



5 February 2016

Mr Peter Davidson
Federal Secretary
Musicians' Union of Australia
U4/23A King William Road
UNLEY SA 5061

via email: federal.secretary@musicians.asn.au

Dear Mr Davidson

Musicians' Union of Australia Sydney Branch Financial Report for the year ended 30 June 2015 - [FR2015/214]

I acknowledge receipt of the financial report of the Musicians' Union of Australia Sydney Branch (the reporting unit). The documents were lodged with the Fair Work Commission (FWC) on 18 January 2016.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

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.

I make the following comments in relation to non-compliance issues within the report.

Timescale requirements

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. Information about these timeline requirements can be found on the FWC website. In particular, I draw your attention to Financial reporting process and timelines which explains the timeline requirements, and Diagrammatic summary of financial reporting timelines which sets out the timeline requirements in diagrammatical form.

I note that the following timescale requirement was not met:

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

The Designated Officer's Certificate states that the financial report was provided to members on 17 January 2016, and presented to a Committee of Management meeting on 17 January 2016. Under section 265(5)(b) of the RO Act, where the report is presented to a Committee of Management meeting, the report must be provided to members within 5 months of the end of the financial year.

If these dates are correct, the reporting unit should have applied for an extension of time for the provision of the financial report to members in accordance with section 265(5) of the RO Act.

Reports must be presented to a Committee of Management meeting within 6 months after the end of the financial year.

The Designated Officer's Certificate states that the financial report was presented to a Committee of Management meeting on 17 January 2016. Under section 266(3) of the RO Act, which allows for the full report to be presented to a meeting of the Committee of Management when the rules of the organisation provide for this, the timing of this meeting must be in accordance with section 266(1), that is, within 6 months after the end of the financial year.

If these dates are correct, the reporting unit should have applied for an extension of time for the holding of the Committee of Management meeting in accordance with section 265(5) of the RO Act.

Going Concern

Australian Accounting Standard *AASB 101: Presentation of Financial Statements* paragraph 25 relates to the assessment of an entity's ability to continue as a going concern. Australian Auditing Standard *ASA 570: Going Concern* looks at the requirements for auditors in relation to their responsibility to obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption in the preparation and presentation of the financial report and to conclude whether there is a material uncertainty about the entity's ability to continue as a going concern.

The reporting unit has over many years reported an operating loss from ordinary activities, has no cash held and currently is reporting a net liability of (\$27,984).

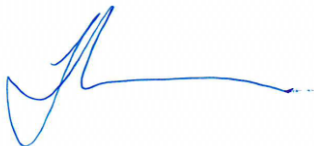
I remind the officers of the union of their duties under sections 285 and 287 of the RO Act in relation to the financial management of the union. These sections require officers to exercise their powers and discharge their duties with care and diligence, in the best interest of the organisation and not to cause detriment to the organisation (these are civil penalty provisions). It is incumbent on the officers of the union to take appropriate steps to address the net operating loss and ensure its ongoing solvency.

Certificate under s.245 if the RO Act

On 29 June 2015 the General Manager of the FWC issued a certificate under s.245 of the RO Act to give effect to the establishment of the Musicians' Union of Australia on an alternative basis that is, into a single reporting unit. Based on this decision, the Sydney Branch of the Musicians' Union of Australia will no longer be deemed a reporting unit for the purpose of compliance with Part 3 of Chapter 8 of the RO Act.

Should you wish to discuss this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on 03) 8656 4681 or by email at joanne.fenwick@fwc.gov.au.

