



FAIR WORK
COMMISSION

27 September 2013

Ms Nancy Abeyakoon
National Manager Finance and Administration
Printing Industries Association of Australia
PO Box 234
AUBURN NSW 1835

Dear Ms Abeyakoon,

RE: Financial accounts and statements - Printing Industries Association of Australia - for year ending 31 December 2012 (FR2012/553)

I refer to the above financial accounts and statements which were lodged with the Fair Work Commission on 30 May 2013.

The documents have been filed. My attention has been drawn to the correct application of a number of requirements or standards since I filed the previous year's return and since these do not appear to have been clarified in previous FWC correspondence, and some are referenced in the new Reporting Guidelines issued on 26 June 2013, I explain these in the attached table.

The new Reporting Guidelines apply to all financial years ending on or after 30 June 2013. (See http://www.fwc.gov.au/documents/organisations/reporting_guidelines/fr_guidelines_253.pdf)

Yours faithfully,

Stephen Kellett
Regulatory Compliance Branch

Table of particular requirements

| Provision | What it says | Explanation |
|--|--|---|
| <p>Regulation 159(b)</p> <p>For Operating Report</p> | <p>“The following information is prescribed: The number of persons who were, at the end of the financial year to which the report relates, employees of the reporting unit, where the number of employees includes both full-time and part-time employees measured <u>on a full-time equivalent basis</u>”</p> | <p>An inference that the “29 employees” reported means 29 “full-time” employees, is strictly speaking uncertain. For the avoidance of doubt, if all employees are full-time, they should be so described; if some employees are part-time, the total full-time equivalent should be expressed.</p> |
| <p>Regulation 159(c)</p> <p>Operating Report</p> | <p>“The following information is prescribed: The name of each person who has been a member of the committee of management of the reporting unit at any time during the reporting period <u>and the period for which he or she held such a position</u>”</p> | <p>This means the period must be clear. The phrase “during the year” does not indicate sufficiently whether the period was for all or only part of the financial year.</p> <p>To avoid doubt, if all the persons named held their position on the committee for the entire year, then it would suffice to state explicitly “all persons listed held their position for the entire year unless otherwise indicated”.</p> |
| <p>New Reporting guideline paragraph 17(j)</p> | <p>Balances of the following items of expense must be disclosed in the notes to the financial statements if not already disclosed in the statement of comprehensive income....</p> <p>(j) legal costs and other expenses related to: (i) litigation; and (ii) other legal matters</p> | <p>Any item(s) prescribed by the Reporting Guidelines must be included as distinct balances in the audited statements rather than included in analysis statements not forming part of the audited statements.</p> |
| <p>Australian Auditing Standard ASA 700</p> <p>Paragraph 23(c)</p> | <p>The standard states: “The introductory paragraph in the auditor’s report shall: (c) Identify the <u>title of each statement</u> that comprises the financial report”</p> | <p>This is a fine detail from time to time inadvertently omitted in audit statements.</p> <p>The auditor has identified by title all the statements comprising the financial report except for the “Committee of Management Statement”.</p> |
| <p>New Reporting Guidelines Paragraph 44</p> | <p>“The auditor’s statement: a) must include a declaration that either: i. the auditor is an approved auditor; or ii. the auditor is a member of a firm where at least one member is an approved auditor; and b) must specify that the auditor: i. is a person who is a member of CPA Australia, The Institute of Chartered Accountants in Australia or the Institute of Public Accountants (formerly the National Institute of Accountants); and ii. holds a current Public Practice Certificate.</p> | <p>This provision makes explicit what has been an implicit assumption in the past that appointed auditors fall in any year into the category of currently approved auditors. With increased emphasis on auditors’ duties and standards, this provision will support the reporting unit’s governance standards and make it easier for FWC records to be maintained up-to-date.</p> <p>This requirement, in its explicit form, takes effect for all reports prepared for years ending 30 June 2013 onwards.</p> |
| <p>New Reporting Guideline 45</p> | <p>“The auditor’s statement must include 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.</p> | <p>It is considered appropriate that regard for paragraph 25 of AASB 101 should be explicit within the report.</p> |

General Note

The new Reporting Guidelines set out a number of specific items for disclosure and make it a requirement to avoid doubt by making specific statements in relation to specifically prescribed items even where they have not occurred in any reporting period. [see *paragraphs 14, 16, 18, 20, 22, 24, 26, 33, 38 attached*]

27 September 2013

Mr Bill Healey
Chief Executive Officer
Printing Industries Association of Australia
PO Box 234
AUBURN NSW 1835



Dear Mr Healey


RE: Financial accounts and statements - Printing Industries Association of Australia - for year ending 31 December 2012 (FR2012/553) - qualified audit opinion

I refer to your letter dated 24 September 2013 in response to Mr Stephen Kellett's letter dated 5 August 2013 in which he sought your advice in relation to the qualification contained in the auditor's report for the above financial accounts and statements. The qualification concerned a departure from Australian Accounting Standard (AASB) 116 in the provision for depreciation on buildings. Mr Kellett has discussed the issue with Ms Nancy Abeyakoon, National Manager Finance and Administration, and consulted the auditor in relation to this matter.

