

**CPSU – SPSF GROUP - WESTERN AUSTRALIAN PRISON  
OFFICERS' UNION (WAPOU) BRANCH**

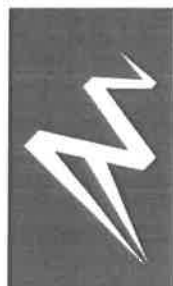
**ABN 98 473 603 480**

**GENERAL PURPOSE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2019**

**CPSU – SPSF GROUP - WESTERN AUSTRALIAN PRISON**  
**OFFICERS' UNION (WAPOU) BRANCH**  
**ABN 98 473 603 480**

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## Anderson Munro & Wyllie

CHARTERED ACCOUNTANTS, REGISTERED COMPANY  
AUDITORS AND REGISTERED SMSF AUDITORS

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*Liability limited by a scheme approved under Professional Standards Legislation*

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CPSU – SPSF GROUP - WESTERN AUSTRALIAN PRISON OFFICERS' UNION (WAPOU) BRANCH**

#### **Report on the Audit of the Financial Report**

##### **Opinion**

I have audited the financial report of CPSU – SPSF Group - Western Australian Prison Officers' Union (WAPOU) Branch ("the Branch"), which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2019, notes to the financial statements, including a summary of significant accounting policies; the Committee of Management Statement, the subsection 255(2A) report and the officer declaration statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of CPSU – SPSF Group - Western Australian Prison Officers' Union (WAPOU) Branch as at 30 June 2019 and its financial performance and its cash flows for the year ended on that date in accordance with:

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

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

##### **Basis for Opinion**

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

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

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

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

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

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



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

### **Responsibilities of Committee of Management for the Financial Report**

The Committee of Management of the Branch 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 Branch'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 Branch or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Branch'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 Branch's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Branch 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 Branch to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Branch audit. I remain solely responsible for my audit opinion.

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

I declare that I am an approved auditor, a member of Institute of Chartered Accountants in Australia and New Zealand and registered under the RO Act.

*Anderson Munro + Wyllie*

**ANDERSON MUNRO & WYLLIE**

Chartered Accountants

Address: Unit 8, 210 Winton Road, Joondalup, Western Australia

*Martin Shone*

**MARTIN SHONE**

Principal & Registered Company Auditor

Member of the Institute of Chartered Accountants in Australia and New Zealand

Registration number AA2017/8

Dated at Perth, Western Australia this 14<sup>th</sup> day of August 2019



## Anderson Munro & Wyllie

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**AUDITORS' INDEPENDENCE DECLARATION  
TO THE MEMBERS OF  
CPSU –SPSF GROUP – WESTERN AUSTRALIAN PRISON OFFICERS' UNION (WAPOU)  
BRANCH**

As auditor for the audit of CPSU – SPSF Group – Western Australian Prison Officers' Union (WAPOU) Branch for the period ended 30 June 2019, I declare that, to the best of my knowledge and belief, during the period ended 30 June 2019 there has been:

- i. No contraventions of any applicable code of professional conduct in relation to the audit.

*Anderson Munro + Wyllie*

**ANDERSON MUNRO & WYLLIE**

Chartered Accountants

**Martin Shone**

Principal

Dated at Perth, Western Australia this 14<sup>th</sup> day of August 2019



## Anderson Munro & Wyllie

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### **CPSU-SPSF GROUP - WESTERN AUSTRALIAN PRISON OFFICERS' UNION (WAPOU) BRANCH**

#### **STATEMENT OF RECOVERY OF WAGES**

Based on representations made to us by the CPSU –SPSF Group - Western Australian Prison Officers' Union (WAPOU) Branch and our work undertaken for the period ended 30 June 2019, it appears that there was no recovery of wages activities occurred in the reporting period.

*Anderson Munro + Wyllie*

#### **ANDERSON MUNRO & WYLLIE**

Chartered Accountants

Address: Unit 8, 210 Winton Road, Joondalup, Western Australia

*Martin Shone*

#### **MARTIN SHONE**

Principal & Registered Company Auditor

RO Registration number AA2017/8

Dated at Perth, Western Australia this 14<sup>th</sup> day of August 2019.

**CPSU – SPSF GROUP - WESTERN AUSTRALIAN PRISON**  
**OFFICERS' UNION (WAPOU) BRANCH**  
**ABN 98 473 603 480**

**REPORT REQUIRED UNDER SUBSECTION 255(2A)**

for the year ended 30 June 2019

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2019.

Descriptive form

| Categories of expenditures   | 2019<br>\$ | 2018<br>\$ |
|--|------------|------------|
| Remuneration and other employment-related costs and expenses - employees | -          | -          |
| Advertising  | -          | -          |
| Operating costs  | 40,772     | 42,188     |
| Donations to political parties   | -          | -          |
| Legal costs  | -          | -          |



**Paul Ledingham**

Acting Secretary

Dated this 13<sup>th</sup> day of August 2019



**CPSU – SPSF GROUP - WESTERN AUSTRALIAN PRISON**  
**OFFICERS' UNION (WAPOU) BRANCH**  
**ABN 98 473 603 480**

**OPERATING REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

The Committee of Management presents its operating report on the Reporting Unit for the year ended 30 June 2019.