Yours sincerely



Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch



Musicians' Union of Australia
Federal Office

U4 23A King William Rd
Unley SA 5061
ph: 08 8272 5013
email:

federal.secretary@musicians.asn.au

18 January 2016

Certificate of Secretary

S268 of Schedule 1B Workplace Relations Act 1996

I, Peter Davidson, being the Federal Secretary of the Musicians' Union of Australia certify:

- that the documents lodged herewith are copies of the full report for the Musicians' Union of Australia – Sydney Branch for the period ended 30th June 2015, referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of the reporting unit, via post and electronic link to a copy hosted on the Musicians' Union website, on the 17th of January 2016; and
- that the full report was presented and accepted via electronic vote by the Federal Executive, acting in the absence of a committee of management of the Sydney Branch, on the 17th of January 2016. Unfortunately, due to delays in receiving the full report, members were not supplied with the full report within the timeframe required by s.266 of the Fair Work (Registered Organisations) Act 2009.

Kind regards

Peter Davidson
Federal Secretary
Musicians' Union of Australia

**MUSICIAN'S UNION OF AUSTRALIA
SYDNEY BRANCH**

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2015

MUSICIAN'S UNION OF AUSTRALIA - SYDNEY BRANCH

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OPERATING REPORT – Sydney Branch
for the period ended 30 June 2015

The committee presents its report on the reporting unit for the financial year ended June 2015.

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

The principal activities of the organisation during the financial year were those of a Registered Trade Union and included the provision of information and advocacy for members.

No significant change in the nature of these activities occurred during the year. Results of activities were that services to members were generally maintained.

Unfortunately, due to ill health, the Sydney Secretary was forced to resign in March 2015 and, in accordance with the Rules, the Federal Secretary was instructed to take over the affairs of the Branch until an election is held.

Significant changes in financial affairs

There were no significant changes to the finances of the Sydney Branch of the Musicians' Union.

Right of members to resign

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.

Officers or members who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee

To the best knowledge of the Federal Executive no officers and/or members of the organisation are directors of companies that are the trustees of superannuation funds which require one or more of their directors to be a member of a registered organisation.

Number of members

the number of persons that were at the end of the financial year recorded in the register of members for sec. 230 of the *Fair Work (Registered Organisations) Act 2009* and who are taken to be members of the registered organisation under sec. 244 of the *Fair Work (Registered Organisations) Act 2009* was 219.

Number of employees

The number of persons who were at the end of the financial year employees of the Musicians' Union of Australia – Sydney Branch was Nil.

Names of Committee of Management members and period positions held during the financial year

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

NAME	PERIOD
Branch Secretary	
Ken Laing	01/07/2014 - 04/03/2015* (resigned due to ill health)
Federal Executive	
Terry Noone	01/07/2014 - 30/06/2015
Glenn Price	01/07/2014 - 30/06/2015
Peter Davidson	01/07/2014 - 30/06/2015
Sam Moody	01/07/2014 - 30/06/2015
Bernice Claire Clark	01/07/2014 - 30/06/2015

Signature:


Peter Davidson
Federal secretary

Date: 14/12/15

Musicians' Union of Australia – Sydney Branch
COMMITTEE OF MANAGEMENT STATEMENT
for the period ended June 2015



On the 14/12/2015 the Federal Executive of the Musicians' Union of Australia passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended June 2015:

The Federal Executive of the Musicians' Union of Australia, acting in the absence of a Committee of Management of the Musicians' Union of Australia – Sydney Branch, declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the 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; and
- (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 not held in accordance with the rules of the organisation including the rules of a branch concerned as all positions on the Committee of Management were unfilled. However, resolutions of the Federal Executive regarding the Sydney Branch, including the resolution instructing the Federal Secretary to take over the running affairs of the Sydney Branch were all made 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 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) 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) 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 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) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

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

Signature:

