



Australian Government
Registered Organisations Commission

15 November 2017

Mr Adrian Moore
Secretary
VIPA

Sent via email

Dear Mr Moore

Re: – VIPA - financial report for year ending 30 June 2017 (FR2017/149)

I refer to the financial report of VIPA. The documents were lodged with the Registered Organisations Commission ('the ROC') on 9 November 2017.

The financial report has now been filed. The financial report was filed based on a primary review. This involved confirming whether 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.

You are not required to take any further action in respect of the report lodged. Please note the report for year ending 30 June 2018 may be subject to an advanced compliance review.

Reporting Requirements

On the ROC website is a number of factsheets in relation to the financial reporting process and associated timelines. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The ROC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Please note that new Reporting Guidelines will apply to organisations and branches with financial years *commencing* on or after 1 July 2017. Updates and information on the new guidelines will be provided through the ROC website and the [subscription service](#).

Yours faithfully

A handwritten signature in black ink, appearing to read 'Stephen Kellett'.

Stephen Kellett
Financial Reporting
Registered Organisations Commission

From: Warwick Renton-Gibb [<mailto:warwick.rentongibb@vipa.asn.au>]
Sent: Thursday, 9 November 2017 2:23 PM
To: ROC - Registered Org Commission
Cc: Adrian Moore; John Lyons
Subject: HPRM: ON CMS FR2017/149 VIPA 2016-2017 Financial Statements

[FR2017/149](#)

Dear Sir/Madam,

In accordance with our obligations, please find attached a copy of our Financial Statements for the period 2016-2017.

Kind Regards

Warwick Renton-Gibb



Warwick Renton-Gibb | General Manager
mobile 0414 331 021 | ph 1800 116 460
Registered office 303/115 Military Road, Neutral Bay
NSW 2089

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VIPA 2016-2017
Financial Statements.



FINANCIAL STATEMENTS 2016-17

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF VIPA

Opinion

I have audited the financial report of VIPA (the Reporting Unit), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2017, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of VIPA as at 30 June 2017, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

I declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Committee of Management for the Financial Report

The Committee of Management of the Reporting Unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management 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.

In preparing the financial report, the Committee of Management is responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion.

I communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I declare that I am an approved auditor, a member of Chartered Accountants Australia and New Zealand and hold a current Public Practice Certificate.



Stephen Kirtley
Director

Dated this 5th day of October 2017

Davidsons Assurance Services Pty Ltd

101 West Fyans Street

Geelong Victoria 3220

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/181

VIPA

s.268 *Fair Work (Registered Organisations) Act 2009*

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the period ended 30 June 2017

I John Lyons being the President of VIPA certify:

- that the documents lodged herewith are copies of the full report for the VIPA for the period ended 30 June 2017 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and

12 October 2017

- that the full report was provided to members of the reporting unit on; and
- that the full report was presented to a general meeting of members of the reporting unit on 8 November 2017 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.



Signature of prescribed designated officer:.....

Name of prescribed designated officer: John Lyons

Title of prescribed designated officer: President

Dated: 9 November 2017

VIPA

OPERATING REPORT

for the period ended 30 June 2017

The committee presents its report on the reporting unit for the financial year ended 30 June 2017.

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

VIPA's principle activity throughout the course of the financial year was the provision of representation and negotiation on behalf of Virgin Australia Group pilot members.

There were no significant changes in the nature of activities undertaken throughout the course of the financial year.

To ensure VIPA represents its members' views accurately, VIPA remains committed to engaging in regular consultation with members. This is achieved through by way of email communications, comprehensive and timely updates, consultation via face to face meetings, surveys and discussions conducted whilst 'flying the line.'

In June 2017, VIPA ceased an income protection insurance commission arrangement with Income Solutions. Management intends to pursue alternative arrangements.

Significant changes in financial affairs

During the year the following significant changes in financial affairs occurred.

