



22 August 2014

Mr David Leach
President
Printing Industries Association of Australia
by email: info@printnet.com.au

cc: Nancy Abeyakoon; Bell Partners Chartered Accountants

Dear Mr Leach,

**Printing Industries Association of Australia
Financial Report for the year ended 31 December 2013 [FR2013/450]**

I acknowledge receipt of the financial report of the Printing Industries Association of Australia. The documents were lodged with the Fair Work Commission on 12 June 2014. Additional information was provided by Ms Abeyakoon on 22 August 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.

Changes to the Reporting Guidelines and model financial statements

A fourth edition of the General Manager's s.253 Reporting Guidelines was gazetted on 13 June 2014. These guidelines will apply to all financial reports that end on or after 30 June 2014. A model set of financial statements for the 2013-2014 financial year is also available on the Fair Work Commission website. The Fair Work Commission recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards.

The Reporting Guidelines and Model Financial Statements are available on the website here: <https://www.fwc.gov.au/registered-organisations/compliance-governance/financial-reporting>

Please note that the financial report for the year ending 31 December 2014 will be subject to an advanced compliance review and will not be filed until compliance is achieved.

The comments below cover areas of concern identified in the course of a primary review of the financial statements. Please note that paragraph numbering in the fourth edition may differ slightly from the numbering in the third edition, referred to below.

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 Fair Work Commission website. In particular, I draw your attention to [Financial reporting process](#) which explains the timeline requirements, and [Summary of financial reporting timelines](#) which sets out the timeline requirements in diagrammatical form.

I note that the following timescale requirements were not met:

Documents must be lodged with the Fair Work Commission within 14 days of General Meeting

Section 268 of the RO Act states that the full report and the designated officer's certificate are required to be lodged with the Fair Work Commission within 14 days of the meeting of members. The Designated Officer's Certificate indicates that this meeting occurred on 23 May 2014. If this is correct the full report should have been lodged with the Fair Work Commission by 6 June 2014.

The full report was lodged on 12 June 2014.

If these dates are correct, the organisation should have applied for an extension of time to lodge the required reports and the designated officer's certificate in accordance with s.268 of the RO Act.

Please note that in future financial years a written request for an extension of time, signed by a relevant officer, including any reason for the delay, must be made if the organisation cannot lodge on time.

Reports must be provided to members at least 21 days before the general meeting of members

The designated officer's certificate states that the financial report was provided to members in early May 2014. Additional information has been provided specifying that it was provided to members on 2 May 2014. The financial report was presented to a general meeting of members on 23 May 2014. Under s.265(5)(a) of the RO Act, where the report is presented to a general meeting of members the report must be provided to members 21 clear days before that meeting.

If these dates are correct, the reporting unit only provided members with the financial report 20 days before the general meeting.

Please note that s.265(5) is a civil penalty provision and future failure to meet this timeline may result in an inquiry into the organisation and the General Manager of the Fair Work Commission may apply under s.310(1) of the RO Act to the Federal Court of Australia for a pecuniary penalty order to be imposed on your organisation and, potentially, an officer whose conduct led to the non-compliance.

Operating Report

Period of Membership of Committee of Management

Regulation 159(c) of the RO Regulations requires the Operating Report to disclose the period each listed officer served on the Committee of Management during the reporting period. To satisfy the regulation the following wording could be included at the end of the current statement: 'for the duration of the financial year unless indicated otherwise'.

The Operating Report indicates that two of the office holders held their positions for part of the year only. In future, please ensure that where this occurs the dates that the office holders held their positions during the year is specified.

Number of employees

Subsection 254(2)(f) of the RO Act requires the number of persons that were, at the end of the financial year to which the report relates, employees of the reporting unit to be disclosed in the Operating Report. Regulation 159(b) requires that the number of employees include both full-time and part-time employees measured on a full-time equivalent basis.

The Operating Report states that '[t]here were 34 employees of the Association at the end of the financial year'. In future the number of employees must be expressed as full-time equivalent.

Notes to the financial statements

Revenue recognition

Australian Accounting Standard *AASB 101 Presentation of Financial Statements* Paragraph 117 and *AASB 118: Revenue* Paragraph 35(a) require an entity to disclose the measurement basis or bases used in recognising revenue.

The accounting policies for revenue have not been disclosed.

Auditor's Statement

Declaration relating to management's use of the going concern basis of accounting

Reporting Guideline 45 requires that the Auditor's Statement include a declaration that as part of the audit they have concluded that management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate (see Paragraph 39 in the fourth edition Reporting Guidelines).

This declaration was not included in the Auditor's Statement. Please ensure that this declaration is included in future.

Legislative references

The Auditor's Statement refers to the *Corporations Act 2001*, the *Corporations Regulations 2001* and 'related sections of the Fair Work Act'. Please note that the financial report must comply with the *Fair Work (Registered Organisations) Act 2009*.

Statement of Comprehensive Income & Statement of Financial Position

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

The Reporting Guidelines 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 (Reporting Guidelines 17(f) and 17(g)).

The Income Statement discloses salaries, wages and allowances, leave and superannuation with respect to other employees but does not disclose separation and redundancies or other employee expenses. Please note that if any of these activities have not occurred in the reporting period, a statement to this effect must be included in the statements or notes (see Reporting Guideline 18).

The Reporting Guidelines 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 (Reporting Guidelines 21(c) and 21 (d)).

The Balance Sheet discloses liabilities for annual leave and long service leave for other employees, but does not disclose separation and redundancies or other employee provisions. Please note that if any of these activities have not occurred in the reporting period, a statement to this effect must be included in the statements or notes (see Reporting Guideline 22).

Disclosure of affiliation fees

The Income Statement discloses a total amount paid in affiliation fees. In order to satisfy Reporting Guideline 17(c), where affiliation fees are paid to any political party, affiliation. Congress, council or group of organisations, or any international body having an interest in industrial matters, both the amount paid to each entity and the name of each entity to which monies were paid must be disclosed. If the activity described in Reporting Guideline 17(c) did not occur, this must be disclosed in the Income Statement or notes (see Reporting Guideline 18).

Other activities under Reporting Guidelines not disclosed

Reporting Guideline 18 states that if the activities identified in Reporting Guideline 17 have not occurred in the reporting period, a statement to this effect must be included in the notes to the GPFR.

I note that no disclosures have been made with respect to fees and/or allowances paid in respect of attendance at conferences or meetings (17(g)), legal costs and expenses (17(j)) or penalties imposed on the organisation under the RO Act with respect to conduct of the reporting unit (17(k)).

If you have any queries regarding this letter, please contact me on (03) 8661 7942 or via email at rebecca.lee@fwc.gov.au.

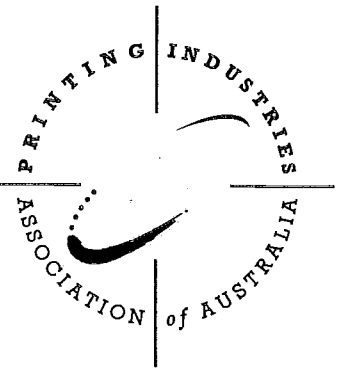
Yours sincerely,

A handwritten signature in black ink, appearing to read 'Rebecca', with a stylized flourish at the end.