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

The principle activities of the Branch during the year ended 30 June 2019 were as follows:

- representing individual members in grievance disputes with employers resulting in members being treated fairly and their rights respected.
- representing all members at various workplaces regarding disputes with employers resulting in a fair outcome.
- negotiating Enterprise Bargaining Agreements resulting in increased wages and conditions for members covered by those Agreements.
- negotiating Industrial Agreements at a number of worksites resulting in the settlement of disputes or the resulting in flexibility working arrangements.
- providing Union Delegates and Worksite Committee members with training and education to enable them to better represent members in the workplace.

**Significant changes in financial affairs**

Members may resign from the Branch by giving written notice to the Branch in accordance with the rules of the Branch.

**Right of members to resign**

Members may resign from the Branch by giving written notice to the Branch in accordance with the rules of the Branch.

**Officers or members who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position**

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

**Number of members**

Number of members as at 30 June 2019: 2,487 (30 June 2018: 2,462).

**Number of employees**

At the end of the financial period the Branch employed nil staff.

**CPSU – SPSF GROUP - WESTERN AUSTRALIAN PRISON**  
**OFFICERS' UNION (WAPOU) BRANCH**  
**ABN 98 473 603 480**

**OPERATING REPORT (CONT'D)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**Members of the Committee of Management and period positions held during the financial year**

**The State Executive members who held office during the period were:**

|               |                        |                            |
|---------------|------------------------|----------------------------|
| K. Brown      | Union President        | 1 July 2018 – 30 June 2019 |
| A. Smith      | Union Secretary        | 1 July 2018 – 30 June 2019 |
| P. Ledingham  | Union Asst. Secretary  | 1 July 2018 – 30 June 2019 |
| M. Derbyshire | Union Treasurer        | 1 July 2018 – 30 June 2019 |
| M. Cromb      | Union Vice President   | 1 July 2018 – 30 June 2019 |
| J. Vanpraag   | Union Executive Member | 1 July 2018 – 30 June 2019 |
| T. Kennedy    | Union Executive Member | 1 July 2018 – 30 June 2019 |
| P. Vose       | Union Executive Member | 1 July 2018 – 30 June 2019 |

Members of the State Executive Committee were in office for the period covering the report until the date of this report unless otherwise stated.

**The State Council members who held office during the period were:**

|                             |   |
|-----------------------------|---|
| Aaron Ryan- Casuarina       | 1 July 2018 – 30 June 2019                    |
| S. Szumskyj, Casuarina      | 1 July 2018 – 30 June 2019                    |
| A. Robertson, Casuarina     | 1 July 2018 – 30 June 2019                    |
| D. McAteer, Casuarina       | 1 July 2018 – 30 June 2019                    |
| J. Fisher, DDU              | 1 July 2018 – 30 June 2019                    |
| S. Parker, EGRP             | 1 July 2019 – 30 June 2019                    |
| N. Mitchell, Greenough      | 1 July 2018 – 30 June 2019                    |
| C. Pizzey, Greenough        | 1 July 2018 – 30 June 2019                    |
| B. Taulanga, Hakea          | 1 July 2018 – 30 June 2019                    |
| Siglinde Reynolds, Hakea    | 1 July 2018 – 12 November 2018 (resigned)     |
| A. Smith, Hakea             | 1 July 2018 – 24 December 2018 (resigned)     |
| J. Bohling, Hakea           | 1 July 2018 – 30 June 2019                    |
| C. Mitchell, Hakea          | 1 July 2018 – 30 June 2019                    |
| P. Curtis, Acacia           | 1 July 2018 – 20 December 2018 (resigned)     |
| J. Pennicott, Albany        | 1 July 2018 – 30 June 2019                    |
| C. Ferguson, Albany         | 1 July 2018 – 30 June 2019                    |
| J. Green, Albany            | 1 July 2018 – 20 December 2018 (resigned)     |
| J. Hampton Meagher, Bandyup | 1 July 2018 – 30 June 2019                    |
| T. Morell, Bandyup          | Temp delegate during the year to 30 June 2019 |
| B. Harris, Bandyup          | 27 June 2018 (resigned)                       |
| M. Palmer, Bunbury          | 1 July 2018 – 30 June 2019                    |
| P. Cowie, Karnet            | Temp delegate during the year to 30 June 2019 |
| T. Ford, Karnet             | Temp delegate during the year to 30 June 2019 |
| P. Barratt, Pardelup        | 1 July 2018 – 30 June 2019                    |


