COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
ELECTRICAL DIVISION SA BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

Note 1. Union Information

The Communications Electrical Plumbing Union, Electrical Division SA Branch is to uphold the rights of labour and to improve, protect and foster the best interests of its members and to lobby and negotiate with Government for interests of its members. Please refer to branch council operating report for further details.

Note 2. Summary of significant accounting policies

2.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Communications Electrical Plumbing Union, Electrical Division SA Branch is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost. 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.

2.2 Comparative amounts

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

2.3 Significant accounting judgements and estimates

No 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.

2.4 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. The accounting policies adopted are consistent with those of the previous financial year.

Future Australian Accounting Standards Requirements

No new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on the Communications Electrical Plumbing Union, Electrical Division SA Branch.

2.5 Revenue

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

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

Note 2. Summary of significant accounting policies (cont.)

2.5 Revenue (cont.)

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

Donation income is recognised when it is received.

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

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

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

2.6 Government Grants

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

2.7 Gains

Sale of assets

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

2.8 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.

2.9 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.

Note 2. Summary of significant accounting policies (cont.)

2.9 Employee benefits (cont.)

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.

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

2.10 Cash and cash equivalents

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.

2.11 Financial instruments

Financial assets and financial liabilities are recognised when the Communications Electrical Plumbing Union, Electrical Division SA Branch 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.

2.12 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.

Note 2. Summary of significant accounting policies (cont.)

2.12 Financial assets (cont.)

Fair value through profit or loss (cont.)

A financial asset is classified as held for trading if:

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

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

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

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

Held-to-maturity investments

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

Available-for-sale

Avaialble-for-sale financial assets are those non-derivative financial assets that are designated as available for sale or that are not classified as loans and receivable, held-to-maturity investments or financial assets at fair value through profit or loss.

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.

Note 2. Summary of significant accounting policies (cont.)

2.12 Financial assets (cont.)

Effective interest method

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

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

Impairment of financial assets

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

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

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

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

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

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

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

Note 2. Summary of significant accounting policies (cont.)

2.12 Financial assets (cont.)

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.

2.13 Financial liabilities

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

Fair value through profit or loss

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

A financial liability is classified as held for trading if:

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

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

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

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

Note 2. Summary of significant accounting policies (cont.)

2.13 Financial liabilities (cont.)

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.

2.14 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.

2.15 Property and equipment

Asset recognition

Each class of property and equipment is recognised at historical cost. Purchases of property and equipment are recognised at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Depreciation

Depreciable property and equipment assets are written-off to their estimated residual values over their estimated useful lives using following method of depreciation against each class of asset. 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 along with depreciation method are based on the following useful lives:

	2014	2013
Land & Building	40 years	40 years
Office equipment & Furniture	1 to 5 years	1 to 5 years
Motor Vehicle	4 years	4 years

Derecognition

An item of buildings 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.

Note 2. Summary of significant accounting policies (cont.)

2.15 Property and equipment (cont.)

2.16 Investment property

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

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

2.17 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 union were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

2.18 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.

2.19 Taxation

The Communications Electrical Plumbing Union, Electrical Division SA Branch 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.

2.20 Fair value measurement

The Communications Electrical Plumbing Union, Electrical Division SA Branch 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.

Note 2 Summary of significant accounting policies (cont.)

2.20 Fair value measurement (cont)

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 Communications Electrical Plumbing Union, Electrical Division SA Branch. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Communications Electrical Plumbing Union, Electrical Division SA Branch 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 union 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 Communications Electrical Plumbing Union, Electrical Division SA Branch 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.

2.21 Going concern

The Communications Electrical Plumbing Union, Electrical Division SA Branch is reliant on the agreed financial support from its members to continue on a going concern basis. This agreed financial support is to continue until they cease to be a member.

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	Notes	2014 $	2013 $

Note 3 Income

Note 3A: Membership subscription

Membership subscription comprises of contributions from members during the year giving an average of $467 p.a from each member; Members are charged at different rates depending upon their employment status and category in which they fall.

