

Electrical Trades Union of Australia - Victorian Branch (Formerly Electrical Trades Union of Australia - Southern States Branch)

Consolidated Financial Statements

For the Year Ended 31 December 2010

Electrical Trades Union of Australia - Victorian Branch

For the Year Ended 31 December 2010

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Electrical Trades Union of Australia - Victorian Branch

Operating Report

For the Year Ended 31 December 2010

Your committee presents its report on the union and its controlled entities for the financial year ended 31 December 2010

1. General information

a Members

In accordance with section 254 of the Fair Work (Registered Organisations) Act 2009 we advise that the names of those who have been members of the Branch Executive at any time during, or since the end of the year are:

Names	Appointment / Resignation Date
Dean Mighell	
John Doran	
Gary Carruthers	resigned on 24 March 2011
Graeme Watson	
Paul Swann	
Mark Farrell	

All other members of the Branch Executive held office for the full year to the date of this report unless otherwise stated.

b Union Secretary

The following person held the position of state secretary of the Electrical Trades Union of Australia - Victorian Branch at the end of the financial year:

Dean Mighell

c Principal Activities of the Victorian Branch

The principal activities of the economic entity during the financial year were:

- Implementation of the decisions of the Branch Executive and Branch Council;
- Implementation of the union's organising agenda, including direct assistance and strategic advice on particular industry or site organising projects, the training and development of officials and assistance to branches on planning and resourcing campaigns;
- Industrial support including representation of individual member grievances, advice on legal and legislative matters, pursuing relevant changes to the conditions of eligibility rules of the union, and responding to other union's rules applications where they impact on membership of the ETU;
- The administration of federal awards, the variation of awards following major test cases (such as living wage) and making applications to vary federal awards on behalf of branches;
- Management of information technology and strategic membership systems designs to support organising;

Electrical Trades Union of Australia - Victorian Branch

Operating Report

For the Year Ended 31 December 2010

1. General information continued

c Principal Activities of the Victorian Branch continued

- Media and communications to members and to the broader community via media releases in support of campaigns, video and film development, and targeted publications, including the magazine ETU News; and
- National bargaining in key industries and assistance to branches on bargaining by request.

The branch has also been involved in lobbying and negotiations with different levels of Government and key industry organisations around issues of importance to ETU members, e.g. shorter hours, apprentices, safety and licences.

d Right of Members to Resign

All members of the union have the right to resign from the union in accordance with the rules of the union and section 174 of the Fair Work (Registered Organisation) Act 2009; namely by providing written notice addressed and delivered to the secretary of the relevant branch, including via email.

e Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme s254(2)(d)

No officers of the branch held the position of Trustee or director of a trustee company of a superannuation entity or exempt public sector superannuation scheme.

2. Business review

a Operating result

The consolidated surplus of the union for the financial year amounted to \$ 3,881,624 (2009: \$ 491,450).

b Review of operations

A review of the operations of the economic entity during the financial year and the results of those operations found:

- There were 17,872 total members of the union at 31 December 2010 (2008: 17,426); and
- As at 31 December 2010 the Electrical Trades Union of Australia - Victorian Branch employed 41 full time employees and 1 part time employee.

3. Other items

a Significant Changes in State of Affairs

The following significant changes in the state of affairs of the entity occurred during the financial year:

The ETU has resolved to set aside \$1,000,000 for the purpose of establishing an ETU Training Centre.

On 27 July 2010, ETU Swanston Trust entered into a contract for the sale of the property located at 516-520 Swanston Street, Carlton Victoria. The agreed sale price was \$3,900,000.

Electrical Trades Union of Australia - Victorian Branch

Operating Report

For the Year Ended 31 December 2010

3. Other items continued

a Significant Changes in State of Affairs continued

On 27 July 2010, ETU Comrades Trust entered into a contract for the sale of the property located at 514 Swanston Street, Carlton Victoria. The agreed sale price was \$1,100,000.

As at the reporting date, settlement of the properties had not occurred. The proposed settlement date in relation to the properties is 27 April 2011.

b After balance day events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the economic entity, the results of those operations or the state of affairs of the economic entity in future financial years.

c Auditors Independence Declaration

The lead auditors' independence declaration for the year ended 31 December 2010 has been received and can be found on page 6.

d Rounding of amounts

Amounts in the financial statements and operating report have been rounded to the nearest dollar.

4. Sign off details

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

Branch Secretary:

Dean Mighell

Dated this 24th day of June 2011

Electrical Trades Union of Australia - Victorian Branch

Statement by Committee of Management

For the Year Ended 31 December 2010

On the 23/06/2011 the Executive Committee of the Electrical Trades Union Of Australia – Victorian Branch, passed the following resolution in relation to the general purpose financial report for the year ended 31 December, 2010.

