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COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)

ABN 13 511 341 559

FINANCIAL REPORT

FOR THE YEAR ENDED 31 MARCH 2016

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559

OPERATING REPORT

In accordance with Section 254 of the Fair Work (Registered Organisations) Act 2009 ("Act") the Committee of Management present their Operating Report on Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) ("the Union"), the relevant Reporting Unit for the financial year ended 31 March 2016.

Principal Activities
The principal activities of the Union during the financial year were to provide industrial and organising services to members of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications division, Telecommunications and Services Branch (Victoria), consistent with the objectives of the Union and particularly the objective of protecting and improving the interests of the members.

Operating Result
The results of the principal activities of the Union during the financial year was to further the interests of communications workers through improvements in wages and conditions, health and safety, legal rights and company compliance with Australian labour standards.

The operating loss of the Union for the financial year was $96,900 (2015: $51,104 loss). No provision for tax was necessary as the Union is exempt from income tax. The loss is due to a provision for redundancy of $95,361 being taken up for the year.

The other comprehensive income of the Union for the financial year was $29,528 loss (2015: $44,971 income). The other comprehensive income was in regards to the revaluation of financial assets at the end of the financial year.

The total comprehensive loss of the Union for the financial year was $126,428 (2015: $6,133 loss).

Significant change
There were no significant changes in the principal activities or financial affairs of the Union during the financial year.

Rights of Members
Pursuant to the Reporting Unit Rule 21 and Section 174 of the Fair Work (Registered Organisations) Act 2009, members have the right to resign from membership by providing written notice addressed to and delivered to the Secretary of the Reporting Unit.

A notice of resignation from membership of the Union takes effect:
(a) where the member ceases to be eligible to become a member of the Union
  (i) on the day on which the notice is received by the Union
  (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 become a member;
  whichever is the later, or

(b) in any other case:
  (i) at the end of two weeks after the notice is received by the Union, or
  (ii) on the day specified in the notice
  whichever is the later.

Superannuation Officeholders
No other officer or member of the Union is:
(a) is a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
(b) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

OPERATING REPORT continued

Other Prescribed Information
In accordance with Regulation 159 of the Fair Work (Registered Organisations) Regulations 2009 ("Regulations"):

(a) the number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for Section 230 of the Act and who are taken to be members of the Union under section 244 of the Act was 1,835 (2015: 1,935).

(b) the number of persons who were, at the end of the financial year to which the report relates, employees of the Union, where the number of employees includes both full-time and part-time employees, measured on a full-time equivalent basis was 4.

(c) the names of each person who have been a member of the Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position were;

Name	
Roger Bland	Branch President (Honorary) (Appointed 16 March 2016)
Leonard Cooper	Branch President (Honorary) (Resigned 5 August 2015)
Kelvin Welbourn	Branch Vice-President (Honorary)
Christopher John Ellery	Branch Secretary
Susan Riley	Branch Assistant Secretary
Paul Lightfoot	Committee of Management Technical Division
Neil Johnson	Committee of Management Technical Division
Ian McCallum	Committee of Management Technical Division
Robert Parker	Committee of Management Technical Division
Mihi Shaw	Committee of Management Technical Division
David Smithwick	Committee of Management Technical Division
Mark Dennis	Committee of Management Technical Division (Appointed 1 August 2015)
Amy Stubberfield	Committee of Management Technical Division (Appointed 1 August 2015)
Scott Thomson	Committee of Management Technical Division (Appointed 1 August 2015)
Darren Evans	Committee of Management Technical Division (Resigned 1 August 2015)
Alvan Shotade	Committee of Management Technical Division (Resigned 1 August 2015)

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

Signed in accordance with a resolution of the Committee of Management.

For Committee of Management: Christopher John Ellery
Title of Office held: Branch Secretary

Signature:

Dated: 28 July 2016

Melbourne

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559

COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016

On the 28 July 2016 the Committee of Management of the Committee of Management present their Operating Report on Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) and passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 31 March 2016:

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 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;

(g) that the members receive a copy of the concise financial report.

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

Signature of designated officer: ....

Name and title of designated officer: Christopher John Ellery -Branch Secretary

Dated: 28 July 2016

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016 $	2015 $
Revenue			
Membership subscription		**830,770**	845,367
Capitation fees	3A	**-**	-
Levies	3B	**-**	-
Interest	3C	**1,636**	4,318
Rental revenue	3D	**-**	-
Other revenue		**50,084**	28,504
Total revenue		**882,490**	878,189
Other Income			
Grants and/or donations	3E	**-**	-
Share of net profit from associate	6E	**-**	-
Net gains from sale of assets	3F	**-**	3,550
Total other income		**-**	3,550
Total income		**882,490**	881,739
Expenses			
Employee expenses	4A	**542,853**	429,745
Capitation fees	4B	**186,935**	190,675
Affiliation fees	4C	**5,702**	4,115
Administration expenses	4D	**213,594**	240,672
Grants or donations	4E	**-**	300
Depreciation and amortisation	4F	**9,182**	9,984
Finance costs	4G	**-**	-
Legal costs	4H	**-**	42,866
Audit fees	14	**16,550**	16,100
Share of net loss from associate	6E	**-**	-
Write-down and impairment of assets	4I	**518**	(6,203)
Net losses from sale of assets	4J	**-**	-
Other expenses	4K	**4,056**	4,589
Total expenses		**979,390**	932,843
Profit (loss) for the year		**(96,900)**	(51,104)
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss		**-**	(553)
Gain on revaluation of land & buildings		**-**	-
Gain/(loss) on revaluation of financial assets		**(29,528)**	45,524
Total comprehensive income for the year		**(126,428)**	(6,133)

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

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016

	Notes	2016 $	2015 $
ASSETS			
Current Assets			
Cash and cash equivalents	5A	**191,261**	128,592
Trade and other receivables	5B	**19,540**	12,828
Other current assets	5C	**3,300**	4,234
Total current assets		**214,101**	145,654
Non-Current Assets			
Land and buildings	6A		-
Plant and equipment	6B	**28,367**	36,440
Investment Property	6C	**-**	-
Intangibles	6D	**2,060**	3,169
Investments in associates	6E	**-**	-
Other investments	6F	**637,427**	702,717
Other non-current assets	6G	**-**	-
Total non-financial assets		**667,854**	742,326
Total assets		**881,955**	887,980
LIABILITIES			
Current Liabilities			
Trade payables	7A	**179,276**	92,982
Other payables	7B	**44,030**	56,511
Employee provisions	8A	**283,968**	237,378
Total current liabilities		**507,274**	386,871
Non-Current Liabilities			
Employee provisions	8A	**-**	-
Other non-current liabilities	9A	**-**	-
Total non-current liabilities		**-**	-
Total liabilities		**507,274**	386,871
Net assets		**374,681**	501,109
EQUITY			
Financial reserves	10A	**31,472**	61,000
Retained earnings (accumulated deficit)		**343,209**	440,109
Total equity		**374,681**	501,109

