

21 December 2017

Mr Chris Enright
Delegate of the Commissioner
Registered Organisations Commission
GPO Box 2983, MELBOURNE VIC 3000

By email: chris.enright@roc.gov.au

Dear Mr Enright

CEPU Operating Reports for periods ending 31 March 2010-31 March 2016 – Reporting of Membership Numbers

I refer to the above and enclose by way of lodging:

- Declaration correcting the membership figures reported in the operating report for the reporting periods ending 31 March 2010-31 March 2016.

As you are aware, in response to the Fair Work Commission (FWC) questioning the validity of the reporting of CEPU membership figures,¹ the CEPU instigated an independent audit of the membership figures reported in our annual returns and annual committee of management operating reports for the years ended 31 December 2013-2015 and 31 March 2013-2015 respectively. On 11 November 2016, the CEPU provided the FWC with the report of the independent audit, which included a table showing the variance between the reported membership figures and the audited number of total members for those reporting periods. Based on the results on the first audit, on 23 March 2017 the CEPU lodged amended operating reports for the years ended 31 March 2013-31 March 2015.

On 16 March 2017 the FWC wrote to the CEPU expressing dissatisfaction with the timeframe of the first audit only covering three years of reporting periods from 2013 to 2015. On 13 April 2017 the CEPU responded to the concerns expressed by the FWC and advised we would be conducting a second audit adopting the terms of reference suggested by the FWC in that correspondence of 16 March (Annexure E), excluding redoing the audit for 31 December 2013 to 31 December 2015. We further advised the FWC that each Division would be engaging their own auditor to conduct the second round of audits.

As a consequence of the second round of independent audits, on 11 December 2017, the CEPU National Council, at its annual meeting, authorised the submission of a declaration to the Registered Organisations Commission (ROC), which now has responsibility for this matter, to correct the figures reported in the operating reports for total members as at 31 March 2010-31 March 2016.

Yours faithfully



Allen Hicks
National Secretary



NATIONAL OFFICE

Greg Rayner
National President

Allen Hicks
National Secretary

Suite 408, Level 4
30-40 Harcourt Parade
PO Box 380
Rosebery NSW 2018

Ph: (02) 9663 3699
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Email:
admin@etuaustralia.org.au

¹ In correspondence from FWC dated 27 April 2016

Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing
and Allied Services Union of Australia

Fair Work (Registered Organisations) Act 2009

DECLARATION - CORRECTING REPORT TO CEPU OPERATING REPORTS

lodged pursuant to s.268

I, Allen Hicks, of Suite 408, Level 4, 30-40 Harcourt Parade, Rosebery, in the state of New South Wales, declare:

1. I am the National Secretary of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, an organisation registered under the *Fair Work (Registered Organisations) Act 2009* (the Act).
2. Pursuant to s.268 of the Act, for the periods ended 31 March 2010; 31 March 2011; 31 March 2012; 31 March 2013; 31 March 2014; 31 March 2015 and 31 March 2016, the full financial reports, including the operating reports, of the CEPU National Council were lodged with the Fair Work Commission (FWC) in FR2010/2506, FR2011/2505, FR2012/205, FR2013/110, FR2014/53, FR2015/55 and FR2016/66 respectively.
3. An independent audit process into the membership figures reported in the committee of management operating reports for the reporting periods 31 March 2010 to 31 March 2016, found the following variances with the figures reported in the operating reports:

YE 31 March	2010	2011	2012	2013	2014	2015	2016
Reported	121,365	115,000	110,000	115,218	114,394	109,169	108,524
Audited figures	110,378	110,833	112,321	114,890	114,467	114,037	108,380
Variance	10,987	4,167	2,321	328	73	4,868	144

4. On 11 December 2017, in response to the findings of the second audit process, the National Council at its annual meeting authorised the National Secretary to amend the committee of management operating reports for the years ended 31 March 2010 to 31 March 2016 to reflect the membership figures resulting from the audit process.

These amendments have been published on the CEPU website for the information of members.