The Electrical Trades Union of Australia - Victorian Branch declares in relation to the GPFR that in its opinion:

- (a) The financial report and notes comply with the Australian Accounting Standards;
- (b) The financial report and notes comply with the reporting guidelines of the General Manager of Fair Work Australia for the purposes of section 270 of the Fair Work (Registered Organisations) Act 2009;
- (c) The financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the Electrical Trades Union of Australia – Victorian Branch for the financial year ended 31 December, 2010
- (d) There are reasonable grounds to believe that the Electrical Trades Union of Australia – Victorian Branch will be able to pay its debts as and when they become due and payable; and
- (e) During the financial year ended 31 December, 2010 and since the end of the financial year:
 - i) Meetings of the Branch Executive were held in accordance with the rules of the Electrical Trades Union of Australia – Victorian Branch;
 - ii) The financial affairs of the Electrical Trades Union of Australia – Victorian Branch have been managed in accordance with the rules of the Electrical Trades Union of Australia – Victorian Branch;
 - iii) The financial records of the Electrical Trades Union of Australia – Victorian Branch have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009;
 - iv) The financial records of the Electrical Trades Union of Australia – Victorian Branch have been kept, as far as practicable, in a consistent manner to each of the other branches of the national organisation;
 - v) No information has been sought in any request of a member of the Electrical Trades Union of Australia or the General Manager of Fair Work Australia under section 272 of the Fair Work (Registered Organisations) Act 2009; and
 - vi) No orders have been made by the General Manager of Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009.

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

Branch Secretary:

Dean Mighell

Dated this 20th day of June 2011

Electrical Trades Union of Australia - Victorian Branch

Certificate of Secretary

For the Year Ended 31 December 2010

I, Dean Mighell, being the Branch Secretary of the Electrical Trades Union of Australia - Victorian Branch certify:

- (a) That the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009;
- (b) The full report was provided to members on 27/5/2011; and
a meeting of the
- (c) The full report was presented to *committee of management* of the reporting unit on 23/6/2011 in accordance with Section 266 of the Fair Work (Registered Organisations) Act 2009.

Branch Secretary:



Dean Mighell

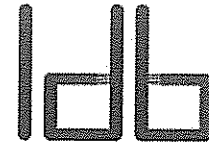
Dated this 24th day of June 2011

LDB Audit Services Pty Ltd
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AUDIT SERVICES

Electrical Trades Union of Australia - Victorian Branch

Independent Audit Report to the members of Electrical Trades Union of Australia - Victorian Branch

Report on the Financial Report

We have audited the accompanying financial report of Electrical Trades Union of Australia - Victorian Branch (the union) and Electrical Trades Union of Australia - Victorian Branch and Controlled Entities (the consolidated entity), which comprises the consolidated balance sheet as at 31 December 2010, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement by committee of management of the consolidated entity comprising the Electrical Trades Union of Australia - Victorian Branch and the entities it controlled at the year's end or from time to time during the financial year.

The Responsibility of the Committee for the Financial Report

The committee of the union are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisation) Act 2009. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In Note 1, the committee also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the union's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

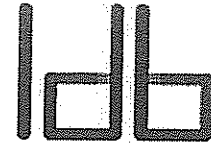
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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AUDIT SERVICES

Electrical Trades Union of Australia - Victorian Branch

Independent Audit Report to the members of Electrical Trades Union of Australia - Victorian Branch

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements and the Fair Work (Registered Organisation) Act 2009. We confirm that the independence declaration required by the Fair Work (Registered Organisation) Act 2009, provided to the committee of Electrical Trades Union of Australia - Victorian Branch, would be in the same terms if provided to the committee as at the date of this auditor's report.

Auditor's Opinion

In our opinion,

- (a) the financial report presents fairly, in all material respects, the financial position of Electrical Trades Union of Australia - Victorian Branch and its subsidiaries as at 31 December 2010, and their financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards, any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of Fair Work (Registered Organisation) Act 2009 and other mandatory professional reporting requirements; and
- (b) the consolidated financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1.

LDB Audit Services Pty Ltd
1-3 Albert Street
BLACKBURN VIC 3130


CRAIG LUTWYCHE
DIRECTOR

Dated this 27 day of June 2011

Electrical Trades Union of Australia - Victorian Branch

Consolidated Income Statement

For the Year Ended 31 December 2010

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
Revenue	2	9,802,289	9,852,193	9,802,079	9,852,193
Other income	2	5,478,640	2,422,946	5,114,685	1,677,428
Changes in inventories of finished goods and work in progress		(881,986)	(840,774)	(881,986)	(840,774)
Employee costs		(4,823,354)	(5,037,558)	(4,823,354)	(5,037,558)
Depreciation, amortisation and impairments		(873,880)	(927,656)	(640,072)	(910,581)
Other expenses		(4,820,085)	(4,977,701)	(8,670,852)	(10,676,106)
Surplus/(deficit) attributable to members		3,881,624	491,450	(99,500)	(5,935,398)

Electrical Trades Union of Australia - Victorian Branch

Consolidated Statement of Comprehensive Income

For the Year Ended 31 December 2010

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Net surplus/(deficit) for the year	3,881,624	491,450	(99,500)	(5,935,398)
Other comprehensive income:				
Net gain on revaluation of land and buildings	2,398,263	514,200	-	294,300
Trust corpus received	(96,720)	375,680	-	-
Distribution of trust corpus	(87,800)	(261,923)	-	-
Other comprehensive income for the year	2,213,743	627,957	-	294,300
Total comprehensive income for the year	6,095,367	1,119,407	(99,500)	(5,641,098)