Rebecca Lee
Regulatory Compliance Branch

10th June 2014

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



ANNUAL RETURN 2013

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 2013 and the Certificate by the Prescribed Officer.

All the other Annual Return Information was lodged in March 2014.

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

Yours Sincerely

Nancy Abeyakoon

National Manager Finance & Administration

Printing
Industries
Association of
Australia

ABN 84 720 646 451

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Auburn NSW 2144

PO Box 234

Auburn NSW 1835

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(02) 8789 7387

Toll free

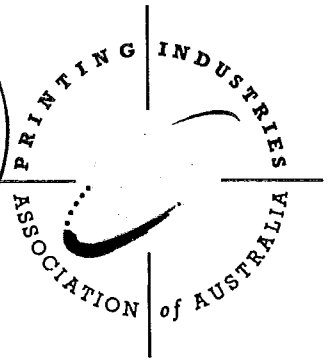
1 800 227 425

E-mail

info@printnet.com.au

WWW

<http://www.printnet.com.au>



**CERTIFICATE BY SECRETARY OR
PRESCRIBED DESIGNATED OFFICER**

I, **David Leach**, 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 2013. Attached are:

- copies of the documents provided to Members early May 2014.
- and subsequently presented to the Annual General Meeting in accordance with section 266, held on 23rd May 2014.

Signature: _____

Name: David Leach

Position: President, Printing Industries Association of Australia

Date : 10 June 2014

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Industries
Association of
Australia

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Australia

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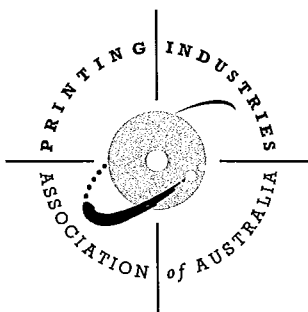
Email
bill@printnet.com.au

WWW
<http://www.printnet.com.au>



**Sustainable
Print**

89th Annual Report 2013



Printing Industries Association of Australia
Helping the Australian Printing Industry navigate towards a sustainable future

OUR VISION:

A DYNAMIC, SUSTAINABLE PRINT,
COMMUNICATIONS AND INFORMATION
INDUSTRY.

OUR MISSION:

TO SUPPORT A CHANGING INDUSTRY.

PRINTING INDUSTRIES ASSOCIATION of
AUSTRALIA 89th ANNUAL REPORT FOR
THE YEAR ENDED 31 DECEMBER 2013

The Board has pleasure in presenting the 89th Annual Report of the activities of the Association for the year ended 31 December 2013, together with the audited Income Statement, Cash Flow Statement and Balance Sheet for the year ended 31 December 2013.

Presented to the Annual General Meeting held in Sydney on Friday 23 May 2014 in the Board Room of Media Super, Level 15, 45 Clarence Street, Sydney NSW, 2000.

CONTENTS	PAGE
Our Vision	2
Our Mission	2
AGM Notice	3
Contents	3
Executive Report	4
2013 Board Members.	5
Meet the Team	6
Honour Roll	8
Revitalising our Association - Transforming the Industry	10
Industry Transformation Strategy Program	12
Operational Review 2013	14
The <i>Future Print</i> Project	18
Financial Reports	23
Acknowledgements	38
Office Locations	39



**FROM OUR PRESIDENT,
SUSAN HEANEY AND
CEO, BILL HEALEY**

We are filled with optimism and energy for the future of our industry as it undergoes its biggest transformation in a hundred years.

It's true 2013 and the past few years have been difficult. Traditional roles and services have been constantly challenged and many companies we knew have gone. But we are an industry in transition and change is pivotal to this. As your Association, it is our mission to support you through this and to ensure you can be strategically positioned, sustainable and profitable.

We have changed our structure and focus to do this. By the end of 2013 we had obtained Australian Government funded project contracts worth more than \$11 million to help achieve our objectives.

We launched *Future Print* as the vehicle encompassing five major projects to form an Industry Transformation Strategy Program. Quality labour availability and enhancing the capability of businesses to innovate underpin this. You are encouraged to join *Future Print* and to take advantage of these programs to help you to forge your way in the emerging digital economy.

The Graphic Arts Services Association of Australia (GASAA) amalgamation was completed in March and a new GASA section set up as a Standing Committee of *Printing Industries* combining the expertise and skills of

both organisations.

We expanded our range of business services to members; modernised and upgraded our PrintNet website with mini sites covering industry careers, GASA and Better Business; published and gave to politicians around Australia our first aggregated industry policy booklet, *Priorities for Print*, which also showcased the diversity and importance of our industry in everyday life; staged a successful PacPrint in conjunction with GAMAA; launched a review of our print awards system and initiated a review of our own brand and what we need to do to remain relevant. Our industrial and legal services continued to be heavily used by members.

Operationally we are pleased to report a strong financial performance this year with the Association achieving a surplus of \$295,659. This is despite a significant shortfall in budgeted proceeds from PacPrint and an additional provision of \$115k for building depreciation due to changes in the application of accounting standards.

This result was due to tight control of costs and staff services reimbursements from the Government projects.

Looking forward we have new initiatives planned for 2014 that will

provide new business intelligence for members including research and analytics, and benchmarking service. We will be working individually with member companies to help review current and future business objectives and to enable them to participate in the long-term repositioning and sustainability of our industry so that it can remain at the core of a service focussed communication and information industry.

In closing, we acknowledge the contributions of the Board and retiring Board member Paul Richardson. Our staff is pivotal to implementing our vision and meeting members' everyday needs and we applaud their commitment.



2013 Board Members
[l-r] Graham Jamieson, David Leach, Kieran May, Susan Heaney, Peter Lane OAM, Chris Seguert, Robert Yeates, Stephen Edwards and Ross Black.

OFFICERS ELECTED FOR 2103

President
Susan Heaney
Heaneys Performers in Print

Deputy President
Paul Richardson
Lindsay Yates Group

Honorary Secretary
Peter Lane OAM
Lane Print Group

Honorary Treasurer
Chris Seguert
Permanent Press

STATE ELECTED REPRESENTATIVE BOARD MEMBERS 2013

Ross Black
BJ Ball, Victoria

Stephen Edwards**
Snap Group, New South Wales

Susan Heaney
Heaneys Performers in Print, Queensland

Mr Graham Jamieson
Picton Press, Western Australia

Peter Lane OAM
Lane Print Group, South Australia & Northern Territory

Kieran May
Across Business, Australian Capital Territory

Paul Richardson*
Lindsay Yates Group, New South Wales

Robert Yeates
Huon Valley News, Tasmania

NATIONAL MEMBERSHIP ELECTED BOARD MEMBERS

David Leach
Look Print, New South Wales

Chris Seguert
Permanent Press, New South Wales

*Paul Richardson retired in September 2013 and was replaced by Stephen Edwards.