Signed:



Name: Mr Allen Hicks

Date: 21 December 2017

23 March 2017

Via email: orgs@fwc.gov.au

Mr Chris Enright
Director – Regulatory Compliance Branch
Fair Work Commission
GPO Box 1994, Melbourne, VIC 3001



CEPU Operating Reports for periods ending 31 March 2013, 2014, 2015 and 2016 – Reporting of Membership Numbers

I refer to the above and enclose by way of lodging:

- Declaration correcting the membership figures reported in the operating report for the reporting periods ending 31 March 2013, 2014, 2015 and 2016.

As you are aware, in response to the Fair Work Commission (FWC) querying the reporting of CEPU membership figures, the CEPU instigated an independent audit of the membership figures reported in our annual returns and annual committee of management operating reports. This audit was conducted by Stannards Accounting and overseen by retired Fair Work Commissioner, Mr Greg Harrison.

On 11 November 2016, the CEPU provided the FWC with the report of the independent audit, which included a table showing the variance between the reported membership figures and the audited number of total members to the FWC.

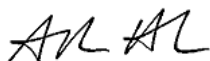
As a consequence of the independent audit, on 20 March 2017, the CEPU National Council, in a decision by correspondence, authorised the submission of a declaration to the FWC to correct the figures reported in the operating reports for total members as at 31 March 2013, 31 March 2014 and 31 March 2015.

In addition, the National Council authorised a correction to the figure reported in the 2016 operating report with respect to the 2015 reporting period.

The reason for the discrepancy in the reported 2016 figures was advised to the FWC in correspondence dated 16 November 2016, which was a response to the inquiry of the FWC dated that day.

I apologise for the delay in lodging a correcting report with the Commission.

Yours faithfully



Allen Hicks
National Secretary

NATIONAL OFFICE

Greg Rayner
National President

Allen Hicks
National Secretary

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DECLARATION - CORRECTING REPORT TO CEPU OPERATING REPORT

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I, Allen Hicks, of Suite 408, Level 4, 30-40 Harcourt Parade, Rosebery, in the state of New South Wales, declare:

1. I am the National Secretary of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, an organisation registered under the *Fair Work (Registered Organisations) Act 2009* (the Act).
2. Pursuant to s.268 of the Act, for the periods ended 31 March 2013; 31 March 2014; 31 March 2015 and 31 March 2016, the full financial reports, including the operating reports, of the CEPU National Council were lodged with the Fair Work Commission (FWC) in FR2013/110, FR2014/53, FR2015/55 and FR2016/66 respectively.
3. An independent audit report into the membership figures reported in the committee of management operating reports for the reporting periods 31 March 2013; 31 March 2014 and 31 March 2015, conducted by Stannards Accounting (the Stannards audit) in 2016, was lodged with the FWC on 11 November 2016. The Stannards audit found the following variances with the figures reported in the operating reports:

YE 31 March	2013	2014	2015
Reported	110,000	98,383	113,387
Auditted	115,218	114,394	109,169
Variance	5,218	16,011	(4,218)

4. On 13 March 2017, in response to the findings of the Stannards audit, a decision by correspondence with a return date of the 20 March 2017, was submitted to the National Council to authorise the National Secretary to amend the committee of management operating reports for the years ended 31 March 2013, 31 March 2014 and 31 March 2015 to reflect the membership figures resulting from the Stannards audit.
5. The report of the Stannards audit of the membership figures included an audited membership figure of 109,169 for the operating report as at 31 March 2015. However, the operating report for the period ended 31 March 2016, which was lodged with the FWC on 29 September 2016, stated that the membership figure for the reporting period ending 31 March 2015 was 107,344. Unfortunately, that figure of 107,344 was incorrect. The figure should have been 109,169. To correct this, the National Council in the decision by correspondence referred to above, approved a correction to the operating report for the period ended 31 March 2016 as follows:

"Number of Members

The number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for s.230 of the Act and who are taken to be members of the Union under s.244 of the Act is: 108,524 (2015: ~~107,344~~ 109,169). The 2015 financial statements recorded membership at 113,387 and after a subsequent review and independent audit this number was changed to ~~107,344~~ 109,169.

This has been published on the CEPU website for the information of members.

