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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 2018

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 2018.

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 profit of the Union for the financial year was $250,634 (2017: $3,412 loss). No provision for tax was necessary as the Union is exempt from income tax.

The other comprehensive income of the Union for the financial year was a loss of $27,420 (2017: $4,768). The other comprehensive income was in regards to the revaluation of financial assets at the end of the financial year.

The total comprehensive income of the Union for the financial year was $223,214 (2017: $1,356).

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 1,584 (2017: 1,700).

(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 2.6.

(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	
Kelvin Welbourn	Branch President (Honorary)
Amy Stubberfield	Branch Vice-President (Honorary)
Christopher John Ellery	Branch Secretary (resigned 2 February 2018) Branch Assistant Secretary (appointed 3 February 2018)
Susan Riley	Branch Assistant Secretary (resigned 2 February 2018) Branch Secretary (appointed 3 February 2018)
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
David Smithwick	Committee of Management Technical Division
Mark Dennis	Committee of Management Technical Division
Scott Thomson	Committee of Management Technical Division
David Francey	Committee of Management Technical Division
Andrew Young	Committee of Management Technical Division
Maureen Parker	Committee of Management Operator Division

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: Susan Riley
Title of Office held: Branch Secretary

Signature: Susan Riley

Dated: 7th August 2018

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 2018

On 31 July 2018 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 (GPFR) for the year ended 31 March 2018:

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 General Purpose Financial Report is provided to members.

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

Signature of designated officer: Susan Riley

Name and title of designated officer: Susan Riley - Branch Secretary

Dated: 7th August 2018

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 2018

	Notes	2018 $	2017 $
Revenue			
Membership subscription		**706,771**	768,416
Capitation fees	3A	**-**	-
Levies	3B	**-**	-
Interest	3C	**-**	244
Contributions	3D	**190,966**	-
Other revenue		**41,780**	44,788
Total revenue		**939,517**	813,448
Other Income			
Grants and/or donations	3E	**-**	-
Total other income		**-**	-
Total income		**939,517**	813,448
Expenses			
Employee expenses	4A	**355,586**	427,451
Capitation fees	4B	**161,656**	166,479
Affiliation fees	4C	**5,565**	5,362
Administration expenses	4D	**129,409**	108,997
Grants or donations	4E	**182**	200
Depreciation and amortisation	4F	**6,326**	7,363
Legal costs	4G	**5,655**	66,851
Audit fees	13	**18,050**	22,543
Write-down and impairment of assets	4H	**507**	7,401
Net losses from sale of assets	4I	**1,532**	-
Other expenses	4J	**4,415**	4,213
Total expenses		**688,883**	816,860
Profit (loss) for the year		**250,634**	(3,412)
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss		**-**	-
Gain/(loss) on revaluation of financial assets		**(27,420)**	4,768
Total comprehensive income/(loss) for the year		**223,214**	1,356

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 2018

	Notes	2018 $	2017 $
ASSETS			
Current Assets			
Cash and cash equivalents	5A	**113,422**	54,618
Trade and other receivables	5B	**12,500**	15,871
Other current assets	5C	**3,482**	3,739
Total current assets		**129,404**	74,228
Non-Current Assets			
Plant and equipment	6A	**25,618**	21,725
Intangibles	6B	**870**	1,339
Other investments	6C	**627,041**	671,267
Total non-financial assets		**653,529**	694,331
Total assets		**782,933**	768,559
LIABILITIES			
Current Liabilities			
Trade payables	7A	**32,404**	37,597
Other payables	7B	**28,251**	40,194
Employee provisions	8A	**123,027**	314,731
Total current liabilities		**183,682**	392,522
Non-Current Liabilities			
Employee provisions	8A	**-**	-
Total non-current liabilities		**-**	-
Total liabilities		**183,682**	392,522
Net assets		**599,251**	376,037
EQUITY			
Financial reserves	9A	**8,820**	36,240
Retained earnings		**590,431**	339,797
Total equity		**599,251**	376,037

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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Financial Reserve	Retained earnings	Total equity
		$	$	$
Balance as at 1 April 2016		31,472	343,209	374,681
Loss for the year		-	(3,412)	(3,412)
Other comprehensive income for the year		4,768	-	4,768
Closing balance as at 31 March 2017		36,240	339,797	376,037
Profit for the year		**-**	**250,634**	**250,634**
Other comprehensive loss for the year		**(27,420)**	**-**	**(27,420)**
Closing balance as at 31 March 2018		**8,820**	**590,431**	**599,251**

