
Balance at 30/06/2012	1,093,055	1,093,055
Profit attributable to the members	(12,845)	(12,845)
Subtotal	1,080,210	1,080,210
Balance at 30/06/2013	1,080,210	1,080,210

MUSICIANS UNION OF AUSTRALIA ADELAIDE BRANCH

Detailed Income Statement For the year ended 30 June 2013

	2013	2012
	\$	\$
Income		
Interest received	40,390	81,529
Subscriptions	6,596	5,795
Total income	<u>46,986</u>	<u>87,324</u>
Expenses		
Accountancy & Audit fees	1,100	1,240
Advertising and promotion	1,131	1,241
Affiliation fees / UTLC	0	2,191
Bank Fees And Charges	362	390
Depreciation	696	743
Federal dues	660	579
Holiday pay (provisions)	(4,935)	(4,230)
Insurance	299	434
Legal fees	403	185
Light & power	2,102	3,335
Long Service Leave (provision)	780	3,378
Meetings & conference expenses	0	380
Postage	244	49
Rates & land taxes	1,398	1,400
Rent	7,673	6,913
Repairs & maintenance	552	763
S A Union	1,414	0
Salaries - secretary	39,755	39,828
Secretarial & office expenses	448	1,169
Sundry expenses	(755)	0
Superannuation	3,577	3,570
Telephone	2,321	2,729
Workcover	606	553
Total expenses	<u>59,831</u>	<u>66,840</u>
Profit (loss) from ordinary activities	<u>(12,845)</u>	<u>20,484</u>
Net profit (loss) attributable to the association	<u>(12,845)</u>	<u>20,484</u>
Total changes in equity of the association	<u>(12,845)</u>	<u>20,484</u>
Opening retained profits	1,093,055	1,072,571
Net profit (loss) attributable to the association	(12,845)	20,484
Closing retained profits	<u>1,080,210</u>	<u>1,093,055</u>

The accompanying notes form part of these financial statements.

MUSICIANS UNION OF AUSTRALIA ADELAIDE BRANCH
Statement of Cash Flows
For the year ended 30 June 2013

	2013	2012
	\$	\$
<hr/>		
Cash Flow From Operating Activities		
Receipts from members	5,454	5,795
Payments to Suppliers and employees	(65,213)	(63,374)
Interest received	40,390	81,529
Net cash provided by (used in) operating activities (note 2)	<u>(19,369)</u>	<u>23,950</u>
 Cash Flow From Investing Activities		
Payment for:		
Other Assets	5	(6,765)
Payments for property, plant and equipment	(40)	0
Net cash provided by (used in) investing activities	<u>(35)</u>	<u>(6,765)</u>
 Net increase (decrease) in cash held	 (19,404)	 17,185
 Cash at the beginning of the year	 <u>1,137,283</u>	 <u>1,120,098</u>
Cash at the end of the year (note 1)	<u><u>1,117,879</u></u>	<u><u>1,137,283</u></u>

The accompanying notes form part of these financial statements.

MUSICIANS UNION OF AUSTRALIA ADELAIDE BRANCH

Statement of Cash Flows

For the year ended 30 June 2013

2013

2012

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 Commonwealth	12,852	2,646
CBA net account	20	0
Musicians' Mortuary Benefit Trust A/C	29,665	30,052
Cash on hand	200	200
ING Deposit Account	30,142	46,385
ING Term Deposit	545,000	538,000
CBA Term Deposit	0	520,000
ING Term Deposit	500,000	0
	<u>1,117,879</u>	<u>1,137,283</u>

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

Operating profit/loss	(12,845)	20,484
Depreciation	696	743
Changes in assets and liabilities net of effects of purchases and disposals :		
(Increase) decrease in trade and term debtors	(1,142)	0
Increase (decrease) in trade creditors and accruals	(1,923)	3,575
Increase (decrease) in employee entitlements	(4,155)	(852)
Net cash provided by (used in) operating activities	<u>(19,369)</u>	<u>23,950</u>

The accompanying notes form part of these financial statements.

MUSICIANS UNION OF AUSTRALIA - ADELAIDE BRANCH
Income & Expenditure Statements
For the year ended 30 June 2013

2013

2012

Non Union Trust Fund

Trust Fund balance at beginning of year	345	345
	-----	-----
Trust Fund balance at end of Year	345	345
	=====	=====

Musicians Mortuary Benefit Fund

Income		
Interest received	1,013	1,387
Expense		
Payments	1,400	1,200
Surplus/(Deficit) for year	----- (387)	----- 187
Benefit Fund balance at beginning of year	30,807	30,620
Prior year adjustments	(755)	0
	-----	-----
Benefit Fund balance at end of year	29,665	30,807
	=====	=====

The accompanying notes form part of these financial statements.