Electrical Trades Union of Australia - Victorian Branch

Consolidated Balance Sheet

As At 31 December 2010

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5	8,049,566	13,823,297	2,456,990	3,558,718
Trade and other receivables	6	750,882	1,228,098	1,158,705	2,450,796
Inventories	7	268,457	288,845	268,457	288,845
Other financial assets	9	6,018,085	-	1,000,000	-
Other current assets	8	59,780	89,441	57,489	88,171
Non-current assets held for sale	11	5,000,000	-	-	-
TOTAL CURRENT ASSETS		20,146,770	15,429,681	4,941,641	6,386,530
NON-CURRENT ASSETS					
Trade and other receivables	6	485,056	492,781	488,071	494,960
Other financial assets	9	12,084,900	7,898,358	5,794,543	4,249,704
Property, plant and equipment	12	16,449,653	19,564,603	3,953,072	4,232,478
TOTAL NON-CURRENT ASSETS		29,019,609	27,955,742	10,235,686	8,977,142
TOTAL ASSETS		49,166,379	43,385,423	15,177,327	15,363,672
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	13	797,339	1,167,108	1,052,517	1,216,220
Short-term Employee entitlements	14	1,626,656	1,590,538	1,626,656	1,590,538
Other Current Liabilities	15	2,314,809	2,303,417	2,314,809	2,281,917
TOTAL CURRENT LIABILITIES		4,738,804	5,061,063	4,993,982	5,088,675
NON-CURRENT LIABILITIES					
Long-term Employee entitlements	14	85,140	77,292	85,140	77,292
TOTAL NON-CURRENT LIABILITIES		85,140	77,292	85,140	77,292
TOTAL LIABILITIES		4,823,944	5,138,355	5,079,122	5,165,967
NET ASSETS		44,342,435	38,247,068	10,098,205	10,197,705
EQUITY					
Reserves		10,282,013	7,883,750	-	-
Accumulated Surplus		34,060,422	30,363,318	10,098,205	10,197,705
TOTAL EQUITY		44,342,435	38,247,068	10,098,205	10,197,705

Electrical Trades Union of Australia - Victorian Branch

Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2010

2010	Parent		
	Accumulated Surplus	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 January 2010	10,197,705	-	10,197,705
Surplus/(deficit) attributable to members	(99,500)	-	(99,500)
Sub-total	(99,500)	-	(99,500)
Balance at 31 December 2010	10,098,205	-	10,098,205

2009	Parent		
	Accumulated Surplus	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 January 2009	16,133,103	7,243,848	23,376,951
Surplus/(deficit) attributable to members	(5,935,398)	-	(5,935,398)
Revaluation increment (decrement)	-	294,300	294,300
Transfer from asset revaluation reserve realised increment on property transfer to the ETU trusts	-	(7,538,148)	(7,538,148)
Sub-total	(5,935,398)	(7,243,848)	(13,179,246)
Balance at 31 December 2009	10,197,705	-	10,197,705

2010	Consolidated		
	Accumulated Surplus	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 January 2010	30,363,318	7,883,750	38,247,068
Surplus/(deficit) attributable to members	3,881,624	-	3,881,624
Revaluation increment (decrement)	-	2,398,263	2,398,263
Trust Corpus received	(96,720)	-	(96,720)
Distribution of Trust Corpus	(87,800)	-	(87,800)
Sub-total	3,697,104	2,398,263	6,095,367
Balance at 31 December 2010	34,060,422	10,282,013	44,342,435

2009	Consolidated		
	Accumulated Surplus	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 January 2009	29,758,111	7,369,550	37,127,661
Surplus/(deficit) attributable to members	491,450	-	491,450
Revaluation increment (decrement)	-	514,200	514,200
Trust Corpus received	375,680	-	375,680
Distribution of Trust Corpus	(261,923)	-	(261,923)
Sub-total	605,207	514,200	1,119,407
Balance at 31 December 2009	30,363,318	7,883,750	38,247,068

Electrical Trades Union of Australia - Victorian Branch

Consolidated Statement of Cash Flows

For the Year Ended 31 December 2010

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		12,080,007	11,609,311	11,581,711	11,391,766
Payments to suppliers and employees		(12,119,727)	(10,674,983)	(11,464,820)	(10,485,815)
Interest received		1,235,282	1,081,041	519,375	445,342
Net cash provided by (used in) operating activities	16	1,195,562	2,015,369	636,266	1,351,293
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of plant and equipment		262,110	82,020	34,839	82,020
Non-current bank bills matured within 12 Months		-	500,000	-	500,000
Proceeds from sale of other investment		3,250,000	-	-	-
Purchase of property, plant and equipment		(380,260)	(620,202)	(380,260)	(620,202)
Purchase of other investments		(9,950,358)	(3,547,405)	(2,561,735)	(2,029,320)
Loans to related parties - payments made		(63,065)	(59,918)	-	(1,276,058)
Loans to related parties - proceeds from repayments		-	-	1,169,162	-
Net cash provided by (used in) investing activities		(6,881,573)	(3,645,505)	(1,737,994)	(3,343,560)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from receipts of trust corpus		80	375,682	-	-
Proceeds of loan from the related parties		-	1,618	-	1,618
Beneficiary payments		(87,800)	(261,923)	-	-
Repayment of loan from the related parties		-	-	-	(227,972)
Net cash provided by (used in) financing activities		(87,720)	115,377	-	(226,354)
Net increase (decrease) in cash held		(5,773,731)	(1,514,759)	(1,101,728)	(2,218,621)
Cash and cash equivalents at beginning of financial year		13,823,297	15,338,056	3,558,718	5,777,339
Cash and cash equivalents at end of financial year	5	8,049,566	13,823,297	2,456,990	3,558,718