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 2018

	Notes	2018 $	2017 $
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units/controlled entity(s)	10B	**7,477**	9,020
Interest		**-**	244
Other		**772,838**	848,037
		780,315	857,301
Cash used			
Employees		**(356,324)**	(396,688)
Suppliers		**(217,501)**	(280,784)
Payment to other reporting units/controlled entity(s)	10B	**(194,987)**	(330,155)
Net cash from (used by) operating activities	10A	**11,503**	(150,326)
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		**1,500**	-
Other -Proceeds from redemption of investments		**30**	120,835
Cash used			
Purchase of plant and equipment		**(12,782)**	-
Net cash from investing activities		**(11,252)**	120,835
FINANCING ACTIVITIES			
Cash received			
Contributed equity		**-**	-
Cash used			
Repayment of borrowings		**-**	-
Net cash from (used by) financing activities		**-**	-
Net increase (decrease) in cash held		**251**	(29,491)
Cash & cash equivalents at the beginning of the reporting period		**54,618**	191,261
Reclassification of cash and cash equivalents to other investments		**-**	(107,152)
Reclassification of other investments to cash and cash equivalents		**58,553**	
Cash & cash equivalents at the end of the reporting period	5A	**113,422**	54,618

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

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Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered 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. There has been no adjustments made for this financial year end's comparative figures.

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.

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 (December 2014) and associated Amending Standards	31 March 2019	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 AASB 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. AASB 9 includes 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 AASB 139 are as follows: a) 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 AASB 139); b) 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 c) 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%).	The process for determining impairment on receivables is likely to change and impairment may be recognised on day 1. Other 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 (December 2014) and associated Amending Standards	31 March 2019	Revised disclosures about an entity's hedge accounting have also been added to AASB 7 Financial Instruments: Disclosures. Impairment of assets is now based on expected losses in AASB 9 which requires entities to measure: a) 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 b) full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument.	The process for determining impairment on receivables is likely to change and impairment may be recognised on day 1. Other impacts on the reported financial position and performance have not yet been determined
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 2020	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

1.4 New Australian Accounting Standards continued

Future Australian Accounting Standards Requirements

Standard Name	Effective date for entity	Requirements	Impact
AASB16 Leases	31 March 2020	AASB 16 will cause the majority of leases of an entity to be brought onto the statement of financial position. There are limited exceptions relating to short-term leases and low value assets which may remain off-balance sheet. The calculation of the lease liability will take into account appropriate discount rates, assumptions about lease term and increases in lease payments. A corresponding right to use asset will be recognised which will be amortised over the term of the lease. Rent expense will no longer be shown; the profit and loss impact of the leases will be through amortisation and interest charges.	Whilst the impact of AASB 16 has not yet been quantified, the entity currently has $46,959 worth of operating leases which we anticipate will be brought onto the statement of financial position. Interest and amortisation expense will increase and rental expense will decrease.

1.5 Revenue

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

Donation income is recognised when it is received.

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

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

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

1.6 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.

Note 1 Summary of significant accounting policies continued

1.7 Gains

Sale of assets

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

1.8 Capitation fees and levies

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

1.9 Employee benefits

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

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

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.

1.10 Leases

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

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

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.

Note 1 Summary of significant accounting policies continued

1.10 Leases continued

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

1.11 Borrowing costs

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

1.12 Cash

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

1.13 Financial instruments

Financial assets and financial liabilities are recognised when 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.

1.14 Financial assets

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

Fair value through profit or loss

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

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the 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.

Note 1 Summary of significant accounting policies continued

1.14 Financial assets continued

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

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

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

Held-to-maturity investments

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

Available-for-sale

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

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

Note 1 Summary of significant accounting policies continued

1.14 Financial assets continued

Loan and receivables

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

Effective interest method

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

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

Impairment of financial assets

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

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

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

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

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

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

Note 1 Summary of significant accounting policies continued

1.14 Financial assets continued

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

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

Derecognition of financial assets

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

1.15 Financial liabilities

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

Fair value through profit or loss

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

A financial liability is classified as held for trading if:
- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the 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

1.15 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.

1.16 Contingent liabilities and contingent assets

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

1.17 Land, buildings, plant and equipment

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

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

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

Note 1 Summary of significant accounting policies continued

1.17 Land, buildings, plant and equipment continued

Depreciation

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

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

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.