Note 3B: Capitation fees

		2014 $	2013 $
None		-	-
Total capitation fees		-	-

Note 3C: Levies

		2014 $	2013 $
Branch levies		-	-
Total levies		-	-

Note 3D: Interest

		2014 $	2013 $
Interest income		67,143	77,367
Total interest		67,143	77,367

Note 3E: Rental income

	Notes	2014 $	2013 $
Rental income from properties	3E (i)	39,383	46,464
Total rental revenue		39,383	46,464

3E (i) The union rents part of its building to generate another source of income.

Note 3F: Other revenue

	Notes	2014 $	2013 $
Funding/project management	3F (i)	194,989	199,648
Directors fees		43,866	28,096
Debt cost recovery		29,102	27,933
Sundry revenue		7,603	4,852
		275,560	260,529

3F (i) Funding /project management represents primarily insurance for income protection.

Note 3G: Grants and donations

		2014 $	2013 $
Grants		-	140,000
Donations		-	5,000
Total grants and donations		-	145,000

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NOTES TO THE FINANCIAL STATEMENTS
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	2014	2013
Note 4 Expenses	**$**	**$**
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	1,097,576	1,032,942
Superannuation	190,812	181,186
Leave and other entitlements	6,357	101,951
	1,294,745	1,316,079
Other employee expenses		
Payroll Tax	47,260	39,203
Fringe Benefits Tax	19,092	26,905
Work cover	20,727	20,645
Motor Vehicle Expenses	66,055	58,330
Travel	35,693	52,751
Training	1,750	21,930
Executive reimbursement	650	2,473
	191,227	222,237
Subtotal employee expenses holders of office	1,485,972	1,538,316
Employees other than office holders:		
Wages and salaries	195,839	152,149
Superannuation	25,362	20,303
Leave and other entitlements	1,852	(2,686)
Subtotal employees other than office holders	223,053	169,766
Total employee expenses	1,709,025	1,708,082
Note 4B: Capitation fees		
Capitation fees - National office	215,095	162,674
Total capitation fees	215,095	162,674
Note 4C: Affiliation fees		
Australian Labour Party	28,236	14,948
SA Unions	12,825	15,148
National office	-	300
Others	-	38
Total affiliation fees/subscriptions	41,061	30,434

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	2014	2013
Note 4 Expenses (cont.)	**$**	**$**

Note 4D: Administration expenses

Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Conference and meeting expenses	7,526	23,800
Contractors/consultants	14,311	24,845
Property expenses	28,463	30,039
Office expenses	149,378	95,944
Information communications	36,925	46,677
Insurance	7,410	7,637
Other	26,303	40,503
Total administration expense	270,316	269,445

Note 4E: Grants and donations

Grants:		
Total paid that were $1,000 or less	-	-
Total paid that exceeded $1,000	-	-
Donations:		
Total paid that were $1,000 or less		
Total paid that exceeded $1,000	25,000	22,553
donations	25,000	22,553

Note 4F: Depreciation

Land and building	16,734	16,528
Office equipment & furniture	21,452	24,296
Motor vehicle	47,057	44,365
Total depreciation	85,243	85,189

Note 4G: Finance costs

Finance cost	13,569	13,283
Total legal costs	13,569	13,283

Note 4H: Legal costs

Legal expenses	-	131
Total legal costs	-	131

Note 4I: Net losses from sale of assets

Motor vehicle	6,123	16,093
Total net losses from asset sales	6,123	16,093

Note 4J: Other expenses

Penalties - via RO Act or RO Regulations	-	-
Total other expenses	-	-

Note 5 Current Assets	Notes	2014 $	2013 $
Note 5A: Cash and cash equivalents			
Cash at bank	5A (i)	282,941	327,823
Cash on hand		468	517
Total cash and cash equivalents		283,409	328,340

5A (i) Cash at bank earns interest at floating rates based on daily deposit rates.

Note 5B: Trade and other receivables			
Receivables from other reporting units			
CEPU-Communication		2,360	2,270
CEPU-National Office		640	-
Total receivables from other reporting units		3,000	2,270
Less provision for doubtful debts		-	-
Receivable from other reporting units		3,000	2,270
Other receivables:			
GST receivable from the Australian Taxation Office		-	-
Other trade receivables	5B (i)	104,668	273,130
Total other receivables		104,668	273,130
Total trade and other receivables (net)		107,668	275,400

5B (i) Other trade receivables primarily include membership subscriptions and income protection.