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

Peter Davidson
Federal Secretary

Dated: 14/12/15

MUSICIAN'S UNION OF AUSTRALIA - SYDNEY BRANCH

**STATEMENT OF COMPREHENSIVE INCOME FOR THE
YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
INCOME			
Capitation Fees		-	-
Levies		-	-
Grants and/or Donations		-	-
Membership Dues & Entrance Fees		260	351
Interest Received		-	-
TOTAL INCOME		<u>260</u>	<u>351</u>
EXPENDITURE			
Affiliation fees		-	-
Bank charges		-	-
Capitation fees		-	-
Consideration to employers for payroll deductions		-	-
Compulsory levies		-	-
Conference & meeting expenses		-	-
Depreciation Expense		279	-
Federal Subs Sustentation		26	35
Fees/allowances – meeting and conferences		-	-
Grants or donations		-	-
Penalties – via RO Act or RO Regulations		-	-
Professional services	4	1,100	12,829
TOTAL EXPENDITURE		<u>1,431</u>	<u>12,864</u>
NET SURPLUS/ (DEFICIT) FOR THE YEAR		<u>(1,171)</u>	<u>(12,513)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(1,171)</u>	<u>(12,513)</u>
Opening Accumulated Surplus (deficit)		(26,813)	(13,031)
Net surplus (deficit) attributable to the Branch		(1,171)	(12,513)
CLOSING ACCUMULATED SURPLUS (DEFICIT)		<u>(27,984)</u>	<u>(25,544)</u>

The above statement should be read in conjunction with the notes

MUSICIAN'S UNION OF AUSTRALIA - SYDNEY BRANCH

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015**

	Note	2015 \$	2014 \$
ASSETS			
Current Assets			
Current Tax Assets	5	2	(505)
Receivables	6	<u>(22,491)</u>	<u>(21,581)</u>
Total Current Assets		<u>(22,489)</u>	<u>(22,086)</u>
Non-Current Assets			
Furniture & Equipment		56,758	56,758
		(56,758)	(56,479)
Music Library (Nominal Value)		<u>50</u>	<u>50</u>
Total Current Assets		<u>50</u>	<u>329</u>
TOTAL ASSETS		<u>(22,439)</u>	<u>(21,757)</u>
TOTAL LIABILITIES			
Current Liabilities			
Current Tax Liabilities	5	1,758	-
Trade & Other Payables		-	-
Employee provisions		-	-
NSW Benevolent Fund		<u>3,787</u>	<u>3,787</u>
Total Current Liabilities		<u>5,545</u>	<u>3,787</u>
NET ASSETS (LIABILITIES)		<u>(27,984)</u>	<u>(25,544)</u>
ACCUMULATED FUNDS (LOSSES)		<u>(27,984)</u>	<u>(25,544)</u>

The above statement should be read in conjunction with the notes

MUSICIAN'S UNION OF AUSTRALIA - SYDNEY BRANCH

STATEMENT OF CHANGES IN ACCUMULATED FUNDS (LOSSES) FOR THE YEAR ENDED 30 JUNE 2015

	Note	Accumulated Funds (Losses) \$
Balance at 30 September 2013		(13,031)
Total comprehensive income for the year		(12,513)
Balance at 30 September 2014		<u>(25,544)</u>
Prior Year Adjustment	8	(1,269)
Total comprehensive income for the year		(1,171)
Balance at 30 September 2015		<u>(27,984)</u>

The above statement should be read in conjunction with the notes

Musicians Union Of Australia Sydney Branch
Statement of Cash Flows
For the year ended 30 June 2015

	2015	2014
	\$	\$
<hr/>		
Cash Flow From Operating Activities		
Receipts from customers	1,171	14,132
Payments to Suppliers and employees	(1,171)	(14,132)
Net cash provided by (used in) operating activities (note 2)	—	—

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

Operating profit after income tax	(1,171)	(12,513)
Depreciation	279	
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	910	13,781
Increase (decrease) in sundry provisions	(18)	(1,268)
Net cash provided by operating activities	—	—

The accompanying notes form part of these financial statements.

MUSICIAN'S UNION OF AUSTRALIA – FEDERAL OFFICE

Notes to the Financial Report for the Year Ended 30 June 2015

1. SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Fair Work (Registered Organisations) Act 2009*. For the purpose of preparing the general purpose financial statements, the Musician's Union of Australia Sydney Branch is a not-for-profit entity.

The financial report is for the Musician's Union of Australia Sydney Branch, an organisation registered under the RO Act

The financial report has been prepared on an accrual basis and in accordance with historical cost. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

The following is a summary of the significant accounting policies adopted by the Branch in the preparation of the financial report.