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

1 Accounting policies

(a) General information

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, other mandatory professional requirements and the Fair Work (Registered Organisation) Act 2009, except for AASB124.

The financial report covers the economic entity of Electrical Trades Union of Australia - Victorian Branch and controlled entities, and Electrical Trades Union of Australia - Victorian Branch as an individual parent entity. Electrical Trades Union of Australia - Victorian Branch is a registered trade union domiciled in Australia.

The financial report of Electrical Trades Union of Australia - Victorian Branch and controlled entities, and Electrical Trades Union of Australia - Victorian Branch as an individual parent entity comply with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(b) Basis of Preparation

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

(c) Comparatives

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

(d) Principles of Consolidation

i Controlled entities

A list of controlled entities is contained in Note 10 to the financial statements. All controlled entities have a June financial year-end.

ii Inter-entity balances

All inter-entity balances and transactions between entities in the economic entity, including any unrealised surpluses or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

1 Accounting policies continued

(d) Principles of Consolidation continued

iii Principles of Consolidation

A controlled entity is an entity that Electrical Trades Union of Australia - Victorian Branch has the power to control the financial and operating policies of an entity so as to obtain benefits from its activities.

(e) Revenue

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

All dividends received shall be recognised as revenue when the right to receive the dividend has been established.

Investment property revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

Revenue recognition relating to the provision of services is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

(f) Income Tax

No provision for Income Tax is required as the union is exempt from Income Tax under section 50-15 of the *Income Tax Assessment Act 1997*.

(g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities in the consolidated balance sheet.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

1 Accounting policies continued

(i) Non-current assets held for sale

i Classification of non-current assets as held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered through a sale rather than through continuing use. The asset or disposal group must be available for immediate sale in its present condition and its sale must be highly probable. 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.

ii Measurement of non-current assets held for sale

Non-current assets and disposal groups are measured at the lower of its carrying amount and fair value, less costs to sell.

Non-current assets are not subject to depreciation or amortisation while classified as held for sale or while part of a disposal group classified as held for sale.

(j) Property, Plant and Equipment

i General Information

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

ii Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. It is the policy of the economic entity to have an independent valuation every three years, with annual appraisals being made by the committee of management.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

iii Plant and Equipment - measurement

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

1 Accounting policies continued

(j) Property, Plant and Equipment continued

iv Increases in carrying amount

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the consolidated income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the consolidated income statement and depreciation based on the assets original cost is transferred from the revaluation reserve to accumulated surplus.

v Depreciation

The depreciable amount of buildings is depreciated on a straight-line basis over their useful lives to the economic entity commencing from the time the building is held ready for use. All other fixed assets excluding freehold land, are depreciated on a diminishing value basis over their useful lives to the economic entity commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to depreciation.

vi Depreciation rates

The depreciation rates used for each class of depreciable assets are:

Buildings	2.5%
Furniture, Fixtures and Fittings	11.25%
Motor Vehicles	18.75%
Office Equipment	10 - 15%
Computer Equipment	37.5%

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each consolidated balance sheet date.

(k) Investment Property

Investment property, comprising of freehold office complexes, is held to generate long-term rental yields. All tenant leases are on an arm's length basis. Investment property is carried at fair value, determined with an independent valuation every three years and annual appraisals being made by the committee of management. Changes to fair value are recorded in the consolidated income statement as other income.

(l) Leases

Income is derived from rental operations which represents the letting of excess office space in the union's buildings to outside parties. These parties include other unions, allied organisations and commercial entities.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

1 Accounting policies continued

(m) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the equivalent to the date that the economic entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Classification and subsequent measurement

Financial instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (a) the amount at which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- (d) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The Economic Entity does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

1 Accounting policies continued

(m) Financial Instruments continued

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the economic entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other investments are classified as current assets.)

If during the period the economic entity sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other financial assets are classified as current assets)

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

1 Accounting policies continued

(m) Financial Instruments continued

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the consolidated income statement in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have fixed maturities, and it is the economic entity's intention to hold these investments to maturity. Any held-to-maturity investments held by the economic entity are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At the end of each reporting period, the economic entity assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the consolidated income statement.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

1 Accounting policies continued

(m) Financial Instruments continued

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

(n) Impairment of Assets

i Impairment determination

At each reporting date, the economic entity assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information including, dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the consolidated income statement.

ii Recoverable amount not possible to estimate

Where it is not possible to estimate the recoverable amount of an individual asset, the economic entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(o) Employee benefits

Provision is made for the union's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

(p) Provisions

Provisions are recognised when the economic entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

1 Accounting policies continued

(q) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the consolidated balance sheet are shown inclusive of GST.