MUSICIANS UNION OF AUSTRALIA - ADELAIDE BRANCH
Depreciation Schedule
Plant & Equipment

Description	Purchase Date	Cost	DISPOSALS ETC			ADDITIONS			Value for Dep'n	Rate %	Dep'n	Closing WDV
			Opening WDV	Date	Consideration	Adj	Days to Pchs	Cost				
Next by Telmac	24/12/09	1,550	654						654	100	654	
		1,550	654						654		654	

The accompanying notes form part of these financial statements.

MUSICIANS UNION OF AUSTRALIA - ADELAIDE BRANCH
Notes to the Accounts
For the year ended 30 June 2013

1. Summary of Significant Accounting Policies

a) Basis of Preparation of Financial Reports

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Fair Work (Registered Organisation) Act 2009.

The financial report has been prepared in accordance with the following applicable Accounting Standards and Urgent Issues Group Consensus Views.

AASB 1031	Materiality
AASB 110	Events after the Balance Sheet date
AASB 108	Accounting Policies, changes in Accounting Estimates and Errors
AASB 114	Segment Reporting
AASB 136	Impairment of Assets

The financial report is prepared in accordance with the historical convention. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year. Comparative information is reclassified where appropriate to enhance comparability.

b) Income Tax

The Union is exempt from income tax pursuant to the Income Tax Assessment Act. Accordingly, Australian Accounting Standard AASB 112 has not been applied and no provision for income tax has been included in the Accounts.

c) Goods and Services Tax

The Union is not registered for Goods and Services Tax.

d) Non Current Assets

Depreciation, using the diminishing value method, has been provided for in the Accounts on all Non-Current Assets, so as to allocate their cost over their estimated remaining useful life.

e) Employee Entitlements

Provision is made for the Union's 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, salaries, annual and long service leave which will be settled after one year, have been measured at their nominal amount. Contributions made by the Union to employee superannuation funds are charged as expenses when incurred.

f) Subscriptions

Members Subscription income has been brought to account on a cash basis during the course of the year.

g) Going Concern Basis of Accounting

The financial report has been prepared on the basis that the Adelaide Branch is a going concern, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

2. Information to be Provided to Members or the General Manager of Fair Work Australia

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

- (1) A member of The Musicians Union of Australia – Adelaide Branch, or the General Manager of Fair Work Australia, may apply 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) The Musicians Union of Australia – Adelaide Branch must comply with an application made under subsection (1).

3. 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.

(a) Critical Accounting Estimates and Assumptions

The Musician's Union of Australia – Adelaide Branch 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.

(b) Critical Judgements in applying The Musicians Union of Australia – Adelaide Branch Accounting Principles

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

4. Related Parties

There have been no transactions between related parties.

5. Financial Risk Management

General objectives, policies and processes

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

There have been no substantive changes in the Adelaide Branch'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 Adelaide Branch's financial instruments consist mainly of deposits with banks and receivables.

Credit Risk

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

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.

Liquidity Risk

Liquidity risk is the risk that the Adelaide Branch may encounter difficulties raising funds to meet commitments associated with financial instruments. The Adelaide Branch is not significantly exposed to this risk; at 30 June 2013 it had \$1,124,639.00 of cash and cash equivalents to meet these obligations as the fall due. Financial liabilities at 30 June 2013 totalled \$14,419.00.

The Adelaide Branch manages liquidity risk by monitoring cash flows.

Market Risk

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because the changes in interest rates (interest rate risk) or other market factors (other price risk).

Interest Rate Risk

The Adelaide Branch's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities are summarised as per the financials.

6 Subsequent Events

There are no subsequent events that have occurred or are likely to occur that require disclosure.

7 Contingent Liabilities

None to report.

MUSICIANS UNION OF AUSTRALIA ADELAIDE BRANCH
Independent Audit Report
For the year ended 30 June 2013

INDEPENDENT AUDIT REPORT

To the members of the Musicians Union of Australia Adelaide Branch.

We have audited the general purpose financial report of Musicians Union of Australia Adelaide, Branch, which comprises the balance sheet as at 30 June 2013, and the statement of detailed income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes and branch committee of management's statement for the year then ended.

Branch Committee of Management and the Branch Secretary's Responsibility for the Financial Report

The branch committee of management and the branch secretary of the Branch are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009. This responsibility also includes establishing 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 branch committee of management and branch secretary, as well as evaluating the overall presentation of the financial report.

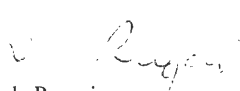
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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.

Auditor's Opinion

In our opinion the general purpose financial report of Musicians Union of Australia Adelaide, Branch is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.


Natale Rugari
Director/Partner
Member of CPA, AUSTRALIA
And Holder of Current Public Practice Certificate
Registered Company Auditor
17/116 Melbourne Street
NORTH ADELAIDE SA 5006

17 January 2014