Signed: 

Name: Mr Allen Hicks
Date: 23 March 2017



FairWork
Commission

22 April 2014

Mr Allen Hicks
National Secretary
Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied
Services Union of Australia
Suite 701, Level 7
5-13 Rosebery Avenue
ROSEBERY NSW 2018

Dear Mr Hicks,

**Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied
Services Union of Australia Financial Report for the year ended 31 March 2013
[FR2013/110]**

I acknowledge receipt of the financial reports of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australian (the reporting unit). The documents were lodged with Fair Work Commission (FWC) on 18 October 2013. I also acknowledge supplementary information that you provide on 24 April 2014 relating to the reported total equity figure and information in relation to membership subscription and trade receivables.

The financial report has now been filed.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged. The FWC will confirm these concerns have been addressed prior to filing next year's report.

Timescale requirements

As you are aware, a reporting unit is required under the *Fair Work (Registered Organisations) Act 2009* (RO Act) to undertake certain steps in accordance with specified timelines. Information about these timeline requirements can be found on FWC website. In particular, I draw your attention to Financial reporting process and timelines which explain the timeline requirements, and Diagrammatic summary of financial reporting timelines which sets out the timeline requirements in diagrammatical form.

I note that the following timescale requirements were not met. Future failure to meet these timelines may result in an inquiry into the organisation and the General Manager of the FWC may apply under s.310(1) of the RO Act to the Federal Court of Australia for a pecuniary penalty order to be imposed on your organisation and, potentially, an officer whose conduct led to the non-compliance.

Preparation of the General Purpose Financial Report (GPFR)

Section 253 and 254 of the RO Act require that a GPFR and an operating report be prepared as soon as practicable after the end of the financial year. Section 266 requires that the financial report be presented to a general meeting of members or a committee of management meeting within six months after the end of the financial year. In the absence of an extension of time for holding a general meeting [see section 265(5)] the latest possible date of lodgement with the FWC is six months and 14 days after the end of the financial year.

The committee of management statement indicates that a resolution relating to the GPFR and operating report for the financial years ending the 31 March 2013 was not made until 18 October 2013, 6 months and 18 days after the reporting unit end of the financial year and 3 days after the latest possible date of lodgement with the FWC. These circumstances demonstrates a breach of s.253(1) and s.254(1) of the RO Act

Reports must be provided to Members within 5 months of end of financial year where report is presented before committee of management meeting

The designated officer's certificate of the reporting unit states that the financial report was provided to members on 31 October 2013, and presented to a committee of management meeting on 6 November 2013. Under section 265(5)(b) of the RO Act, where the report is presented to a Committee of Management meeting, the report must be provided to members within 5 months of the end of the financial year.

If these dates are correct, the reporting unit should have applied for an extension of time for the provision of the financial report to members in accordance with section 265(5) of the RO Act.

Please note that in future financial years a written request for an extension of time signed by a relevant officer, including any reason for the delay, must be made prior to required date of lodgement.

Reports must be presented to a General Meeting of members within 6 months after the end of the Financial Year

As stated previously, the financial report for the reporting unit for the financial years ending 31 March 2013 was presented to a Committee of Management meeting on 6 November 2013. Under section 266(3) of the RO Act, the report must be presented to a Committee of Management meeting within 6 months after the end of the financial year.

As mentioned above, the reporting unit should have applied for an extension of time and in future financial years will need to make a written request for an extension of time signed by a relevant officer, including any reason for the delay before the required date of lodgement.

Operating Report

Review of Principal Activities

Subsection 254(2)(a) of the RO Act requires an operating report to contain a review of the principal activities of the reporting unit, the results of those activities and any significant changes in the nature of the those activities. I note that the operating report provides a review of the principal activities, but does not state whether there were any significant changes in the nature of these activities.

These requirements are in addition to subsection 254(2)(b) of the RO Act which requires an Operating Report to give details of any significant changes in the reporting unit's financial affairs during the year.

General Purpose Financial Report

Member subscription

As confirmed by your correspondence dated 24 April 2014, the revenue item 'member subscription' relates to two amounts, levy on branches and the ACTU affiliation fee. The term 'member subscription' is not an appropriate description of the revenue received and should be changed to reflect the actual situation. These amounts should be separately disclosed in the statement of comprehensive income or the notes.

Reporting Guideline 10(b) requires that where contributions from another reporting unit are received, the amount and the name of each reporting unit are to be disclosed in either the statement of comprehensive income or the notes.