Significant Change	Nature of Change
<i>Employee Expenses increased by 24.5%</i>	<i>Increased due to commencement of employment for Warwick Renton-Gibb; previously paid as a contractor</i>
<i>Cash and Cash Equivalents increased by 36.4%</i>	<i>The increase in cash was primarily due to the following:</i> <ul style="list-style-type: none">- <i>Increase in VLF reimbursements</i>- <i>Increase in IP commissions</i>- <i>Reduction in lease repayments</i>- <i>Reduction in operating expenses</i>- <i>Collection of loans receivable</i>
<i>Total Liabilities increased by 7.8%</i>	<i>The increase in liabilities was primarily due to an increase in employee leave provisions and credit card balance.</i>
<i>Profit for the year ended 30 June 2017 (2016:loss)</i>	<i>This profit was driven by:</i> <ul style="list-style-type: none">- <i>Increase in VLF reimbursements</i>- <i>Increase in IP commissions</i>- <i>Reduction in amortisation of VIPA establishment costs</i>- <i>Reduction in operating expenses</i>

Right of members to resign

Subject to the rules of the organisation and Section 174 of the Fair Work (Registered Organisation) Act 2009, members have the right to resign from membership of the organisation by written notice addressed to and delivered to the Committee of Management.

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

No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

Number of members

The number of persons that were at the end of the financial year recorded in the register of members for Section 230 of Fair Work (Registered Organisation) Act 2009 and who were taken to be members of VIPA under Section 244 of the Fair Work (Registered Organisations) Act was 523.

Number of employees

The number of persons that were at the end of the financial year employees of VIPA including both full time and part time employees was 5 (2016: 4)

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

<i>John Lyons</i>	<i>President</i>	<i>1 July 2016 to 30 June 2017</i>
<i>Phil Bunder</i>	<i>Vice President</i>	<i>1 July 2016 to 30 June 2017</i>
<i>Shane Murdock</i>	<i>Treasurer</i>	<i>1 July 2016 to 30 June 2017</i>
<i>Adrian Moore</i>	<i>Secretary</i>	<i>1 July 2016 to 30 June 2017</i>
<i>Karl Davis</i>	<i>Committee Member</i>	<i>1 July 2016 to 30 June 2017</i>
<i>Andrew Hunt</i>	<i>Committee Member</i>	<i>1 July 2016 to 8 February 2017</i>
<i>Adam Fitch</i>	<i>Committee Member</i>	<i>1 July 2016 to 30 June 2017</i>
<i>Eivind Eikli</i>	<i>Committee Member</i>	<i>1 July 2016 to 30 June 2017</i>
<i>Gavin Sheppard</i>	<i>Committee Member</i>	<i>1 July 2016 to 30 June 2017</i>
<i>Mike Smith</i>	<i>Committee Member</i>	<i>6 July 2016 to 30 June 2017</i>
<i>Anthony Rose</i>	<i>Committee Member</i>	<i>1 July 2016 to 30 June 2017</i>
<i>Alan White</i>	<i>Committee Member</i>	<i>1 July 2016 to 30 June 2017</i>

Signature of designated officer:



Name and title of designated officer: John Stewart Lyons

Dated: 5 October 2017

VIPA

COMMITTEE OF MANAGEMENT STATEMENT

for the period ended 30 June 2017

On 5 October 2017 the Committee of Management of VIPA passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2017:

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 any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period

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

Signature of designated officer:



Name and title of designated officer: John Stewart Lyons - President

Dated: 5 October 2017

VIPA
STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2017

	Notes	2017 \$	2016 \$
Revenue			
Membership subscription*		726,035	740,698
Capitation fees		-	-
Levies		-	-
Interest	3A	2,211	3,983
Other revenue		56,722	33,163
Total revenue		784,968	777,844
Other Income			
Grants and/or donations		-	-
Total other income		-	-
Total income		784,968	777,844
Expenses			
Employee expenses	4A	445,796	357,992
Capitation fees		-	-
Affiliation fees		-	-
Administration expenses	4B	214,125	442,950
Grants or donations	4C	-	5,000
Depreciation and amortisation	4D	14,053	57,437
Legal costs	4E	13,591	24,517
Audit fees	13	2,300	4,700
Other expenses	4F	2,194	-
Finance costs	4G	178	-
Total expenses		692,237	892,596
Profit (loss) for the year		92,731	(114,752)
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss		-	-
Total comprehensive income for the year		92,731	(114,752)

