



29 April 2016

Mr David Leach
President
Printing Industries Association of Australia
25 South Parade
Auburn NSW 2144

By e-mail: info@printnet.com.au

Dear Mr Leach

**Printing Industries Association of Australia
Financial Report for the year ended 31 December 2014 - FR2014/404**

I acknowledge receipt of the amended financial report for the year ended 31 December 2014 for the Printing Industries Association of Australia (PIAA). The financial report was lodged with the Fair Work Commission (FWC) on 29 April 2015.

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

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7675 or by email at ken.morgan@fwc.gov.au

Yours sincerely

Ken Morgan
Financial Reporting Advisor
Regulatory Compliance Branch

Printing Industries Association of Australia

Financial Statements

For the year ended 31 December 2014

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Printing Industries Association of Australia

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the period ended 31 December 2014

I Chris Segaert being the National Honorary Treasurer of the Printing Industries Association of Australia certify:

- that the documents lodged herewith are copies of the full report for the Printing Industries Association of Australia for the period ended 31 December 2014 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was approved by the committee of the management of the Printing Industries Association of Australia on 22nd April 2016;
- the full report was published and made available to members on 28th April 2016;
- that the full report was presented at the Annual General Meeting of the members on 20th May 2016 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.



Signature of prescribed designated officer:

Name of prescribed designated officer: Chris Segaert

Title of prescribed designated officer: National Honorary Treasurer

Dated: 22nd April 2016

Printing Industries Association of Australia

OPERATING REPORT

For the period ended 31 December 2014

The committee presents its report on the Printing Industries Association of Australia ("the Association") for the financial year ended 31 December 2014.

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

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 deficit of \$46,557 during the year. There were no significant changes in the nature of the activities of the Association during the year.

Significant changes in financial affairs

There were no significant changes in the financial affairs of the Association during the year.

Right of members to resign - (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.

Printing Industries Association of Australia

OPERATING REPORT (CONTINUED)

For the period ended 31 December 2014

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

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.

Number of members

There were 1,081 members recorded in the register of members and who are taken as members at the end of the financial year.

Number of employees

There were 28 full time equivalent employees of the Association at the end of the financial year.

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

For the duration of the financial year (unless indicated otherwise) Board members during the year were:

Susan Heaney
Robert Yeates
Peter Lane

David Leach
Graham Jamieson
Stephen Edwards

Chris Segaert
Ross Black
Kieran May



Signature of designated officer:

Name and title of designated officer: Chris Segaert, National Honorary Treasurer

Dated: 22nd April 2016

Printing Industries Association of Australia

COMMITTEE OF MANAGEMENT STATEMENT

For the period ended 31 December 2014

On the 22/04/ 2016 the Committee of Management of the Printing Industries Association of Australia passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2014:

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Printing Industries Association of Australia for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Printing Industries Association of Australia will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were 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 *Fair Work (Registered Organisations) Act 2009*; and
 - (iv) where information has been sought in any request by a member of the Association or the General Manager duly made under section 272 of the *Fair Work (Registered Organisations) Act 2009* has been provided to the member or the General Manager; and
 - (v) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the *Fair Work (Registered Organisations) Act 2009*, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

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

Signature of designated officer: 

Name and title of designated officer: Chris Segart, National Honorary Treasurer

Dated: 22nd April 2016

Printing Industries Association of Australia
STATEMENT OF COMPREHENSIVE INCOME
for the period ended 31 December 2014