Note 5C: Held to maturity			
Term deposits		1,503,401	1,452,566
Total	5C (i)	1,503,401	1,452,566

5C (i) Term deposits are made from 6 months to 3 years period earning interest rate ranging from 3.55% to 3.8% per anum.

Note 5D: Other current assets			
Accrued Interest		12,492	15,561
Prepayments		19,339	23,270
Total other current assets		31,830	38,831

	Notes	2014 $	2013 $
Note 6 Non-current assets			
Note 6A: Property and equipment			
Cost	6A (i), 6A (ii) & 6A (iii)	3,397,653	3,208,993
Accumulated depreciation		(1,042,217)	(889,287)
Total property, plant and equipment		2,355,436	2,319,706
6A (i) Land and buildings:			
Cost		2,415,540	2,400,190
Accumulated depreciation		(342,113)	(325,379)
Total land and buildings		2,073,427	2,074,811
Reconciliation of the opening and closing balances			
As at 1 January			
Gross book value		2,400,190	2,383,344
Accumulated depreciation and impairment		(325,379)	(308,851)
Net book value 1 January		2,074,811	2,074,493
Additions		15,350	16,846
Revaluations		-	-
Impairments		-	-
Depreciation expense		(16,734)	(16,528)
Other movement- Property Improvements		-	-
Disposals			
Net book value 31 December		2,073,427	2,074,811
6A (ii) Office equipment & furniture			
At cost		550,761	546,582
Accumulated depreciation		(487,172)	(465,720)
Total office equipment & furniture		63,589	80,862
Reconciliation of the opening and closing balances			
As at 1 January			
Gross book value		546,582	515,244
Accumulated depreciation and impairment		(465,720)	(441,424)
Net book value 1 January		80,862	73,820

	2014	2013
	$	$

Note 6 Non-current assets (cont.)

Reconciliation of the opening and closing balances of office equipment and furniture (cont.)

	2014 $	2013 $
Additions	4,179	31,338
Depreciation expense	(21,452)	(24,296)
Disposals	-	-
Other	-	-
Net book value 31 December	63,589	80,862

6A (iii) Motor Vehicle:

	2014 $	2013 $
Cost	431,352	262,221
Accumulated depreciation	(212,932)	(98,188)
Total Motor vehicle	218,420	164,033

Reconciliation of the opening and closing balances

	2014 $	2013 $
As at 1 January		
Gross book value	262,221	170,118
Accumulated depreciation and impairment	(98,188)	(7,818)
Net book value 1 January	164,033	162,300
Additions	169,131	92,103
Revaluations	-	-
Impairments	-	-
Depreciation expense	(47,057)	(44,365)
Other adjustment	-	-
Disposals	(67,687) -	46,005
Net book value 31 December	218,420	164,033

Note 7 Current Liabilities

Note 7A: Trade payables

	2014 $	2013 $
Trade payable and accruals	6,548	5,231
Subtotal trade creditors	6,548	5,231
Payables to other reporting units		
National office	124,662	96,325
Subtotal payables to other reporting units	124,662	96,325
Total trade payables	131,210	101,556

	2014 $	2013 $
Note 7 Current Liabilities (cont.)		
Note 7B: Other payables		
Wages and salaries	32,099	32,837
Superannuation	760	4,932
Consideration to employers for payroll deductions	-	-
Legal costs	-	-
Prepayments received/unearned	-	-
GST payable	36,518	56,703
Other	-	7,848
Total other payables	69,377	102,320

Note 8 Provisions

Note 8A: Employee provisions

	2014	2013
Office Holders:		
Annual leave	296,909	325,601
Long service leave	229,839	194,789
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	526,748	520,390
Employees other than office holders:		
Annual leave	16,972	16,231
Long service leave	33,439	32,328
Separations and redundancies		
Other	-	-
Subtotal—employees other than office holders	50,411	48,559
Total employee provisions	577,159	568,949
Current	491,835	457,954
Non Current	85,323	110,995
Total employee provisions	577,159	568,949