**CPSU – SPSF GROUP - WESTERN AUSTRALIAN PRISON  
OFFICERS' UNION (WAPOU) BRANCH  
ABN 98 473 603 480**

**OPERATING REPORT (CONT'D)  
FOR THE YEAR ENDED 30 JUNE 2019**

|                        |  |
|------------------------|--|
| D. Dow, Bunbury        | 1 July 2018 – 30 June 2019                   |
| E. Reid, SOG           | 1 July 2018 – 30 June 2019                   |
| G. Kenna, Roebourne    | 1 July 2018 – 30 June 2019                   |
| A. Zouch, Work Camps   | 1 July 2018 – 30 June 2019                   |
| P. Shaw, Broome        | 1 July 2018 – 30 June 2019                   |
| B. Curtis, Wooroloo    | 1 July 2018 – 30 June 2019                   |
| I. Knott, Wandoo       | 1 July 2018 – 30 June 2019                   |
| R. Payne, Wandoo       | Temp delegate during the year to 30 May 2019 |
| G. Whittaker, WKRP     | 1 July 2018 – 30 June 2019                   |
| D. Heard, Melaleuca    | 1 July 2018 – 26 February 2019 (resigned)    |
| N. Whatcott, Melaleuca | Temp delegate during the year to 2 May 2019  |

Members have been in office for the period covering the report until the date of this report unless otherwise stated.

Signed in accordance with a resolution of the Committee of Members passed on the 13 August 2019.



**Paul Ledingham**  
Acting Secretary

Dated this 13<sup>th</sup> day of August 2019

**CPSU – SPSF GROUP - WESTERN AUSTRALIAN PRISON  
OFFICERS' UNION (WAPOU) BRANCH  
ABN 98 473 603 480**


**COMMITTEE OF MANAGEMENT STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2019**

On 13/08/2019 the Branch Committee of Management of CPSU – SPSF Group - Western Australian Prison Officers' Union (WAPOU) Branch ("the Branch") passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2019:

The Branch Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; 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.

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



**Paul Ledingham**

Acting Secretary

Dated: 13 August 2019



**Ken Brown**

President

Dated: 13 August 2019

**CPSU – SPSF GROUP - WESTERN AUSTRALIAN PRISON  
OFFICERS' UNION (WAPOU) BRANCH  
ABN 98 473 603 480**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2019**

|  | Note | 2019<br>\$             | 2018<br>\$             |
|--|------|------------------------|------------------------|
| <b>Revenue</b>   |      |                        |                        |
| Membership Subscription  |      | -                      | -                      |
| Capitation Fees and other revenue from another reporting unit  |      | -                      | -                      |
| Levies   |      | -                      | -                      |
| Interest Received  | 3A   | 1                      | 2                      |
| <b>Total Revenue</b>   |      | <u>1</u>               | <u>2</u>               |
| <b>Other Income</b>  |      |                        |                        |
| Grants and/or donations  |      | -                      | -                      |
| Transfers from Western Australian Prison Officers' Union of Workers  | 3B   | 40,772                 | 42,188                 |
| Revenue from recovery of wages activity  |      | -                      | -                      |
| <b>Total other income</b>  |      | <u>40,772</u>          | <u>42,188</u>          |
| <b>Total income</b>  |      | <u><b>40,773</b></u>   | <u><b>42,190</b></u>   |
| <b>Expenses</b>  |      |                        |                        |
| Employee Expenses  |      | -                      | -                      |
| Affiliation Fees   |      | -                      | -                      |
| Capitation Fees and other expenses to Community and Public Sector Union - State Public Services Federation Group | 4A   | (40,772)               | (42,188)               |
| Administration Expenses  |      | -                      | -                      |
| Grants or Donations  |      | -                      | -                      |
| Legal Costs  |      | -                      | -                      |
| Other Expenses   |      | -                      | -                      |
| <b>Total expenses</b>  |      | <u><b>(40,772)</b></u> | <u><b>(42,188)</b></u> |
| <b>Surplus for the year</b>  |      | <u><b>1</b></u>        | <u><b>2</b></u>        |
| Other Comprehensive Income   |      | -                      | -                      |
| <b>Total Comprehensive Income for the year</b>   |      | <u><b>1</b></u>        | <u><b>2</b></u>        |

The accompanying notes form part of these financial statements.

**CPSU – SPSF GROUP - WESTERN AUSTRALIAN PRISON**  
**OFFICERS' UNION (WAPOU) BRANCH**  
**ABN 98 473 603 480**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2019**