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

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2016

	Notes	Financial Reserve $	Retained earnings $	Total equity $
Balance as at 1 April 2014		14,923	491,766	506,689
Adjustment for errors		-	-	-
Adjustment for changes in accounting policies		-	-	-
Profit for the year		-	(51,104)	(51,104)
Other comprehensive income for the year		45,524	-	45,524
Transfer to/from [insert fund name]	10A	-	-	-
Transfer from retained earnings		553	(553)	-
Closing balance as at 31 March 2015		61,000	440,109	501,109
Adjustment for errors		-	-	-
Adjustment for changes in accounting policies		-	-	-
Profit for the year		-	**(96,900)**	**(96,900)**
Other comprehensive income for the year		**(29,528)**	-	**(29,528)**
Transfer to/from [insert fund name]	10A	-	-	-
Transfer from retained earnings		-	-	-
Closing balance as at 31 March 2016		**31,472**	**343,209**	**374,681**

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

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016 $	2015 $
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units/controlled entity(s)	11B	**14,514**	7,093
Interest		**1,636**	4,318
Other		**945,744**	877,969
Cash used			
Employees		**(496,263)**	(441,734)
Suppliers		**(306,035)**	(297,848)
Payment to other reporting units/controlled entity(s)	11B	**(132,700)**	(209,743)
Net cash from (used by) operating activities	11A	**26,907**	(59,945)
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		**-**	4,000
Proceeds from sale of land and buildings		**-**	-
Other -Proceeds from redemption of investments		**107,533**	148,150
Cash used			
Purchase of plant and equipment		**-**	(22,986)
Purchase of land and buildings		**-**	-
Other – Purchase of investments		**(71,771)**	(179,520)
Net cash from (used by) investing activities		**35,762**	(50,356)
FINANCING ACTIVITIES			
Cash received			
Contributed equity		**-**	-
Other		**-**	-
Cash used			
Repayment of borrowings		**-**	-
Other		**-**	-
Net cash from (used by) financing activities		**-**	-
Net increase (decrease) in cash held		**62,669**	(110,301)
Cash & cash equivalents at the beginning of the reporting period		**128,592**	238,893
Cash & cash equivalents at the end of the reporting period	5A	**191,261**	128,592

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

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
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RECOVERY OF WAGES ACTIVITY FOR THE YEAR ENDED 31 MARCH 2016

	2016 $	2015 $
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
The reporting unit:		
name of account	-	-
name of fund	-	-
Name of other reporting unit of the organisation:		
name of account	-	-
name of fund	-	-
Name of other entity:		
name of account	-	-
name of fund	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total payments	-	-
Cash asset's in respect of recovered money at end of year	-	-
Number of workers to which the monies recovered relates	-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	-	-
Number of workers the payable relates to	-	-
Fund or account operated for recovery of wages	-	-

No revenue has been derived from undertaking recovery of wages activity during the reporting period.

Index to the Notes to the Financial Statements

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 Organisations) Act 2009. For the purpose of preparing the general purpose financial statements, the reporting unit 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.

The Committee of Management assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value in use calculation performed in assessing recoverable amounts incorporates a number of key estimates.

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.

Note 1Summary of significant accounting policies continued

1.4 New Australian Accounting Standards continued

Future Australian Accounting Standards Requirements

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 reporting unit include:

Standard Name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2009) AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transitional Disclosures AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments AASB 2014-1 Amendments to Australian Accounting Standards AASB 2014–7 Amendments to Australian Accounting Standards arising from AASB 9 AASB 2014-8 Amendments to Australian Accounting Standards arising from AASB 9	31 March 2018	Significant revisions to the classification and measurement of financial assets, reducing the number of categories and simplifying the measurement choices, including the removal of impairment testing of assets measured at fair value. The amortised cost model is available for debt assets meeting both business model and cash flow characteristics tests. All investments in equity instruments using IFRS 9 are to be measured at fair value. Amends measurement rules for financial liabilities that the entity elects to measure at fair value through profit and loss. Changes in fair value attributable to changes in the entity's own credit risk are presented in other comprehensive income. Chapter 6 Hedge Accounting supersedes the general hedge accounting requirements in IAS 39 Financial Instruments: Recognition and Measurement, which many consider to be too rules-based and arbitrary. Chapter 6 requirements include a new approach to hedge accounting that is intended to more closely align hedge accounting with risk management activities undertaken by entities when hedging financial and non-financial risks. Some of the key changes from IAS 39 are as follows: - to allow hedge accounting of risk components of non-financial items that are identifiable and measurable (many of which were prohibited from being designated as hedged items under IAS 39);	Impacts on the reported financial position and performance have not yet been determined.

Note 1 Summary of significant accounting policies continued

1.4 New Australian Accounting Standards continued

Future Australian Accounting Standards Requirements

Standard Name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2009) AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transitional Disclosures AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments AASB 2014-1 Amendments to Australian Accounting Standards AASB 2014–7 Amendments to Australian Accounting Standards arising from AASB 9 AASB 2014-8 Amendments to Australian Accounting Standards arising from AASB 9 continued	31 March 2018	-changes in the accounting for the time value of options, the forward element of a forward contract and foreign-currency basis spreads designated as hedging instruments; and -modification of the requirements for effectiveness testing (including removal of the 'bright-line' effectiveness test that offset for hedging must be in the range 80-125%). Revised disclosures about an entity's hedge accounting have also been added to IFRS 7 Financial Instruments: Disclosures. Impairment of assets is now based on expected losses in IFRS 9 which requires entities to measure: -the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or -full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument..	Impacts on the reported financial position and performance have not yet been determined.