	Notes	2014 \$	2013 \$
Revenue			
Membership subscription		2,121,611	2,247,132
Capitation fees	3A	-	-
Levies	3B	-	-
Interest	3C	27,630	13,169
Rental revenue	3D	84,911	94,897
Other revenue	3G	258,064	1,091,843
Total revenue		2,492,216	3,447,041
Other Income			
Grants or donations	3E	918,708	740,425
Net gains from sale of assets	3F	-	4,000
Total other income		918,708	744,425
Total income		3,410,924	4,191,466
Expenses			
Employee expenses	4A	2,197,356	2,623,371
Capitation fees	4B	-	-
Affiliation fees	4C	51,918	45,591
Administration expenses	4D	957,303	994,750
Grants or donations	4E	11,773	5,000
Depreciation	4F	176,609	183,887
Finance costs	4G	12,091	15,259
Legal costs	4H	22,126	400
Audit fees	13	27,000	27,000
Net losses from sale of assets	4I	1,305	549
Other expenses	4J	-	-
Total expenses		3,457,481	3,895,807
Profit (loss) for the year		(46,557)	295,659
Other comprehensive income		-	-
Total comprehensive income for the year		(46,557)	295,659

The above statement should be read in conjunction with the notes.

Printing Industries Association of Australia
STATEMENT OF FINANCIAL POSITION
as at 31 December 2014

	Notes	2014 \$	2013 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	326,093	(9,557)
Trade and other receivables	5B	255,644	391,390
Other current assets	5C	2,670,853	3,679,692
Other investments	5D	523,159	655,256
Total current assets		3,775,749	4,716,781
Non-Current Assets			
Land and buildings	6A	5,260,311	5,375,479
Plant and equipment	6B	129,688	195,586
Investments	6C	70,000	70,000
Total non-current assets		5,459,999	5,641,065
Total assets		9,235,748	10,357,846
LIABILITIES			
Current Liabilities			
Trade payables	7A	170,417	206,234
Other payables	7B	2,241,880	3,223,083
Employee provisions	8A	312,366	370,887
Total current liabilities		2,724,663	3,800,204
Non-Current Liabilities		-	-
Total non-current liabilities		-	-
Total liabilities		2,724,663	3,800,204
Net assets		6,511,085	6,557,642
EQUITY			
Asset revaluation reserve	9A	-	-
Retained earnings (accumulated deficit)		6,511,085	6,557,642
Total equity		6,511,085	6,557,642

The above statement should be read in conjunction with the notes.

Printing Industries Association of Australia
STATEMENT OF CHANGES IN EQUITY
for the period ended 31 December 2014

	General funds	Retained earnings	Total equity
	\$	\$	\$
Balance as at 1 January 2013	-	6,261,983	6,261,983
Profit for the year	-	295,659	295,659
Other comprehensive income for the year	-	-	-
Closing balance as at 31 December 2013	-	6,557,642	6,557,642
Profit / (loss) for the year	-	(46,557)	(46,557)
Other comprehensive income for the year	-	-	-
Closing balance as at 31 December 2014	-	6,511,085	6,511,085

The above statement should be read in conjunction with the notes.

Printing Industries Association of Australia
CASH FLOW STATEMENT
for the period ended 31 December 2014

	Notes	2014 \$	2013 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from customers	10B	<u>3,527,031</u>	<u>3,971,799</u>
Cash used			
Suppliers & Employees		<u>(3,354,260)</u>	<u>(3,711,922)</u>
Net cash from (used by) operating activities	10A	<u>172,771</u>	<u>259,877</u>
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		11,350	4,000
(Acquisition) / disposal from held to maturity assets		132,097	(246,666)
Proceeds from held to maturity assets		<u>27,630</u>	<u>13,169</u>
Cash used			
Purchase of plant and equipment		<u>(8,198)</u>	<u>(17,837)</u>
Net cash from (used by) investing activities		<u>162,879</u>	<u>(247,334)</u>
FINANCING ACTIVITIES			
Net cash from (used by) financing activities		<u>-</u>	<u>-</u>
Net increase (decrease) in cash held		<u>335,650</u>	<u>12,543</u>
Cash & cash equivalents at the beginning of the reporting period		<u>(9,557)</u>	<u>(22,100)</u>
Cash & cash equivalents at the end of the reporting period	5A	<u>326,093</u>	<u>(9,557)</u>

The above statement should be read in conjunction with the notes.