1.18 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:

	2018	2017
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.

1.19 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.

Note 1 Summary of significant accounting policies continued

1.20 Non-current assets held for sale

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

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

1.21 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.

1.22 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 15A.

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

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

The principal or the most advantageous market must be accessible by 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.

Note 1 Summary of significant accounting policies continued

1.22 Fair value measurement continued

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.

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.

1.23 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.

1.24 Going Concern

At 31 March 2018, the Union reported a net current asset deficiency of $54,278. 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 $627,041 of investments under management which are classified as non-current assets in the Statement of financial position as at 31 March 2018. Based on the court order dated 1 July 2016, the Union has been ordered to refrain from making any redundancy payment from the funds under investment.

Note 1 Summary of significant accounting policies continued

1.24 Going Concern continued

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.

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.

Note 2 Events after the reporting period

There were no events that occurred after 31 March 2018, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of reporting unit.

	2018	2017
	$	$
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	-	244
Loans	-	-
Total interest	-	244

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

	2018	2017
	$	$
Note 3D: Contributions		
CEPU Divisional Conference	**190,966**	-
Total contributions	**190,966**	-
Note 3E: Grants or donations*		
Grants	-	-
Donations	-	-
Total grants or donations	-	-
Note 4Expenses		
Note 4A: Employee expenses*		
Holders of office:		
Wages and salaries	**213,820**	215,178
Superannuation	**32,146**	32,627
Leave and other entitlements	**7,480**	2,305
Separation and redundancies	-	-
Other employee expenses	**14,269**	14,280
Subtotal employee expenses holders of office	**267,715**	264,390
Employees other than office holders:		
Wages and salaries	**79,844**	112,230
Superannuation	**10,660**	15,016
Leave and other entitlements	**(12,202)**	28,458
Separation and redundancies	**3,985**	-
Other employee expenses	**5,584**	7,357
Subtotal employee expenses employees other than office holders	**87,871**	163,061
Total employee expenses	**355,586**	427,451
Note 4B: Capitation fees*		
CEPU Divisional Conference	**157,033**	159,708
CEPU National Council	**4,623**	6,771
Total capitation fees	**161,656**	166,479

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

	2018	2017
	$	$

Note 4C: Affiliation fees*

	2018	2017
Ballarat Trades Hall Council	**1,100**	1,100
Bendigo Trades Hall Council	**760**	760
Geelong Trades Hall Council	**335**	330
Miscellaneous	**290**	285
Victorian Trades Hall Council	**3,080**	2,887
Total affiliation fees/subscriptions	**5,565**	5,362

Note 4D: Administration expenses

	2018	2017
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	**1,834**	1,029
Contractors/consultants	-	600
Property expenses	**26,028**	25,333
Office expenses	**33,817**	38,634
Information communications technology	**(151)**	(862)
Debts forgiven by CEPU Divisional Conference	-	(9,844)
Other	**50,414**	36,047
Subtotal administration expense	**111,942**	90,937
Operating lease rentals:		
Minimum lease payments	**17,467**	18,060
Total administration expenses	**129,409**	108,997

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

	2018	2017
	$	$

Note 4E: Grants or donations*

	2018 $	2017 $
Grants:		
Total paid that were $1,000 or less	-	-
Total paid that exceeded $1,000	-	-
Donations:		
Total paid that were $1,000 or less	182	200
Total paid that exceeded $1,000	-	-
Total grants or donations	**182**	200

Note 4F: Depreciation and amortisation

	2018 $	2017 $
Depreciation		
Land & buildings	-	-
Property, plant and equipment	**5,857**	6,642
Total depreciation	**5,857**	6,642
Amortisation		
Intangibles	**469**	721
Total amortisation	**469**	721
Total depreciation and amortisation	**6,326**	7,363

Note 4G: Legal costs*

	2018 $	2017 $
Litigation	-	-
Other legal matters	**5,655**	66,851
Total legal costs	**5,655**	66,851

Note 4H: Write-down and impairment of assets

	2018 $	2017 $
Asset write-downs and impairments of:		
Land and buildings	-	-
Plant and equipment	-	-
Intangible assets	-	-
Doubtful debt provision	**507**	7,401
Total write-down and impairment of assets	**507**	7,401

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

	2018	2017
	$	$

Note 4I: Net losses from sale of assets

Land and buildings	-	-
Plant and equipment	1,532	-
Intangibles	-	-
Total net losses from asset sales	**1,532**	-

Note 4J: Other expenses

Penalties - via RO Act or RO Regulations	-	-
Computer expenses	4,415	4,213
Total other expenses	**4,415**	4,213

Note 5 Current assets

Note 5A: Cash and cash equivalents

Cash at bank	54,869	54,618
Other – cash management account*	58,553	-
Total cash and cash equivalents	**113,422**	54,618

* For financial year ended 31 March 2018, the cash management account from other investments (note 6C) has been reclassified as other – cash management account.