As Mr Kellett indicated in his letter, insofar as a matter which is the subject of a qualification of an auditor report may be a defect or irregularity or deficiency, failure or shortcoming, pursuant to subsection 332(2) of the *Fair Work (Registered Organisations) Act 2009* the General Manager is not required to investigate if, after consultation with the reporting unit and the auditor, she or he is satisfied that the matter is trivial or will be remedied in the following financial year.

As Delegate of the General Manager, pursuant to section 671 of the *Fair Work Act 2009*, I have noted your advice that you will formally request the Board's approval to provide depreciation in accordance with AASB 116 in future years, at the next Board meeting in October. Taking into account the consultations with the reporting unit and the auditor, and the advice you have provided, I am satisfied that, with the provision of depreciation in accordance with the Standard, the matter will be remedied in the following financial year and that no investigation is required.

Yours faithfully,



Chris Enright
Delegate of the General Manager
Fair Work Commission

From: KELLETT, Stephen
To: ["nancy@printnet.com.au"](mailto:nancy@printnet.com.au)
Cc: ["info@printnet.com.au"](mailto:info@printnet.com.au)
Subject: Attention Mr Bill Healey - PIAA Financial Report for y/e 31 Dec 2012 - letter from Delegate / filing
Date: Friday, 27 September 2013 4:54:00 PM
Attachments: [FR2012_553_PIAA \(from Delegate\) 27 Sept 2013.pdf](#)
[PIAA FR2012_553\(final\).pdf](#)

Dear Nancy,

Please see attached two letters, which includes a letter from the Delegate to Mr Healey and my final letter to you, in relation to the above. There is no further action required in respect of the 2012 report. Please don't hesitate to contact me if you have any questions.

Yours sincerely

STEPHEN KELLETT
Regulatory Compliance Branch
FAIR WORK COMMISSION

80 William Street
EAST SYDNEY NSW 2011

(ph) (02) 6723 7237
(email) stephen.kellett@fwc.gov.au

24.09.2013

Attention: Stephen Kellett
Senior Advisor, Regulatory Compliance Branch,
Fair Work Commission,
Level 8, Terrace Towers
80 William Street
East Sydney NSW 2011.



Printing Industries Association of Australia

Y/Ended 31.12.2012 (FR2012/553)

Dear Mr. Kellett,

In reference to your letter dated 5th August 2013, I'll be requesting approval in our next Board meeting in October to provide depreciation on our buildings in compliance with AASB 116 in future years. I understand our Auditors; David West from Bell Partners has already spoken to you regarding this.

If you need more information or any amendments made to this correspondence please contact me on (02) 8789 7320 or by e-mail at bill@printnet.com.au.

Yours Sincerely

Bill Healey
Chief Executive Officer

Printing
Industries
Association of
Australia

ABN 84 720 646 451

25 South Parade
Auburn NSW 2144
PO Box 234
Auburn NSW 1835

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(02) 8789 7387

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E-mail
info@printnet.com.au

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From: [KELLETT, Stephen](#)
To: [KELLETT, Stephen](#)
Subject: FW: Letter re qualification
Date: Tuesday, 24 September 2013 6:40:21 PM
Attachments: [SKMBT_C55213092416300.pdf](#)

From: Nancy Abeyakoon [mailto:nancy@printnet.com.au]
Sent: Tuesday, 24 September 2013 4:55 PM
To: KELLETT, Stephen
Subject: RE: Attention Mr Bill Healey -financial report for year 31 Dec 2012 - auditor qualification

Dear Mr. KELLETT

As discussed a letter attached informing an undertaking to comply in future years . Hope this is ok , if not please let me know .

Kind Regards

Nancy

Nancy Abeyakoon
National Manager, Finance & Administration

Phone: (02) 8789 7340
Mobile: 0428 500 148
Email: nancy@printnet.com.au
Website: www.printnet.com.au

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From: KELLETT, Stephen
To: [KELLETT, Stephen](mailto:KELLETT.Stephen)
Subject: FW: Attention Mr Bill Healey - financial reporting - auditor's qualification
Date: Saturday, 31 August 2013 8:32:00 AM

From: Nancy Abeyakoon [mailto:nancy@printnet.com.au]
Sent: Thursday, 8 August 2013 3:49 PM
To: KELLETT, Stephen
Subject: RE: Attention Mr Bill Healey - financial reporting - auditor's qualification

Dear Mr. KELLETT

Thanks for contacting me and explaining the issue re our Financials . I've emailed our Auditors , sent a reminder too . Will come back to you as soon as I hear from them .