|                                      | Note | 2019<br>\$   | 2018<br>\$   |
|--------------------------------------|------|--------------|--------------|
| <b>ASSETS</b>                        |      |              |              |
| <b>CURRENT ASSETS</b>                |      |              |              |
| Cash and Cash Equivalents            | 5A   | 452          | 451          |
| Trade and Other Receivables          | 5B   | 3,862        | 3,669        |
| <b>TOTAL CURRENT ASSETS</b>          |      | <b>4,314</b> | <b>4,120</b> |
| <b>NON-CURRENT ASSETS</b>            |      |              |              |
| <b>TOTAL NON-CURRENT ASSETS</b>      |      | <b>-</b>     | <b>-</b>     |
| <b>TOTAL ASSETS</b>                  |      | <b>4,314</b> | <b>4,120</b> |
| <b>LIABILITIES</b>                   |      |              |              |
| <b>CURRENT LIABILITIES</b>           |      |              |              |
| Trade Payables                       | 6A   | 3,862        | 3,669        |
| Other Payables                       |      | -            | -            |
| Employee Provisions                  |      | -            | -            |
| <b>TOTAL CURRENT LIABILITIES</b>     |      | <b>3,862</b> | <b>3,669</b> |
| <b>NON-CURRENT LIABILITIES</b>       |      |              |              |
| Employee Provisions                  |      | -            | -            |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |      | <b>-</b>     | <b>-</b>     |
| <b>TOTAL LIABILITIES</b>             |      | <b>3,862</b> | <b>3,669</b> |
| <b>NET ASSETS</b>                    |      | <b>452</b>   | <b>451</b>   |
| <b>EQUITY</b>                        |      |              |              |
| Retained Earnings                    |      | 452          | 451          |
| <b>TOTAL EQUITY</b>                  |      | <b>452</b>   | <b>451</b>   |

The accompanying notes form part of these financial statements.

**CPSU – SPSF GROUP - WESTERN AUSTRALIAN PRISON  
OFFICERS' UNION (WAPOU) BRANCH  
ABN 98 473 603 480**

**STATEMENT OF CHANGES OF EQUITY  
FOR THE YEAR ENDED 30 JUNE 2019**

|                                | Retained<br>Earnings | Total      |
|--------------------------------|----------------------|------------|
|                                | \$                   | \$         |
| <b>Balance at 1 July 2017</b>  | <b>449</b>           | <b>449</b> |
| Surplus for the Year           | 2                    | 2          |
| <b>Balance at 30 June 2018</b> | <b>451</b>           | <b>451</b> |
| Surplus for the Year           | 1                    | 1          |
| <b>Balance at 30 June 2019</b> | <b>452</b>           | <b>452</b> |

The accompanying notes form part of these financial statements.

**CPSU – SPSF GROUP - WESTERN AUSTRALIAN PRISON  
OFFICERS' UNION (WAPOU) BRANCH  
ABN 98 473 603 480**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2019**

|   |    | 2019       | 2018       |
|---|----|------------|------------|
|   |    | \$         | \$         |
| <b>OPERATING ACTIVITIES</b>   |    |            |            |
| <b>Cash received</b>  |    |            |            |
| Receipts from Western Australian Prison Officers' Union of Workers                    | 7B | 40,772     | 42,188     |
| Interest  |    | 1          | 2          |
| <b>Cash used</b>  |    |            |            |
| Payment to Community and Public Sector Union - State Public Services Federation Group | 7B | (40,772)   | (42,188)   |
| Payment to suppliers  |    | -          | -          |
| <b>Net cash from Operating Activities</b>   | 7A | <u>1</u>   | <u>2</u>   |
| <b>INVESTING ACTIVITIES</b>   |    |            |            |
| Cash received   |    | -          | -          |
| Cash used   |    | -          | -          |
| <b>Net cash from/(used by) Investing Activities</b>                                   |    | <u>-</u>   | <u>-</u>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>   |    |            |            |
| <b>Net cash from/(used by) Financing Activities</b>                                   |    | <u>-</u>   | <u>-</u>   |
| <b>Net Increase in Cash held</b>  |    | 1          | 2          |
| Cash and Cash Equivalents at the Beginning of the Year                                |    | 451        | 449        |
| Cash and Cash Equivalents at the End of the Year                                      |    | <u>452</u> | <u>451</u> |

The accompanying notes form part of these financial statements



**CPSU – SPSF GROUP - WESTERN AUSTRALIAN PRISON  
OFFICERS' UNION (WAPOU) BRANCH  
ABN 98 473 603 480**

**Note 1 Summary of significant accounting policies**

**1.1 Basis of preparation of the financial statements**

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the CPSU – SPSF Group - Western Australian Prison Officers' Union (WAPOU) Branch is a not-for-profit entity.

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

**1.2 Comparative amounts**

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

**1.3 Significant accounting judgements and estimates**

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

**Key estimates**

*Impairment*

Nil

**Key judgments**

*Available-for-sale investments*

Nil

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

***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 CPSU – SPSF Group - Western Australian Prison Officers' Union (WAPOU) Branch include:

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**Note 1 Summary of significant accounting policies (cont'd)**

***Future Australian Accounting Standards Requirements (cont'd)***

**- AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 2019).**

AASB 16 was issued in January 2016 and it replaces AASB 117 *Leases*, AASB Interpretation 4 *Determining whether an Arrangement contains a Lease*, AASB Interpretation – 115 *Operating Leases-Incentives* and AASB Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

For Not for profit entities, AASB 16 will commence from financial years beginning on or after 1 January 2019. Either a full retrospective application or a modified retrospective application is required for AASB 16. The CPSU-SPSF Group – Western Australian Prison Officers' Union (WAPOU) Branch plans to adopt AASB 16 on the required effective date 1 July 2019 of using modified retrospective method only if the Committee of Management decide to lease assets.