Disclosure of audit fees

Australian Accounting Standard *AASB 1054 Australian Additional Disclosures* paragraph 10 requires the financial statements to separately disclose amounts paid to the auditor for audit fees and for non-audit services. I note that this information has been provided in the additional financial data that is the Profit and Loss Account on page 17 however has this information was

not covered under the statutory audit FWC is unable to accept this information and it cannot be used in the assessment of the financial report.

Please note that in future years all relevant and required financial disclosures must be included in the General Purpose Financial Report which has been subject to the full statutory audit and included in the Auditors opinion.

Liabilities

Reporting Guideline 13 requires either the balance sheet or the notes to the balance sheet to disclose any receivables from and/or liabilities owed to other reporting unit(s), including the name of the other reporting unit(s). This information has not been provided in relation to trade receivables and trade and other payables. In future years please ensure that the name of the relevant branch(s) and amount in relation to any such receivables and liabilities are disclosed.

Cash Flow Statement

Reporting Guideline 15 states that *'where another reporting unit of the organisation is the source of cash inflow or the application of a cash outflow, such cash flow should be separately disclosed in the notes to the financial statements and show the name of the other reporting unit concerned'*.

This is in addition to the requirement to disclose capitation fees received from branches (Reporting Guideline 10(b)). In future years please ensure that cash flows to and from any branches, are disclosed in the notes to the cash flow statement.

Changes to the reporting guidelines

A third edition to the General Manager's s.253 reporting guidelines was gazetted on 26 June 2013. These guidelines will apply to all financial reports that end on or after 30 June 2013. FWC has also developed a model set of financial statements for the 2012-2013 financial year. There is no requirement to use this model set of financial statements but it may be a useful resource to ensure compliance with the RO Act, the s.253 reporting guidelines and the Australian Accounting Standards.

The guidelines and model financial statements are available on the website here:

<http://www.fwc.gov.au/index.cfm?pagename=regorgsfrguidelines#finance>

If you have any queries regarding this letter, please contact me on (03) 8661 7886 or via email at joanne.fenwick@fwc.gov.au.

Yours sincerely



Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch

Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services of Australia - National Council

ABN 78 117 032 302

Financial Statements

For the Year Ended 31 March 2013

**Communications Electrical Electronic Energy Information Postal Plumbing and Allied
Services of Australia - National Council**

ABN 78 117 032 302

Contents

31 March 2013

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Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services of Australia - National Council

ABN 78 117 032 302

Operating Report

31 March 2013

This Operating Report covers the activities of the Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services Union of Australia – National Council for the financial year ended 31 March 2013, the results of those activities and any significant changes in the nature of those activities during the year.

1. Principle Activities of the Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services Union of Australia –National Council

- I Implementation of the decisions of the National Executive and National Council.
- II Implementation of the union's organising agenda, including direct assistance and strategic advice on particular sector or site organising projects, the training and development of officials and assistance to Divisions and branches on planning and resourcing campaigns.
- III Industrial support including representation of industry grievances, advice on legal and legislative matters, pursuing relevant changes to the conditions of eligibility rules of the union, and responding to other unions' rules applications where they impact on membership of the CEPU.
- IV The administration of federal industrial relations system, industrial returns, advising peak Councils on major test cases (such as living wage) and making submissions to Government and industry on behalf of the CEPU.
- V National media and communications to members via Divisions and to the broader community via media releases in support of campaigns, video and film development, and targeted publications.
- VI National bargaining in key multi Divisional national industries, and assistance to Divisions on legal and industrial relations matters by request.

The national office has consulted with the ACTU on the development of claims on behalf of all Australian workers and their families. Where appropriate, the national office has assisted branches in the implementation of relevant decisions via the variation of awards.

The national office has also been involved in lobbying and negotiations with different levels of Government and key industry organisations around issues of importance to CEPU members.

2. The National Council's Financial Affairs

There have been no significant changes in the national office financial affairs. A small service fee is paid for each financial member.

3. Right of Members to Resign

All members of the Union have the right to resign from the Union in accordance with Divisional Rules of the Union (and Section 174 of the Fair Work (Registered Organisations) Act 2009); namely, by providing written notice addressed and delivered to the Secretary of the relevant Divisional Branch, including via email.