Note 1 Summary of significant accounting policies continued

1.4 New Australian Accounting Standards continued

Future Australian Accounting Standards Requirements

Standard Name	Effective date for entity	Requirements	Impact
AASB 15 Revenue from contracts with customers AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 AASB 2015-8 Amendments to Australian Accounting Standards – Effective date of AASB 15	31 March 2018	AASB 15 introduces a five step process for revenue recognition with the core principle of the new Standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services. Accounting policy changes will arise in timing of revenue recognition, treatment of contracts costs and contracts which contain a financing element. AASB 15 will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.	The changes in revenue recognition requirements in AASB 15 may cause changes to the timing and amount of revenue recorded in the financial statements as well as additional disclosures. The impact of AASB 15 has not yet been quantified.

Note 1 Summary of significant accounting policies continued

1.5 Investment in associates

An associate is an entity over which the reporting unit has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with AASB 5 'Non-current Asset Held for Sale and Discontinued Operations. 'Under the equity method, an investment in an associate is initially recognised in the statement of financial position at cost and adjusted thereafter to recognise the share of the profit or loss and other comprehensive income of the associate. When the share of losses of an associate exceeds the interest in that associate, the reporting unit discontinues recognising its share of further losses. Additional losses are recognised only to the extent that it has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

1.6 Business combinations

The acquisition method of accounting is used to account for all business combinations, except for those identified in the Fair Work Commission's reporting guidelines under item 12.The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interest issued by the parent entity. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values on acquisition date. On an acquisition-by-acquisition basis, the parent entity recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the parent entity's share of the net identifiable assets, is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Note 1 Summary of significant accounting policies continued

1.6 Business combinations continued

If it is determined that the combination results in mutual benefit to both the members of the acquirer and the acquiree, the surplus of the fair value of the net identifiable assets acquired over the consideration paid will be recognised in member's funds as a business combination reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

1.7 Acquisition of assets and or liabilities that do not constitute a business combination

The net book value of assets and or liabilities transferred to reporting unit for no consideration is used to account for an amalgamation under Part 2 of Chapter 3 of the Fair Work (Registered Organisations) Act 2009/a restructure of the branches of the reporting unit/a determination by the General Manager under subsections 245(1) of the Fair Work (Registered Organisations) Act 2009/ a revocation by the General Manager under subsection 249(1) of the Fair Work (Registered Organisations) Act 2009.

The assets and liabilities are recognised as at the date of transfer.

1.8 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.

Note 1 Summary of significant accounting policies continued

1.9 Government grants

Government grants are not recognised until there is reasonable assurance that the reporting unit 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 reporting unit recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the reporting unit 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 reporting unit with no future related costs are recognised in profit or loss in the period in which they become receivable.

1.10 Gains

Sale of assets

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

1.11 Capitation fees and levies

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

1.12 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. The 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.

Note 1 Summary of significant accounting policies continued

1.13 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.

1.14 Borrowing costs

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

1.15 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.

1.16 Financial instruments

Financial assets and financial liabilities are recognised when a reporting unit 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.

Note 1 Summary of significant accounting policies continued

1.17 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.

Note 1 Summary of significant accounting policies continued

1.17 Financial assets continued

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.

Note 1 Summary of significant accounting policies continued

1.17 Financial assets continued

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.

Note 1 Summary of significant accounting policies continued

1.17 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 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 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.

1.18 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.

Note 1 Summary of significant accounting policies continued

1.18 Financial liabilities continued

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.

1.19 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.

1.20 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.

Note 1 Summary of significant accounting policies continued

1.20 Land, buildings, plant and equipment continued

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.

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:

Class of Fixed Asset	Depreciation Rate
Motor Vehicles	10% - 25%%
Office Equipment	2% - 50%
Leasehold improvements	20%

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.

1.21 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Note 1 Summary of significant accounting policies continued

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 reporting unit intangible assets are:

	2016	2015
Intangibles	**35%**	35%

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 the reporting unit 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.

Note 1 Summary of significant accounting policies continued

1.25 Taxation

The reporting unit 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

The reporting unit 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 16A.

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 the reporting unit.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.

The reporting unit 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.

Note 1 Summary of significant accounting policies continued

1.27 Fair value measurement continued

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, the reporting unit 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, the reporting unit 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.

1.28 Financial Support

Communications, electrical, electronic, energy, information, postal, plumbing and allied services union of Australia, communications division, telecommunications and services branch (Victoria) did not receive or offer financial support from/to another reporting unit during the financial year.

1.29 Going Concern

At 31 March 2016, the Union reported a net current asset deficiency of $293,173. Notwithstanding this factor, the financial report has been prepared on the basis that the Union is a going concern, which assumes continuity of normal business activities and the realisation and the settlement of liabilities in the normal course of business.

The Union has $637,427 of investments under management which are classified as non-current assets in the Statement of financial position as at 31 March 2016. These assets have been used to pay operational expenses in the past pursuant to Rule 58 of the Union's Rules.

The CEPU National Council formally challenged the use of these funds in the courts which ruled that the Union refrain from making any redundancy payment from the funds under investment.

Notwithstanding the above, Management is of the view that the Union has access to these investments funds for operational expenses as and when required pursuant to Rule 58 of the Union's rules and based on previous usage of the funds. Management also note that subsequent to the year end, they were allowed access to use the investment funds to pay the outstanding capitation fees at year end. Accordingly, Management have written to the National Council to permit the investment fund to be made available for payment of the redundancy liability.

If the Union is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial report.

No adjustments have been made to the financial report relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Union not continue as going concern.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

Note 2 Events after the reporting period

There were no events that occurred after 31 March 2016, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of reporting unit.

	2016	2015
	$	$
Note 3 Income		
Note 3A: Capitation fees		
CEPU Divisional Conference		
CEPU National Council	-	-
Total capitation fees	-	-
Note 3B: Levies		
Levies	-	-
Total levies	-	-
Note 3C: Interest		
Deposits	**1,636**	4,318
Loans	-	-
Total interest	**1,636**	4,318
Note 3D: Rental revenue		
Properties	-	-
Other	-	-
Total rental revenue	-	-
Note 3E: Grants or donations		
Grants	-	-
Donations	-	-
Total grants or donations	-	-

	2016	2015
	$	$
Note 3F: Net gains from sale of assets		
Land and buildings		-
Plant and equipment	-	2,813
Intangibles	-	-
Investments	-	737
Total net gain from sale of assets	-	3,550