The main changes introduced by the new Standard are as follows:

- recognition of a right-of-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-of-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;
- application of a practical expedient to permit a lease to elect not to separate non-lease components and instead account for all components as a lease; and
- inclusion of additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

**1.5 Revenue**

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

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

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

Donation income is recognised when it is received.

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

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

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

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**Note 1 Summary of significant accounting policies (cont'd)**

**1.6 Gains**

***Sale of assets***

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

**1.7 Capitation fees and levies**

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

**1.8 Employee benefits**

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

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

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

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

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

**1.9 Leases**

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

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

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

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

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**Note 1 Summary of significant accounting policies (cont'd)**

**1.9 Leases (cont'd)**

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

**1.10 Borrowing costs**

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

**1.11 Cash**

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

**1.12 Financial instruments**

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

**1.13 Financial assets**

**Initial recognition and measurement**

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Branch's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Branch initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Branch's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Branch commits to purchase or sell the asset.

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**Note 1 Summary of significant accounting policies (cont'd)**

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss

**Derecognition**

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Branch has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - a) the Branch has transferred substantially all the risks and rewards of the asset, or
  - b) the Branch has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Branch has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Branch continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

**Offsetting**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**Impairment**

**(i) Trade receivables**

For trade receivables that do not have a significant financing component, the [reporting unit] applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Branch does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Branch has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

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**Note 1 Summary of significant accounting policies (cont'd)**

**Impairment**

**(ii) Debt instruments other than trade receivables**

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Branch recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Branch expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Branch considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Branch may also consider a financial asset to be in default when internal or external information indicates that the Branch is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**1.14 Financial Liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, at amortised cost unless or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Branch's financial liabilities include trade and other payables.

**Subsequent measurement**

**Financial liabilities at amortised cost**

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

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**Note 1 Summary of significant accounting policies (cont'd)**

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

**1.15 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.

**1.16 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.

***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:

|                            | <b>Depreciation Rate</b> |
|----------------------------|--------------------------|
| Buildings and improvements | 2.5% - 25%               |
| Furniture and equipment    | 5% - 40%                 |
| Motor vehicles             | 25%                      |

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**Note 1 Summary of significant accounting policies (cont'd)**

***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.

**1.17 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.

**1.18 Impairment of 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 Branch were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

**1.19 Taxation**

The 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 statement of cash flows 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.



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**Note 1 Summary of significant accounting policies (cont'd)**

**1.20 Fair value measurement**

The 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. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 16A.

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

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

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

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**Note 1 Summary of significant accounting policies (cont'd)**

**1.21 Going concern**

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

The Branch has not agreed to provide financial support to another reporting unit to ensure they can continue as a going concern.

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**Note 2 Events after the reporting period**

There were no events that occurred after 30 June 2019, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch.

**Note 3 Income**

No income was received during the reporting period for Capitation Fees, Levies and Grants or Donations.

|                                   | 2019<br>\$ | 2018<br>\$ |
|-----------------------------------|------------|------------|
| <b>Note 3A: Interest received</b> |            |            |
| Deposits                          | 1          | 2          |

**Note 3B: Other revenue**

**Other revenue from another reporting unit:**

|   |        |        |
|---|--------|--------|
| Transfers from Western Australian Prison Officers' Union of Workers | 40,772 | 42,188 |
|---|--------|--------|

**Note 4 Expenses**

During the reporting year no expenses were incurred as consideration for employers making payroll deductions of membership subscriptions, compulsory levies imposed, legal costs or penalties imposed on the Branch under the RO Act with respect to its conduct.

**Note 4A: Capitation fees**

|   |               |               |
|---|---------------|---------------|
| Community and Public Section Union – State Public Services Federation Group | 40,772        | 42,188        |
| <b>Total capitation fees</b>  | <b>40,772</b> | <b>42,188</b> |

Capitation fees being payment to National Office for membership fees paid to CPSU – SPSFG

**Note 5: Current Assets**

The Branch has no fund or account operated in respect of compulsory levies or voluntary contributions, and therefore has no such monies invested in any assets. The Branch has no fund or account (other than the general fund) the operation of which is required by its rules or by the rules of the organisation, and therefore no transfers and/or withdrawal(s) from such an account.