Note 5B: Trade and other receivables

Receivables		
Trade receivables	-	-
Members' dues in arrears	28,475	31,271
Sundry debtors	-	68
Total receivables	**28,475**	31,339
Less provision for doubtful debts		
Members' dues in arrears-provision for impairment	(15,975)	(15,468)
Total provision for doubtful debts	**(15,975)**	(15,468)
Receivable	**12,500**	15,871
Other receivables:		
Other receivables	-	-
Total other receivables	-	-
Total trade and other receivables (net)	**12,500**	15,871

	2018	2017
	$	$
Note 5 Current assets continued		
Note 5C: Other current assets		
Prepayments	3,482	3,739
Total other current assets	3,482	3,739
Note 6 Non-current assets		
Note 6A: Plant and equipment		
Plant and equipment:		
Office equipment		
at cost	91,784	91,784
accumulated depreciation	(83,376)	(81,682)
	8,408	10,102
Motor vehicles		
at cost	23,536	19,891
accumulated depreciation	(7,104)	(10,836)
	16,432	9,055
Leasehold improvements		
at cost	8,950	8,950
accumulated depreciation	(8,172)	(6,382)
	778	2,568
Total plant and equipment	25,618	21,725

Reconciliation of the opening and closing balances of plant and equipment

	2018	2017
As at 1 April		
Gross book value	120,625	120,625
Accumulated depreciation and impairment	(98,900)	(92,258)
Net book value 1 April	21,725	28,367
Additions:		
By purchase	12,782	-
Impairments	-	-
Depreciation expense	(5,857)	(6,642)
Disposals:	(3,032)	-
Net book value 31 March	25,618	21,725
Net book value as of 31 March represented by:		
Gross book value	124,270	120,625
Accumulated depreciation and impairment	(98,652)	(98,900)
Net book value 31 March	25,618	21,725

	2018	2017
	$	$
Note 6B: Intangibles		
Computer website at cost:		
internally developed	-	-
Purchased	**9,540**	9,540
accumulated amortisation	**(8,670)**	(8,201)
Total intangibles	**870**	1,339
Reconciliation of the opening and closing balances of intangibles		
As at 1 April		
Gross book value	**9,540**	9,540
Accumulated amortisation and impairment	**(8,201)**	(7,480)
Net book value 1 April	**1,339**	2,060
Additions:		
By purchase	-	-
Amortisation	**(469)**	(721)
Disposals:		
From disposal of entities (including restructuring)	-	-
Other	-	-
Net book value 31 March	**870**	1,339
Net book value as of 31 March represented by:		
Gross book value	**9,540**	9,540
Accumulated amortisation and impairment	**(8,670)**	(8,201)
Net book value 31 March	**870**	1,339
Note 6C: 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	**625,695**	669,921
Total available for sale financial assets	**627,041**	670,667
Total other investments	**627,041**	671,267

	2018 $	2017 $
Note 7 Current liabilities		
Note 7A: Trade payables		
Trade creditors and accruals	**16,057**	19,063
Operating lease rentals	**-**	-
Subtotal trade creditors	**16,057**	19,063
Payables to other reporting unit[s]*		
CEPU Divisional Conference	**11,262**	13,215
CEPU National Council	**5,085**	5,319
Subtotal payables to other reporting unit[s]	**16,347**	18,534
Total trade payables	**32,404**	37,597

Settlement is usually made within 30 days.