**Stephen Edwards was appointed from October 2013.

2013 LEADERSHIP GROUP



Nancy Abeyakoon
National Manager, Finance and Administration



Joan Grace
General Manager, Innovation, Training & Projects and State Manager, Victoria and Tasmania



Bill Healey
Chief Executive Officer and State Manager New South Wales



Garry Knespal
General Manager, Graphic Arts Services Australia



Joe Kowalewski
National Director, Communications and Marketing



Peter Mansfield
General Manager, Member Services and State Manager South Australia and Northern Territory



Neal McLary
General Manager, Research and Development and State Manager Queensland



Paul Nieuwhof
National Manager, Member Services and State Manager Western Australia



Hagop Tchamkertenian
National Manager, Policy and Government Affairs



Ian Walz
National Program Manager, Apprenticeship Advisor and Mentoring Program



Charles Watson
General Manager, Workplace Relations and Legal Services

PRINTING INDUSTRIES ASSOCIATION OF AUSTRALIA 2013 TEAM

Abeyakoon, Nancy
National Manager, Finance and Administration

Blewett, Michelle [joined October 2013]
Workplace Relations Advisor

Fisher, Mary Jo
Advisor, Workplace Relations

Gao, Ni [left December 2013]
Employee Relations Officer

Goss, Melanie [left December 2013]
Marketing Communications Officer, Graphic Arts Services Australia

Grace, Joan
General Manager, Innovation, Training & Projects and State Manager, Victoria and Tasmania

Hall-Boman, Robert [joined June 2013]
Advisor, Workplace Relations

Haines, Brian
Manager, Member Services New South Wales. Mentor, Apprenticeship Advisor and Mentoring Program

Hawkins, Peter
Business Development Manager New South Wales

Healey, Bill
CEO & State Manager New South Wales

Hoban, David [left December 2013]
Manager, Member Services

Honeybone, Virginia
Co-ordinator, Events & Partnerships

Knespal, Garry
General Manager, Graphic Arts Services Australia

Korpa, Stephanie [joined September 2013]
Administrative Trainee

Kowalewski, Joe
National Director, Communications and Marketing

Leong, Theresa
Personal Assistant to CEO

Lowery, Bruce [left October 2013]
Business Development Officer

Mansfield, Peter
General Manager, Member Services and State Manager South Australia and Northern Territory

McLary, Neal [long service leave December 2013. Retiring 2014]
General Manager, Research and Development and State Manager Queensland

Morley, Marilyn
Executive Assistant, Employee Relations

Nieuwhof, Paul
National Manager, Member Services and State Manager Western Australia

Scutter, Kay
Executive Assistant [SA office]

Staszak, Michelle
Accounts Clerk

Street, Dawn
Receptionist/Administration [QLD office]

Teale, Sheree
Green Stamp Project Co-ordinator

Tchamkertenian, Hagop [left July 2013]
National Manager, Policy and Government Affairs

Tolentino, Mark [left July 2013]
Administration Officer [NSW office]

Walker, Kylie
Advisor, Workplace Relations

Walz, Ian
National Program Manager, Apprenticeship Advisor and Mentoring Program

Watson, Charles
General Manager, Workplace Relations and Legal Services

Weber, Trent
Creative Services Officer

SPECIAL PROJECTS

Black, Robert [Vic & Tas]
Mentor

Galbraith, David [Vic & Tas]
Future Print Advisor

Haines, Brian [NSW & ACT]
Mentor

Hamlet, Geoff [Qld]
Mentor

Knespal, Garry [NSW]
Careers Project Advisor

Nieuwhof, Paul [WA]
Mentor

Scott, John [Qld]
Future Print Advisor

Smith, Katherine [left June 2013]
Careers Project Advisor

Thomas, Graham [SA]
Mentor, Future Print Advisor

Von Brandis-Martini, Philippe [NSW]
Future Print Advisor

Walz, Ian
Mentor [NSW] and Careers Project Advisor

Wilson, Gordon [SA]
Mentor, Future Print Advisor

PRESIDENTS OF THE FEDERATION

- 1924-25 Dr G ANDERSON [Victoria]
- 1925-26 Mr WC PENFOLD [New South Wales]
- 1926-27 Mr EC VARDON [South Australia]
- 1927-28 Mr WH CUMMINS [Tasmania]
- 1928-29 Mr W CHRISTIE [Western Australia]
- 1929-30 Mr WA CRICHTON [New South Wales]
- 1930-31 Mr D MACDOUGALL [Victoria]
- 1931-32 Mr GR SAYLE [Queensland]
- 1932-33 Mr FW DINNIS [South Australia]
- 1933-34 Mr H NORMAN [Victoria]
- 1934-35 Mr CW FOX [Tasmania]
- 1935-36 Mr W CHRISTIE [Western Australia]
- 1936-37 Col RS SANDS [New South Wales]
- 1937-38 Mr F BESLEY [Queensland]
- 1938-39 Mr RH COTTON [South Australia]
- 1939-40 Mr AR STEWART [Victoria]
- 1940-41 Mr GC TAYLOR [Tasmania]
- 1941-42 Mr ES WATT [Western Australia]
- 1942-43 Mr ADG STEWART [New South Wales]
- 1943-44 Mr FW HASSELL [South Australia]
- 1944-45 Mr A ROWAN [Queensland]
- 1945-46 Mr WG ANDERSON [Victoria]
- 1946-47 Mr CD STEVENS [Tasmania]
- 1947-48 Mr FH VAN HEURCK [Western Australia]
- 1948-49 Mr RV VERNON [New South Wales]

- 1949-50 Mr DA DUNSTAN [South Australia]
- 1950-51 Mr SK BIGGS [Queensland]
- 1951-52 Mr KD MACDOUGALL [Victoria]
- 1952-53 Mr CE WALCH [Tasmania]
- 1953-54 Mr CH LAMB [Western Australia]
- 1954-55 Mr JH HOLMAN [New South Wales]
- 1955-56 Mr KJ LEAL [South Australia]
- 1956-57 Mr JJ RAWLINGS/Mr RH BESLEY . . . [Queensland]
- 1957-58 Mr TM COSH [Victoria]
- 1958-59 Mr KR GOURLAY [Tasmania]
- 1959-60 Mr LJH PORTER [Western Australia]
- 1960-61 Mr CE CLAYTON [New South Wales]
- 1961-62 Mr AT TROEDEL [Victoria]
- 1962-63 Mr SC JAMES [Queensland]
- 1963-64 Mr HK FROST [South Australia]
- 1964-65 Mr JG COOPER [Tasmania]
- 1965-66 Mr WT HOLYWELL [Western Australia]
- 1966-67 Mr EH BOOTH [New South Wales]
- 1967-68 Mr JR WRIGHT [Victoria]
- 1968-69 Mr DE PENMAN [Queensland]
- 1969-70 Mr PM COTTON [South Australia]
- 1970-71 Mr NA CRICHTON [New South Wales]

NATIONAL PRESIDENTS

- 1972 Mr EH BOOTH [New South Wales]
[Inaugural National President reconstituted PATEFA]
- 1973-74 Mr KL BROWN [Victoria]
- 1975-76 Mr PJ OWENS [South Australia]
- 1977-79 Mr PK MACDOUGALL [Victoria]
- 1980-81 Mr BCF PRICE [South Australia]
- 1981-84 Mr GA LUKE [Victoria]
- 1985-86 Mr NT CORVISY [New South Wales]
- 1987-88 Mr DM BALL [New South Wales]
- 1989-90 Mr WA POWELL [South Australia]
- 1991-92 Mr AC LAMB [Western Australia]
- 1993-94 Mr MR SINNOTT [Victoria]
- 1995-96 Mr P LANE [South Australia]
- 1997-99 Mr TS HONE [Victoria]
- 2000-01 Mr J FLYNN [Victoria]
- 2002-04 Mr C SEGAERT [New South Wales]
- 2005-07 Mr P LANE OAM [South Australia]
- 2008-10 Mr J ATKINSON [Tasmania]
- 2011-13 Ms S HEANEY [Queensland]

LIFE MEMBERS

- Mr ADG STEWART [New South Wales]
- Mr KJ LEAL [South Australia]
- Mr WT HOLYWELL [Western Australia]
- Mr SP OWEN [New South Wales]
- Mr RA DIX [Western Australia]
- Mr NA CRICHTON AM [New South Wales]
- Mr K LAW [New South Wales]
- Mr J FISHER [New South Wales]
- Mr TS HONE [Victoria]

MEMBERS MOURNED

During 2013 five *Printing Industries* identities passed away.