**Note 5A: Cash and Cash Equivalents**

|  |            |            |
|--|------------|------------|
| Cash at bank                           | 452        | 451        |
| <b>Total cash and cash equivalents</b> | <b>452</b> | <b>451</b> |

**Note 5B: Trade and Other Receivables**

**Receivables from other reporting units**

|  |              |              |
|--|--------------|--------------|
| Western Australian Prison Officers' Union of Workers | 3,862        | 3,669        |
| Less allowance for expected credit losses            | -            | -            |
| <b>Total receivables from other reporting units</b>  | <b>3,862</b> | <b>3,669</b> |

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**Note 6: Current Liabilities**

The Branch has no payables to employers as consideration for the employer making payroll deductions for membership subscriptions, or in respect of legal costs and other expenses related to litigation or other legal matters.

|   | 2019         | 2018         |
|---|--------------|--------------|
|   | \$           | \$           |
| <b>Note 6A: Trade Payables</b>  |              |              |
| <b>Payables to other reporting units</b>                                    |              |              |
| Community and Public Section Union – State Public Services Federation Group | 3,862        | 3,669        |
| <b>Subtotal payables to other reporting units</b>                           | <b>3,862</b> | <b>3,669</b> |
| <b>Total trade payables</b>   | <b>3,862</b> | <b>3,669</b> |

Settlement is usually made within 30 days.

**Note 7: Cash Flow**

**Note 7A: Cash Flow Reconciliation**

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

**Cash and cash equivalents as per:**

|                     |          |          |
|---------------------|----------|----------|
| Cash flow statement | 452      | 451      |
| Balance sheet       | 452      | 451      |
| <b>Difference</b>   | <b>-</b> | <b>-</b> |

**Reconciliation of profit to net cash from operating activities:**

|  |          |          |
|--|----------|----------|
| Profit for the year                                | 1        | 2        |
| <i>Increase/decrease in working capital items:</i> |          |          |
| (Increase)/decrease in accounts receivable         | (193)    | (485)    |
| Increase/(decrease) in payables                    | 193      | 485      |
| <b>Net cash from operating activities</b>          | <b>1</b> | <b>2</b> |

**Note 7B: Cash flow information**

|   |                 |                 |
|---|-----------------|-----------------|
| <b>Cash inflows</b>   |                 |                 |
| Transfer from WAPOU to cover capitation fees payment                        | 40,772          | 42,188          |
| <b>Total cash inflows</b>   | <b>40,772</b>   | <b>42,188</b>   |
| <b>Cash outflows</b>  |                 |                 |
| Community and Public Section Union – State Public Services Federation Group | (40,772)        | (42,188)        |
| <b>Total cash outflows</b>  | <b>(40,772)</b> | <b>(42,188)</b> |

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|  | 2019 | 2018 |
|--|------|------|
|  | \$   | \$   |

**Note 8: Related Party Disclosures**

**Note 8A: Related Party Transactions for the Reporting Period**

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

**Revenue received from the following:**

|  |        |        |
|--|--------|--------|
| Western Australian Prison Officers' Union of Workers | 40,772 | 42,188 |
|--|--------|--------|

**Expenses paid to the following:**

|   |          |          |
|---|----------|----------|
| Community and Public Section Union – State Public Services Federation Group | (40,772) | (42,188) |
|---|----------|----------|

**Amounts owed by the following:**

|  |       |       |
|--|-------|-------|
| Western Australian Prison Officers' Union of Workers | 3,862 | 3,669 |
|--|-------|-------|

**Amounts owed to the following:**

|   |         |         |
|---|---------|---------|
| Community and Public Section Union – State Public Services Federation Group | (3,862) | (3,669) |
|---|---------|---------|

**Terms and conditions of transactions with related parties**

The sales and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables and payables. For the year ended 30 June 2019, the Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2018:\$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**Note 8B: Key Management Personnel Remuneration for the Reporting Period**

**Short-term employee benefits**

|                                       |   |   |
|---------------------------------------|---|---|
| Salary (including annual leave taken) | - | - |
| Annual leave accrued                  | - | - |
| Performance bonus                     | - | - |
| Committee honorariums                 | - | - |

|   |   |   |
|---|---|---|
| <b>Total short-term employee benefits</b> | - | - |
|---|---|---|

**Post-employment benefits:**

|                |   |   |
|----------------|---|---|
| Superannuation | - | - |
|----------------|---|---|

|                                       |   |   |
|---------------------------------------|---|---|
| <b>Total post-employment benefits</b> | - | - |
|---------------------------------------|---|---|

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**Note 8B: Key Management Personnel Remuneration for the Reporting Period (cont'd)**

|                                       | 2019 | 2018 |
|---------------------------------------|------|------|
|                                       | \$   | \$   |
| <b>Other long-term benefits:</b>      |      |      |
| Long-service leave                    | -    | -    |
| <b>Total other long-term benefits</b> | -    | -    |
| <b>Termination benefits</b>           | -    | -    |
| <b>Total</b>                          | -    | -    |

**Note 9: Remuneration of Auditors**

**Value of the services provided**

|                                       |   |   |
|---------------------------------------|---|---|
| Financial statement audit services    | - | - |
| Other services                        | - | - |
| <b>Total remuneration of auditors</b> | - | - |

Auditors' remuneration recognised & paid by Western Australian Prison Officers' Union of Workers.