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Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Printing Industries Association of Australia ("the Association") is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

1.2 Comparative amounts

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

1.3 Significant accounting judgements and estimates

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

Employee entitlements

The liability for employee entitlements expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date.

Allowance for doubtful debts

An allowance is made for doubtful debts based on management's estimate of the prospect of recovering the debt. Where management has determined that the recovery of the debt is doubtful, the amount is provided for immediately.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

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

Future Australian Accounting Standards Requirements

There were no new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on the Association.

1.5 Revenue

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

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

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised on an accrual basis using the effective interest method.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

1.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Association will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Association recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Association should purchase, construct otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Association with no future related costs are recognised in profit or loss in the period in which they become receivable.

1.7 Gains

Sale of assets

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

1.8 Capitation fees and levies

Capitation fees and levies are recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

1.9 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

1.10 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.11 Borrowing costs

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.12 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

1.13 Financial instruments

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly

1.13 Financial instruments (continued)

attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.14 Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

- A financial asset is classified as held for trading if:
- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Association manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Association documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the Association has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

1.14 Financial assets (continued)

Available-for-sale

The Association has investments in unlisted shares that are not traded in an active market but that are also classified as available-for-sale financial assets and stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Association's right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

Loan and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Association's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

1.14 Financial assets (continued)

Impairment of financial assets (continued)

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Derecognition of financial assets

The Association derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

1.15 Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Association manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Association's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

1.15 Financial Liabilities (continued)

Fair value through profit or loss (continued)

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Derecognition of financial liabilities

The Association derecognises financial liabilities when, and only when, the Association's obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

1.16 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.17 Land, Buildings, Plant and Equipment

Asset Recognition Threshold

Purchases of land, buildings, plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Revaluations—Land and Buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Valuations of land and buildings had been conducted in prior years, however management were of the opinion that land and buildings should remain valued at cost.

1.17 Land, Buildings, Plant and Equipment (continued)

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2014	2013
Land & buildings	40 years	40 years
Plant and equipment	5 to 13 years	5 to 13 years

Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

1.18 Taxation

The Association is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

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

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

1.19 Fair value measurement

The Association does not measure financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date.

Valuations of land and buildings had been conducted in prior years, however management were of the opinion that land and buildings should remain valued at cost.

Note 2 Events after the reporting period

There were no events that occurred after 31 December 2014, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Association.

	2014	2013
	\$	\$

Note 3 Income

Note 3A: Capitation fees*

Capitation fees	-	-
Total capitation fees	<u>-</u>	<u>-</u>

Note 3B: Levies*

Levies	-	-
Total levies	<u>-</u>	<u>-</u>

Note 3C: Interest

Deposits	27,630	13,169
Loans	-	-
Total interest	<u>27,630</u>	<u>13,169</u>

Note 3D: Rental revenue

Properties	84,911	94,897
Other	-	-
Total rental revenue	<u>84,911</u>	<u>94,897</u>

Note 3E: Grants or donations*

Grants	918,708	740,425
Donations	-	-
Total grants or donations	<u>918,708</u>	<u>740,425</u>

	2014	2013
	\$	\$
Note 3F: Net gains from sale of assets		
Plant and equipment	-	4,000
Total net gain from sale of assets	-	4,000

Note 3G: Other Income

Net Income from Regional Activities	212,280	422,154
Pacprint	43,299	669,404
Bad debts recovered	2,485	285
Total other income	258,064	1,091,843

Note 4 Expenses

Note 4A: Employee expenses

Holders of office:

Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	-	-

Employees other than office holders:

Wages and salaries	1,786,175	2,160,953
Superannuation	175,470	194,462
Leave and other entitlements	29,736	27,693
Separation and redundancies	35,749	54,628
Other employee expenses	170,226	185,635
Subtotal employee expenses employees other than office holders	2,197,356	2,623,371
Total employee expenses	2,197,356	2,623,371

