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Independent Auditor's Report To the Members of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia – Communications Division

Opinion

We have audited the accompanying financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia – Communications Division (the "Trade Union"), which comprises the statement of financial position as at 31 March 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the statement by the National Committee of Management.

In our opinion, the accompanying financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia – Communications Division presents fairly, in all material respects, the Trade Union's financial position as at 31 March 2018 and its financial performance and cash flows for the year then ended in accordance with:

- i. the Australian Accounting Standards and the relevant legislation;
- ii. any other requirement imposed by these reporting guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009 (the RO Act)*.
- iii. As part of the audit of the financial statements, we have concluded that managements used of the going concern basis of accounting in the preparation of the financial statements of the Trade Union is appropriate

We declare that the Committee of Management's use of the going concern basis in the preparation of the financial statements of the Trade Union is appropriate.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Trade Union in accordance with

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the auditor independence requirements of 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information other than the Financial Report and Auditor's Report

The Committee of Management are responsible for the other information. The other information comprises the information included in the Operating Report accompanying the financial report for the year ended 31 March 2018, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibility of the Committee of Management for the financial report

The Committee of Management of the Trade Union is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Fair Work Act 2009 (Registered Organisations)*. This responsibility includes such internal controls as the Committee of Management determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management is responsible for assessing the Trade Union'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 Trade Union or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit

evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trade Union'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 Trade Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trade Union 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 Trade Union to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Trade Union audit. We remain solely responsible for our audit opinion.

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

We declare that Madeleine Mattera is an approved auditor, a member of Chartered Accountants Australia and New Zealand and holds a current Public Practice Certificate.

Report on the recovery of wages activity

The Committee of Management Statement reflects that the Branch has not undertaken any recovery of wages activity during the reporting period ended 31 December 2017. As such no opinion is provided in relation to recovery of wages activities.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

Madeleine Mattera

Madeleine Mattera
Partner - Audit & Assurance
Registration number (as registered by the RO Commissioner under the RO Act): AA2017/107

Sydney, 14 July 2018