**Note 10: Events after the reporting period**

There were no events that occurred after 30 June 2019, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch.

**Note 11: Financial Instruments**

The Union's financial instruments consist mainly of deposits with banks, accounts receivable and payables.

**Note 11A: Categories of Financial Instruments**

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

**Financial assets**

|                             |       |       |
|-----------------------------|-------|-------|
| Cash and cash equivalents   | 452   | 451   |
| Trade and other receivables | 3,862 | 3,669 |
| <b>Total</b>                | 4,314 | 4,120 |

**Financial liabilities**

|                |       |       |
|----------------|-------|-------|
| Trade payables | 3,862 | 3,669 |
| <b>Total</b>   | 3,862 | 3,669 |

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|             |             |
|-------------|-------------|
| <b>2019</b> | <b>2018</b> |
| \$          | \$          |

**Note 11B: Net Income and Expense from Financial Assets**

**Cash and cash equivalents**

|                  |          |          |
|------------------|----------|----------|
| Interest revenue | <b>1</b> | <b>2</b> |
|                  | <b>1</b> | <b>2</b> |

The net income/expense from financial assets not at fair value from profit and loss is \$1 (2018: \$2).

**Note 11C: Net income and expense from financial liabilities**

The Union had no net income and expense from financial liabilities during the period ended 30 June 2019.

**Note 11D: Credit Risk**

The Branch is exposed to credit risk on account of (a) default by individual members to pay their maximum membership contributions; and (b) default by tenants to pay for the rent charges.

The Branch's maximum exposure to credit risk is the carrying amount of trade and other receivable at reporting date. The Branch does not monitor the credit risks in relation to cash and cash equivalent, which are transacted through creditworthy financial institutions. The management believes that these institutions are being subject to strict prudential norms imposed by Legislation, Reserve Bank and other regulatory authorities.

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

**Financial assets**

|                             |              |       |
|-----------------------------|--------------|-------|
| Trade and other receivables | <b>3,862</b> | 3,669 |
| <b>Total</b>                | <b>3,862</b> | 3,669 |

**Financial liabilities**

|                          |              |       |
|--------------------------|--------------|-------|
| Trade and other payables | <b>3,862</b> | 3,669 |
| <b>Total</b>             | <b>3,862</b> | 3,669 |

In relation to the entity's gross credit risk no collateral is held (2018: nil).

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

|                             | Not Past Due<br>Nor Impaired<br>2019<br>\$ | Past due or<br>impaired<br>2019<br>\$ | Not Past Due<br>Nor Impaired<br>2018<br>\$ | Past due or<br>impaired<br>2018<br>\$ |
|-----------------------------|--|---------------------------------------|--|---------------------------------------|
| Trade and other receivables | <b>3,862</b>                               | -                                     | 3,669                                      | -                                     |
| <b>Total</b>                | <b>3,862</b>                               | -                                     | 3,669                                      | -                                     |

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**Ageing of financial assets that were past due but not impaired for 2019**

|                             | 0 to 30 days | 31 to 60 days | 61 to 90 days | 90+ days | Total        |
|-----------------------------|--------------|---------------|---------------|----------|--------------|
|                             | \$           | \$            | \$            | \$       | \$           |
| Trade and other receivables | 3,862        | -             | -             | -        | 3,862        |
| <b>Total</b>                | <b>3,862</b> | <b>-</b>      | <b>-</b>      | <b>-</b> | <b>3,862</b> |

**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 | 3,669        | -             | -             | -        | 3,669        |
| <b>Total</b>                | <b>3,669</b> | <b>-</b>      | <b>-</b>      | <b>-</b> | <b>3,669</b> |

**Note 11E: Liquidity Risk**

Liquidity risk is the risk that the Branch will encounter difficulties in meeting the contractual obligations of its financial liabilities (principally due to shortage of funds).

Liquidity risk is kept continually under review and managed to ensure that cleared funds are held to meet the obligations on the respective due dates.

Liquidity risk is managed through:

- (a) Monitoring short term forecasted in-flows and the committed cash outflows of financial liabilities;
- (b) Monitoring the unused withdrawal facilities with banks.

The tables below reflect an undiscounted contractual maturity analysis for non-derivative financial liabilities.

The Branch does not hold directly any derivative financial liabilities.

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 timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement date.