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

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

VIPA
STATEMENT OF FINANCIAL POSITION
as at 30 June 2017

	Notes	2017 \$	2016 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	538,601	394,827
Trade and other receivables	5B	29,981	41,925
Other current assets	5C	3,959	825
Total current assets		572,541	437,577
Non-Current Assets			
Plant and equipment	6A	-	2,194
Intangibles	6B	-	14,053
Other investments	6C	344	441
Total non-current assets		344	16,688
Total assets		572,885	454,265
LIABILITIES			
Current Liabilities			
Trade payables	7A	8,608	24,265
Other payables	7B	296,327	274,557
Employee provisions	8A	26,939	14,433
Total current liabilities		331,874	313,255
Non-Current Liabilities			
Employee provisions	8A	24,157	16,887
Total non-current liabilities		24,157	16,887
Total liabilities		356,031	330,142
Net assets		216,854	124,123
EQUITY			
Retained earnings		216,854	124,123
Total equity		216,854	124,123

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

VIPA
STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2017

	Notes	Retained earnings \$	Total equity \$
Balance as at 1 July 2015		238,875	238,875
Adjustment for errors		-	-
Adjustment for changes in accounting policies		-	-
Profit (loss) for the year		(114,752)	(114,752)
Closing balance as at 30 June 2016		124,123	124,123
Adjustment for errors		-	-
Adjustment for changes in accounting policies		-	-
Profit (loss) for the year		92,731	92,731
Transfer from retained earnings		-	-
Closing balance as at 30 June 2017		216,854	216,854

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

VIPA
CASH FLOW STATEMENT
for the period ended 30 June 2017

	Notes	2017 \$	2016 \$
OPERATING ACTIVITIES			
Cash received			
Interest	10B	2,211	3,983
Other	10B	777,484	724,834
Cash used			
Employees	10B	(427,050)	(379,010)
Suppliers	10B	(236,729)	(474,525)
Net cash from (used by) operating activities	10A	115,916	(124,718)
INVESTING ACTIVITIES			
Cash used			
Purchase of plant and equipment		-	-
Net cash from (used by) investing activities		-	-
FINANCING ACTIVITIES			
Cash received			
Repayment of Borrowings		27,858	-
Net cash from (used by) financing activities		27,858	-
Net increase (decrease) in cash held		143,774	(124,718)
Cash & cash equivalents at the beginning of the reporting period		394,827	519,545
Cash & cash equivalents at the end of the reporting period	5A	538,601	394,827

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, VIPA 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

There have not been any material accounting assumptions or estimates that have been identified that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

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

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and applicable to the future reporting period that are expected to have a future financial impact on VIPA include: none applicable.

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.

Donation income is recognised when it is received.

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 Gains

Sale of assets

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

1.7 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.

1.8 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.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. Reporting Unit recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

1.9 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.

The discount rate used is the interest rate implicit in the lease. 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.

1.10 Borrowing costs

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

1.11 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 consolidated statement of financial position.

1.12 Financial instruments

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

1.18 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 reporting unit 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 reporting units 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 remeasurement 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 reporting unit 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.

Available-for-sale

Listed shares and listed redeemable notes held by the reporting unit that are traded in an active market are classified as available-for-sale and are stated at fair value. The reporting unit also 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 reporting unit 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.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

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 reporting units 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.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

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.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

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 reporting unit 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 assets 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.

1.19 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 reporting unit 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 reporting units 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 liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement 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.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The reporting unit derecognises financial liabilities when, and only when, the reporting units 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.

1.20 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.

1.21 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.

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:

	2017	2016
Plant and equipment	3 to 8 years	3 to 8 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.