Note 4 Expenses

Note 4A: Employee expenses

	2016	2015
Holders of office:		
Wages and salaries	248,635	238,759
Superannuation	33,347	34,369
Leave and other entitlements	3,554	(17,738)
Separation and redundancies	-	-
Other employee expenses	19,513	14,602
Subtotal employee expenses holders of office	305,049	269,992
Employees other than office holders:		
Wages and salaries	121,876	130,207
Superannuation	15,777	16,274
Leave and other entitlements	(2,799)	5,749
Separation and redundancies	95,361	-
Other employee expenses	7,589	7,523
Subtotal employee expenses employees other than office holders	237,804	159,753
Total employee expenses	542,853	429,745

Note 4B: Capitation fees

	2016	2015
CEPU Divisional Conference	184,748	189,579
CEPU National Council	2,187	1,096
Total capitation fees	186,935	190,675

Note 4C: Affiliation fees

	2016	2015
Ballarat Trades Hall Council	1,013	750
Bendigo Trades Hall Council	189	119
Geelong Trades Hall Council	327	318
Miscellaneous	1,764	508
Victorian Trades Hall Council	2,409	2,420
Total affiliation fees/subscriptions	5,702	4,115

	2016	2015
	$	$
Note 4D: Administration expenses		
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	**2,812**	2,916
Contractors/consultants	**62,424**	48,709
Property expenses	**26,820**	23,427
Office expenses	**46,254**	80,347
Information communications technology	**83**	371
Other	**57,205**	66,660
Subtotal administration expense	**195,598**	222,430
Operating lease rentals:		
Minimum lease payments	**17,996**	18,242
Total administration expenses	**213,594**	240,672

	2016	2015
Note 4E: 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	-	300
Total paid that exceeded $1,000	-	-
Total grants or donations	-	300

	2016	2015
Note 4F: Depreciation and amortisation		
Depreciation		
Land & buildings	-	-
Property, plant and equipment	**8,073**	8,278
Total depreciation	**8,073**	8,278
Amortisation		
Intangibles	**1,109**	1,706
Total amortisation	**1,109**	1,706
Total depreciation and amortisation	**9,182**	9,984

	2016 $	2015 $
Note 4G: Finance costs		
Finance leases	-	-
Overdrafts/loans	-	-
Unwinding of discount	-	-
Total finance costs	-	-
Note 4H: Legal costs		
Litigation		-
Other legal matters	-	42,866
Total legal costs	-	42,866
Note 4I: Write-down and impairment of assets		
Asset write-downs and impairments of:		
Land and buildings	-	-
Plant and equipment	-	-
Intangible assets	-	-
Other – receivables for CEPU Divisional Conference	518	(6,203)
Total write-down and impairment of assets	518	(6,203)
Note 4J: Net losses from sale of assets		
Land and buildings	-	-
Plant and equipment	-	-
Intangibles	-	-
Total net losses from asset sales	-	-
Note 4K: Other expenses		
Penalties - via RO Act or RO Regulations	-	-
Computer expenses	4,056	4,589
Total other expenses	4,056	4,589

	2016	2015
	$	$

Note 5 Current assets

Note 5A: Cash and cash equivalents

	2016 $	2015 $
Cash at bank	**84,109**	92,928
Cash on hand	-	-
Short term deposits	-	-
Other – cash management account	**107,152**	35,664
Total cash and cash equivalents	**191,261**	128,592

Note 5B: Trade and other receivables

	2016 $	2015 $
Receivables		
Trade receivables	**5,000**	1,785
Members' dues in arrears	**22,521**	17,370
Sundry debtors	**86**	1,222
Total receivables	**27,607**	20,377
Less provision for doubtful debts		
Trade receivables provision for impairment - CEPU Divisional Conference	-	-
Members' dues in arrears-provision for impairment	**(8,067)**	(7,549)
Total provision for doubtful debts	**(8,067)**	(7,549)
Receivable	**19,540**	12,828
Other receivables:		
Other receivables	-	-
Sundry receivables	-	-
Total other receivables	-	-
Total trade and other receivables (net)	**19,540**	12,828

	2016	2015
	$	$
Note 5C: Other current assets		
Prepayments	3,300	4,234
Total other current assets	3,300	4,234

Note 6 Non-current assets

Note 6A: Land and buildings

	2016	2015
Land and buildings:		
fair value	-	-
accumulated depreciation	-	-
Total land and buildings	-	-
Reconciliation of the opening and closing balances of land and buildings		
As at 1 April		
Gross book value	-	-
Accumulated depreciation and impairment	-	-
Net book value 1 April	-	-
Additions:		
By purchase	-	-
From acquisition of entities (including restructuring)	-	-
Revaluations	-	-
Impairments	-	-
Depreciation expense	-	-
Other movement	-	-
Disposals:		
From disposal of entities (including restructuring)	-	-
Other	-	-
Net book value 31 March	-	-
Net book value as of 31 March represented by:		
Gross book value	-	-
Accumulated depreciation and impairment	-	-
Net book value 31 March	-	-

If land and buildings were measured using the cost model, the carrying amounts would be as follows:

	2016	2015
	$	$
Cost	-	-
Accumulated depreciation and impairment	-	-
Net carrying amount	-	-

	2016	2015
	$	$
Note 6B: Plant and equipment		
Plant and equipment:		
Office equipment		
at cost	**91,784**	91,784
accumulated depreciation	**(79,582)**	(76,939)
	12,202	14,845
Motor vehicles		
at cost	**19,891**	19,891
accumulated depreciation	**(8,084)**	(4,444)
	11,807	15,447
Leasehold improvements		
at cost	**8,950**	8,950
accumulated depreciation	**(4,592)**	(2,802)
	4,358	6,148
Total plant and equipment	**28,367**	36,440

Reconciliation of the opening and closing balances of plant and equipment

	2016	2015
As at 1 April		
Gross book value	**120,625**	106,819
Accumulated depreciation and impairment	**(84,185)**	(83,900)
Net book value 1 April	**36,440**	22,919
Additions:		
By purchase	**-**	22,986
From acquisition of entities (including restructuring)	**-**	-
Impairments	**-**	-
Depreciation expense	**(8,073)**	(8,278)
Other movement	**-**	-
Disposals:		(1,187)
From disposal of entities (including restructuring)	**-**	-
Other	**-**	-
Net book value 31 March	**28,367**	36,440
Net book value as of 31 March represented by:		
Gross book value	**120,625**	120,625
Accumulated depreciation and impairment	**(92,258)**	(84,185)
Net book value 31 March	**28,367**	36,440