Cash flows are presented in the consolidated statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(r) Adoption of New and Revised Accounting Standards

During the current year the economic entity adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these standards and interpretations has had on the financial statements of Electrical Trades Union of Australia - Victorian Branch.

AASB 101: Presentation of Financial Statements

In September 2007 the Australian Accounting Standards Board revised AASB 101 and as a result, there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the economic entity's financial statements.

Disclosure impact

Terminology changes - The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

Reporting changes in equity - The revised AASB 101 requires all changes in equity arising from transactions with owners in their capacity as owners to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the consolidated statement of changes in equity, with non-owner changes in equity presented in the consolidated statement of comprehensive income. The previous version of AASB 101 required that owner changes in equity and other comprehensive income be presented in the consolidated statement of changes in equity.

Statement of comprehensive income - The revised AASB 101 requires all income and expenses to be presented in either one statement, the consolidated statement of comprehensive income, or two statements, a separate income statement and a consolidated statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The Economic Entity's financial statements now contain a consolidated statement of comprehensive income.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

1 Accounting policies continued

(r) Adoption of New and Revised Accounting Standards continued

AASB 101: Presentation of Financial Statements continued

Other comprehensive income - The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expenses that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the consolidated statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

(s) New Accounting Standards for Application in Future Periods

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods. The economic entity has decided against early adoption of these standards. A discussion of those future requirements and their impact on the economic entity follows:

- AASB 9: Financial instruments and AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12] (applicable for annual reporting periods commencing on or after 1 January 2013).

These standards are applicable retrospectively and amend the classification and measurement of financial assets. The Economic Entity has not yet determined the potential impact on the financial statements.

The changes made to accounting requirements include:

- ◆ simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- ◆ simplifying the requirements for embedded derivatives;
- ◆ removing the tainting rules associated with held-to-maturity assets;
- ◆ removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- ◆ allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument; and

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

1 Accounting policies continued

(s) New Accounting Standards for Application in Future Periods continued

- ◆ reclassifying financial assets where there is a change in an entity's business model as they are initially classified based on:

(a) the objective of the entity's business model for managing the financial assets; and

(b) the characteristics of the contractual cash flows.

- AASB 124: Related Party Disclosures (applicable for annual reporting periods commencing on or after 1 January 2011)

This standard removes the requirement for government related entities to disclose details of all transactions with the government and other government related entities and clarifies the definition of a related party to remove inconsistencies and simplify the structure of the standard. No changes are expected to materially affect the economic entity.

The Economic Entity does not anticipate early adoption of any of the above accounting standards.

2 Revenue

(a) Revenue from Continuing Operations

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
Sales revenue					
- Sale of goods		42,627	46,794	42,417	46,794
		42,627	46,794	42,417	46,794
Other revenue					
- Member subscriptions		7,087,609	6,381,853	7,087,609	6,381,853
- Management fees		2,627,525	3,392,096	2,627,525	3,392,096
- Other Income	2(b)	5,478,640	2,422,946	5,114,685	1,677,428
- Other revenue		44,528	31,450	44,528	31,450
		15,238,302	12,228,345	14,874,347	11,482,827
Total Revenue		15,280,929	12,275,139	14,916,764	11,529,621

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

2 Revenue continued

(b) Other Income breakup

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
Other Income					
- Rental income		489,462	712,041	-	685,181
- Directors fees *		297,998	110,417	297,998	110,417
- Government grants		47,773	123,191	47,773	123,191
- Sale of 370 Degrees		3,250,000	-	-	-
- Trust distributions		-	-	4,165,775	97,123
- Interest	2(c)	1,312,736	1,336,640	526,913	628,550
- Recoveries		32,965	325	32,965	325
- Sundry income		47,706	140,332	43,262	32,641
Total Other Income		5,478,640	2,422,946	5,114,686	1,677,428

* In addition to the directors fees reported at Note 2(b), in 2009 year the consolidated entity received an additional \$234,545 in directors fees from Protect. These fees form part of the accumulated surplus of the consolidated group available for the benefit of the members. No office bearer received directly or indirectly any fees paid as a result of their appointment as a director representing the Electrical Trades Union of Australia Victorian Branch during the years 2009 and 2010.

(c) Interest Revenue

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Interest revenue from:				
- bank	1,312,736	1,336,640	526,913	628,550
Total interest revenue on financial assets	1,312,736	1,336,640	526,913	628,550

3 Auditors' Remuneration

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Remuneration of the auditor of the parent entity for:				
- Auditing or reviewing the financial report	33,380	31,768	33,380	31,768
- Other services	5,800	3,724	5,800	3,724
Remuneration of other auditors of subsidiaries for:				
- Auditing or reviewing the financial report of other entities	8,000	-	-	-
Total	47,180	35,492	39,180	35,492

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

4 Other Expenses

(a) Bad & Doubtful debts

A doubtful debts provision is raised by the Electrical Trades Union - Victorian Branch for bad and doubtful debts incurred as a result of unpaid membership fees and other unpaid transactions previously recorded as income. Movements in this provision are recognised through the income statement.