1.22 Intangibles

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The useful life of VIPA intangible assets are:

	2017	2016
Intangibles	5 years	5 years

Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit and loss when the asset is derecognised.

1.23 Impairment for non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if VIPA were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.24 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

1.25 Taxation

VIPA 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.

1.26 Fair value measurement

VIPA measures 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. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 15A.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by VIPA. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

VIPA uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, VIPA determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, VIPA has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

1.27 Going concern

VIPA is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

Note 2 Events after the reporting period

There were no events that occurred after 30 June 2017, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of VIPA.

	2017	2016
	\$	\$
Note 3 Income		
Note 3A: Interest		
Deposits	2,211	3,983
Total interest	<u>2,211</u>	<u>3,983</u>
Note 4 Expenses		
Note 4A: Employee expenses*		
Holders of office:		
Wages and salaries	-	8,514
Superannuation	-	1,244
Leave and other entitlements	2,432	15,814
Separation and redundancies	-	32,748
Other employee expenses	-	-
Subtotal employee expenses holders of office	<u>2,432</u>	<u>58,320</u>
Employees other than office holders:		
Wages and salaries	384,801	228,367
Superannuation	36,401	24,800
Leave and other entitlements	17,344	42,728
Separation and redundancies	-	-
Other employee expenses	4,818	3,777
Subtotal employee expenses employees other than office holders	<u>443,364</u>	<u>299,672</u>
Total employee expenses	<u>445,796</u>	<u>357,992</u>
Note 4B: Administration expenses		
Consideration to employers for payroll deductions*	-	-
Compulsory levies*	-	-
Fees/allowances - meeting and conferences*	-	-
Conference and meeting expenses*	5,168	1,935
Contractors/consultants	87,600	221,427
Information communications technology	25,262	27,835
Other expenses	86,359	130,491
Subtotal administration expense	<u>204,389</u>	<u>381,688</u>
Operating lease rentals:		
Minimum lease payments	9,736	61,262
Total administration expenses	<u>214,125</u>	<u>442,950</u>

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

	2017	2016
	\$	\$
Note 4C: Grants or donations*		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	5,000
Total grants or donations	<u>-</u>	<u>5,000</u>

Note 4D: Depreciation and amortisation

Depreciation		
Property, plant and equipment	-	1,227
Total depreciation	<u>-</u>	<u>1,227</u>
Amortisation		
Intangibles	14,053	56,210
Total amortisation	<u>14,053</u>	<u>56,210</u>
Total depreciation and amortisation	<u>14,053</u>	<u>57,437</u>

Note 4E: Legal costs*

Litigation	11,150	9,854
Other legal matters	2,441	14,663
Total legal costs	<u>13,591</u>	<u>24,517</u>

Note 4F: Other expenses

Loss on disposal of non-current assets	2,194	-
Penalties - via RO Act or RO Regulations*	-	-
Total other expenses	<u>2,194</u>	<u>-</u>

Note 4G: Finance costs

Interest paid	178	-
Total other expenses	<u>178</u>	<u>-</u>

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

2017	2016
\$	\$

Note 5 Current Assets

Note 5A: Cash and Cash Equivalents

Cash at bank	538,601	394,827
Total cash and cash equivalents	538,601	394,827

Note 5B: Trade and Other Receivables

Receivables from other reporting unit[s]*

Total receivables from other reporting unit[s]

Less provision for doubtful debts*

Total provision for doubtful debts

Receivable from other reporting unit[s] (net)

Trade receivables and accruals

Total trade receivables and accruals

Other receivables:

GST receivable

Security deposits

Loan – VIPA member

Sundry debtors

Total other receivables

Total trade and other receivables (net)

-	-
-	-
-	-
-	-
-	-
5,306	(3,503)
5,306	(3,503)