Note 7B: Other payables

	2018 $	2017 $
Wages and salaries	**-**	-
Superannuation	**-**	-
Consideration to employers for payroll deductions*	**-**	-
Legal costs*	**-**	-
Prepayments received/unearned revenue	**27,475**	38,583
GST payable	**(1,643)**	(809)
Other	**2,419**	2,420
Total other payables	**28,251**	40,194
Total other payables are expected to be settled in:		
No more than 12 months	**28,251**	40,194
More than 12 months	**-**	-
Total other payables	**28,251**	40,194

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

	2018	2017
	$	$

Note 8 Provisions

Note 8A: Employee provisions*

	2018 $	2017 $
Office Holders:		
Annual leave	**21,197**	24,705
Long service leave	**66,774**	55,786
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	**87,971**	80,491
Employees other than office holders:		
Annual leave	**16,151**	67,954
Long service leave	**18,905**	70,925
Separations and redundancies	-	95,361
Other	-	-
Subtotal employee provisions—employees other than office holders	**35,056**	234,240
Total employee provisions	**123,027**	314,731
Current	**123,027**	314,731
Non-Current	-	-
Total employee provisions	**123,027**	314,731

Note 9 Equity

Note 9A: Financial Reserve

	2018 $	2017 $
Financial reserves		
Balance as at start of year	**36,240**	31,472
Transferred to/(from) reserve	**(27,420)**	4,768
Transferred out of reserve	-	-
Balance as at end of year	**8,820**	36,240
Reserves		
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	-	-
Total Reserves	**8,820**	36,240

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

	2018	2017
	$	$
Note 9 Equity continued		
Note 9B: Other Specific disclosures - Funds*		
Compulsory levy/voluntary contribution fund – if invested in assets		
	-	-
Other fund(s) required by rules		
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	-	-

Note 10 Cash flow

Note 10A: Cash flow reconciliation

	2018	2017
Cash and cash equivalents as per:		
Statement of cash flows	113,422	54,618
Statement of financial position	113,422	54,618
Difference	-	-
Reconciliation of profit/(deficit) to net cash from operating activities:		
Profit/(deficit) for the year	250,634	(3,412)
Adjustments for non-cash items		
CEPU Divisional Conference - contribution	(190,966)	-
Employee redundancy payment by CEPU Divisional Conference	190,966	-
Depreciation/amortisation	6,326	7,363
Investment distributions reinvested	(41,777)	(42,755)
Loss on disposal of assets	1,532	-
Bad and doubtful debts	507	7,401

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

	2018	2017
	$	$

Note 10 Cash flow continued

Note 10A: Cash flow reconciliation continued

	2018 $	2017 $
Changes in assets/liabilities		
(Increase)/decrease in net receivables	**2,864**	(3,732)
(Increase)/decrease in prepayments	**257**	(439)
Increase/(decrease) in supplier payables	**(17,136)**	(145,515)
Increase/(decrease) in other payables	**-**	-
Increase/(decrease) in employee provisions	**(191,704)**	30,763
Increase/(decrease) in other provisions	**-**	-
Net cash from (used by) operating activities	**11,503**	(150,326)

Note 10B: Cash flow information*

	2018 $	2017 $
Cash inflows		
CEPU Divisional conference	**-**	**-**
CEPU P&T	**7,477**	**9,020**
Total cash inflows	**7,477**	**9,020**
Cash outflows		
CEPU Divisional conference	**(189,668)**	(328,026)
CEPU National Council	**(5,319)**	(2,129)
Total cash outflows	**(194,987)**	(330,155)
Non cash flows in profit		
CEPU Divisional conference – contribution for payment of employee redundancy	**190,966**	-

Note 11 Contingent liabilities, assets and commitments

Note 11A: 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:

	2018 $	2017 $
Within one year	**14,636**	14,561
After one year but not more than five years	**32,323**	21,784
More than five years	**-**	-
	46,959	36,345
Within one year	**-**	-
After one year but not more than five years	**-**	-
After five years	**-**	-
	-	-

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

Note 11 Contingent liabilities, assets and commitments continued

Note 11A: Commitments and contingencies continued

	2018 $	2017 $
Finance lease commitments—as lessee		
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	-	-
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 11A: Commitments and contingencies (continued)

Contingent Liabilities

An employee of the Union was made redundant in the previous financial year and a provision was included in Employee Provisions (other than Office holders) at 31 March 2017.Payment of the redundancy from the investment funds of the Union was blocked by the CEPU Divisional Conference in Court. Legal action taken by the employee resulted in the CEPU Divisional Conference paying the redundancy of $190,966 (less withholding tax). The Union is of the view that this amount is an income contribution from the CEPU Divisional Conference under the Rules and has accounted for the $190,966 as such in the financial statements.