Kind Regards

Nancy

Nancy Abeyakoon
National Manager, Finance & Administration

Phone: (02) 8789 7340
Mobile: 0428 500 148
Email: nancy@printnet.com.au
Website: www.printnet.com.au

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From: [KELLETT, Stephen](mailto:KELLETT.Stephen)
To: ["info@printnet.com.au"](mailto:info@printnet.com.au)
Cc: ["nancy@printnet.com.au"](mailto:nancy@printnet.com.au)
Subject: Attention Mr Bill Healey - financial report for year 31 Dec 2012 - auditor qualification
Date: Monday, 5 August 2013 11:30:55 AM
Attachments: [PIAA FR2012 553\(re qualification\).pdf](#)

Dear Mr Healey,

Please see my letter in relation to the above.

Yours sincerely

STEPHEN KELLETT
Senior Adviser, Regulatory Compliance Branch
Fair Work Commission

80 William Street
EAST SYDNEY NSW 2011

(ph) (02) 6723 7237
(mobile) 0429 462 979
(email) stephen.kellett@fwc.gov.au

www.fwc.gov.au

5 August 2013

Mr Bill Healey
Chief Executive Officer
Printing Industries Association of Australia
PO Box 234
AUBURN NSW 1835



Sent by email: info@printnet.com.au

Dear Mr Healey

RE: Financial accounts and statements - Printing Industries Association of Australia - for year ending 31 December 2012 (FR2012/553)

I refer to the above financial accounts and statements which were lodged with the Fair Work Commission on 30 May 2013.

The documents have not yet been filed because the Fair Work Commission (FWC) considers further information is required in relation to the auditor's qualification regarding the organisation's decision not to charge depreciation in accordance with AASB 116. The auditor has quantified the effect of the non-compliance on the report.

This qualification in various forms has appeared in all audit reports since 2002. The FWC record shows that the previous reports containing this qualification have been filed without query. However upon review, it is considered a query should have been made. Under subsection 332(2) of the *Fair Work (Registered Organisations) Act 2009* a defect, irregularity, deficiency, failure or shortcoming set out in an auditor's report, may provide grounds for investigation unless the General Manager, after consultation with the reporting unit and the auditor, is satisfied that the matters are trivial or will be remedied in the following financial year.

Subsection 253(1) requires that general purpose financial reports must be prepared in accordance with the Australian Accounting Standards. That this is essentially an unqualified requirement is reflected by the fact that there is a specific provision for exempting reporting units from particular Accounting Standards, under special conditions, in section 241 of the RO Act.¹

In the opinion of FWC's accounting advisors, it is not clear from the information provided in the report why the Accounting Standard should not or cannot be complied with.

Accordingly, I seek the organisation's advice about the matter of compliance with AASB 116. Consideration of the following should assist:

¹ Section 241 states as follows: (1) "The General Manager may, by written notice, determine that particular Australian Accounting Standards do not apply in relation to an organisation or to a class of organisation. (2) In deciding whether to determine that a particular Australian Accounting Standard does not apply in relation to an organisation or organisations, the General Manager is to have regard to the cost to the organisation or organisations of complying with the standard and the information needs of the members of the organisation or organisations." Note however that this provision appears to have been introduced into the Workplace Relations Act 2003 for the purposes of alleviating onerous cost burdens on small organisations [see 2nd Reading speech, 16 October 2002; in s241 determination, PR993924 on 18 February 2010]

1. Whether there is any additional information relevant to understanding why the decision has been taken since 2002 not to charge depreciation in accordance with AASB 116, and/or whether there is any reason why the organisation might consider it may not, and/or ought not, comply;
2. whether the organisation considers there would be any difficulties in so complying in future years;
3. whether the organisation considers the matter trivial, and if so why;
4. whether the organisation can provide an undertaking to so comply in respect of reports prepared for future years; and whether it will remedy the matter and so comply in the next financial year.

The organisation's response may be forwarded directly to me at stephen.kellett@fwc.gov.au. My telephone contact number in the event of any query in relation to this is (02) 6723 7237.

Yours faithfully,

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

Stephen Kellett
Senior Adviser, Regulatory Compliance Branch
Fair Work Commission

cc. Ms Nancy Abeyakoon, National Manager, Finance and Administration

28th May 2013

Mr. Stephen Kellett
Fair Work Commission
Level 8, 80 William St
East Sydney NSW 2011



ANNUAL RETURN 2011

Printing
Industries
Association of
Australia

Dear Mr. Kellett

As we have now held our Annual General Meeting, I am pleased to enclose the Annual Report which includes the Financial Statements for year ended 31 December 2012 and the Certificate by the Prescribed Officer.