Western Australia lost two outstanding members - Patrick J Milburn, a former Western Australia Regional President [1973/1974] and National Councillor (1974/1979); Gary Dix a former Western Australia Regional President (1995) and National Councillor [1995].

In New South Wales Ron Baddock of Les Baddock Book Binders passed on.

Peter Owens from South Australia, a former *Printing Industries'* National President (1975-76), also passed away.

Former *Printing Industries'* CEO Dr Chris Peters AM died in February 2013 following a long battle with cancer. Dr Peters was *Printing Industries'* CEO from 1993-1996.

2013 saw the continuation of *Printing Industries* new Strategic Plan to revitalise the Association so that it is better able to help support the printing industry move beyond being a manufacturing industry to an industry that encompasses marketing, information, communications and creative services.

This move recognises that to succeed in the multi-channel communication world of the future, the industry needs to take advantage of the opportunities available in the digital economy. It needs to harness the efficiencies of digital equipment to improve the productivity of creating printed product, introduce new services that leverage other forms of digital communication, and develop links with other channels in the communication supply chain.

Printing Industries has subsequently redefined its mission to that of being able to support the industry through change to ensure that a dynamic and sustained print, communication and information sector continues to be a significant contributor to the Australian economy.

INTERNAL SUPPORT AND GOALS

Building on the 2012 Strategic Business Plan which restructured staff into nationally focussed teams, 2013 saw implementation of a Competitive Systems and Practices Program involving all employees. This government supported program is an adaptation of practices and principles used in competitive manufacturing to ensure that the organisation has the capability of responding to the needs of an industry undergoing significant change.



Printing Industries staff from all offices were brought to Sydney in September 2013 for a two-day Competitive Systems and Practices Program and formed into groups to work on achieving the Association's key priorities.

The Program targets improvements in efficiency, waste reduction (including time), member service, employee morale and costs.

Staff are working on activities identified as essential to complete the goals set to achieve the Association's three key priorities, which are:

PRIORITY 1

Growing into a powerful advocate that excites consumers, interests government and inspires industry.

PRIORITY 2

Delivering high quality contemporary business services to support the industry.

PRIORITY 3

Transforming ourselves to ensure courage, professionalism and leadership define our work.

THE ACTIVITIES TO ACHIEVE THESE PRIORITIES ARE:

GOAL 1

Activity 1: Advocate on behalf of industry to Federal and State Governments.

Activity 2: Build relationships with like-minded organisations to enhance the industry profile.

Activity 3: Promote industry excellence.

Activity 4: Create and maintain a research program to inform our operations and provide knowledge required for business success in the industry.

GOAL 2

Activity 5: Continue a membership attraction and retention strategy.

Activity 6: Implement a revised representation structure that will increase collective industry representation.

GOAL 3

Activity 7: Identify issues affecting the industry and their impact.

Activity 8: Develop and maintain a comprehensive set of national policy positions.

Activity 9: Facilitate regular meetings with members to gain feedback on issues and strategies.

Activity 10: Implement a communications plan around the key issues.

GOAL 4

Activity 11: Provide workplace relations and legal services that ensure members have safe and productive workplaces.

Activity 12: Provide a range of commercial services to assist members and, where possible, generate revenue for the Association.

EXTERNAL SUPPORT AND GOALS

During the past two years, work with the Federal Government was carried out to gain its support to help the industry reposition itself. The goal is for the industry to be able to leverage off the opportunities presented in an information and communication environment where print would continue to be a key element.

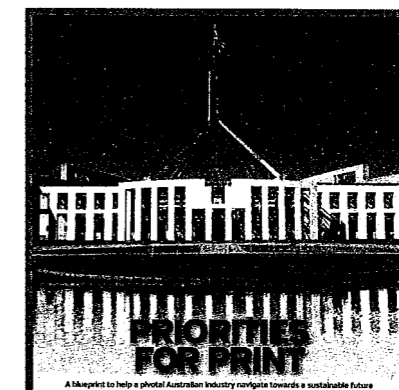
2013 saw substantial success in achieving government support with more than \$11 million allocated across five major projects. The final \$3.4 million was approved in December 2013.

A Business Transformation model was completed recognising that businesses fall into three broad categories: 1. Those that are travelling well and have adapted to the changing world; 2. Those that have the capacity to change; and 3. Those that are incapable or do not want to change.

This was supported by a blueprint document, *Priorities for Print*, which for the first time set out a series of policy recommendations to government aimed at ensuring the future sustainability of the industry.

These recommendations encompassed:

1. Building a Strong Australian Economy for Print Businesses to Succeed.
2. Supporting Structural Adjustment in the Printing Sector Through the Implementation of an Industry Plan.
3. Promoting Innovation.
4. Improved Access to Finance.
5. Fair and Transparent Government Print Procurement.
6. Promoting the Environmental Credentials of Print.
7. Accessing Cost Effective Energy.
8. Developing a Skilled and Innovative Workforce.
9. Creating Fair, Flexible and Safe Workplaces.
10. Accessing Overseas Workers to Address Skill Shortages.
11. Ensuring Efficient and Effective Postal Services.
12. Preventing Phoenix Businesses Activity.
13. Delivering an Efficient and Equitable Tax System.
14. Reducing Excessive Business Regulation.



Priorities for Print was distributed to all tiers of Federal and State Governments in the second part of 2013 and was also provided to all members.

Recognising that change is inevitable as members' businesses begin to move from being in a production focussed manufacturing industry to a service focussed communication and information industry.

Printing Industries identified two critical areas its members need support to achieve:

1. access to a skilled and motivated workforce and
2. to be able to transition their business in a rapidly changing business services environment to be strategically positioned, sustainable and profitable.