The CEPU Divisional Conference has advised that the amount is a loan to the Union and has initiated legal proceedings against the Union for recovery. The action is being defended by the Union. It is not practical at the date of this report to comment further on this matter as it may prejudice the outcome.

	2018	2017
	$	$

Note 12 Related party disclosures

Note 12A: 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.

	2018 $	2017 $
Revenue received from related party includes the following:		
CEPU P&T insurance reimbursement	**7,477**	9,020
CEPU Divisional Conference contribution	**190,966**	-
Expenses paid to related party includes the following:		
CEPU Divisional Conference – capitation fees	**157,033**	159,708
CEPU Divisional Conference – payroll tax	**14,979**	15,910
CEPU National Council	**4,623**	6,771
Debts forgiven by related party includes the following:		
CEPU Divisional Conference – other fees	-	(9,844)
Amounts owed by related party include the following:		
CEPU Divisional Conference	-	-
CEPU Divisional Conference – provision for impairment	-	-
Amounts owed to related party include the following:		
CEPU Divisional Conference	**11,262**	13,215
CEPU National Council	**5,085**	5,319
Loans from/to related party includes the following:		
	-	-

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 2018, the reporting unit has recorded no impairment of receivables relating to amounts owed by related parties and declared person or body (2017: $10,828). 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 property was transferred throughout the year.

Note 12B: Key management personnel remuneration for the reporting period

	2018	2017
	$	$
Short-term employee benefits		
Salary (including annual leave taken)	**213,820**	215,178
Annual leave accrued	**19,831**	11,695
Performance bonus	-	-
Other	-	-
Total short-term employee benefits	**233,651**	226,873
Post-employment benefits:		
Superannuation	**32,146**	32,627
Total post-employment benefits	**32,146**	32,627
Other long-term benefits:		
Long-service leave	**10,988**	4,119
Total other long-term benefits	**10,988**	4,119
Termination benefits	-	-
Total	**276,785**	263,619

Note 12C: 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 13 Remuneration of auditors

Value of the services provided		
Financial statement audit services	**13,500**	13,250
Other services – Financial statements, FBT and accounting advice	**4,550**	9,293
Total remuneration of auditors	**18,050**	22,543

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

Note 14 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:

Note 14A: Categories of financial instruments

	2018 $	2017 $
Financial assets		
Fair value through profit or loss:		
NA	-	-
Total	-	-
Held-to-maturity investments:		
Cash and cash equivalents	113,422	54,618
Total	113,422	54,618
Available-for-sale assets:		
Investments at fair value	625,695	669,921
Unlisted investments as cost	1,346	1,346
Total	627,041	671,267
Loans and receivables:		
Trade receivables	12,500	15,871
Total	-	-
Carrying amount of financial assets	752,963	741,756
Financial liabilities		
Fair value through profit or loss:		
NA	-	-
Total	-	-
Other financial liabilities:		
Trade and other payables	60,655	77,791
Total	60,655	77,791
Carrying amount of financial liabilities	60,655	77,791

Note 14B: Net income and expense from financial assets

	2018 $	2017 $
Held-to-maturity		
Interest revenue	-	43
Exchange gains/(loss)	-	-
Impairment	-	-
Gain/loss on disposal	-	-
Net gain/(loss) held-to-maturity	-	43
Loans and receivables		
Interest revenue	-	-
Exchange gains/(loss)	-	-
Impairment	(507)	(7,401)
Gain/loss on disposal	-	-
Net gain/(loss) from loans and receivables	(507)	(7,401)
Available for sale		
Interest revenue	-	201
Dividend revenue	41,747	44,753
Exchange gains/(loss)	-	-
Gain/loss recognised in equity	(27,420)	4,768
Amounts reversed from equity:		
Impairment	-	-
Fair value changes reversed on disposal	-	-
Gain/loss on disposal	-	-
Net gain/(loss) from available for sale	14,327	49,722
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	13,820	42,364

The net income/expense from financial assets is $13,820 (2017: $42,364).

Note 14C: Net income and expense from financial liabilities

The net income/expense from financial liabilities not at fair value from profit and loss is $Nil (2017:$Nil).

Note 14D: 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.