Note 4B: Capitation fees*

Capitation fees	-	-
Total capitation fees	-	-

	2014	2013
	\$	\$
Note 4C: Affiliation fees*		
Affiliation fees		
Australian Chamber of Commerce and Industry	37,164	35,729
Two Sides Australia	10,000	10,000
World Print Communications Forum	3,054	2,662
Provision - World Print Communications Forum	-	(4,500)
Victorian Congress of Employer Association	1,000	1,000
Tasmanian Chamber of Commerce and Industry	700	700
Total affiliation fees/subscriptions	51,918	45,591

Note 4D: Administration expenses

Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	59,791	63,229
Contractors/consultants	173,111	138,601
Property expenses	142,305	157,445
Office expenses	203,342	218,491
Information communications technology	53,328	61,020
Other	307,426	340,964
Subtotal administration expense	939,303	979,750

Note 4D: Administration expenses (continued)

Operating lease rentals:		
Minimum lease payments	18,000	15,000
Total administration expenses	957,303	994,750

Note 4E: Grants or donations

Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	11,773	5,000
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	11,773	5,000

Note 4F: Depreciation

Land & buildings	115,168	115,168
Property, plant and equipment	61,441	68,719
Total depreciation	176,609	183,887

	2014	2013
	\$	\$
Note 4G: Finance costs		
Bank charges	12,091	15,259
Total finance costs	<u>12,091</u>	<u>15,259</u>

Note 4H: Legal costs

Litigation	-	-
Other legal matters	22,126	400
Total legal costs	<u>22,126</u>	<u>400</u>

Note 4I: Net losses from sale of assets

Plant and equipment	1,305	549
Total net losses from asset sales	<u>1,305</u>	<u>549</u>

Note 4J: Other expenses

Penalties - via RO Act or RO Regulations	-	-
Total other expenses	<u>-</u>	<u>-</u>

Note 5 Current Assets

Note 5A: Cash and Cash Equivalents

Cash at bank	323,743	(11,907)
Cash on hand	2,350	2,350
Total cash and cash equivalents	<u>326,093</u>	<u>(9,557)</u>

Note 5B: Trade and Other Receivables

Trade receivables		
Trade receivables	325,208	459,843
Total trade receivables	<u>325,208</u>	<u>459,843</u>
Less allowance for doubtful debts*		
Allowance for doubtful debts	(69,564)	(68,453)
Total allowance for doubtful debts	<u>(69,564)</u>	<u>(68,453)</u>
Total net trade and other receivables	<u>255,644</u>	<u>391,390</u>

	2014	2013
	\$	\$
Note 5C: Other Current Assets		
Prepayments	20,150	12,067
Regional Activities (PICA / NPA)	730,534	685,014
AAA Project	1,801,592	2,240,961
Mentoring / Advisors Project	85,110	741,650
NWDF Project	33,467	-
Total other current assets	2,670,853	3,679,692

Note 5D: Other Investments

Deposits	523,159	655,256
Total other investments	523,159	655,256

Note 6 Non-current Assets

Note 6A: Land and buildings

Land and buildings:		
cost	5,582,700	5,582,700
accumulated depreciation	(322,389)	(207,221)
Total land and buildings	5,260,311	5,375,479

Reconciliation of the Opening and Closing Balances of Land and Buildings

As at 1 January 2014/2013		
Gross book value	5,582,700	5,582,700
Accumulated depreciation and impairment	(207,222)	(92,055)
Net book value 1 January 2014/2013	5,375,478	5,490,645
Additions:		
By purchase	-	-
From acquisition of land and buildings	-	-
Revaluations	-	-
Impairments	-	-
Depreciation expense	(115,167)	(115,167)
Other movement	-	-
Disposals:		
From disposal of land and buildings	-	-
Other	-	-
Net book value 31 December 2014/2013	5,260,311	5,375,478