(b) Legal Expenses

Legal expenses of \$488,020 (2009: \$197,643) are incurred by the union both in pursuing industrial action and in other activities associated with the operations of the union.

(c) Political Funding and Other Donations

Consistent with the aims of the organisation the union from time to time provides funding and donations to political candidates and other like-minded organisations.

5 Cash and cash equivalents

Detailed table

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Cash on hand	5,453	5,803	5,400	5,750
Cash at bank	242,806	99,531	198,294	70,242
Short-term bank deposits	7,801,307	13,217,963	2,253,296	2,982,726
Other cash and cash equivalents	-	500,000	-	500,000
	8,049,566	13,823,297	2,456,990	3,558,718

Effective Interest Rate

The effective interest rate on short-term bank deposits was 4.8% (2009: 4.7%); these deposits have an average maturity of 90 days.

Reconciliation of cash

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:				
Cash and cash equivalents	8,049,566	13,823,297	2,456,990	3,558,718
	8,049,566	13,823,297	2,456,990	3,558,718

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

6 Trade and other receivables

Current receivables

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
CURRENT				
Trade receivables	387,578	863,218	379,432	863,218
Provision for impairment of receivables	(163,305)	(89,837)	(163,305)	(89,837)
	224,273	773,381	216,127	773,381
Other receivables - Other	88,508	57,440	87,508	57,440
Interest receivables	186,036	215,183	63,170	38,685
Amounts receivable from:				
- wholly-owned subsidiaries	-	-	539,835	1,399,196
- associates	50,000	100,000	50,000	100,000
- other related parties	202,065	82,094	202,065	82,094
	750,882	1,228,098	1,158,705	2,450,796

Non current receivables

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
NON-CURRENT				
Related entity - unpaid trust distributions	484,883	492,608	484,883	492,608
Amounts receivable from:				
- wholly-owned subsidiaries	-	-	3,188	2,352
- holding companies	173	173	-	-
	485,056	492,781	488,071	494,960

7 Inventories

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
CURRENT				
Merchandise	268,457	288,845	268,457	288,845
	268,457	288,845	268,457	288,845

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

8 Other Assets

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
CURRENT				
Prepayments	59,780	89,441	57,489	88,171
	<u>59,780</u>	<u>89,441</u>	<u>57,489</u>	<u>88,171</u>

9 Financial Assets

(a) Summary table

	Note	Consolidated		Parent	
		2010	2009	2010	2009
		\$	\$	\$	\$
CURRENT					
Held-to-maturity financial assets	9(b)	6,018,085	-	1,000,000	-
Total Current Assets		<u>6,018,085</u>	<u>-</u>	<u>1,000,000</u>	<u>-</u>
NON-CURRENT					
Held-to-maturity financial assets	9(b)	10,516,652	6,526,035	5,520,482	4,023,868
Available for sale financial assets	9(c)	1,568,248	1,372,323	274,061	225,836
Total Non Current Assets		<u>12,084,900</u>	<u>7,898,358</u>	<u>5,794,543</u>	<u>4,249,704</u>

(b) Held-to-maturity investments comprise:

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Other financial asset - current	6,018,085	-	1,000,000	-
Government and fixed interest securities - non current	1,482,470	1,484,083	-	-
Bonds - non current	2,513,700	1,018,085	-	-
Other financial asset - non current	6,520,482	4,023,868	5,520,482	4,023,868
	<u>16,534,737</u>	<u>6,526,036</u>	<u>6,520,482</u>	<u>4,023,868</u>

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

9 Financial Assets continued

(c) Available-for-sale financial assets comprise:

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Listed investments, at fair value				
shares in listed corporations	1,342,425	1,146,500	48,225	-
	1,342,425	1,146,500	48,225	-
Unlisted investments, at cost				
shares in controlled entities	-	-	13	13
shares in other related parties	72	72	72	72
units in unit trusts	225,750	225,750	225,750	225,750
	225,822	225,822	225,835	225,835
Unlisted investment, at recoverable amount				
shares in other corporations at cost	374,250	374,250	374,250	374,250
Less: impairment provision	(374,249)	(374,249)	(374,249)	(374,249)
	1	1	1	1
Total available-for-sale financial assets	1,568,248	1,372,323	274,061	225,836

(d) Investments in other entities

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Unlisted				
Sparkie Pty Ltd	2	2	2	2
IPP Pty Ltd	1	1	1	1
Elecnet Trust	5	5	5	5
IPP Property Trust	225,750	225,750	225,750	225,750
SAFS Unit Trust	65	65	65	65
	225,823	225,823	225,823	225,823