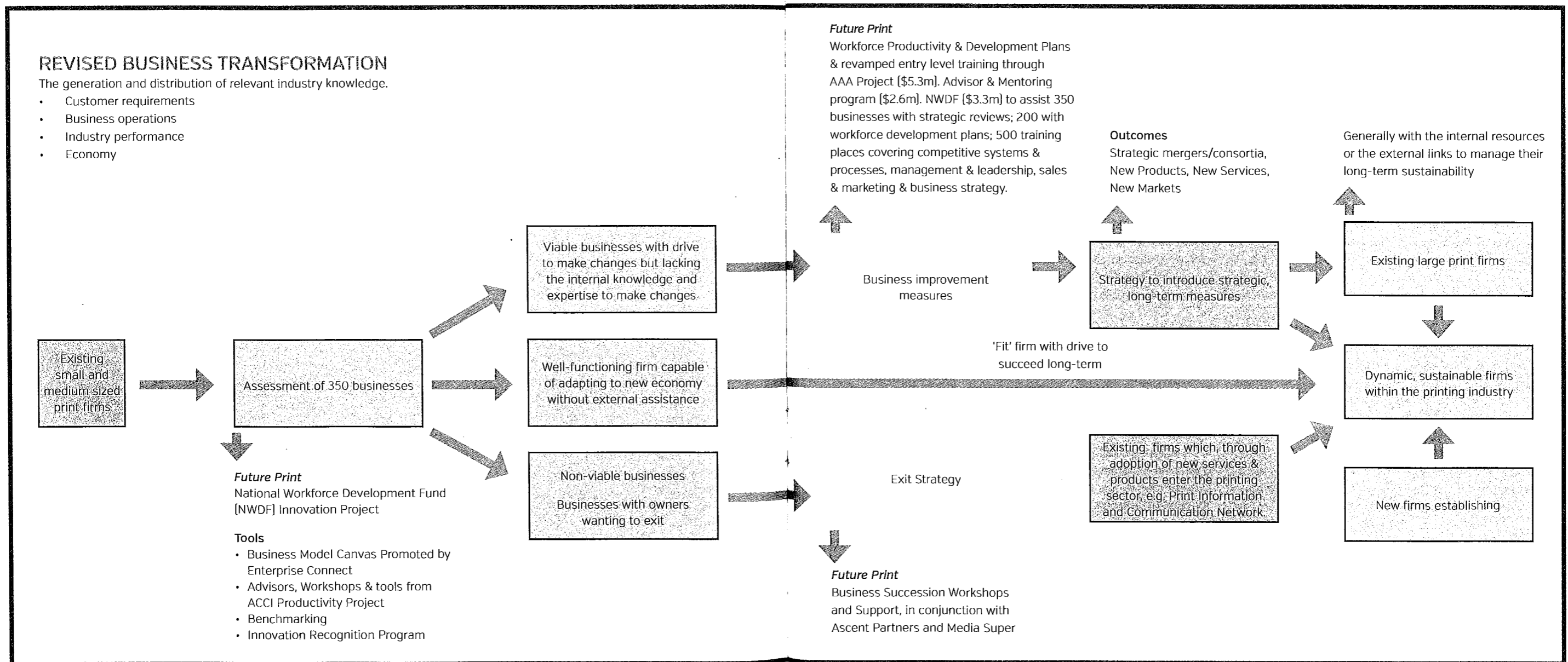
The \$11 million funding from the Australian Government received to the end of 2013 will help Printing Industries to implement its Industry Transformation Strategy Program over five major projects.

These are:

- **Careers Information and Advice** – to attract new people with a broad range of skills and talents to the graphic communications industry.
- **Future Print Apprenticeship Project** – to re-skill and modernise the training of workers in the industry to create a stronger and more advanced workforce.
- **Printing Industry Apprenticeship Advisor/Mentoring Program** – to support apprentices and employers through the apprenticeship process improving the rate of completions.

- **ACCI Productivity Project** – providing diagnostic tools and evaluation criteria to assist member companies to assess their current business position, evaluate possible future directions, and plan for the future with confidence.
- **National Workforce Development Fund (NWDF)** – providing the support to members to review their current corporate position and technology training needs to help transition those companies to be sustainable and profitable into the future.

By the end of 2013, four projects were operational with the National Workforce Development Fund Innovation Project scheduled for implementation early in 2014.



Printing Industries advocated for the industry in a number of significant matters throughout 2013. This included the introduction of a range of flexibilities into the industry award and the prevention of the AMWU's attempt to stifle implementation of these changes through appeal.

The Association sought a more balanced outcome in relation to the ACTU/AMWU application to significantly amend apprentice's rates of pay and terms of employment within the industry award.

Our Workplace Relations and Legal Services (WRLS) staff continued to provide direct assistance to members on more than 6000 occasions and represent them in more than 100 matters before courts and tribunals. High level liaison representing member interests continued with all levels of government and prosecutorial bodies.

On 1 March 2013, at the end of an extensive consultative and regulatory process, the **Graphic Arts Services Association of Australia** (GASAA) was de-registered as an independent, registered body under the Fair Work Act and amalgamated with *Printing Industries*.

A new GASAA section was set up as a constituted Standing Committee of *Printing Industries*. The amalgamation has resulted in a larger, cross-sectional and united industry voice, removed duplication of services and operational costs, and maximises the expertise and skills of the staff and elected officers of both organisations.

A major operational focus of 2013 was to revitalise the Association by more focussed staff engagement in future direction setting and the introduction of the *Future Print* program. Both are dealt with elsewhere in this report.

The Association's Registered Training Organisation Intech gained funding to deliver training in Victoria at the end of 2013. It has broadened its scope of courses it can deliver. Plans have been developed to expand its operation in 2014.

During 2013 the Association published a policy position calling for the reintroduction of Australian Consumer and Competition Commission (ACCC) approval for **Australia Post** price increases of bulk mail postal services. Also sought is transparency in assessing AusPost savings through processing cost reductions from mail house handling processes; benchmarks for improved productivity,

cost reduction, improved efficiency and customer focus, and improved industry consultation.

Earlier in the year the Association joined the **Too Big to Ignore** campaign helping to unite the many voices of small business around Australia and help change the attitudes and actions of politicians and governments by showing that, together, small business is too big to ignore.

Printing Industries continued to lobby political parties prior to the September Federal Election on a number of key issues including initial uncertainty over the election date and its impact on investment; the role of print in Australia's communication mix; support for an industry plan to help print companies realign production capacity and be able to take advantage of the evolving multi-channel communications world; industry training and support for apprentices and the impact of the Carbon Tax on costs.

For the first time *Printing Industries* aggregated its policy positions and recommendations to the Australian Government into one document, **Priorities for Print**. The document was illustrated with examples of excellence in Australian printing from the 2013 National Print Awards reflecting the diversity and importance of print in everyday life.

Member Services received a boost in July with the launch of a broader focussed, new look web based Better Business Centre www.betterbusiness.net.au replacing the previous buying group.

Completion of the website was undertaken as part of a major **website rebuilding program** during 2013 that included the updating of technical infrastructure and consolidation of the existing PrintNet, GASAA, Industry Careers and Better Business sites into one Content Management System. All sites were refreshed with the Careers site redeveloped and incorporated into the *Future Print* branding.

A further 'reskinning' of the PrintNet site is possible in 2014 as part of a **re-branding** project under consideration by *Printing Industries'* Board. The changing nature of the industry and

the focus of the Association on preparing it to transition from a production focussed manufacturing industry to a more service focussed communication and information industry has led to the **brand review**. A decision is expected in the first half of 2014.

Major events in 2013 included the five-day **PacPrint13 exhibition** in Melbourne during May. While industry consolidation had an impact on overall attendance, the exhibition exceeded expectations with two-thirds of visitors being decision makers and print buyers.

The exhibition attracted 13,427 visitors. Media Super partnered with *Printing Industries* on the **Industry Central** stand providing hospitality, information and communication services for members along with non-member recruitment opportunities.