	2014	2013
	\$	\$
Note 6B: Plant and equipment		
Plant and equipment:		
at cost	626,574	662,259
accumulated depreciation	(496,886)	(466,673)
Total plant and equipment	129,688	195,586

Note 6B: Plant and equipment (continued)

Reconciliation of the Opening and Closing Balances of Plant and Equipment

As at 1 January 2014/2013		
Gross book value	662,259	681,837
Accumulated depreciation and impairment	(466,673)	(435,370)
Net book value 1 January 2014/2013	195,586	246,467
Additions:		
By purchase	8,198	17,837
From acquisition of entities	-	-
Impairments	-	-
Depreciation expense	(61,441)	(68,718)
Other movement	-	-
Disposals:		
From disposal of plant & equipment	(1,305)	-
Other	(11,350)	-
Net book value 31 December 2014/2013	129,688	195,586

Note 6C: Investments

Investments

Intech Australia Pty Ltd	70,000	70,000
Total investments	70,000	70,000

Note 7 Current Liabilities

Note 7A: Trade payables

Trade creditors and accruals	170,417	206,234
Operating lease rentals	-	-
Subtotal trade creditors	170,417	206,234
Payables	-	-
Subtotal payables	-	-
Total trade payables	170,417	206,234

Settlement is usually made within 14 to 30 days.

	2014	2013
	\$	\$
Note 7B: Other payables		
Superannuation	23,506	-
Consideration to employers for payroll deductions	38,328	55,579
Legal costs*	-	-
Prepayments received/unearned revenue	31,399	23,408
GST payable	18,326	35,300
Other	2,130,321	3,108,796
Total other payables	2,241,880	3,223,083

Note 8 Provisions

Note 8A: Employee Provisions

Office Holders:

Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-

Subtotal employee provisions—office holders

-	-
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Employees other than office holders:

Annual leave	131,906	133,920
Long service leave	180,460	236,967
Separations and redundancies	-	-
Other	-	-

Subtotal employee provisions—employees other than office holders

312,366	370,887
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Total employee provisions

312,366	370,887
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Current	312,366	370,887
Non-current	-	-
Total employee provisions	312,366	370,887

Note 9 Equity

Note 9A: Funds

Asset revaluation reserve

Balance as at start of year

Transferred to reserve	-	-
Transferred out of reserve	-	-

Balance as at end of year

-	-
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Total Reserves

-	-
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Note 10 Cash Flow

2014	2013
\$	\$

Note 10A: Cash Flow Reconciliation

Reconciliation of profit/(deficit) to net cash from operating activities:

Profit/(deficit) for the year	(46,557)	295,659
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Adjustments for non-cash items

Depreciation/amortisation	176,609	183,888
Net write-down of non-financial assets	-	-
Fair value movements in investment property	-	-
(Gain)/Loss on disposal of assets	1,305	(3,451)
Other	(27,630)	(13,719)

Changes in assets/liabilities

(Increase)/decrease in current receivables	135,745	(177,496)
(Increase)/decrease in prepayments (Projects)	1,061,508	(2,321,277)
Increase/(decrease) in creditors	(1,016,094)	2,363,055
Increase/(decrease) in Training Fund – Tasmania	-	(1,999)
Increase/(decrease) in subscriptions in advance	(8,074)	14,162
Increase/(decrease) in employee provisions	(58,522)	(39,908)
(Increase)/decrease in Regional Activities	(45,519)	(39,037)
Net cash from (used by) operating activities	172,771	259,877

Note 10B: Cash flow information

Cash inflows

Printing Industries Association of Australia	3,527,031	3,971,799
Total cash inflows	3,527,031	3,971,799

Cash outflows

Printing Industries Association of Australia	(3,354,260)	(3,711,922)
Total cash outflows	(3,354,260)	(3,711,922)

Note 11 Contingent Liabilities and Commitments

Note 11A: Commitments and Contingencies

Operating lease commitments—as lessee

Office Equipment leases

Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:

	2014	2013
	\$	\$
Within one year	33,540	33,540
Later than one year but not later than two years	22,998	33,540
Later than two years but not later than 5 years	9,000	30,084
	65,538	97,164

Capital commitments

At 31 December 2014 the entity has commitments of nil (2013: nil).