All the other Annual Return Information was lodged in March 2013.

Please do not hesitate to contact me should you require any further information

Yours Sincerely

Nancy Abeyakoon

National Manager Finance & Administration

ABN 84 720 646 451

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Auburn NSW 2144

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Auburn NSW 1835

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CERTIFICATE BY SECRETARY OR PRESCRIBED DESIGNATED OFFICER

I, Susan Anne Heaney

a prescribed designated officer, certify that the enclosed documents lodged, being a copy of the full report of the **Printing Industries Association of Australia** for the year ended 31 December 2012.

- are copies of the documents will be provided to Members early May 2013.
- and subsequently presented to the Annual General meeting in accordance with section 266, held on 24 / 5 / 2013.

Signature: [Signature]
Name : Susan H. Heaney
Position : National President
Date : 27/05/2013



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PRINTING INDUSTRIES ASSOCIATION of
AUSTRALIA FINANCIAL STATEMENTS AND
REPORTS FOR THE YEAR ENDED
31 DECEMBER 2012

The Board has pleasure in presenting the 88th Annual Report of the activities of the Association for the year ended 31 December 2012, together with the audited Income Statement, Cash Flow Statement and Balance Sheet for the year ended 31 December 2012.

Presented to the Annual General Meeting held in Melbourne on Friday 24 May 2013 at the Melbourne Convention and Exhibition Centre, 1 Convention Centre Place, South Wharf, Melbourne, Victoria 3006.

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INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012

| | Notes | 2012 | 2011 |
|---|--------------|-------------|-------------|
| Revenues from Ordinary Activities | 2 | 3,717,482 | 3,547,540 |
| Depreciation | 1c | [69,923] | [81,971] |
| Salaries, Wages & Allowances | | [2,108,117] | [2,045,105] |
| Annual Leave Provided | | [9,407] | [14,936] |
| Long Service Leave Provided | | [34,314] | [19,900] |
| Superannuation | | [179,680] | [170,531] |
| Grants | | [3,000] | [3,000] |
| Affiliation Fees | | [45,389] | [38,691] |
| Postage | | [28,151] | [24,568] |
| Printing & Stationery | | [117,284] | [103,284] |
| Property Costs | | [148,982] | [136,767] |
| Telephone & Facsimile | | [96,917] | [115,122] |
| Travel | | [102,993] | [65,161] |
| Computer | | [47,969] | [47,789] |
| Consultancy | | [96,431] | [59,751] |
| Motor Vehicle | | [42,868] | [55,191] |
| Meeting Costs | | [104,741] | [86,671] |
| Advertising & Marketing | | [39,278] | [33,736] |
| Other | | [118,876] | [238,010] |
| Surplus (Deficit) from activities before income tax expense | | 323,162 | 207,356 |
| Income Tax Expense | 1(e) | | |
| Net surplus(deficit) after income tax attributable to the Association | | 323,162 | 207,356 |

BALANCE SHEET
AS AT 31 DECEMBER 2012

| | Notes | 2012 | 2011 |
|--|-------|------------------|------------------|
| Current Assets | | | |
| Cash on Hand | | 2,350 | 2,650 |
| Cash at Bank | | -24,450 | 70,779 |
| Investments -Term Deposits | | 408,590 | 625,457 |
| Investments - Intech Shares | | 70,000 | - |
| Subscriptions in Arrears and General Debtors | 5 | 213,893 | 162,687 |
| Prepayments | | 42,598 | 8,810 |
| Regional Activities | | 645,977 | 418,799 |
| Mentoring /Advisors Project | | 614,101 | - |
| Total Current Assets | | 1,973,059 | 1,289,182 |
| Non Current Assets | | | |
| Land & Buildings | 4 | 5,490,647 | 5,490,647 |
| Furniture, Fittings & Office Equipment | 4 | 76,687 | 102,965 |
| Motor Vehicles | 4 | 169,781 | 72,401 |
| Total Non Current Assets | | 5,737,115 | 5,666,013 |
| Total Assets | | 7,710,174 | 6,955,195 |
| Current Liabilities | | | |
| <i>Printing Industries' Training Fund</i> | | 9,944 | 9,944 |
| Revenue in Advance | | 9,247 | 19,506 |
| Sundry Creditors & Accruals | 6 | 1,018,208 | 584,615 |
| Provision for Annual Leave | 1(d) | 130,633 | 142,187 |
| Total Current Liabilities | | 1,168,032 | 756,252 |
| Non Current Liabilities | | | |
| Provision for Long Service Leave | 1(d) | 280,162 | 260,122 |
| Total Non Current Liabilities | | 280,162 | 260,122 |
| Total Liabilities | | 1,448,194 | 1,016,374 |
| Net Assets | | 6,261,980 | 5,938,821 |
| Members' Funds | | | |
| Accumulated Funds | 10 | 6,261,980 | 5,938,821 |
| Total Members' Funds | | 6,261,980 | 5,938,821 |