The **National Print Awards** celebrated its 30th anniversary as the main social function during PacPrint on Friday 24 May. **Printing Industries Craftsmanship Awards (PICA)** were held in all states during the year with the NSW event in December also hosting the Lithographic Institute of Australia's 50th anniversary presentation of the National Graduate of the Year Awards.

In November the *Printing Industries'* Board announced that a **review of the print awards** system would be undertaken by former CEO of IPMG, Stephen Anstice. His report on the suitability of the existing awards structure in a changing industry is expected early in 2014.

As part of a new communications strategy, *Printing Industries* introduced a **webinar program** for members in April which has become a regular communication feature. Topics have included Improving Business Performance, Debt Management, Online Marketing, Energy Efficiency, and Accessing Government Grants.

The **Future of Print** and the impact of the **National Broadband Network** were the topics of a Spotlight seminar program in all states during July.

Difficult industry conditions affected all states during 2013 with the east-coast hit hardest by industry consolidation. South Australia/Northern Territory and Western Australia experienced small net gains in membership.

AROUND THE STATES

Company closures, mergers and acquisitions hit the east coast states hard in 2013 with New South Wales, Victoria and Queensland bearing the brunt of membership loss. Tasmania and the ACT were also negatively impacted with only South Australia /Northern Territory and Western Australia showing small net membership gains.

In Queensland the Sustainable Green Print (SGP) program continued to be a significant program for members, with a large number of companies participating in re-certification. Long serving Queensland State Manager **Neal McLary** announced his retirement from the end of 2013 after a 33 year career with the Association. Queensland Member Service Manager **David Hoban** also retired in December after 13 years, but will continue working on the SGP program as a consultant. Their contributions to the Association are appreciated and we wish them well for the future.

A cocktail style function trialled for PICA proved successful allowing more interaction between guests and greater focus on the presentations via the theatre-style seating. A total of 126 medals were presented.

In New South Wales, **Peter Hawkins** took on a 12-month contract role as Business Development Manager. The role encompassed relationship management, member liaison and setting up key new business services for members.

A modular marketing course was developed and piloted in Sydney in conjunction with the Association for Data-driven Marketing & Advertising (ADMA) providing printing companies with marketing services skills they could use for generating new income streams.

Key research on consumer attitudes to print was released in November at a Sydney function in conjunction with Australia Post and ADMA.

It was awards galore for NSW as Business and Print awards, the Future Leader Award, Membership Longevity awards, LIA Graduate of the Year Awards and NSW Printers of the Year were announced during the NSW Media Super 2013 PICA in December. A total of 51 Gold, 54 Silver and 40 Bronze medals were awarded across the Print and Business Categories.

For the ACT, the PAGE - Creative Excellence Awards were the highlight of 2013. There were more than 100 submissions and 58 finalists competing across 15 categories in awards that celebrate excellence born of the collaboration between client, creative and production across disciplines.

Victoria became the base for the Future Print project which is being headed up by Printing Industries General Manager Innovation, Training & Projects and State Manager, Victoria and Tasmania, Joan Grace.

Spectra Training provided new apprenticeship training following the closure of the RMIT facility in 2012. These apprentices and their employers were also mentored by the experienced Robert Black through the Australian Apprenticeship Advisor/Mentoring Program. Robert was previously involved with the RMIT.

In December 2013, Jenny Berry was appointed full-time Membership Service Manager for Victoria and Tasmania after Bruce Lowery, who had been in the role part-time for the previous six years, left the organisation.

Training programs and information sessions for sales and leadership and SGP were held during the year. PICA again proved successful, although as with the other eastern states, entry numbers were down on previous years.

For Tasmania, the Apprentice of the Year function and their PICA events provided great opportunities for the membership to get together and celebrate their achievements. **John Billett**

from Foot and Playsted in Launceston was announced as winner of the 2012 Tasmanian Apprentice of the Year Award.

In spite of ongoing industry consolidation, particularly in the eastern states, membership increased during 2013 in South Australia and the Northern Territory. Good relations with government and funded agencies provided opportunities for members to access a range of business advice and assistance.

The new format PICA awards were well received and the number of entries was the second highest in the past 10 years. Some 112 medals were presented.

Despite difficult business conditions with the state coming off a resources sector infrastructure boom, Western Australia had very good membership growth and membership retention during 2013. There was a marked increase in the number of unfair dismissal claims to the Workplace Ombudsman, but overwhelmingly these were settled in favour of members, saving them significant funds and reinforcing the value of their membership.

The pending closure of the Central Institute of Technology (CIT) as the primary provider of printing training fortunately coincided with the arrival of Future Print and a better user-choice market for training.

The Western Australia PICA was once again an outstanding success. A total of 40 Gold, 54 Silver and 33 Bronze awards were presented across a spectrum of print and business categories which included new categories for 3D printing, Best Entry by an Apprentice, the Media Super Future Leaders Award, and the Green Stamp resource efficiency award.

The local Green Stamp program funded by the Waste Authority has now has attracted some sign manufacturing companies and approaches are being made to other business sectors.

future print

Developing People, Developing Businesses

During 2013 *Printing Industries* successfully accessed funding for a number of projects to overhaul industry training and to help industry businesses develop strategic plans and up-skill key personnel to keep pace with rapidly changing technological and business innovation.

BACKGROUND

Collectively the projects were grouped into a strategic industry focus known as the *Future Print* Project. The objective of *Future Print* is to build a sustainable and innovative industry, meeting the challenges and opportunities emerging from the melding of the print, communication and information sectors.

Given the wide ranging objectives of the project and the extensive industry co-operation and engagement required, the project was jointly sponsored by a partnership of *Printing Industries* and the Australian Manufacturing Workers Union (AMWU).

Future Print also recognised that industry businesses need to be able to transform themselves strategically to be sustainable and profitable into the future.

While the alliance was instrumental in securing substantial Australian Government funding for its two major components, 2013 saw its evolution into a broader Industry Transformation Strategy Program comprising five major projects under the *Future Print* Project masthead.

They are:

- Careers Information and Advice
- *Future Print* Apprenticeship Project
- Printing Industry Apprenticeship Advisor/Mentoring Program
- ACCI Productivity Project
- National Workforce Development Fund (NWDF)

IMPLEMENTATION

Future Print Apprenticeship Project

The *Future Print* Apprenticeship Project aims to attract and sign-up 240 new apprentices over two years in a revised apprenticeship system designed to be sustainable for the future across a range of areas defined in response to business needs. This joint project between *Printing Industries* and AMWU represents a \$5.3 million investment in the broader industry and will run until June 2015.

At the end of 2013 the establishment requirements were completed and the project was on schedule to deliver the outcomes with 60 businesses signing agreements committing to the appointment of 192 apprentices in 2014. Further meetings were in progress with businesses in Tasmania, Victoria and NSW at the end of 2013.

Advisors continue to work with businesses to document apprentice positions and assist with recruitment and with Registered Training Organisations (RTOs) and training providers to help develop more flexible training options in line with current business requirements and future needs. A general advertisement placed on the 'Seek' employment website as part of this project in late 2013 generated more than 600 expressions of interest for the *Future Print* apprenticeships available.