Note 12 Related Party Disclosures

Note 12A: Related Party Transactions for the Reporting Period

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.

2014	2013
\$	\$

Note 12B: Key Management Personnel Remuneration for the Reporting Period

Short-term employee benefits

Salary (including annual leave taken)	727,143	720,004
Annual leave accrued	63,472	64,631
Performance bonus	-	42,000
Total short-term employee benefits	790,615	826,635

Post-employment benefits:

Superannuation	67,153	65,702
Total post-employment benefits	67,153	65,702

2014	2013
\$	\$

Note 12B: Key Management Personnel Remuneration for the Reporting Period (continued)

Other long-term benefits:

Long-service leave accrued	104,996	97,222
Total other long-term benefits	104,996	97,222

Termination benefits

Redundancy	-	-
Total termination benefits	-	-

Note 12C: Transactions with key management personnel and their close family members

Loans to/from key management personnel	-	-
Other transactions with key management personnel	-	-

Note 13 Remuneration of Auditors

Value of the services provided

Financial statement audit services	27,000	27,000
Other services	-	-
Total remuneration of auditors	27,000	27,000

No other services were provided by the auditors of the financial statements.

Note 14 Financial Instruments

2014	2013
\$	\$

Note 14A: Categories of Financial Instruments

Held-to-maturity investments		
Term deposits	523,159	655,256
Total	523,159	655,256
Loans and receivables:		
Trade debtors	325,208	459,843
Total	325,208	459,843
Carrying amount of financial assets	848,367	1,115,099

	2014 \$	2013 \$
Note 14B: Net Income and Expense from Financial Assets		
Held-to-maturity		
Interest revenue	27,630	13,169
Net gain/(loss) held-to-maturity	27,630	13,169
Loans and receivables		
Impairment / Allowance for doubtful debts	(1,111)	(5,022)
Net gain/(loss) from loans and receivables	(1,111)	(5,022)

Note 14D: Credit & Interest Rate Risk

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:

	2014 \$	2013 \$
Financial assets		
Cash (2.95%)	326,093	(9,557)
Receivables	255,644	391,390
Investments	523,159	655,256
Total	1,104,896	1,037,089
Financial liabilities		
Creditors	170,417	206,234
Total	170,417	206,234

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.

Note 15 Fair Value Measurement

Note 15A: Financial Assets and Liabilities

Management of the Association assessed that for cash and cash equivalents, trade receivables, trade payables, and other current liabilities, the carrying amounts approximate fair value, because of the short term maturity of these instruments, and therefore fair value information is not included.

Note 16: Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or General Manager:

- (1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

PRINTING INDUSTRIES ASSOCIATION OF AUSTRALIA

ABN 84 720 646 451

INDEPENDENT AUDITOR'S REPORT

To the members of Printing Industries Association of Australia:

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 2014, 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.

PRINTING INDUSTRIES ASSOCIATION OF AUSTRALIA

ABN 84 720 646 451

INDEPENDENT AUDITOR'S REPORT (continued)

Independence

In conducting our audit, we have complied with the independence requirements of the Australia professional account bodies, and the Fair Work (Registered Organisations) Act 2009.

Auditor's Opinion

In our opinion:

- (a) the financial report of Printing Industries Association of Australia is in accordance with the Fair Work (Registered Organisations) Act 2009, including:
 - (i) giving a true and fair view of the Association's financial position as at 31 December 2014 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009 and all requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

BELL PARTNERS
Chartered Accountants



Donald F. Bell
Registered Company Auditor

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

Dated 27th April 2016