4. Superannuation Trustees

Peter Tighe is an officer of the National Office and is a Trustee and Member of the Board of Directors of CBUS, a multi Divisional Superannuation Fund.

**Communications Electrical Electronic Energy Information Postal Plumbing and Allied
Services of Australia - National Council**

ABN 78 117 032 302

Operating Report

31 March 2013

5. Membership of the Union

There were 110,000 members of the union as at 31 March 2013.

**6. Employees of the Communications Electrical Electronic Energy Information Postal Plumbing and
Allied Services Union of Australia – National Council**

As at 31 March 2013 the National Council employed no full time employees and no part-time employees.

7. National Executive

The following persons were members of the National Executive during the year ending 31 March 2013.

Peter Tighe – National Secretary
Daniel Dwyer – National President
Earl Setches – Assistant National Secretary
Leonard Cooper – National Vice President
Peter Simpson – Electrical Division Queensland
Nicole Wells - Electrical Division Tasmania
Bernie Riordan - Electrical Division NSW
Steve McCarney – Plumbing Division NSW
Tony Murphy - Plumbing Division VIC
Brad O'Carroll - Plumbing Division QLD
Jim Metcher – Communications Division NSW
Graham Lorrain - Communications Division SA
Joan Doyle - Communications Division – Affirmative Action
Geoff Taylor – Communications Division Queensland
Alex Jansen - Communications Division NSW
Sue Riley - Communications Division – Affirmative Action



ALLEN HICKS
NATIONAL SECRETARY

Date: 21 OCTOBER 2013

Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services of Australia - National Council

ABN 78 117 032 302

Committee's Declaration

On 18 day of OCTOBER 2013 the committee of Management of Communication Electrical Electronic Energy Information Postal Plumbing and Allied Services Union of Australia – National Council passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 March 2013.

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Register;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the CEPU - National Council for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the CEPU - National Council will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of the financial 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 CEPU- National Council have been managed in accordance with the rules of the organization including the rules of branch concerned; and
 - (iii) the financial records of the CEPU- National Council have been kept and maintained in accordance with Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) the financial records of the CEPU- National Council have been as far as practicable, in consistent manner to each of the other branches of the organization; and
 - (v) no information has been sought in any request of a member of the CEPU- National Council or a Registrar duly made under section 272 of the Fair Work (Registered Organisations) Act 2009; and
 - (vi) no order have been made by the General Manager of Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009.

For the National Executive



Allen Hicks
National Secretary

Date: 21 OCTOBER 2013

**Communications Electrical Electronic Energy Information Postal Plumbing and Allied
Services of Australia - National Council**

ABN 78 117 032 302

**Auditor's Independence Declaration under Section 307C of the
Corporations Act 2001 to the Members of Communications Electrical
Electronic Energy Information Postal Plumbing and Allied Services of
Australia - National Council**

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2013, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Pinker Arnold & McLoughlin Chartered Accountants



Richard Pinker

Date: 30th October 2013

Hurstville NSW 2220

**Communications Electrical Electronic Energy Information Postal Plumbing and Allied
Services of Australia - National Council**

ABN 78 117 032 302

Statement of Comprehensive Income

For the Year Ended 31 March 2013

		2013	2012
	Note	\$	\$
Revenue	7	353,176	297,784
Other income	7	-	25,400
Affiliation fees		(231,123)	(280,814)
Grants & donations		-	(1,000)
Meetings & conferences		(471)	(328)
Other expenses		(5,757)	(6,002)
Profit before income tax		115,825	35,040
Income tax expense		-	-
Profit from continuing operations		115,825	35,040
Profit for the year		115,825	35,040
Other comprehensive income:			
Total comprehensive income for the year		115,825	35,040

The accompanying notes form part of these financial statements.