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

| | 2012 | 2011 |
|---|------------------|-----------------|
| Operating Activities | | |
| Receipts from Customers | 3,177,396 | 3,461,117 |
| Interest Received | 45,630 | 16,295 |
| Payment to Suppliers & Employees | [3,353,706] | [3,252,706] |
| Funds From Operations | [130,680] | 224,706 |
| Investing Activities | | |
| Proceeds from Sale of Assets | 31,500 | 5,100 |
| Purchase of Shares | [70,000] | - |
| Payment for Property, Plant & Equipment | [143,216] | [77,650] |
| Cash provided by/(used in) investing activities | [181,716] | [72,550] |
| Net Increase/(Decrease) in Cash Held | [312,396] | 152,156 |
| Cash at Beginning of Financial Year | 698,886 | 546,730 |
| Cash At End of Financial Year | 386,490 | 698,886 |

RECONCILIATION OF FUNDS FROM OPERATIONS FOR THE YEAR ENDED 31 DECEMBER 2012

| | 2012 | 2011 |
|--|------------------|----------------|
| Operating Surplus/(Deficit) after Income Tax | 323,162 | 207,356 |
| Non Cash Flows In Operating Profit/(Loss): | | |
| Profit on Sale of Non Current Assets | [29,309] | 5,507 |
| Depreciation | 69,923 | 81,971 |
| Charges to Provision for Employee Entitlements | 8,485 | [79,105] |
| Changes In Assets & Liabilities | | |
| Decrease/(Increase) in Current Receivables | [51,207] | 36,996 |
| Decrease/(Increase) in Prepayments | [671,067] | [558] |
| Increase/(Decrease) in Sundry Creditors | 456,772 | 22,763 |
| Increase / (Decrease) in Training Fund -Tasmania | - | [1,762] |
| Increase/(Decrease) in Subscriptions in Advance | [10,261] | 5,436 |
| Increase/(Decrease) in Regional Activities | [227,178] | [53,898] |
| Net Cash Provided by/(used in) Operating Activities | [130,680] | 224,706 |
| Reconciliation Of Cash | | |
| Cash on Hand | 2,350 | 2,650 |
| Cash at Bank | 384,140 | 696,236 |
| | 386,490 | 698,886 |

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2012

| | Retained Earnings |
|---------------------------------------|--------------------------------|
| Balance as at 01 January 2011 | 5,731,464 |
| Rounding | 1 |
| Net Surplus [Deficit] for the Year | 207,356 |
| Balance as at 31 December 2011 | <u>5,938,821</u> |
| Rounding | [3] |
| Net Surplus [Deficit] for the Year | 323,162 |
| Balance as at 31 December 2012 | <u><u>6,261,980</u></u> |

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

1. STATEMENT OF ACCOUNTING POLICIES

The financial statements have been drawn up in accordance with applicable Australian Accounting Standards, other mandatory professional reporting requirements and the Fair Work [Registered Organisations] Act 2009.

The financial report is a general purpose financial report that has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report of Printing Industries Association of Australia complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) & other mandatory professional reporting requirements including the Workplace Relations Act. The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Non-Current Assets

Land and Buildings are regularly valued. Depreciation began to be provided for buildings during the year ended 31 December 1993 and valuations were undertaken in 2003. As a result of the increase in values, Board has decided not to make a provision for depreciation on buildings as the respective values are in excess of the carrying value of the underlying assets. Furniture, fittings and office equipment have been included in the accounts at cost.

(b) Leased Assets

The Association does not have any leases that are classified as financial leases under Accounting Standard AASB117. Lease payments made under operating leases are charged to the Statement of Financial Performance in equal instalments over the accounting period covered by the lease term.

(c) Depreciation Method

Depreciation has been provided on all non-current assets, with the exception of those referred to in part (a), using the straight-line method so as to write off the cost of the asset over the estimated useful life. Where assets have been re-valued depreciation is based on the re-valued amount. The depreciation rates used for each class of depreciable asset are:

| | |
|--|------------|
| Motor Vehicles | 20% |
| Furniture, Fittings & Office Equipment | 7.5% - 20% |

(d) Provision for Employee Entitlements

The amounts expected to be paid to employees for their pro-rata entitlement to long service and annual leave are accrued annually at current pay rates having regard to experience of employee departures and period of service. Provision for Long Service Leave is provided for all employees with five or more years' service.

(e) Income Tax

The Association is exempt from income tax under Section 23 [F] of the Income Tax Assessment Act on the grounds that it is an association of employers registered under the Fair Work Act.

(f) Provision for Doubtful Debts

The collectability of debts is assessed at year-end and provision is made for any specific doubtful debts.