5,541	972
2,201	-
16,597	44,456
336	-
24,675	45,428
29,981	41,925

Note 5C: Other Current Assets

Prepaid rent

Prepaid insurance

Total other current assets

1,191	825
2,768	-
3,959	825

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

2017	2016
\$	\$

Note 6 Non-current Assets

Note 6A: Plant and equipment

Plant and equipment:		
at cost	-	18,890
accumulated depreciation	-	(16,696)
Total plant and equipment	-	2,194

Reconciliation of the Opening and Closing Balances of Plant and Equipment

As at 1 July 2016

Gross book value	18,890	18,890
Accumulated depreciation and impairment	(16,696)	(15,469)
Net book value 1 July 2016	2,194	3,421
Depreciation expense	-	(1,227)
Loss on disposal	(2,194)	-
Net book value 30 June 2017	-	2,194

Net book value as of 30 June 2017 represented by:

Gross book value	-	18,890
Accumulated depreciation and impairment	-	(16,696)
Net book value 30 June 2017	-	2,194

Note 6B: Intangibles

Formation Expenses	-	14,053
Total intangibles	-	14,053

Reconciliation of the Opening and Closing Balances of Intangibles

As at 1 July 2016

Gross book value	70,263	70,263
Net book value 1 July 2016	14,053	70,263
Amortisation	(14,053)	(56,210)
Net book value 30 June 2017	-	14,053

Net book value as of 30 June 2017 represented by:

Gross book value	70,263	70,263
Accumulated amortisation and impairment	(70,263)	(56,210)
Net book value 30 June 2017	-	14,053

Note 6C: Other Investments

Shares in Listed Companies	344	441
Total other investments	344	441

2017	2016
\$	\$

Note 7 Current Liabilities

Note 7A: Trade payables

Trade creditors and accruals	8,608	24,265
Subtotal trade creditors	8,608	24,265
Payables to other reporting unit[s]*	-	-
Subtotal payables to other reporting unit[s]	-	-
Total trade payables	8,608	24,265

Settlement is usually made within 30 days.

Note 7B: Other payables

Wages and salaries	-	1,236
Superannuation	10,619	6,974
Consideration to employers for payroll deductions*	-	-
Credit card	3,889	(2,626)
Unpaid expense claims	-	-
Legal costs*		
Litigation	-	-
Other legal matters	-	-
Unearned revenue	238,827	238,121
GST payable	35,900	25,965
PAYG withholding payable	7,092	4,887
Total other payables	296,327	274,557

Total other payables are expected to be settled in:

No more than 12 months	296,327	274,557
More than 12 months	-	-
Total other payables	296,327	274,557

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

	2017	2016
	\$	\$
Note 8 Provisions		
Note 8A: Employee Provisions*		
Office Holders:		
Annual leave	-	-
Long service leave	11,376	9,511
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	11,376	9,511
Employees other than office holders:		
Annual leave	26,939	14,433
Long service leave	12,781	7,376
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	39,720	21,809
Total employee provisions	51,096	31,320
Current	26,939	14,433
Non Current	24,157	16,887
Total employee provisions	51,096	31,320

Note 9 Equity

Note 9A: Other Specific disclosures - Funds*

Compulsory levy/voluntary contribution fund – if invested in assets

- -

Other fund(s) required by rules

Balance as at start of year

- -

Transferred to reserve

- -

Transferred out of reserve

- -

Balance as at end of year

- -

*As required by Reporting Guidelines. Items to be disclosed even if nil.

2017	2016
\$	\$

Note 10 Cash Flow

Note 10A: Cash Flow Reconciliation

Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:

Cash and cash equivalents as per:

Cash flow statement	538,601	394,827
Balance sheet	538,601	394,827
Difference	<u>-</u>	<u>-</u>

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

Profit/(deficit) for the year	92,731	(114,752)
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Adjustments for non-cash items

Depreciation/amortisation	14,053	57,437
Net write-down of non-financial assets	-	-
Fair value movements in investments	97	649
Loss on disposal of non-current assets	2,194	-