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

10 Controlled Entities

	Country of incorporation	Percentage Owned 2010	Percentage Owned 2009
Parent Entity:			
Electrical Trades Union - Victorian Branch	Australia		
Controlled Entities:			
ETU - Victorian Branch Trust	Australia	100	100
ETU - (Victorian Branch) Distress, Mortality & Training Fund	Australia	100	100
ETU (Distress, Mortality & Training) Pty Ltd	Australia	100	100
ETU Arden Trust	Australia	100	100
ETU Swanston Trust	Australia	100	100
ETU Morwell Trust	Australia	100	100
ETU Comrades Trust	Australia	100	100
ETU (Southern States) Pty Ltd	Australia	100	100
ETU (National) Pty Ltd	Australia	100	100
Comrades Social Club Pty Ltd	Australia	100	100
ETU Pty Ltd	Australia	100	100

11 Non-current Assets Held For Sale

	2010	2009
	\$	\$
Property, plant and equipment (Net) ***	5,000,000	-
Total	5,000,000	-

*** On 27 July 2010, ETU Swanston Trust entered into a contract for the sale of the property located at 516-520 Swanston Street, Carlton Victoria. The agreed sale price was \$3,900,000.

On 27 July 2010, ETU Comrades Trust entered into a contract for the sale of the property located at 514 Swanston Street, Carlton Victoria. The agreed sale price was \$1,100,000.

The committee determined to revalue the above properties at fair market value, based on the anticipated sales price.

The settlement of the properties occurred on 27 April 2011. Deposits received prior to the settlement are recognised as income in advance in the Balance Sheet, and the properties are classified as Non-Current Assets Held for Sale as at balance date of 31 December 2010.

The ETU has resolved to set aside \$1,000,000 for the purpose of establishing an ETU Training Centre.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

12 Property Plant and Equipment

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
BUILDING				
At independent valuation	12,732,750	15,343,875	-	-
Accumulated depreciation	(238,669)	(14,250)	-	-
Total buildings	12,494,081	15,329,625	-	-
PLANT AND EQUIPMENT				
Furniture, fixture and fittings				
At cost	4,559,021	4,374,905	4,559,021	4,374,905
Accumulated depreciation	(1,394,276)	(990,652)	(1,394,276)	(990,652)
Total furniture, fixture and fittings	3,164,745	3,384,253	3,164,745	3,384,253
Motor vehicles				
At cost	818,470	797,444	818,470	797,444
Accumulated depreciation	(239,725)	(225,721)	(239,725)	(225,721)
Total motor vehicles	578,745	571,723	578,745	571,723
Office equipment				
At cost	406,471	407,149	406,471	407,149
Accumulated depreciation	(236,212)	(196,807)	(236,212)	(196,807)
Total office equipment	170,259	210,342	170,259	210,342
Computer equipment				
At cost	338,903	358,185	338,903	358,185
Accumulated depreciation	(299,580)	(292,025)	(299,580)	(292,025)
Total computer equipment	39,323	66,160	39,323	66,160
Other property, plant and equipment				
At cost	2,500	2,500	-	-
Total other property, plant and equipment	2,500	2,500	-	-
Total plant and equipment	3,955,572	4,234,978	3,953,072	4,232,478
Total property, plant and equipment	16,449,653	19,564,603	3,953,072	4,232,478

In the current financial year property held by the economic entity was primarily owner occupied for the full year.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements
For the Year Ended 31 December 2010

12 Property Plant and Equipment continued

Movements in Carrying Amounts

Movement in the carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year:

Parent

	Buildings	Furniture, Fixtures and Fittings	Motor Vehicles	Office Equipment	Computer Equipment	Other Property, Plant and Equipment	Total
	\$	\$	\$	\$	\$	\$	\$
Balance at 31 December 2010							
Balance at the beginning of year	-	3,384,253	571,723	210,342	66,160	-	4,232,478
Additions	-	184,116	377,870	1,226	11,916	-	575,128
Disposals	-	-	(206,080)	(2,030)	(6,352)	-	(214,462)
Depreciation expense	-	(403,624)	(164,768)	(39,279)	(32,401)	-	(640,072)
Carrying amount at the end of 31 December 2010	-	3,164,745	578,745	170,259	39,323	-	3,953,072
Balance at 31 December 2009							
Balance at the beginning of year	13,115,350	3,474,772	600,283	220,736	107,413	-	17,518,554
Additions	-	327,423	334,435	33,836	15,953	-	711,647
Disposals	(13,180,000)	(501)	(196,660)	(508)	(3,773)	-	(13,381,442)
Depreciation expense	(229,650)	(417,441)	(166,335)	(43,722)	(53,433)	-	(910,581)
Revaluation increase recognised in equity	294,300	-	-	-	-	-	294,300
Carrying amount at the end of 31 December 2009	-	3,384,253	571,723	210,342	66,160	-	4,232,478

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements
For the Year Ended 31 December 2010