	2018	2017
	$	$
Financial assets		
Trade and other receivables	**12,500**	15,871
Other investments	**627,041**	671,267
Total	**639,541**	687,138
Financial liabilities		
Trade and other payables	**60,655**	77,791
Total	**60,655**	77,791

In relation to the entity's gross credit risk the following collateral is held: None

Ageing of financial assets that were past due but not impaired for 2018

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Trade and other receivables	**5,939**	**3,486**	**3,075**	-	**12,500**
Total	**5,939**	**3,486**	**3,075**	-	**12,500**

Ageing of financial assets that were past due but not impaired for 2017

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Trade and other receivables	5,504	418	9,949	-	15,871
Total	5,504	418	9,949	-	15,871

Note 14E: 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 2018

2018	On Demand	< 1 year $	1– 2 years $	2– 5 years $	>5 years $	Total $
Trade and other payables	-	60,655	-	-	-	60,655
Total	-	60,655	-	-	-	60,655
2017	**On Demand**	**< 1 year $**	**1– 2 years $**	**2– 5 years $**	**>5 years $**	**Total $**
Trade and other payables	-	77,791	-	-	-	77,791
Total	-	77,791	-	-	-	77,791

Note 14F: 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 2018

	Risk variable	Change in risk variable %	Effect on Profit and loss $	Effect on Equity $
Interest rate risk	113,422	+2%	2,268	2,268
Interest rate risk	113,422	-2%	(2,268)	(2,268)

Sensitivity analysis of the risk that the entity is exposed to for 2017

	Risk variable	Change in risk variable %	Effect on Profit and loss $	Effect on Equity $
Interest rate risk	54,618	+2%	1,092	1,092
Interest rate risk	54,618	-2%	(1,092)	(1,092)

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 14F: Market risk continued

Sensitivity analysis of the risk that the entity is exposed to for 2018

	Risk variable	Change in risk variable %	Effect on Profit and loss $	Effect on Equity $
Other price risk	**627,041**	**+2%**	**12,540**	**12,540**
Other price risk	**627,041**	**-2%**	**(12,540)**	**(12,540)**

Sensitivity analysis of the risk that the entity is exposed to for 2017

	Risk variable	Change in risk variable %	Effect on Profit and loss $	Effect on Equity $
Other price risk	671,267	+2%	13,425	13,425
Other price risk	671,267	-2%	(13,425)	(13,425)

Note 14G: Asset pledged/or held as collateral

There were no assets pledged or held as collateral as at 31 March 2018 (2017: $Nil).

Note 15 Fair value measurement

Note 15A: Financial assets and liabilities

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

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

- Fair values of the reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The performance risk as at 31 March 2018 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 2018 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

Note 15 Fair value measurement

Note 15A: Financial assets and liabilities continued

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

	Carrying amount 2018 $	Fair value 2018 $	Carrying amount 2017 $	Fair value 2017 $
Financial Assets				
Cash and cash equivalents	**113,422**	**113,422**	54,618	54,618
Trade and other receivables	**12,500**	**12,500**	15,871	15,871
Other investments	**627,041**	**627,041**	671,267	671,267
Total	**752,963**	**753,831**	741,756	741,756
Financial Liabilities				
Trade and other payables	**60,655**	**60,655**	77,791	77,791
Total	**60,655**	**60,655**	77,791	77,791

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

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

Information to be provided to members or General Manager:

(1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) A reporting unit must comply with an application made under subsection (1).

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AUDIT

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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)

Qualified Opinion

We have audited the financial report of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) (the Reporting Entity), which comprises the statement of financial position as at 31 March 2018, 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 ended 31 March 2018, notes to the financial statements, including a summary of significant accounting policies, and the Committee of Management Statement.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial report presents fairly, in all material aspects, the financial position of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) as at 31 March 2018, and its financial performance and its cash flows for the year ended on that date in accordance with:

a. the Australian Accounting Standards; and

b. any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act).

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

Basis for Qualified Opinion

Our report is qualified regarding the accounting treatment of the payment by the CEPU Divisional Conference of $190,966 as described in Note 11 in the financial report. CEPU Divisional Conference paid the redundancy accrual of $190,966 for the reporting entity and is requesting a repayment for the amount. The reporting entity has disputed the repayment and has accounted for the payment as a contribution income. In the event of an unfavourable outcome for the reporting entity, the contribution of $190,966 received from the CEPU Divisional Conference will be reclassified as a liability and will have to be paid by the reporting entity.

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

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

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)

Material Uncertainty Related to Going Concern

Without qualifying our opinion expressed above, we draw attention to Note 1.24 in the financial report which indicates that the Union is in a current net asset deficiency position of $54,278. 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.