Changes in assets/liabilities

(Increase)/decrease in net receivables	(11,431)	18,159
(Increase)/decrease in prepayments	(3,134)	(825)
Increase/(decrease) in supplier payables	1,630	(58,157)
Increase/(decrease) in other payables	-	-
Increase/(decrease) in employee provisions	19,776	(27,229)
Increase/(decrease) in other provisions	-	-
Net cash from (used by) operating activities	<u>115,916</u>	<u>(124,718)</u>

Note 10B: Cash flow information*

Cash inflows	779,695	728,817
Total cash inflows	<u>779,695</u>	<u>728,817</u>
Cash outflows	663,779	853,535
Total cash outflows	<u>663,779</u>	<u>853,535</u>

*As required by the Reporting Guidelines. Item to remain even if 'nil'.

2017	2016
\$	\$

Note 11 Contingent Liabilities, Assets and Commitments

Note 11A: Commitments and Contingencies

Operating lease commitments—as lessee

The lease has a 12 month fixed term with the option to extend the term for a further 12 months at the end of the original lease period expiring on 28 February 2018. Minimum lease repayments are \$850.53 per month (ex GST).

Future minimum rentals payable under non-cancellable operating leases as at 30 June are:

Within one year	6,804	-
After one year but not more than five years	-	-
More than five years	-	-
	6,804	-

Gross amount of minimum lease payments:

Within one year	6,804	-
After one year but not more than five years	-	-
More than five years	-	-
Total gross amount of minimum lease payments	6,804	-

Present value of minimum lease payments:

Within one year	6,804	-
After one year but not more than five years	-	-
More than five years	-	-
Total present value of minimum lease payments	6,804	-

Note 12 Related Party Disclosures

Note 12A: Related Party Transactions for the Reporting Period

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

Expenses paid to Warwick Renton-Gibb ATF Renton-Gibb Property Trust includes the following:

Consulting fees	-	146,852
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Expenses paid to Warwick Renton-Gibb include the following:

Salary	133,539	-
Superannuation	13,095	-
Annual leave paid	3,769	-
Personal leave paid	538	-
Accrued annual leave	3,330	-
Accrued long service leave	1,012	-

Expenses paid to Salinda Developments Pty Ltd (John Stewart Lyons) includes the following:

Consulting fees	80,000	59,995
Superannuation	7,600	-
Accrued long service leave	2,432	-

Amounts owed to Warwick Renton-Gibb include the following:

Accrued superannuation	3,581	13,300
Accrued annual leave	7,173	-
Accrued long service leave	1,622	543

Amounts owed to John Stewart Lyons include the following:

Accrued superannuation	1,900	-
Accrued long service leave	11,377	8,968

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2017, VIPA has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2016: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

	2017	2016
	\$	\$
Note 12B: Key Management Personnel Remuneration for the Reporting Period		
Short-term employee benefits		
Salary	133,539	8,514
Consulting fees	80,000	-
Annual leave paid	3,769	38,315
Annual leave accrual	3,330	-
Personal leave paid	538	1,310
Total short-term employee benefits	<u>221,176</u>	<u>48,139</u>
Post-employment benefits:		
Superannuation paid	15,215	1,244
Superannuation accrual	5,480	-
Total post-employment benefits	<u>20,695</u>	<u>1,244</u>
Other long-term benefits:		
Long-service leave accrual	3,444	14,674
Total other long-term benefits	<u>3,444</u>	<u>14,674</u>
Termination benefits	-	32,748
Total termination benefits	<u>-</u>	<u>32,748</u>

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	2,300	4,700
Other services	-	-

Total remuneration of auditors	<u>2,300</u>	<u>4,700</u>
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2017	2016
\$	\$

Note 14 Financial Instruments

Credit Risk

Exposure to credit risk relating to the financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to financial loss to VIPA.

The maximum exposure to credit risk by class or recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

There is no collateral held by VIPA securing amounts receivable and debtors.

VIPA has no significant credit risk.

Liquidity Risk

Liquidity risk arises from the possibility that VIPA might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. VIPA maintains only a small holding of Virgin Australia Holding Limited shares, all other surplus assets are held in deposits with major financial institutions. VIPA monitors the recovery of accounts receivable.