Note 9 Cash flow

Note 9A: Cash flow reconciliation

	2014 $	2013 $
Reconciliation of Cash and Cash Equivalents from Operating Activities to the surplus for the year		
Deficit for the year	(138,019)	(60,544)
Adjustments for non-cash items		
Depreciation	85,243	85,189
Loss on disposal of assets	6,123	16,093
	(46,653)	40,738
Changes in assets/liabilities		
(Increase)/decrease in net receivables	167,732	(162,508)
(Increase)/decrease in other current assets	7,001	(10,550)
Increase/(decrease) in payables	(3,289)	5,945
Increase/(decrease) in employee provisions	8,210	99,265
Net cash from (used by) operating activities	133,000	(27,110)

Note 9B: Cash flow information

	2014 $	2013 $
Cash inflows		
CEPU - National Office	3,044	-
Total cash inflows	3,044	-
Cash outflows		
Capitation Fees - National Office	245,723	177,171
Total cash outflows	245,723	177,171

Note 10 Related party disclosures

Note 10A: Related party transactions for the reporting period

The union does not have any related party transaction.

Note 10B: Key management personnel remuneration for the reporting period

	2014 $	2013 $
Short-term employee benefits		
Salary	1,097,576	1,032,942
Annual leave accrued/taken	(28,692)	58,631
Performance bonus	-	-
Total short-term employee benefits	1,068,884	1,091,573

	2014	2013
	$	$
Post-employment benefits:		
Superannuation	190,812	181,186
Total post-employment benefits	190,812	181,186
Other long-term benefits:		
Long-service leave	35,050	4,243
Total other long-term benefits	35,050	4,243
Termination benefits	-	-
Total	1,294,746	1,277,002

Note 10C: Transactions with key management personnel and their close family members

Loans to/from key management personnel		
None	-	-
Other transactions with key management personnel		
None	-	-

Note 11 Auditor's remuneration

Audit fees	15,000	14,900
Non-audit services	2,000	-
Total auditor's remuneration	17,000	14,900

Note 12 Financial Support to or from another reporting entity

The Communications Electrical Plumbing Union, Electrical Division SA Branch is able to continue as a going concern without the financial support of another reporting unit. It also doesn't provide any financial support to any other reporting unit.

Note 13 Contingent liabilities, assets and commitments

Note 13A: Commitments and contingencies

Operating lease commitments—as lessee

The union has a property rental agreement for one year and rent is negotiated upon every renewal.

Future minimum rentals receivable under non-cancellable operating leases as at 31 Dec are as follows:

Within one year	50,928	46,594
After one year but not more than five years	46,684	46,684
After five years	-	-
	97,612	93,278

Operating lease commitments—as lessor

None

Capital commitments

At 31 Dec 2014, the union does not have any capital commitments.	-	-
Finance lease commitments—as lessee		
None	-	-
Finance leases—lessor		
None	-	-

Note 14 Financial instruments

Note 14A - Financial Risk Management - objectives and policies

The union's financial instruments comprise cash and cash equivalents, held to maturity financial investments and liabilities. In addition, the union also has amounts receivable and amounts payable to trade and other creditors.

The main risks arising from the union's financial instruments are credit risk and market price risk and no liquidity risk. The union does not use derivative instruments to manage risks associated with its financial instruments.

The members of committee have overall responsibility for risk management, including risks associated with financial instruments. Risk management policies are established to identify and analyse the risks associated with the union's financial instruments, to set appropriate risk limits and controls and to monitor the risks and adherence to limits. The Board's audit and finance committee is responsible for monitoring the effectiveness of the union's risk management policies and processes and to regularly review risk management policies and systems, taking into account changes in market conditions and the union's activities. The committee is also responsible for developing and monitoring investment policies.