- a) (i) **Revenue**
Members Subscription income has been brought to account on an accrual basis during the course of the year.
- (ii) **Expenditure**
Expenses represent amounts paid directly by the Branch for operational costs.
- (iii) **Property, Plant and Equipment**
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.
- (iv) **Income Tax**
No provision for income tax is necessary, as Trade Unions are exempt from income tax under Section 50-15 of the Income Tax Assessment Act 1997.
- (v) **Goods and Services Tax (GST)**
Revenues and expenses are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or part of an item of the expense. Receivables and payables on the statement of financial position are shown inclusive of GST.

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

b) **Going concern basis of accounting**

The financial report has been prepared on the basis that the 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.

MUSICIAN'S UNION OF AUSTRALIA – FEDERAL OFFICE

Notes to the Financial Report for the Year Ended 30 June 2015

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The Committee of Management believes it is appropriate to adopt the going concern basis for preparing the report on the grounds that the Branch continues to receive support from the Federal Office and the Adelaide and Melbourne Branch of the Musician's Union of Australia.

c) Adoption of New Australian Accounting Standard requirements

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

The accounting policies adopted are consistent with those of the previous financial year and have not been impacted by any new standards adopted in the current financial year.

d) Future Australian Accounting Standard requirements

There have been no accounting standards issued prior to the sign off date, but not yet effective, which will have a material impact on the financial report in future periods.

e) Administration

The Branch's financial affairs are administered by the MUA Melbourne Branch. This includes receipting of income, payment of expenses and tax compliance lodgments e.g. BAS statements.

Terms and conditions are such that these services are provided by the MUA Melbourne Branch to the MUA Sydney Branch at no cost or obligation.

2. ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments 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

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 judgments in applying the Branch's accounting principles

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

MUSICIAN'S UNION OF AUSTRALIA – FEDERAL OFFICE

Notes to the Financial Report for the Year Ended 30 June 2015

3. INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL MANAGER OF FAIR WORK COMMISSION

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

- 1) A member of a reporting unit, or the General Manager of Fair Work Commission, 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)

	2015 \$	2014 \$
4. PROFESSIONAL SERVICES		
Auditors - Auditing the financial report	1,100	11,000
- Other Services	-	-
Legal Fees	-	1,829
	<u>1,100</u>	<u>12,829</u>

5. TAX ASSETS (LIABILITIES)

GST Receivable (Payable)	2	(505)
ATO Running Account	<u>(1,758)</u>	<u>-</u>
	<u>(1,756)</u>	<u>(505)</u>

6. RECEIVABLES (PAYABLES)

Receivable from other reporting units		
Funds Held in Trust – Melbourne Branch	21,476	21,260
Funds Held in Trust – Adelaide Branch	(16,350)	(15,250)
Funds Held in Trust – Federal Office	<u>(27,617)</u>	<u>(27,591)</u>
	<u>(22,491)</u>	<u>(21,581)</u>

7. TRADE AND OTHER PAYABLES

Other payables – legal costs	-	-
Consideration to employers for payroll deductions	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

MUSICIAN'S UNION OF AUSTRALIA – FEDERAL OFFICE

Notes to the Financial Report for the Year Ended 30 June 2015

8. RELATED PARTIES

During the reporting period, the Branch made transactions with/on behalf of the following related entities: Musician's Union of Australia Federal Office, Musician's Union of Australia Melbourne Branch and Musician's Union of Australia Adelaide Branch.

None of these transactions had any effect on the operating result of the Branch, except for Federal Dues as disclosed in the statement of comprehensive income. The net effect of all other transactions is disclosed by entity in the "Receivables" on Balance Sheet.

The amounts disclosed in the Detailed Balance sheet as expenses (income) recoupable (payable) to the Federal Office and the Adelaide and Melbourne Branches have been expended (received) with no formal terms or timeframe for repayment (reimbursement) and are unsecured.