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012

2. OPERATING SURPLUS/(DEFICIT)

Major revenue items entering into the determination of operating surplus/(deficit)

| | 2012 | 2011 |
|---|-----------|-----------|
| Subscription Revenue | 2,423,691 | 2,596,414 |
| Net Income from Regional Activities | 930,953 | 540,798 |
| Interest on Short-term Investments | 45,630 | 16,295 |
| Rental Income | 99,952 | 97,178 |
| Printex | - | 296,436 |
| Write back of over provisions | 52,000 | - |
| Bad Debts Recovered | 1,009 | 419 |
| National Print Awards Balance as at 1.01.2012 | 164,247 | - |
| | 3,717,482 | 3,547,540 |

3. OPERATING SURPLUS /(DEFICIT)

The Operating Surplus/(Deficit) before Income Tax has
been determined after charging the following specific items:

| | 2012 | 2011 |
|--|--------|--------|
| Bad Debts written off to Profit & Loss | 22,541 | 38,160 |
| Depreciation | 69,923 | 81,971 |
| Operating Leases | 36,522 | 41,085 |

Auditor's Remuneration:

The total amount received or due and receivable by the Auditors of the Association:

| | | |
|--------------------|--------|--------|
| For Audit Services | 27,000 | 27,000 |
| For Other Services | 0 | 0 |

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012

4. NON-CURRENT ASSETS

Non Current Assets are included in the accounts on the following bases:

| | 2012 | 2011 |
|--|------------------|------------------|
| Land & Building at Cost | 5,582,699 | 5,582,699 |
| Less: Accumulated Depreciation | 92,052 | 92,052 |
| | 5,490,647 | 5,490,647 |
| | | |
| Furniture, Fittings & Office Equipment at Cost | 404,811 | 400,782 |
| Less: Accumulated Depreciation | 328,125 | 297,817 |
| | 76,686 | 102,965 |
| | | |
| Motor Vehicles at Cost | 277,026 | 253,970 |
| Less: Accumulated Depreciation | 107,245 | 181,569 |
| | 169,781 | 72,401 |
| | | |
| Total Non Current Assets | 5,737,114 | 5,666,013 |

5. SUBSCRIPTIONS IN ARREARS & GENERAL DEBTORS

| | | |
|---|----------------|----------------|
| Debtors | 286,918 | 226,118 |
| Less: Provision for Doubtful debts | 73,025 | 63,431 |
| Total Subscriptions in Arrears & General Debtors | 213,893 | 162,687 |

6. SUNDRY CREDITORS AND ACCRUALS

| | | |
|--|------------------|----------------|
| Sundry Creditors | 93,254 | 68,504 |
| Accruals | 303,680 | 281,607 |
| Projects – Government/Other | 621,274 | 234,504 |
| Total Sundry Creditors and Accruals | 1,018,208 | 584,615 |

7. COMMITMENTS FOR EXPENDITURE

| | | |
|--|--------|--------|
| Operating Lease commitments | | |
| Not later than one year | 31,260 | 32,760 |
| Later than one year and not later than two years | 31,260 | 31,260 |
| Later than two years and not later than five years | 25,410 | 25,410 |

8 SUPERANNUATION COMMITMENTS

The Association contributes to a superannuation fund designed for management and staff. Those contributions are fully vested, and the rate of contribution is as set down under relevant Government Legislation.

The Association is under no legal obligation to make up any shortfall in the assets of the fund to meet payments due to employees.

9. FINANCIAL INSTRUMENTS

a) Interest Rate Risk

The Association'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 classes of financial assets and financial liabilities, is as follows:

| | Weighted Average Effective Rate | | Floating Interest Rate | | Non Interest Bearing | | Total | |
|---------------|---------------------------------|--------|------------------------|---------|----------------------|------------------|----------------|------------------|
| | 2012 % | 2011 % | 2012 \$ | 2011 \$ | 2012 \$ | 2011 \$ | 2012 \$ | 2011 \$ |
| Cash | 2.5 | 2.5 | | | | - | | - |
| Receivable | - | - | | | 902,468 | 1,289,182 | 902,468 | 1,289,182 |
| Investments | 2.5 | 2.5 | | | | | | |
| Totals | | - | | | 902,468 | 1,289,182 | 902,468 | 1,289,182 |
| Creditors | | | | | 406,180 | 614,064 | 406,180 | 614,064 |
| Totals | | | | | 406,180 | 614,064 | 406,180 | 614,064 |

b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral, or other security, at balance date to be recognised as financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to the financial statements. The Association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Association.

c) Net Fair value

The net fair values of all assets and liabilities approximate their carrying value. No financial assets or liabilities are readily traded on organised markets in standardised

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

10. RETAINED PROFITS

| | 2012 | 2011 |
|--|------------------|------------------|
| Retained surplus at beginning of the year | 5,938,821 | 5,731,464 |
| Net surplus/(deficit) attributable to the Association | 323,162 | 207,356 |
| Rounding | (3) | 1 |
| Retained Surplus at the end of the Financial Year | 6,261,980 | 5,938,821 |

11. RELATED PARTIES.

The Board members of the Association act in an honorary capacity and receive no remuneration.