Note 14B: Categories of financial instruments	**Notes**	**2014**	**2013**
		$	**$**
Financial assets			
Held-to-maturity investments:			
Term Deposit - Credit Union		350,000	470,000
Term Deposits - ME		1,153,401	982,566
Total held-to-maturity investments	5C	1,503,401	1,452,566
Loans and receivables:			
Trade and other receivables	5B	107,668	275,400
Other current assets	5D	31,830	38,831
Total		139,498	314,231
Financial liabilities			
Trade creditors and accruals	7A	131,210	101,556
Other payables	7B	69,377	102,320
Total		200,587	203,876

Note 14C: Net income and expense from financial assets

Held-to-maturity		
Interest income	67,143	77,367
Exchange gains/(loss)	-	-

Note 14C: Net income and expense from financial assets	Notes	2014 $	2013 $
Held-to-maturity (cont.)			
Impairment		-	-
Gain/loss on disposal		-	-
Net gain/(loss) held-to-maturity		67,143	77,367

Note 14D: Credit Risk

Credit risk is the risk of financial loss to the union if a customer or counterparty to a financial instrument fails to meet its contractual obligations.
The carrying amount of the union's financial assets best represents its maximum credit risk exposure. The union's maximum exposure to credit risk at the reporting date was:

	Notes	2014	2013
Cash & cash equivalents	5A	283,409	328,340
Trade debtors and other receivables	5B	107,668	275,400
Other current assets	5D	31,830	38,831
Held to Maturity	5C	1,503,401	1,452,566
		1,926,308	2,095,137

Trade debtors and other current assets primarily comprises of property rental income, members subscription and grant income

	2014		2013	
	Gross $	Impairment $	Gross $	Impairment $
Not past due	-	-	-	-
Past due 0-30 days	120,159	-	290,961	-
Past due 31-120 days	19,339	-	23,270	-
Past due 121 days to one year	-	-	-	-
Past due more than 1 year	-	-	-	-
	139,498	-	314,231	-

Note 14E - Liquidity risk

Liquidity risk is the risk that the union will not be able to fund its obligations as they fall due.
The following are the contractual maturities of financial assets and liabilities including estimated interest payments:

At 31 Dec 2014	Carrying amount	< 1 year $	1– 2 years $	2– 5 years $	> 5 years $	Total $
Trade creditors & payable	6,548	6,548	-	-	-	6,548
Employee related	32,859	32,859	-	-	-	32,859
Payable to National Office	124,662	124,662	-	-	-	124,662

Note 14E - Liquidity risk (cont.)

At 31 Dec 2014	Carrying amount	< 1 year $	1– 2 years $	2– 5 years $	> 5 years $	Total $
Other payables	36,518	36,518	-	-	-	36,518
Maturities for financial liabilities	200,587	200,587	-	-	-	200,587

At 31 Dec 2013	Carrying amount	< 1 year $	1– 2 years $	2– 5 years $	> 5 years $	Total $
Trade creditors & payable	5,231	5,231	-	-	-	5,231
Employee related	37,769	37,769	-	-	-	37,769
Payable to National Office	96,325	96,325	-	-	-	96,325
Other payables	64,551	64,551	-	-	-	64,551
Maturities for financial liabilities	203,876	203,876	-	-	-	203,876

Note 14F - Market price risk

Market price risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the union's income or the value of its holdings of financial instruments. The union is exposed to two sources of market price risk – fluctuations in interest rates and fluctuations in the value of its Held to Maturity investments.

Interest rate risk

Interest rate risk refers to the risk that the value of financial instruments or cash flow associated with the instrument will fluctuate due to changes in market interest rates.

The union is exposed to interest rate fluctuations on its cash at bank and cash on deposits. The union actively monitors interest rates for cash at bank and on deposit to maximise interest income.

The following table summarises the interest rate profile of the union's interest bearing financial instruments.

Fixed-rate instruments			
Held-to-maturity	5C	1,503,401	1,452,566
Variable-rate instruments			
Cash at bank	5A	283,409	328,340
		1,786,810	1,780,906

Sensitivity analysis

The union is not exposed much to variable rate instruments resulting into miminal variation in this regard.

Note 15 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).

Note 16 Additional information

The registered office of the union and its principal place of business is:

312 South Road
Richmond
South Australia 5033