	2016	2015
	$	$
Note 6C: Investment property		
Opening balance as at 1 April 2014	-	-
Additions	-	-
Net gain from fair value adjustment	-	-
Closing balance as at 31 March 2015	-	-
Note 6D: Intangibles		
Computer website at cost:		
internally developed	-	-
Purchased	9,540	9,540
accumulated amortisation	(7,480)	(6,371)
Total intangibles	2,060	3,169
Reconciliation of the opening and closing balances of intangibles		
As at 1 April		
Gross book value	9,540	9,540
Accumulated amortisation and impairment	(6,371)	(4,665)
Net book value 1 April	3,169	4,875
Additions:		
By purchase	-	-
From acquisition of entities (including restructuring)	-	-
Impairments	-	-
Amortisation	(1,109)	(1,706)
Other movements [give details below]	-	-
Disposals:		
From disposal of entities (including restructuring)	-	-
Other	-	-
Net book value 31 March	2,060	3,169
Net book value as of 31 March represented by:		
Gross book value	9,540	9,540
Accumulated amortisation and impairment	(7,480)	(6,371)
Net book value 31 March	2,060	3,169
Note 6E: Investments in associates		
Investments in associates:		
Associates	-	-
Total equity accounted investments	-	-

	2016	2015
	$	$
Note 6F: Other investments		
Financial assets		
Unlisted Investments at cost:		
3CR	**500**	500
International Bookshop Co-Op	**100**	100
Total unlisted Investments at cost:	**600**	600
Available for sale financial assets:		
Shares in Telstra at cost	**746**	746
Investment in managed funds at fair value	**636,081**	701,371
Total available for sale financial assets	**636,827**	702,117
Total other investments	**637,427**	702,717
Note 6G: Other non-current assets		
Prepayments	**-**	-
Other	**-**	-
Total other non-financial assets	**-**	-
Note 7 Current liabilities		
Note 7A: Trade payables		
Trade creditors and accruals	**32,527**	26,240
Operating lease rentals	**-**	-
Subtotal trade creditors	**32,527**	26,240
Payables to other reporting unit[s]		
CEPU Divisional Conference	**146,749**	66,742
Subtotal payables to other reporting unit[s]	**146,749**	66,742
Total trade payables	**179,276**	92,982

Settlement is usually made within 30 days.

	2016	2015
	$	$
Note 7B: Other payables		
Wages and salaries	-	-
Superannuation	-	-
Consideration to employers for payroll deductions	-	-
Legal costs	-	-
Prepayments received/unearned revenue	**49,948**	50,480
GST payable	**(8,338)**	3,611
Other	**2,420**	2,420
Total other payables	**44,030**	56,511
Total other payables are expected to be settled in:		
No more than 12 months	**44,030**	56,511
More than 12 months	-	-
Total other payables	**44,030**	56,511

Note 8 Provisions

Note 8A: Employee provisions

	2016	2015
Office Holders:		
Annual leave	**26,521**	51,941
Long service leave	**51,667**	72,219
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	**78,188**	124,160
Employees other than office holders:		
Annual leave	**47,563**	48,312
Long service leave	**62,856**	64,906
Separations and redundancies	**95,361**	-
Other	-	-
Subtotal employee provisions—employees other than office holders	**205,780**	113,218
Total employee provisions	**283,968**	237,378
Current	**283,968**	237,378
Non Current	-	-
Total employee provisions	**283,968**	237,378

	2016	2015
	$	$

Note 9 Non-current liabilities

Note 9A: Other non-current liabilities

	2016	2015
Other non-current liabilities	-	-
Total other non-current liabilities	-	-

Note 10 Equity

Note 10A: Financial Reserve

	2016	2015
Financial reserves		
Balance as at start of year	61,000	14,923
Transferred to/(from) reserve	(29,528)	45,524
Transferred out of reserve	-	553
Balance as at end of year	31,472	61,000
Reserves		
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	-	-
Total Reserves	31,472	61,000

	2016	2015
	$	$

Note 11 Cash flow

Note 11A: Cash flow reconciliation

Cash and cash equivalents as per:		
Cash flow statement	**191,261**	128,592
Balance sheet	**191,261**	128,592
Difference	**-**	-
Reconciliation of profit/(deficit) to net cash from operating activities:		
Profit/(deficit) for the year	**(96,900)**	(51,104)
Adjustments for non-cash items		
Depreciation/amortisation	**9,182**	9,984
Net write-down of non-financial assets		-
Fair value movements in investment property		-
Gain on disposal of assets	**-**	(3,550)
Bad and doubtful debts	**518**	(6,203)
Changes in assets/liabilities		
(Increase)/decrease in net receivables	**(7,230)**	11,090
(Increase)/decrease in prepayments	**934**	2,193
Increase/(decrease) in supplier payables	**86,294**	(13,250)
Increase/(decrease) in other payables	**(12,481)**	2,884
Increase/(decrease) in employee provisions	**46,590**	(11,989)
Increase/(decrease) in other provisions	**-**	-
Net cash from (used by) operating activities	**26,907**	(59,945)

Note 11B: Cash flow information

Cash inflows		
CEPU Divisional conference	**6,608**	7,093
CEPU P&T	**7,906**	-
Total cash inflows	**14,514**	7,093
Cash outflows		
CEPU Divisional conference	**(130,294)**	(208,537)
CEPU National Council	**(2,406)**	(1,206)
Total cash outflows	**(132,700)**	(209,743)

	2016	2015
	$	$

Note 12 Contingent liabilities, assets and commitments

Note 12A: Commitments and contingencies

Details of the nature of the leases and the average remaining term

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

	2016	2015
Within one year	**11,660**	14,640
After one year but not more than five years	**5,225**	16,885
More than five years	**-**	-
	16,885	31,525
Within one year	-	-
After one year but not more than five years	-	-
After five years	-	-
	-	-

Finance lease commitments—as lessee

	2016	2015
Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-
Total minimum lease payments	-	-
Less amounts representing finance charges	-	-
Present value of minimum lease payments	-	-
Included in the financial statements as:	-	-
Current interest-bearing loans and borrowings	-	-
Non-current interest-bearing loans and borrowings	-	-
Total included in interest-bearing loans and borrowings	-	-

	2016	2015
	$	$
Note 12A: Commitments and contingencies (continued)		
Finance leases—lessor		
Minimum lease payments	-	-
Unguaranteed residual value	-	-
Gross investment	-	-
Unearned finance income	-	-
Net investment (present value of the minimum lease payments)	-	-
Gross amount of minimum lease payments:		
Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-
Total gross amount of minimum lease payments	-	-
Present value of minimum lease payments:		
Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-
Total present value of minimum lease payments	-	-

Note 13 Related party disclosures

Note 13A: Related party transactions for the reporting period

[List all related party transactions including the nature of the related party relationship, information about those transactions, terms and conditions, amount of the transaction and outstanding balances including commitments.]