Each Board member is a representative of an organisation who is itself, a member of the Association and who pays an annual subscription for that membership under normal commercial conditions.

12. MEMBERS' ACCESS TO FINANCIAL RECORDS.

In accordance with the requirements of the Fair Work [Registered Organisations] Act 2009 Section 272 :

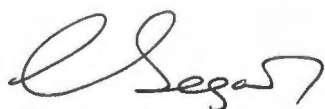
1. A member of the reporting unit, or the Registrar, may apply to the reporting unit for specific prescribed information in relation to the Association to be made available to the person making the application.
2. The application must be in writing and must specify the period within which, and the manner 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 reporting unit must comply with an application under subsection (1).

STATEMENT BY COMMITTEE OF MANAGEMENT

In relation to the General Purpose Financial Report [GPFR] for the year ended 31 December 2012, the Committee declares that, in the opinion of the Committee of Management:

- a. The financial statements and notes comply with the reporting guidelines of the Industrial Registrar for the purposes of section 255 of the Registration and Accountability of Organisations [RAO] Schedule;
- b. The financial statements and notes give a true and fair view of the financial performance, the cash flows and financial position of the Association for the year ended 31 December 2012;
- c. The accounting policies are consistent with those of the previous year and comply with the Australian Accounting Standards, with the exception of the provision for depreciation on buildings as reflected in note 1[a].
- d. There are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due;
- 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 Association, and
 - ii. the financial affairs of the Association have been managed in accordance with the rules of the Association, and
 - iii. the financial records of the Association have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations, and
 - iv. the information sought in any request of a member of the Association or a Registrar under section 272 of the RAO Schedule has been furnished to the member or the Registrar, and
 - v. There has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.
- f. In relation to the recovery of wages activity, the Association is a registered employer association, and as such is not involved in such activities. During the year there was no recovery of wages from members of the Association or others.

Signed in accordance with a resolution of the Committee of Management, passed on the 22nd day of March 2013.



Chris Segart
National Honorary Treasurer
Date: 22nd March 2013.

OPERATING REPORT**FOR THE YEAR ENDED 31 DECEMBER 2012**

In accordance with section 254 [2] [f] of Fair Work (Registered Organisations) Regulations 2009 – Regulation 159, the Committee of Management reports as follows:

Principal Activities

During the year the Association continued to assist its members with specialty services, advice, support and representation. As a result of these activities, The Association incurred a surplus of \$158,915 during the year. There were no significant changes in the nature of the activities during the year. An additional abnormal revenue of 164,247 [NPA transfer] increased the final surplus to \$323,162.

Resignation of Members [Section 174] and clause 8 of the Association constitution

1. A member of the Association may resign by written notice addressed and delivered to a person designated for the purpose in the rules of the Association.
2. This resignation will take effect from:
 - a. Where the member ceases to be eligible to be a member of the Association:
 - i. On the day on which the notice is received by the Association; or
 - ii. On the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to be a member; whichever is later; or
 - b. in any other case:
 - i. at the end of two weeks, or such shorter period as is specified in the rules of the Association, after the notice is received by the Association; or
 - ii. On the day specified in the notice; whichever is later.
3. Any dues payable but not paid by the former member of the Association. In relation to a period before the member's resignation from the Association took effect, may be sued for and recovered in the name of the Association, in a court of a competent jurisdiction as a debt due to the Association.
4. A notice delivered to the person mentioned in subsection [1] is taken to have been received by the Association when it was delivered.
5. A notice of resignation that has been received by the Association is not invalid because it was not addressed and delivered in accordance with subsection [1].
6. A resignation from membership of the Association is valid even if it is not affected in accordance with this section if the member is informed in writing by or on behalf of the organisation that the resignation has been accepted.

Superannuation Involvement

No officer or member of the Association is a trustee of a superannuation entity or an exempt public sector superannuation scheme; or a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

Regulation 159 Information

- a. There were 1,261 members recorded in the register of members [section 230 of the RAO] and who are taken as members [section 244 of the RAO] at the end of the financial year.
- b. There were 29 employees of the Association at the end of the financial year.
- c. Board members during the year were:

| | | |
|--------------|-----------------|---------------|
| Susan Heaney | Simon Doggett | Chris Segardt |
| Ray Keen | Paul Richardson | Danny Roach |
| Peter Lane | Ian Smith | Kieran May |



Chris Segardt
National Honorary Treasurer
Date: 22nd March 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRINTING INDUSTRIES ASSOCIATION OF AUSTRALIA

Report on the Financial Report

We have audited the accompanying financial report of Printing Industries Association of Australia which comprises the balance sheet statement of financial position as at 31 December 2012 that date, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to and forming part of the financial statements.