**Contractual maturities for financial liabilities 2019**

|                | On Demand    | < 1 year | 1– 2 years | 2– 5 years | >5 years | Total        |
|----------------|--------------|----------|------------|------------|----------|--------------|
|                | \$           | \$       | \$         | \$         | \$       | \$           |
| Trade payables | 3,862        | -        | -          | -          | -        | 3,862        |
| <b>Total</b>   | <b>3,862</b> | <b>-</b> | <b>-</b>   | <b>-</b>   | <b>-</b> | <b>3,862</b> |

**Contractual maturities for financial liabilities 2018**

|                |              |          |          |          |          |              |
|----------------|--------------|----------|----------|----------|----------|--------------|
| Trade payables | 3,669        | -        | -        | -        | -        | 3,669        |
| <b>Total</b>   | <b>3,669</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>3,669</b> |



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**Note 11F: Market Risk**

**(a) Interest rate risk**

Interest rate risk is the risk that the fair values and cash-flows of Branch's financial instruments will be affected by changes in the market interest rates.

The management of the Union believes that the risk of interest rate movement would not have material impact on Branch's operations.

**(b) Other price risk**

Other 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 (other than those arising from interest rate risk or currency risk) of securities held.

**Sensitivity analysis**

The following table illustrates sensitivities to the Branch's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

|                                | Risk Variable | Change in risk variable % | Effect on |        |
|--------------------------------|---------------|---------------------------|-----------|--------|
|                                |               |                           | Profit    | Equity |
| <b>Year ended 30 June 2019</b> |               |                           | \$        | \$     |
| Interest rate risk             | -             | +/-1%                     | -         | -      |

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

|                                | Risk variable | Change in risk variable % | Effect on |        |
|--------------------------------|---------------|---------------------------|-----------|--------|
|                                |               |                           | Profit    | Equity |
| <b>Year ended 30 June 2018</b> |               |                           | \$        | \$     |
| Interest rate risk             | -             | +/-1%                     | -         | -      |

No sensitivity analysis has been performed on foreign exchange risk as the Branch has no material exposures to currency risk.

There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

**Note 12: Fair Value Measurement**

**Note 12A: Financial Assets and Liabilities**

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

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**Note 12A: Financial Assets and Liabilities (cont'd)**

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

- Fair values of the reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The own performance risk as at 30 June 2019 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 Branch based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 30 June 2019 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

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

|                              | Carrying<br>amount<br>2019<br>\$ | Fair<br>value<br>2019<br>\$ | Carrying<br>amount<br>2018<br>\$ | Fair<br>value<br>2018<br>\$ |
|------------------------------|----------------------------------|-----------------------------|----------------------------------|-----------------------------|
| <b>Financial Assets</b>      |                                  |                             |                                  |                             |
| Cash and cash equivalent     | 452                              | 452                         | 451                              | 451                         |
| Trade and other receivables  | 3,862                            | 3,862                       | 3,669                            | 3,669                       |
| <b>Total</b>                 | <b>4,314</b>                     | <b>4,314</b>                | <b>4,120</b>                     | <b>4,120</b>                |
| <b>Financial Liabilities</b> |                                  |                             |                                  |                             |
| Trade payables               | 3,862                            | 3,862                       | 3,669                            | 3,669                       |
| <b>Total</b>                 | <b>3,862</b>                     | <b>3,862</b>                | <b>3,669</b>                     | <b>3,669</b>                |

**Note 12B: Description of Significant Unobservable Inputs**

There were no significant unobservable inputs for Level 3 assets and liabilities at fair value (i.e investment property, financial assets/liabilities) noted during the reporting period.

**Note 13: Administration of financial affairs by a third party**

The Branch did not engage a third party to administer their financial affairs during the year ended 30 June 2019.

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**Note 14: 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 Commissioner:

- (1) A member of a reporting unit, or the Commissioner, 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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**OFFICER DECLARATION STATEMENT**

I, Paul Ledingham, being the Acting Secretary of the CPSU-SPSF Group – Western Australian Prison Officers' Union (WAPOU) Branch, declare that the following activities did not occur during the reporting period ended 30 June 2019.

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive periodic or membership subscriptions
- receive capitation fees from another reporting unit
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay affiliation fees to other entity
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay a donation that exceeded \$1,000
- pay wages and salaries to holders of office
- pay superannuation to holders of office
- pay leave and other entitlements to holders of office
- pay separation and redundancy to holders of office
- pay other employee expenses to holders of office
- pay wages and salaries to employees (other than holders of office)
- pay superannuation to employees (other than holders of office)
- pay leave and other entitlements to employees (other than holders of office)
- pay separation and redundancy to employees (other than holders of office)
- pay other employee expenses to employees (other than holders of office)

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**OFFICER DECLARATION STATEMENT (cont'd)**

- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- incur expenses due to holding a meeting as required under the rules of the organisation
- pay legal costs relating to litigation
- pay legal costs relating to other legal matters
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have an annual leave provision in respect of holders of office
- have a long service leave provision in respect of holders of office
- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office
- have a annual leave provision in respect of employees (other than holders of office)
- have a long service leave provision in respect of employees (other than holders of office)
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have other employee provisions in respect of employees (other than holders of office)
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have a balance within the general fund
- make a payment to a former related party of the reporting unit



**Paul Ledingham**  
Acting Secretary

Dated this 13<sup>th</sup> day of August 2019