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

	2016 $	2015 $
Revenue charged to related party includes the following:		
CEPU T&S insurance reimbursement	**7,906**	6,528
CEPU T&S printing reimbursement	**-**	36
CEPU Divisional Conference	**6,608**	-
Expenses charged by related party includes the following:		
CEPU Divisional Conference – capitation fees	**184,748**	189,579
CEPU Divisional Conference – payroll tax	**20,090**	-
CEPU National Council	**2,187**	1,096
Amounts owed by related party include the following:		
CEPU Divisional Conference	**-**	1,785
CEPU Divisional Conference – provision for impairment	**-**	-
Amounts owed to related party include the following:		
CEPU Divisional Conference	**146,749**	66,742
Loans from/to related party includes the following:		
NA	**-**	-
Assets transferred from/to related party includes the following:		
NA	**-**	-

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 yearend 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 31 March 2016, the reporting unit has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2015: $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.

No loans were provided throughout the year.

No property was transferred throughout the year.

Note 13B: Key management personnel remuneration for the reporting period

2016	Christopher John Ellery	Leonard Cooper	Susan Riley	Total
Short-term employee benefits				
Salary (including annual leave taken)	132,156	24,408	92,071	248,635
Annual leave accrued	6,447	5,944	12,439	24,830
Performance bonus	-	-	-	-
Other	-	-	-	-
Total short-term employee benefits	138,603	30,352	104,510	273,465
Post-employment benefits:				
Superannuation	20,298	2,025	11,024	33,347
Total post-employment benefits	20,298	2,025	11,024	33,347
Other long-term benefits:				
Long service leave accrued	3,813	(247)	8,156	11,722
Long-service leave taken	-	-	-	-
Total other long-term benefits	3,813	(247)	8,156	11,722
Termination benefits	-	-	-	-
Total	162,714	32,130	123,690	318,534

2015	Christopher John Ellery	Leonard Cooper	Susan Riley	Total
Short-term employee benefits				
Salary (including annual leave taken)	97,100	68,288	73,371	238,759
Annual leave accrued	9,213	4,185	5,390	18,788
Performance bonus	-	-	-	-
Other	-	-	-	-
Total short-term employee benefits	106,313	72,473	78,761	257,547
Post-employment benefits:				
Superannuation	15,954	8,877	9,538	34,369
Total post-employment benefits	15,954	8,877	9,538	34,369
Other long-term benefits:				
Long service leave accrued	4,914	(4,292)	2,313	2,935
Long-service leave taken	-	(4,663)	-	(4,663)
Total other long-term benefits	4,914	(8,955)	2,313	(1,728)
Termination benefits	-	-	-	-
Total	127,181	72,395	90,612	290,188

	2016	2015
	$	$
Note 13C: Transactions with key management personnel and their close family members		
Loans to/from key management personnel		
NA	-	-
Other transactions with key management personnel		
NA	-	-

Note 14 Remuneration of auditors

	2016	2015
Value of the services provided		
Financial statement audit services	12,800	12,500
Other services – Financial statements and FBT preparation	3,750	3,600
Total remuneration of auditors	16,550	16,100

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

Note 15 Financial instruments

The entity's financial instruments consist mainly of deposits with banks, investments, accounts receivable and accounts payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	2016	2015
	$	$
Note 15A: Categories of financial instruments		
Financial assets		
Fair value through profit or loss:		
NA	-	-
Total	-	-
Held-to-maturity investments:		
Cash and cash equivalents	**191,261**	128,592
Total	**191,261**	128,592
Available-for-sale assets:		
Investments at fair value	**636,827**	702,117
Unlisted investments as cost	**600**	600
Total	**637,427**	702,717
Loans and receivables:		
Trade receivables	**19,540**	12,828
Total	**19,540**	12,828
Carrying amount of financial assets	848,228	844,137
Financial liabilities		
Fair value through profit or loss:		
NA	-	-
Total	-	-
Other financial liabilities:		
Trade and other payables	**223,306**	149,493
Total	**223,306**	149,493
Carrying amount of financial liabilities	223,306	149,493

Note 15B: Net income and expense from financial assets

	2016 $	2015 $
Held-to-maturity		
Interest revenue	416	816
Exchange gains/(loss)	-	-
Impairment	-	-
Gain/loss on disposal	-	-
Net gain/(loss) held-to-maturity	416	816
Loans and receivables		
Interest revenue	-	-
Exchange gains/(loss)	-	-
Impairment	-	-
Gain/loss on disposal	-	-
Net gain/(loss) from loans and receivables	-	-
Available for sale		
Interest revenue	1,220	3,502
Dividend revenue	39,827	21,978
Exchange gains/(loss)	-	-
Gain/loss recognised in equity	(29,528)	45,524
Amounts reversed from equity:		
Impairment	-	-
Fair value changes reversed on disposal	-	533
Gain/loss on disposal	-	-
Net gain/(loss) from available for sale	11,519	71,537
Fair value through profit and loss		
Held for trading:		
Change in fair value	-	-
Interest revenue	-	-
Dividend revenue	-	-
Exchange gains/(loss)	-	-
Total held for trading	-	-
Designated as fair value through profit and loss:		
Change in fair value	-	-
Interest revenue	-	-
Dividend revenue	-	-
Exchange gains/(loss)	-	-
Total designated as fair value through profit and loss	-	-
Net gain/(loss) at fair value through profit and loss	-	-
Net gain/(loss) from financial assets	11,935	72,353

The net income/expense from financial assets is $11,935 (2015: $72,353).

	2016	2015
	$	$
Note 15C: Net income and expense from financial liabilities		
At amortised cost		
Interest expense	-	-
Exchange gains/(loss)	-	-
Gain/loss on disposal	-	-
Net gain/(loss) financial liabilities - at amortised cost	-	-
Fair value through profit and loss		
Held for trading:		
Change in fair value	-	-
Interest expense	-	-
Exchange gains/(loss)	-	-
Total held for trading	-	-
Designated as fair value through profit and loss:		
Change in fair value	-	-
Interest expense	-	-
Total designated as fair value through profit and loss	-	-
Net gain/(loss) at fair value through profit and loss	-	-
Net gain/(loss) from financial liabilities	-	-

The net income/expense from financial liabilities not at fair value from profit and loss is $ Nil (2015:$Nil).