12 Property Plant and Equipment continued Movements in Carrying Amounts continued Consolidated

	Buildings	Furniture, Fixtures and Fittings	Motor Vehicles	Office Equipment	Computer Equipment	Other Property, Plant and Equipment	Total
	\$	\$	\$	\$	\$	\$	\$
Balance at 31 December 2010							
Balance at the beginning of year	15,329,625	3,384,253	571,723	210,342	66,160	2,500	19,564,603
Additions	-	184,117	377,870	1,226	11,916	-	575,129
Disposals	-	-	(206,080)	(2,030)	(6,352)	-	(214,462)
Transfers to held for sale	(5,000,000)	-	-	-	-	-	(5,000,000)
Depreciation expense	(233,807)	(403,625)	(164,768)	(39,279)	(32,401)	-	(873,880)
Revaluation increase recognised in equity	2,398,263	-	-	-	-	-	2,398,263
Carrying amount at the end of 31 December 2010	12,494,081	3,164,745	578,745	170,259	39,323	2,500	16,449,653
Balance at 31 December 2009							
Balance at the beginning of year	14,373,275	3,474,772	600,283	220,736	107,413	2,500	18,778,979
Additions	688,875	327,423	334,435	33,836	15,953	-	1,400,522
Disposals	-	(501)	(196,660)	(508)	(3,773)	-	(201,442)
Depreciation expense	(246,725)	(417,441)	(166,335)	(43,722)	(53,433)	-	(927,656)
Revaluation increase recognised in equity	514,200	-	-	-	-	-	514,200
Carrying amount at the end of 31 December 2009	15,329,625	3,384,253	571,723	210,342	66,160	2,500	19,564,603

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

13 Trade and other payables

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
CURRENT				
Trade payables	244,231	350,811	240,870	349,430
Amounts received in advance	227,273	-	-	-
GST Payables	234,010	47,103	217,897	100,071
Other payables	91,301	78,701	91,301	76,226
Stamp Duty Payables	-	688,875	-	688,875
Amount payable to:				
- other related trusts	-	-	501,925	-
- associates	524	1,618	524	1,618
	797,339	1,167,108	1,052,517	1,216,220

14 Employee Entitlements

(a) Analysis of Total Employee Entitlements

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Current	1,626,656	1,590,538	1,626,656	1,590,538
Non-current	85,140	77,292	85,140	77,292
	1,711,796	1,667,830	1,711,796	1,667,830

(b) Movement in carrying amounts - detailed table

Consolidated

	Employee entitlements	Total
	\$	\$
Opening balance at 1 January 2010	1,667,830	1,667,830
Additional Employee entitlements	43,966	43,966
Balance at 31 December 2010	1,711,796	1,711,796

Parent

	Employee entitlements	Total
	\$	\$
Opening balance at 1 January 2010	1,667,830	1,667,830
Additional Employee entitlements	43,966	43,966
Balance at 31 December 2010	1,711,796	1,711,796

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

15 Other Liabilities

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Members Contributions in Advance	1,430,504	1,379,768	1,430,504	1,379,768
Accrued Expenses	884,305	902,149	884,305	902,149
Income received in advance	-	21,500	-	-
Total	2,314,809	2,303,417	2,314,809	2,281,917

16 Cash Flow Information

Reconciliation of Cash Flow from Operations with Profit

	Consolidated		Parent	
	2010	2009	2010	2009
	\$	\$	\$	\$
Net income/(loss) for the period	3,881,624	491,450	(99,500)	(5,935,398)
Cash flows excluded from profit attributable to operating activities				
IFRS adjustments on non-current financial instruments	(254,267)	452,121	16,897	(186,380)
Non-cash flows in profit				
- Depreciation	873,880	927,656	640,072	910,581
- Net (gain)/loss on disposal of property, plant and equipment	(15,244)	27,975	(15,244)	5,669,827
- Net (gain)/loss on disposal of investments	(3,250,000)	-	-	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries				
- (Increase)/decrease in trade and term receivables	599,492	(248,092)	375,512	(169,372)
- (Increase)/decrease in inventories	20,388	29,031	20,388	29,031
- (Increase)/decrease in other assets	31,092	12,087	30,682	12,088
- Increase/(decrease) in trade payables and accruals	(735,369)	203,604	(376,507)	901,379
- Increase/(decrease) in provisions	43,966	119,537	43,966	119,537
	1,195,562	2,015,369	636,266	1,351,293

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

17 Reserves

Asset Revaluation Reserve

The asset revaluation reserve records revaluations of non-current assets.

18 Key Management Personnel Compensation

(a) Compensation Practices

The committee's policy for determining the nature and amount of compensation for key management for the economic entity is as follows:

The compensation structure for key management personnel is governed by registered rules of the Electrical Division of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia. This information is publicly available from other sources.

(b) Key Management Personnel

Names and positions held of key management personnel in office at any time during the financial year are:

Key Management Person	Position
Dean Mighell	State Secretary
Howard Worthing	Assistant State Secretary
Troy Gray	Assistant State Secretary
Gary Carruthers	Vice President, President from 24 March 2011
John Doran	President till 24 March 2011
Paul Swann	Treasurer
Mark Farrell	Branch Executive
Graeme Watson	Branch Executive

19 Other Disclosures

Fair Work (Registered Organisations) Act 2009

Section 272

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 the General Manager of Fair Work Australia:

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, 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.

Electrical Trades Union of Australia - Victorian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2010

19 Other Disclosures continued

Fair Work (Registered Organisations) Act 2009 continued

Section 272 continued

- (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).

20 Union Details

The registered office of the union is:

Electrical Trades Union of Australia - Victorian Branch
200 Arden Street
NORTH MELBOURNE, VIC 3051