**Communications Electrical Electronic Energy Information Postal Plumbing and Allied
Services of Australia - National Council**

ABN 78 117 032 302

Statement of Financial Position

As At 31 March 2013

	Note	2013 \$	2012 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	167,497	64,307
Trade and other receivables	3	156,279	134,355
TOTAL CURRENT ASSETS		323,776	198,662
NON-CURRENT ASSETS			
TOTAL ASSETS		323,776	198,662
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	4	4,400	4,000
Current tax liabilities	5	12,701	2,080
TOTAL CURRENT LIABILITIES		17,101	6,080
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		17,101	6,080
NET ASSETS		306,675	192,582
EQUITY			
Accumulated surplus at the end of the financial year		306,675	192,582
TOTAL EQUITY		306,675	192,582

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 31 March 2013

2013

	Note	Accumulated Surplus \$	Total \$
Balance at 1 April 2012		192,582	192,582
Surplus attributable to members of the Union		115,825	115,825
Balance at 31 March 2013		306,675	306,675

2012

	Note	Accumulated Surplus \$	Total \$
Balance at 1 April 2011		157,542	157,542
Surplus attributable to members of the Union		35,040	35,040
Balance at 31 March 2012		192,582	192,582

The accompanying notes form part of these financial statements.

**Communications Electrical Electronic Energy Information Postal Plumbing and Allied
Services of Australia - National Council**

ABN 78 117 032 302

Statement of Cash Flows
For the Year Ended 31 March 2013

	Note	2013 \$	2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		330,036	287,852
Payments to suppliers and employees		(226,860)	(332,236)
Interest received		14	29
Net cash provided by (used in) operating activities		<u>103,190</u>	<u>(44,355)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings		-	(231,035)
Net cash used by financing activities		<u>-</u>	<u>(231,035)</u>
Net increase (decrease) in cash and cash equivalents held		103,190	(275,390)
Cash and cash equivalents at beginning of year		<u>64,307</u>	<u>339,697</u>
Cash and cash equivalents at end of financial year	2	<u><u>167,497</u></u>	<u><u>64,307</u></u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 March 2013

The financial statements cover Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services of Australia - National Council as an individual entity. Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services of Australia - National Council is a registered trade union domiciled in Australia.

1 Summary of Significant Accounting Policies

(a) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards, Australian Accounting Interpretations and the Fair Work (Registered Organisations) Act 2009.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) Comparative figures

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

Where the Union has retrospectively applied an accounting policy, made a retrospective restatement or reclassifies items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

(c) 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 which are convertible to a known amount of cash and subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(d) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Union during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(e) Income tax

The Union is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(f) Revenue and other income

The Union recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services of Australia - National Council's activities as discussed below.

Notes to the Financial Statements

For the Year Ended 31 March 2013

1 Summary of Significant Accounting Policies continued

(f) Revenue and other income continued

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue

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

Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

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

(g) 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 Australian 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 statement of financial position are shown inclusive of GST.

Cash flows are presented in the 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.

2 Cash and Cash Equivalents

	Note	2013 \$	2012 \$
Cash at bank and in hand		167,497	64,307

Reconciliation of cash

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:

	Note	2013 \$	2012 \$
Cash and cash equivalents		167,497	64,307

**Communications Electrical Electronic Energy Information Postal Plumbing and Allied
Services of Australia - National Council**

ABN 78 117 032 302

Notes to the Financial Statements

For the Year Ended 31 March 2013

3 Trade and Other Receivables

	Note	2013 \$	2012 \$
CURRENT			
Trade receivables		156,279	134,355
		<u>156,279</u>	<u>134,355</u>
Total current trade and other receivables		<u>156,279</u>	<u>134,355</u>

4 Trade and Other Payables

	Note	2013 \$	2012 \$
CURRENT			
Other payables		4,400	4,000
		<u>4,400</u>	<u>4,000</u>
		<u>4,400</u>	<u>4,000</u>

5 Current tax liabilities

	2013 \$	2012 \$
GST payable	12,701	2,080
Total current tax liabilities	<u>12,701</u>	<u>2,080</u>

6 Financial Risk Management

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

The Union's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The Union does not speculate in financial assets; the Union's committee is responsible for, among other things, monitoring and managing financial risk exposure. The secretary monitors the Union's transactions and authorises any changes in financial risk management.