	2016	2015
	$	$

Note 15D: Credit risk

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

Credit risk is managed through maintaining procedures (such as the utilisation of systems for the approval, granting and removal of credit limits, regular monitoring of exposure against such limits and monitoring of the financial stability of significant customers and counterparties) ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the committee has otherwise cleared as being financially sound.

Credit risk exposures

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

There is no collateral held by the entity securing trade and other receivables.

The entity has no significant concentrations of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of trade and other receivables are provided in Note 5B.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 7A.

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

	2016	2015
Financial assets		
Trade and other receivables	**19,540**	12,828
Other investments	**637,427**	702,717
Total	**656,967**	715,545
Financial liabilities		
Trade and other payables	**223,306**	149,493
Total	**223,306**	149,493

In relation to the entity's gross credit risk the following collateral is held: [insert details]

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

	Not past due nor impaired	Past due or impaired	Not past due nor impaired	Past due or impaired
	2016	2016	2015	2015
	$	$	$	$
Class	-	-	-	-
Total	-	-	-	-

Note 15D: Credit risk continued

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
	$	$	$	$	$
Trade and other receivables	14,589	4,304	647	-	19,540
Total	14,589	4,304	647	-	19,540

Ageing of financial assets that were past due but not impaired for 2015

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Trade and other receivables	6,532	2,266	605	3,425	12,828
Total	6,532	2,266	605	3,425	12,828

Note 15E: Liquidity risk

Liquidity risk arises from the possibility that the entity might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The entity manages this risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operational, investing and financing activities;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timings of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will be rolled forward.

Contractual maturities for financial liabilities 2016

2016	On Demand	< 1 year	1– 2 years	2– 5 years	>5 years	Total
		$	$	$	$	$
Trade and other payables	-	223,306	-	-	-	223,306
Total	-	223,306	-	-	-	223,306

2015	On Demand	< 1 year	1– 2 years	2– 5 years	>5 years	Total
		$	$	$	$	$
Trade and other payables	-	149,493	-	-	-	149,493
Total	-	149,493	-	-	-	149,493

Note 15F: Market risk

(i) Interest rate risk
Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows.

Sensitivity analysis of the risk that the entity is exposed to for 2016

	Risk variable	Change in risk variable %	Effect on Profit and loss $	Effect on Equity $
Interest rate risk	**191,261**	**+2%**	**3,825**	**3,825**
Interest rate risk	**191,261**	**-2%**	**(3,825)**	**(3,825)**

Sensitivity analysis of the risk that the entity is exposed to for 2015

	Risk variable	Change in risk variable %	Effect on Profit and loss $	Effect on Equity $
Interest rate risk	128,592	+2%	2,572	2,572
Interest rate risk	128,592	-2%	(2,572)	(2,572)

Price risk
Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held.

Note 15F: Market risk (continued)

Sensitivity analysis of the risk that the entity is exposed to for 2016

	Risk variable	Change in risk variable %	Effect on Profit and loss $	Effect on Equity $
Other price risk	**637,427**	**+2%**	**12,749**	**12,749**
Other price risk	**637,427**	**-2%**	**(12,749)**	**(12,749)**

Sensitivity analysis of the risk that the entity is exposed to for 2015

	Risk variable	Change in risk variable %	Effect on Profit and loss $	Effect on Equity $
Other price risk	702,717	+2%	14,054	14,054
Other price risk	702,717	-2%	(14,054)	(14,054)

Note 15G: Asset pledged/or held as collateral

There were no assets pledged or held as collateral as at 31 March 2016 (2015: $Nil).

Note 16 Fair value measurement

Note 16A: 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 31 March 2015 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 reporting entity 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 31 March 2016 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 the reporting unit's financial assets and liabilities:

	Carrying amount 2016 $	Fair value 2016 $	Carrying amount 2015 $	Fair value 2015 $
Financial Assets				
Cash and cash equivalents	**191,261**	**191,261**	128,592	128,592
Trade and other receivables	**19,540**	**19,540**	12,828	12,828
Other investments	**637,427**	**637,427**	702,717	702,717
Total	**848,228**	**848,228**	844,137	844,137
Financial Liabilities				
Trade and other payables	**223,306**	**223,306**	149,493	149,493
Total	**223,306**	**223,306**	149,493	149,493

Note 16B: Fair value hierarchy

The following tables provide an analysis of financial and non financial assets and liabilities that are measured at fair value, by fair value hierarchy.

Fair value hierarchy – 31 March 2016

	Date of valuation	Level 1	Level 2	Level 3
Assets measured at fair value		$	$	$
Other Investments	31 March 2016	637,427	-	-
Total		637,427	-	-
Liabilities measured at fair value				
Total		-	-	-

Fair value hierarchy – 31 March 2015

	Date of valuation	Level 1	Level 2	Level 3
Assets measured at fair value		$	$	$
Other Investments	31 March 2015	702,717	-	-
Total		702,717	-	-
Liabilities measured at fair value				
Total		-	-	-

Note 17: Business combinations
Subsidiaries acquired

Name of entity	Principal activity	Date of acquisition	Proportion of shares acquired %	Consideration transferred
2016:				
	-	-	-	-
2015:				
	-	-	-	-

	2016	2015
	$	$
Note 18 Administration of financial affairs by a third party		
Name of entity providing service:	-	-
Terms and conditions:	-	-
Nature of expenses/consultancy service:	-	-
Detailed breakdown of revenues collected and/or expenses incurred		
Revenue		
Membership subscription	-	-
Capitation fees	-	-
Levies	-	-
Interest	-	-
Rental revenue	-	-
Other revenue	-	-
Grants and/or donations	-	-
Total revenue	-	-
Expenses		
Employee expense	-	-
Capitation fees	-	-
Affiliation fees	-	-
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	-
Administration expenses	-	-
Grants or donations	-	-
Finance costs	-	-
Legal costs	-	-
Audit fees	-	-
Penalties - via RO Act or RO Regulations	-	-
Other expenses	-	-
Total expenses	-	-

Note 19 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).

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)

Report on the Financial Report

We have audited the accompanying financial report of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria), which comprises the statement of financial position as at 31 March 2016, the statement of profit or loss and other 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 notes and the committee of management's declaration of the reporting entity for the financial year.