Note 14A: Categories of Financial Instruments

Financial Assets

Fair value through profit or loss:

Cash and cash equivalents	538,601	394,827
Trade and other receivables	29,981	41,925
Prepayments	3,959	825
Shares in Listed Companies	344	441

Total	572,885	438,018
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<i>Carrying amount of financial assets</i>	572,885	438,018
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Financial Liabilities

Fair value through profit or loss:

Trade and other payables	304,935	298,822
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Total	304,935	298,822
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<i>Carrying amount of financial liabilities</i>	304,935	298,822
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2017	2016
\$	\$

Note 14B: Net Income and Expense from Financial Assets

Total held for trading

Designated as fair value through profit and loss:

Change in fair value	(97)	(649)
Total designated as fair value through profit and loss	(97)	(649)
Net gain/(loss) at fair value through profit and loss	(97)	(649)
Net gain/(loss) from financial assets	(97)	(649)

The net income/expense from financial assets not at fair value from profit and loss is \$Nil (2016: \$Nil).

2017	2016
\$	\$

Note 14C: Credit Risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. VIPA's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets indicated in the balance sheet.

The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements.

Financial assets

Trade and other receivables	29,981	41,925
Total	29,981	41,925

Financial liabilities

Trade and other payables	304,935	298,822
Total	304,935	298,822

In relation to the entity's gross credit risk no collateral is held.

Credit quality of financial instruments not past due or individually determined as impaired

	Not Past Due Nor Impaired 2017 \$	Past due or impaired 2017 \$	Not Past Due Nor Impaired 2016 \$	Past due or impaired 2016 \$
Trade and other receivables	29,981	-	41,925	-
Total	29,981	-	41,925	-

Note 14D: Credit Risk (continued)**Ageing of financial assets that were past due but not impaired for 2017**

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	524	-	-	-	524
Prepayments	-	-	-	-	-
Total	524	-	-	-	524

Ageing of financial assets that were past due but not impaired for 2016

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
	-	-	-	-	-
Total	-	-	-	-	-

There were no receivables that were past due but not impaired.

Note 14E: Liquidity Risk

Liquidity risk arises when VIPA is unable to meet its financial obligations as they fall due. VIPA typically settles financial obligations within 30 days. It manages risk by monitoring cash flow to ensure adequate holdings of cash and cash equivalents. VIPA's exposure to liquidity risk is deemed insignificant based on prior period's data and current assessment of risk.

Contractual maturities for financial liabilities 2017

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade and other payables	-	8,608	-	-	-	8,608
Total	-	8,608	-	-	-	8,608

Contractual maturities for financial liabilities 2016

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade and other payables	-	24,265	-	-	-	24,265
Total	-	24,265	-	-	-	24,265

Note 14F: Market Risk

VIPA does not have any material exposure to market risk.

Note 15 Fair Value Measurement

Note 15A: Financial Assets and Liabilities

Management of the reporting unit assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- Fair values of the reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The own performance risk as at 30 June 2017 was assessed to be insignificant.
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 30 June 2017 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

The following table contains the carrying amounts and related fair values for VIPA's financial assets and liabilities:

	Carrying amount 2017 \$	Fair value 2017 \$	Carrying amount 2016 \$	Fair value 2016 \$
Financial Assets				
Cash and cash equivalents	538,601	538,601	394,827	394,827
Trade and other receivables	29,981	29,981	41,925	41,925
Prepayments	3,959	3,959	825	825
Shares in listed Companies	344	344	441	441
Total	572,885	572,885	438,018	438,018
Financial Liabilities				
Trade and other payables	304,935	304,935	298,822	298,822
Total	304,935	304,935	298,822	298,822

Fair value hierarchy – 30 June 2017

	Date of valuation	Level 1	Level 2	Level 3
Assets measured at fair value		\$	\$	\$
Shares in listed Companies	30 June 2017	344	-	-
Total		344	-	-

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).