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

	Note	2013 \$	2012 \$
Financial Assets			
Cash and cash equivalents		167,497	64,307
Total financial assets		<u>167,497</u>	<u>64,307</u>
Financial Liabilities			

Notes to the Financial Statements

For the Year Ended 31 March 2013

6 Financial Risk Management continued

	Note	2013	2012
		\$	\$
Financial liabilities at amortised cost			
- Trade and other payables		4,400	4,000
Total financial liabilities		4,400	4,000

Net fair values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the above table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

7 Revenue and Other Income

	Note	2013	2012
		\$	\$
Revenue			
- member subscriptions		353,162	297,755
- interest received		14	29
		353,176	297,784
Other income			
- other income		-	25,400
		-	25,400
Total Revenue		353,176	323,184

8 Events after the end of the Reporting Period

The financial report was authorised for issue on 15 August 2013 by the Committee of Management.

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

Notes to the Financial Statements

For the Year Ended 31 March 2013

9 Union Details

The registered office of and principal place of business of the Union
is:

CEPU - National Council
Level 7, 5-13 Rosebery Ave
Rosebery NSW 2018

10 Information to be Provided to Members or Registrar

(a) In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, attention is drawn to the provisions of Sub-Section (1), (2), and (3) of section 272 which read as follows:

- (1) A member of the reporting unit, or a registrar, 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 be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with the application made under subsection (1).

11 Related Party Transactions

(a) The following were members of the National Executive during the year ended 31 March 2013:

Peter Tighe – National Secretary
Daniel Dwyer – National President
Earl Setches – Assistant National Secretary
Leonard Cooper – National Vice President
Peter Simpson – Electrical Division Queensland
Nicole Wells - Electrical Division Tasmania
Bernie Riordan - Electrical Division NSW
Steve McCarney – Plumbing Division NSW
Tony Murphy - Plumbing Division VIC
Brad O'Carroll - Plumbing Division QLD
Jim Metcher – Communications Division NSW
Graham Lorrain - Communications Division SA
Joan Doyle - Communications Division – Affirmative Action
Geoff Taylor – Communications Division Queensland
Alex Jansen - Communications Division NSW
Sue Riley - Communications Division – Affirmative Action

Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services of Australia - National Council

ABN 78 117 032 302

Independent Audit Report to the members of Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services of Australia - National Council

Report on the Financial Report

We have audited the accompanying financial report of Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services of Australia - National Council, which comprises the statement of financial position as at 31 March 2013, 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, and the committee's declaration.

Committee's Responsibility for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and *the Fair Work (Registered Organisations) Act 2009*, and for such internal control as management determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 control relevant to the entity'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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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.

**Communications Electrical Electronic Energy Information Postal Plumbing and Allied
Services of Australia - National Council**

ABN 78 117 032 302

**Independent Audit Report to the members of Communications Electrical
Electronic Energy Information Postal Plumbing and Allied Services of
Australia - National Council**

Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services of Australia - National Council as at 31 March 2013, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009.

Pinker Arnold & McLoughlin Chartered Accountants



Richard Pinker
Registered Company Auditor #16244

Hurstville NSW

Date: 30th October 2013

**Communications Electrical Electronic Energy Information Postal Plumbing and Allied
Services of Australia - National Council**

ABN 78 117 032 302

For the Year Ended 31 March 2013

Disclaimer

The additional financial data presented on pages 16 - 17 is in accordance with the books and records of the Union which have been subjected to the auditing procedures applied in our statutory audit of the Union for the year ended 31 March 2013. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services of Australia - National Council) in respect of such data, including any errors of omissions therein however caused.

Pinker Arnold & McLoughlin Chartered Accountants



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Date: 20th October 2013

Hurstville NSW 2220

**Communications Electrical Electronic Energy Information Postal Plumbing and Allied
Services of Australia - National Council**

ABN 78 117 032 302

For the Year Ended 31 March 2013

Profit and Loss Account

	2013	2012
	\$	\$
Income		
Member subscriptions	353,161	297,755
Interest income	14	29
Other income	-	25,400
Total income	353,175	323,184
Less: Expenses		
Affiliation fees	231,123	280,814
Audit fees	5,057	6,000
Bank charges	-	2
Grants & donations	-	1,000
Meetings & conferences	471	328
Sundry expenses	699	-
Total Expenses	237,350	288,144
	115,825	35,040
Other items:		
Profit before income tax	115,825	35,040