Printing Industry Apprenticeship Advisor/Mentoring Program

This \$2.6 million project was introduced to support apprentices and employers as they navigate the apprenticeship process, and to improve the number of apprentices successfully completing their training. Originally designed to run until June 2013, the project was extended for 12 months and will now conclude in June 2014 having involved some 1000 apprentices across the country.

A high level Steering Committee drawn from a broad cross-section of the industry was formed to provide oversight and guidance to the project comprising:

- Mr Lindsay Hannan (Inprint)
- Mr Bruce Phillips (PMP Limited)
- Mr Kerim El Gabaili (Prografica)
- Mr David Leach (Look Print)
- Mr Bill Healey (Printing Industries Association of Australia)
- Ms Lorraine Cassin (Australian Manufacturing Workers' Union)
- Mr Roelof Vogel (Ampcor Flexibles Asia Pacific)
- Mr Marcus Hooke (News Ltd)
- Mr Graham Morgan (Blue Star)
- Ms Karen Goldsmith (Graphic Arts Merchants Association of Australia)
- Ms Tracey Murphy (Department of Industry, Innovation, Science, Research and Tertiary Education).

More than \$11 million funding was received from the Australian Government to the end of 2013. Following *Printing Industries'* representations, the Government also agreed to extend funding until 30 June 2014 to the Printing Industry Apprenticeship Advisor/Mentoring Program assisting existing apprentices to successfully complete their training.

The program has been well received by both businesses and apprentices. Contact by the mentor networks in all states has confirmed that most apprentices in the system are being well supported by their employers and their relevant training organisations, with the addition of a mentor giving them the best possible chance of successful completion. Mentors have also been able to identify those who need additional support and effectively meet those requirements.

Careers Information and Advice

The \$760,000 Careers Information and Advice project was developed to help address the issue of attracting new people with a broad range of skills and talents to the graphic communications industry. It aimed to engage the interest of suitable candidates and ensure they were well informed about the opportunities available to them in the industry. The project, which concluded at the end of 2013, focussed on working with the careers industry to ascertain the resources required and the most effective form of publication or delivery of clear, comprehensive and positive information.

As well as a specialised website, the project team produced printed, video and social media resources to engage candidates and took their messaging directly to school populations and careers advisors around Australia.

ACCI Productivity Improvement Program

Printing Industries secured \$90,000 during 2013 for the development of tools to enhance printing business workplace productivity. The funding, under the Australian Government supported Australian Chamber of Commerce and Industry (ACCI) Productivity Improvement Program, is to be used to provide businesses with useful diagnostic tools and evaluation criteria to assist them in assessing their current business position, evaluating possible future directions, and planning for the future with confidence.

The program covers both business and workforce planning, with a particular focus on training and up-skilling to meet future business needs.

The program team is working on a comprehensive but user-friendly document for businesses that contains tools for business planning and innovation for productivity improvement. A number of businesses will pilot the use of the proposed business tools in 2014.

A training program to help enterprises to develop the 'motivation and mindset' needed to drive business transformation is also in progress. *Printing Industries* staff will be trained to work with businesses to provide advice, assistance and training.

National Workforce Development Fund (NWDF)

This \$3.3 million program is the 'second stage' of the broader *Future Print* Project. Funding for this program was approved in December 2013. The project will assist companies to assess their existing strategic positions and apply tools to make successful transitions which will help them to be sustainable and profitable into the future by being better able to meet the future needs of their changing marketplace.

This program is in the initial establishment phase. However, it is expected to assist 350 businesses undertake strategic reviews, 200 businesses to create workforce development plans and 500 people in the industry to be trained with skills relevant to these businesses over the coming two years.

There is a new system coming for training apprentices specifically designed for the needs of the print industry



“We must design the future of our industry for success. This project will allow us to attract the best people and keep them

Marcus Hooke
News Corp

What we are and will be doing was impossible 5 years ago. It's incredibly exciting

David Leach
Look Print

Register your business to take part in Future Print
www.futureprint.org.au

future print
Developing People, Developing Businesses

PRINTING INDUSTRIES ASSOCIATION of
AUSTRALIA FINANCIAL STATEMENTS AND
REPORTS FOR THE YEAR ENDED
31ST DECEMBER 2013

CONTENTS	PAGE
Income Statement	24
Balance Sheet	25
Cash Flow Statement	26
Reconciliation of Funds From Operations	26
Statement of Changes in Equity	27
Notes to and Forming Part of the Accounts	28 to 32
Statement by Committee of Management	33
Operating Report	34
Independent Auditor's Report to Members	35 to 36
Information Addendum for Members	37

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013	2012
Revenues from Ordinary Activities	2	4,187,468	3,717,482
Depreciation	1c	[183,887]	[69,923]
Salaries, Wages & Allowances		[2,401,216]	[2,108,117]
Annual Leave Provided		[10,443]	[9,407]
Long Service Leave Provided		[17,250]	[34,314]
Superannuation		[194,462]	[179,680]
Grants/Sponsorship		[12,680]	[3,000]
Affiliation Fees		[45,591]	[45,389]
Postage		[23,045]	[28,151]
Printing & Stationery		[125,436]	[117,284]
Property Costs		[172,445]	[148,982]
Telephone & Facsimile		[91,304]	[96,917]
Travel		[120,663]	[102,993]
Computer		[61,020]	[47,969]
Consultancy		[138,601]	[96,431]
Motor Vehicle		[44,835]	[42,868]
Meeting Costs		[63,229]	[104,741]
Advertising & Marketing		[45,957]	[39,278]
Other		[139,745]	[118,876]
Surplus (Deficit) from activities before income tax expense		295,659	323,162
Income Tax Expense	1(e)		
Net surplus (deficit) after income tax attributable to the Association		295,659	323,162

The accompanying notes form part of these financial statements

BALANCE SHEET
AS AT 31 DECEMBER 2013

	Notes	2013	2012
Current Assets			
Cash on Hand		2,350	2,350
Cash at Bank		[11,907]	[24,450]
Investments -Term Deposits		655,256	408,590
Investments - Intech Shares		70,000	70,000
Subscriptions in Arrears and General Debtors	5	391,390	213,893
Prepayments		12,067	42,598
Regional Activities		685,014	645,977
AAA Project		2,240,961	
Mentoring /Advisors Project		741,650	614,101
Total Current Assets		4,786,781	1,973,059
Non Current Assets			
Land & Buildings	4	5,375,479	5,490,647
Furniture, Fittings & Office Equipment	4	66,383	76,687
Motor Vehicles	4	129,203	169,781
Total Non Current Assets		5,571,065	5,737,115
Total Assets		10,357,846	7,710,174
Current Liabilities			
Printing Industries' Training Fund		7,944	9,944
Revenue in Advance		23,408	9,247
Sundry Creditors & Accruals	6	3,397,965	1,018,208
Provision for Annual Leave	1(d)	133,920	130,633
Total Current Liabilities		3,563,237	1,168,032
Non Current Liabilities			
Provision for Long Service Leave	1(d)	236,967	280,162
Total Non Current Liabilities		236,967	280,162
Total Liabilities		3,800,204	1,448,194
Net Assets		6,557,642	6,261,980
Members' Funds			
Accumulated Funds	10	6,557,642	6,261,980
Total Members' Funds		6,557,642	6,261,980