Committee of Management's Responsibility for the Financial Report

The reporting entity's committee of management is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 and for such internal control as the committee of management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the committee of management also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. 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 judgment, 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 reporting entity's preparation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the reporting entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee of management, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

Member of msi Global Alliance Independent Professional Firms

LIABILITY LIMITED BY A SCHEME APPROVED UNDER PROFESSIONAL STANDARDS LEGISLATION

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
continued**

Auditor's Opinion

In our opinion the general purpose financial report of the entity:

a. (i) presented fairly the entity's financial report for the year ended 31 March 2016 in accordance with the provisions of the Fair Work (Registered Organisations) Act 2009, other requirements imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the Act; and
   (ii) complied with the Australian Accounting Standards (including Australian Accounting Interpretations) and the International Financial Reporting Standards as disclosed in Note 1.
   (iii) indicates that management's use of the going concern basis of accounting in preparation of the financial statements is appropriate.

b. properly and fairly report all information in relation to recovery of wages activity required by the reporting guidelines of the General Manager of the Fair Work Commission including;
   (i) any fees charged to or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
   (ii) any donations or other contributions deducted from recovered money

Emphasis of matter

Without qualifying our opinion expressed above, we draw attention to Note 1.29 in the financial report which indicates that the Union is in a current net asset deficiency position of $293,173. These conditions indicate the existence of a significant uncertainty which may cast significant doubt about the Union's ability to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Our opinion is not qualified in respect of this matter.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

L.S.WONG
Partner
Approved Auditor and Member of the Institute of Chartered Accountants in Australia and New Zealand and current holder of a current public practice certificate

Melbourne: 28 July 2016

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COMPILATION REPORT
TO THE COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)

Scope

We have compiled the accompanying special purpose financial statements of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) which comprises the attached Detailed Income and Expenditure statement for the year ended 31 March 2016 on pages 59 to 61. The specific purposes for which the special purpose financial statements have been prepared is to provide information relating to the performance of the entity that satisfies the information needs of the committee of management.

The Responsibility of the Committee of Management

The committee of management is solely responsible for the information contained in the special purpose Detailed Income and Expenditure statement, the reliability, accuracy and completeness of the information and for the determination that the basis used is appropriate to meet their needs and for the purpose that the special purpose Detailed Income and Expenditure statement was prepared.

Our Responsibility

On the basis of information provided by the committee of management we have compiled the accompanying Detailed Income and Expenditure statement in accordance with the basis of accounting and APES 315: Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile the special purpose Detailed Income and Expenditure statement in accordance with the requirements of the committee of management.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by the committee of management to compile the special purpose Detailed Income and Expenditure statement. Accordingly, we do not express an audit opinion or a review conclusion on the special purpose Detailed Income and Expenditure statement.

The special purpose Detailed Income and Expenditure statement was compiled exclusively for the benefit of the committee of management, who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose Detailed Income and Expenditure statement.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

Melbourne: 28 July 2016

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LIABILITY LIMITED BY A SCHEME APPROVED UNDER PROFESSIONAL STANDARDS LEGISLATION

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559

DETAILED INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	2016 $	2015 $
REVENUE		
Membership Subscription	**830,770**	845,367
Interest	**1,636**	4,318
Other revenue	**50,084**	28,504
	882,490	878,189
OTHER INCOME		
Net gains from sale of assets	**-**	3,550
	-	3,550
TOTAL INCOME	**882,490**	881,739
EXPENDITURE		
Employee benefits expense:		
Salaries and allowances		
- elected officials	**248,635**	238,759
- employees	**121,876**	130,207
Superannuation contributions		
- elected officials	**33,347**	34,369
- employees	**15,777**	16,274
Provision for annual leave	**(8,917)**	(14,926)
Provision for long service leave	**9,672**	2,937
Other		
- fringe benefit tax	**2,346**	2,420
- payroll tax	**20,090**	16,440
- insurance	**-**	-
- reimbursement	**-**	-
- workcover	**4,666**	3,265
- redundancy	**95,361**	-
	542,853	429,745
Capitation fees		
CEPU Divisional Conference	**184,748**	189,579
CEPU National Council	**2,187**	1,096
	186,935	190,675
Affiliation fees		
- Ballarat Trades Hall Council	**1,013**	750
- Bendigo Trades Hall Council	**189**	119
- Geelong Trades Hall Council	**327**	318
- Miscellaneous	**1,764**	508
- Victorian Trades Hall Council	**2,409**	2,420
	5,702	4,115

This statement should be read in conjunction with the attached compilation report on page 58

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)

ABN 13 511 341 559

DETAILED INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	2016 $	2015 $
Administration expense:		
Bank Charges	17,089	14,060
Car Hire & Fares	1,028	1,896
Campaigns	2,672	182
Commission paid	539	502
Consultancy fees	38,124	-
Debt Collection	28	277
General expenses	1,477	185
Gippsland TLC	-	64
Goulburn Valley TLC	-	27
Industrial fund financial planning	-	286
Insurance	1,502	1,533
Laptops	83	371
Leasing charges	17,996	18,242
Light, Power & Cleaning	3,360	3,310
Meeting expenses	2,812	2,916
Member services	3,300	9,340
Motor vehicle expenses	18,334	20,991
Office rental	21,958	18,584
Postage	1,347	10,821
Printing and stationery	10,819	27,734
Recruitment assist/services	26,300	48,709
Repairs and maintenance	7,942	14,178
Staff amenities	1,992	4,082
Telephone and fax	34,088	41,792
Training and education	804	590
	213,594	240,672
Grants or donations		
Donations	-	300
	-	300
Depreciation and amortisation		
Depreciation	9,182	9,984
	9,182	9,984
Legal costs		
Legal fees	-	42,866
	-	42,866
Audit Fees		
Audit	16,550	16,100
	16,550	16,100

This statement should be read in conjunction with the attached compilation report on page 58

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)

ABN 13 511 341 559

DETAILED INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	2016 $	2015 $
Write-down and impairment of assets		
Doubtful debt provision	518	(6,203)
Impairment of CEPU Divisional Conference receivable		-
	518	(6,203)
Other expenses		
Computer charges	-	650
Computer consultant	4,056	3,939
	4,056	4,589
Total Expenditure	979,390	932,843
Net (loss) for the year	(96,900)	(51,104)
Other comprehensive income/(loss)	(29,528)	44,971
TOTAL COMPREHENSIVE (LOSS)	(126,428)	(6,133)

This statement should be read in conjunction with the attached compilation report on page 58