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

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

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

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

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

Responsibilities of Committee of Management for the Financial Report

The Committee of Management of the Reporting Unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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)

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reporting Unit's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.

- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Reporting Unit audit. We remain solely responsible for the audit opinion.
  We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

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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)

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

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MORROWS AUDIT PTY LTD
Chartered Accountants

L.S.WONG
Audit Principal
Approved Auditor and member of the Chartered Accountants in Australia & New Zealand, current holder of a current public practice certificate and registered auditor under the Fair Work (registered Organisations) Act 2009 (the Act) (AA2017/21)

Melbourne: 7 August 2018

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AUDIT

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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 2018 on pages 48 to 50. The specific purpose 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.

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MORROWS AUDIT PTY LTD
Chartered Accountants

Melbourne: 7 August 2018

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 2018

	2018 $	2017 $
REVENUE		
Membership Subscription	**706,771**	768,416
Interest	**-**	244
Contributions	**190,966**	-
Other revenue	**41,780**	44,788
	939,517	813,448
OTHER INCOME		
Net gains from sale of assets	**-**	-
	-	-
TOTAL INCOME	**939,517**	813,448
EXPENDITURE		
Employee benefits expense:		
Salaries and allowances		
- elected officials	**213,820**	215,178
- employees	**79,844**	112,230
Superannuation contributions		
- elected officials	**32,146**	32,627
- employees	**10,660**	15,016
Provision for annual leave	**(12,465)**	18,575
Provision for long service leave	**7,743**	12,188
Other		
- fringe benefit tax	**1,678**	2,002
- payroll tax	**14,979**	15,910
- insurance	**-**	-
- reimbursement	**-**	-
- workcover	**3,196**	3,725
- redundancy	**3,985**	-
	355,586	427,451
	-	
Capitation fees		
CEPU Divisional Conference	**157,033**	159,708
CEPU National Council	**4,623**	6,771
	161,656	166,479
Affiliation fees		
- Ballarat Trades Hall Council	**1,100**	1,100
- Bendigo Trades Hall Council	**760**	760
- Geelong Trades Hall Council	**335**	330
- Miscellaneous	**290**	285
- Victorian Trades Hall Council	**3,080**	2,887
	5,565	5,362

This statement should be read in conjunction with the attached compilation report on page 47

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 2018

	2018 $	2017 $
Administration expense:		
Bank Charges	7,335	8,632
Bad Debts	11,705	-
Car Hire & Fares	1,227	748
Campaigns	-	64
Commission paid	397	446
Consultancy fees	-	600
Debts forgiven by CEPU Divisional Conference	-	(9,844)
General expenses	(1,780)	672
Gippsland TLC	309	305
Goulburn Valley TLC	193	103
Insurance	958	1,394
Laptops	(151)-	(862)
Leasing charges	17,467	18,060
Light, Power & Cleaning	3,850	3,500
Meeting expenses	1,834	1,029
Member services	3,425	2,923
Motor vehicle expenses	13,588	12,414
Office rental	21,220	20,439
Office Assistance	3,300	-
Postage	3,921	5,319
Printing and stationery	5,191	6,718
Recruitment assist/services	-	-
Repairs and maintenance	9,011	8,006
Staff amenities	1,283	1,734
Telephone and fax	24,705	26,597
Training and education	421	-
	129,409	108,997
Grants or donations		
Donations	182	200
	182	200
Depreciation and amortisation		
Depreciation	6,326	7,363
	6,326	7,363
Legal costs		
Legal fees	5,655	66,851
	5,655	66,851
Audit Fees		
Audit	18,050	22,543
	18,050	22,543

This statement should be read in conjunction with the attached compilation report on page 47

DETAILED INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

	2018 $	2017 $
Write-down and impairment of assets		
Doubtful debt provision	**507**	7,401
	507	7,401
Net losses from sale of assets		
Loss on sale of fixed assets		
	1,532	-
	1,532	-
Other expenses		
Computer charges	**-**	-
Computer consultant	**4,415**	4,213
	4,415	4,213
Total Expenditure	**688,883**	816,860
Net (loss) for the year	**250,634**	(3,412)
Other comprehensive income/(loss)	**(27,420)**	4,768
TOTAL COMPREHENSIVE INCOME (LOSS)	**223,214**	(1,356)

This statement should be read in conjunction with the attached compilation report on page 47