The accompanying notes form part of these financial statements

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
Operating Activities		
Receipts from Customers	3,971,799	3,177,396
Interest Received	13,169	45,630
Payment to Suppliers & Employees	(3,711,372)	(3,353,706)
Funds From Operations	273,596	(130,680)
Investing Activities		
Proceeds from Sale of Assets	4,000	31,500
Purchase of Shares	-	(70,000)
Payment for Property, Plant & Equipment	(18,387)	(143,216)
Cash provided by/(used in) investing activities	(14,387)	(181,716)
Net Increase/(Decrease) in Cash Held	259,209	(312,396)
Cash at Beginning of Financial Year	386,490	698,886
Cash At End of Financial Year	645,699	386,490

RECONCILIATION OF FUNDS FROM OPERATIONS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
Operating Surplus/(Deficit) after Income Tax	295,659	323,162
Non Cash Flows In Operating Profit/(Loss):		
Profit on Sale of Non Current Assets	(3,451)	(29,309)
Depreciation	183,888	69,923
Charges to Provision for Employee Entitlements	(39,908)	8,485
Changes In Assets & Liabilities		
Decrease/(Increase) in Current Receivables	(177,496)	(51,207)
Decrease/(Increase) in Prepayments	(2,321,277)	(671,067)
Increase/(Decrease) in Sundry Creditors	2,363,055	456,772
Increase / (Decrease) in Training Fund -Tasmania	(1,999)	-
Increase/(Decrease) in Subscriptions in Advance	14,162	(10,261)
Increase/(Decrease) in Regional Activities	(39,037)	(227,178)
Net Cash Provided by/(used in) Operating Activities	273,596	(130,680)
Reconciliation Of Cash		
Cash on Hand	(9,557)	2,350
Cash at Bank	655,256	384,140
	645,699	386,490

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013

	Retained Earnings
Balance as at 01 January 2012	5,938,821
Rounding	(3)
Net Surplus [Deficit] for the Year	323,162
Balance as at 31 December 2012	6,261,980
Rounding	3
Net Surplus [Deficit] for the Year	295,659
Balance as at 31 December 2013	6,557,642

The accompanying notes form part of these financial statements

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2013

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

2.5% Depreciation was provided for buildings during the year. 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 2013

2. OPERATING SURPLUS/(DEFICIT)

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

	2013	2012
Subscription Revenue	2,247,132	2,423,691
Net Income from Regional Activities	1,162,581	930,953
Interest on Short-term Investments	13,169	45,630
Rental Income	94,897	99,952
PacPrint	669,404	-
Write back of over provisions	-	52,000
Bad Debts Recovered	285	1,009
National Print Awards Balance as at 01.01 2012	-	164,247
	<u>4,187,468</u>	<u>3,717,482</u>

3. OPERATING SURPLUS / (DEFICIT)

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

	2013	2012
Bad Debts written off to Profit & Loss	11,715	22,541
Depreciation	183,887	69,923
Operating Leases	37,256	36,522
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 2013

4. NON-CURRENT ASSETS

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

	2013	2012
Land & Building at Cost	5,582,700	5,582,699
Less: Accumulated Depreciation	207,221	92,052
	<u>5,375,479</u>	<u>5,490,647</u>
Furniture, Fittings & Office Equipment at Cost	417,808	404,811
Less: Accumulated Depreciation	351,425	328,125
	<u>66,383</u>	<u>76,686</u>
Motor Vehicles at Cost	244,451	277,026
Less: Accumulated Depreciation	115,248	107,245
	<u>129,203</u>	<u>169,781</u>
Total Non Current Assets	<u>5,571,065</u>	<u>5,737,114</u>

5. SUBSCRIPTIONS IN ARREARS & GENERAL DEBTORS

Debtors	459,843	286,918
Less: Provision for Doubtful debts	68,453	73,025
Total Subscriptions in Arrears & General Debtors	<u>391,390</u>	<u>213,893</u>

6. SUNDRY CREDITORS AND ACCRUALS

Sundry Creditors	113,410	93,254
Accruals	307,171	303,680
Projects - Government/Other	2,977,384	621,274
Total Sundry Creditors and Accruals	<u>3,397,965</u>	<u>1,018,208</u>

7. COMMITMENTS FOR EXPENDITURE

a. Operating Lease commitments		
Not later than one year	33,540	31,260
Later than one year and not later than two years	33,540	31,260
Later than two years and not later than five years	30,084	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	
	2013 %	2012 %	2013 \$	2012 \$	2013 \$	2012 \$	2013 \$	2012 \$
Cash	2.5	2.5			-	-	-	-
Receivable	-	-			1,145,106	902,468	1,145,106	902,468
Investments	2.5	2.5						
Totals		-			1,145,106	902,468	1,145,106	902,468
Creditors					420,581	406,180	420,581	406,180
Totals					420,581	406,180	420,581	406,180

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 form.

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2013

10. RETAINED PROFITS

	2013	2012
Retained surplus at beginning of the year	6,261,980	5,938,821
Net surplus/(deficit) attributable to the Association	295,659	323,162
Rounding	3	[3]
Retained Surplus at the end of the Financial Year	6,557,642	6,261,980

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 2013, 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 2013;
- c. The accounting policies are consistent with those of the previous year and comply with the Australian Accounting Standards.
- 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 28th day of February 2014.



Chris Segart
National Honorary Treasurer
Date: 28th February 2014.

OPERATING REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

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 \$295,659 during the year. There were no significant changes in the nature of the activities during the year. An abnormal revenue of \$34,649 (GASAA transfer) included in the surplus.

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. Susan Heaney and Peter Halters are members of the Association and directors of a company that is a trustee of Media Super a superannuation entity. Susan Heaney is a current Board Member of the Association.

Regulation 159 Information

- a. There were 1,213 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 34 employees of the Association at the end of the financial year.
- c. Board members during the year were:

Susan Heaney	David Leach	Chris Segart	Paul Richardson (part)	Graham Jamieson
Ross Black	Peter Lane	Stephen Edwards (part)	Kieran May	Robert Yates


Chris Segart

National Honorary Treasurer

Date: 28th February 2014

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 ["the Association"], which comprises the statement of financial position as at 31 December 2013, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by Committee of Management of the Association.

Directors' Responsibility for the Financial Report

The directors of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the 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.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management. 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 *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Printing Industries Association of Australia on 28 February 2014, would be in the same terms if provided to the directors as at the time of this auditor's report.

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

Auditor's Opinion

In our opinion:

- [a] the financial report of Printing Industries Association of Australia is in accordance with the *Corporations Act 2001*, including:
- (i) giving a true and fair view of the company's financial position as at 31 December 2013 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; 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
Chartered Accountants



Donald F. Bell
Registered Company Auditor

Address: 26A Lime Street
King Street Wharf
SYDNEY NSW 2000

Dated this 3rd day of April 2014

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	2013	2012
Audit Fees	27,000	27,000
Insurances	22,540	21,640
Legal and Debt Recovery	1,242	8,619
Publications & Journals	20,036	16,145
Public Relations & Entertainment	8,530	8,266
Repairs	26,731	19,042
Bank Fees	15,259	16,783
Bad Debts	11,715	22,541
Loss/Profit on sale of assets	[3,451]	[29,309]
General	10,143	8,149
TOTAL	139,745	118,876

ACKNOWLEDGEMENTS

Graphic Design

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www.whodunit.com.au
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