Cash inflows/outflows from/to related reporting units occurred during the reporting period:

<u>Reporting Unit</u>	<u>Cash Inflow</u>	<u>Cash Outflow</u>
MUA Melbourne Branch		\$216
MUA Adelaide Branch	\$1,100	
MUA Federal Office	\$26	

9. FINANCIAL RISK MANAGEMENT

The Branch has exposure to the following risks from use of financial instruments:

Credit risk

Liquidity risk

This note presents information about the Branch exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout this financial report. The Management Committee has overall responsibility for risk management and oversight of the Branch's investments.

Management policy has been established to identify and analyse the risk faced by the Branch, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

There have been no substantive changes in the 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.

Credit Risk

Credit risk is the risk of financial loss to the Branch if a customer fails to meet payment obligations and arises principally from the Branch's receivables from customers and reliance on support of other Branches of the Musicians Union of Australia.

Receivables

The Branch's exposure to credit risk is influenced mainly by the individual characteristics of

MUSICIAN'S UNION OF AUSTRALIA – FEDERAL OFFICE

Notes to the Financial Report for the Year Ended 30 June 2015

each debtor. The Branch's only debtor is MUA Melbourne Branch. The debt owed by MUA Melbourne Branch arises from its role as administrator of the finances of the Sydney Branch. The amount owed is the net result of membership fees collected minus expenses incurred on behalf of the Branch. No impairment loss has ever been recognised

MUSICIAN'S UNION OF AUSTRALIA – FEDERAL OFFICE

Notes to the Financial Report for the Year Ended 30 June 2015

Liquidity Risk

Liquidity risk is the risk that the Branch will not be able to meet its financial obligations as they fall due.

The Branch's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Branch's reputation.

The Branch has no borrowings or overdraft facilities in place and is always in a position to meet expected operational expenses.

The liquidity risk of the Branch is minimised by the support of the other branches on the Musician's Union of Australia.

Branch Support

Support is provided on a continuous and ongoing basis by the Federal Office and the Melbourne and Adelaide Branches of the Musician's Union of Australia. This support is not currently at risk of ceasing.

10. SUBSEQUENT EVENTS

There were no events that occurred after 30 June 2015, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch.

11. ADDITIONAL BRANCH INFORMATION

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

c/o Musicians Union of Australia Sydney Branch
Musicians' Union of Australia Federal Branch
U4 23A King William Rd,
Unley South Australia, 5061

INDEPENDENT AUDITOR'S REPORT

To the members of Musicians' Union of Australia –Sydney Branch

Report on the Financial Report

We have audited the accompanying financial report of Musicians' Union of Australia –Sydney Branch, which comprises the statement of financial position as at 30 June 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and committee of management's statement.

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

The Committee of Management and the Branch Secretary are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Fair Work (Registered Organisation) Act 2009* and is appropriate to meet the needs of the members.

The Committee of Management and the Branch Secretary's responsibility also includes such internal control as they determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Fair Work (Registered Organisation) Act 2009*. We confirm that the independence declaration required, which has been given to the Committee of Management of Musicians' Union of Australia –Sydney Branch, would be in the same terms if given to the Committee of Management as at the time of this auditor's report.

Opinion

In our opinion:

- (a) the general purpose financial report of Musicians' Union of Australia –Sydney Branch is in accordance with the *Fair Work (Registered Organisation) Act 2009*, including:
 - (i) presents fairly the entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards to the extent described in Note 1, and the *Fair Work (Registered Organisation) Act 2009*.
- (b) management's use of the going concern basis of accounting in the preparation of the financial report of Musicians' Union of Australia –Sydney Branch is appropriate.

Auditor's qualification

We confirm that Natale Rugari:

- (a) is an approved auditor;
- (b) is a person who is a member of CPA Australia; and
- (c) holds a current Public Practice Certificate.

Ascensio Accountants


Natale Rugari
Principal

North Adelaide, 14th January 2016