Committee's Responsibility for the Financial Report

The members of the Committee of the association 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 financial reporting requirements of the association's constitution. This responsibility 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. In Note 1, the committee also state, in accordance with Accounting Standard AASB 101: "Presentation of Financial Statements", that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensure that the financial report, comprising the financial statements and notes, complies with IFRS.

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 judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. On making those risk assessments, the auditors consider 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 director, 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 Australian professional ethical pronouncements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
PRINTING INDUSTRIES ASSOCIATION OF AUSTRALIA

Auditor's Opinion

Except for

Under the terms of AASB 116 we report that the Association does not comply with the Australian Accounting Standards in respect of the provision of depreciation on buildings detailed in Note 1[a]. Had depreciation been charged we estimate this to have been \$105,164 for the financial year.

In our opinion except to the extent of the above

- a) The financial report of Printing Industries Association of Australia is in accordance with the associations constitution, including:
 - (i) giving a true and fair view of the Association's financial position as at 31 December 2012 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the related sections of the Fair Work Act.
- b) The financial report also complies with the International Financial Reporting Standards as disclosed in Note 1.

Bell Partners

Accountants Advisors Auditors



Donald. F. Bell
40 Lime Street SYDNEY NSW 2000
Dated this day of: 24th April 2013

INFORMATION ADDENDUM FOR MEMBERS

Following on from the 2003 Annual General Meeting, the National Council requested that the following additional information be provided to members. The information set out in the Statement of Financial Performance is in line with the requirements of the various statutes, but the National Council has requested that more details be provided in respect of "Other Expenses". This addendum does not form part of the audited Financial Statements, but is included for the information of members.

ANALYSIS OF OTHER EXPENSES

| EXPENDITURE | 2012 | 2011 |
|----------------------------------|----------------|----------------|
| Audit Fees | 27,000 | 27,000 |
| Insurances | 21,640 | 20,541 |
| Legal and Debt Recovery | 8,619 | 3,341 |
| Publications & Journals | 16,145 | 17,172 |
| Public Relations & Entertainment | 8,266 | 7,671 |
| Repairs | 19,042 | 19,958 |
| Bank Fees | 16,783 | 21,244 |
| Bad Debts | 22,541 | 38,160 |
| Corporate Plan | - | 69,298 |
| Loss/Profit on sale of assets | [29,309] | - |
| General | 8,149 | 13,625 |
| TOTAL | 118,876 | 238,010 |



FAIR WORK
COMMISSION

18 January 2013

Mr Bill Healey
Chief Executive Officer
Printing Industries Association of Australia
Sent by email: info@printnet.com.au

Dear Mr Healey,

Re: Lodgement of Financial Report - [FR2012/553]
Fair Work (Registered Organisations) Act 2009 (the RO Act)

The financial year of the Printing Industries Association of Australia (the reporting unit) ended on 31 December 2012.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date, namely 15 July 2013 (that is the period within 6 months and 14 days of the end of the financial year) under s.268 of the RO Act.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets regarding financial reporting under the RO Act are provided on the Fair Work Commission website at: [Financial Reporting Fact Sheets](#).

The documents can be emailed to orgs@fwc.gov.au. If it is envisaged that the financial report cannot be lodged by the due date you are requested to contact this office prior to the due date to discuss the issue.

It should be noted that s.268 is a civil penalty provision. Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$33,000 for a body corporate and \$6,600 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7936 or via email at robert.pfeiffer@fwc.gov.au.

Yours sincerely,

Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch

TIMELINE/ PLANNER

| | | |
|--|-----|---|
| Financial reporting period ending: | / / | |
| Prepare financial statements and Operating Report. | | |
| (a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement. | / / | As soon as practicable after end of financial year |
| (b) A # designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR). | / / | |
| Auditor's Report prepared and signed and given to the Reporting Unit - s257 | / / | Within a reasonable time of having received the GPFR (NB: Auditor's report must be dated on or after date of Committee of Management Statement) |
| Provide full report free of charge to members – s265 The full report includes: <ul style="list-style-type: none"> the General Purpose Financial Report (which includes the Committee of Management Statement); the Auditor's Report; and the Operating Report. | / / | (a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting, or (b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year. |
| Present full report to: | | |
| (a) General Meeting of Members - s266 (1),(2); OR | / / | Within 6 months of end of financial year |
| (b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3) | / / | Within 6 months of end of financial year |
| Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268 | / / | Within 14 days of meeting |

* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.