



Australian Government
Australian Industrial Registry

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990

Ref: FR2007/203-[128V-COM]

Mr Ed Husic
Divisional Secretary
CEPU Communications Division
PO Box 472
CARLTON SOUTH VIC 3053

Dear Mr Husic

Financial Return - year ending 31 March, 2007

Our records show the organisation's financial year ended recently. This letter outlines some of the things you must do to meet your financial reporting obligations and when you have to do them. For simplicity, we will call the documents you have to lodge with us your *financial return*.

This letter is intended as guide to the law applicable on the date of this letter, and should not be used as a substitute for legal or accounting advice. We only summarise some of the reporting requirements in this letter. More detailed information is at the end of this letter.

Information on AIRC Website

We recommend you and your accountant/auditor also refer to the following documents on the Commission's website at www.airc.gov.au:

- [RAO Schedule](#)
- [RAO Regulations](#)
- [Registrar's Reporting Guidelines](#) - All GPFR's must comply with these Guidelines. Please note that the Guidelines set out requirements that are *in addition* to those required by the Australian Accounting Standards.
- [RAO Fact Sheets](#) - These Fact Sheets explain the requirements of the RAO Schedule - many of them deal with financial reporting matters.

Reporting Unit

Under the provisions of the Registration and Accountability of Organisations Schedule (RAO), Schedule 1 of the *Workplace Relations Act 1996*, reporting entities are known as "*reporting units*". Where an organisation is **not** divided into branches the reporting unit is the whole of the organisation. Where an organisation **is** divided into branches each branch will be a reporting unit unless the Industrial Registrar has determined a division of the organisation into reporting units on an alternative basis. We can discuss this with you if you need more information.

For simplicity, we will use the term "reporting unit" in this letter.

Industrial Registrar's Guidelines

The Industrial Registrar's reporting guidelines set out certain disclosure requirements in addition to those prescribed by Australian Accounting Standards having in mind the nature of organisations registered under the Workplace Relations Act.

The disclosure requirements prescribed by the reporting guidelines are directed towards providing members of the reporting unit with information to enable them to gauge the performance of the committee of management and other holders of office in relation to the financial management of the reporting unit. In addition, the reporting guidelines seek to improve the quality of information available to users of the financial report about the reporting unit's economic support of, or economic dependency on, other reporting units of the organisation.

Timeline Planner and Checklist

We have attached a Timeline/Planner (*Attachment A*) to help you **plan** your financial return and carry out all the necessary steps. We have also attached a Document Checklist (*Attachment B*) to **check** your documents before lodging them in the Registry. Both documents are abbreviated summaries of the relevant provisions of the RAO Schedule, RAO Regulations and the Industrial Registrar's Reporting Guidelines.

In the following section we describe some of the documents your reporting unit must prepare and the sequence of their preparation and completion.

Three Reports

Your reporting unit must prepare two reports as soon as practicable after its financial year, which, together with the Auditor's Report, comprise the reporting unit's financial return.

1. **General Purpose Financial Report** - this must comply with the Australian Accounting Standards and the Industrial Registrar's Reporting Guidelines. The GPFR consists of:

(a) Financial Statements containing:

- a profit and loss statement, or other operating statement; and
- a balance sheet; and
- a statement of cash flows; and
- any other statements required by the Australian Accounting Standards; and

(b) Notes to the Financial Statements containing:

- notes required by the Australian Accounting Standards; and
- information required by the Industrial Registrar's *Reporting Guidelines* under section 255 including disclosures related to any recovery of wages activity ; and

(c) Committee of Management Statement as required by the Registrar's Reporting Guidelines (a sample certificate for illustrative purposes is at Attachment C) including declarations related to the recovery of wages activity.

2. **Operating Report** - this report includes a review of your reporting unit's principal activities for the year and other specified information.

Your reporting unit must appoint an auditor to audit the GPFR and to provide:

3. an **Auditor's Report**.

First Meeting (Committee of Management)

For simplicity, we will call the meeting at which the committee of management first considers the GPFR the first meeting. At the first meeting your committee, if satisfied that all is in order, will resolve to express its opinion on the GPFR and complete a Committee of Management Statement.

The Auditor

After the first meeting, the auditor takes the GPFR and the Committee of Management Statement and prepares a report on the GPFR. In practice, your auditor may have already completed most of his or her examination of your accounts. The auditor may only be waiting on the Committee to pass the required resolution and make the Statement before signing the report the same day.

Informing Your Members

Your reporting unit must provide free of charge to the general membership, copies of the GPFR, the Operating Report and the Auditor's Report. RAO calls these the "full report". Under certain circumstances, your reporting unit can provide a more limited *concise report*.

The reporting unit can meet its obligation to provide copies of the full or concise report to members by publishing the report in a journal that is available to the members free of charge.

A reporting unit may meet this obligation in whole or in part by publication of the report in a journal published on a web site on the Internet dependent on:

- a. the extent of the accessibility of the members of the reporting unit to the Internet; and
- b. that the members are notified by the reporting unit in the usual manner in which it communicates with its members that the report has been so published at a specified Internet address.

The report must be provided within 5 or 6 months from the end of the financial year, depending on the internal arrangements of the organisation for the presentation of its financial reports.

The Second Meeting - if it is a General Meeting of Members

After providing the full report to members it must be presented to a general meeting of members. For simplicity this is referred to as the *second meeting*.

Your reporting unit must always allow a minimum of 21 days for members to receive the full report before presenting it to a general meeting of members (s265(5)). The purpose of the interval is to enable the members to have time to consider the report and, if they wish, to attend the second meeting to discuss it.

If the rules of the organisation permit a general meeting to be a series of meetings held at different locations, the full report may be presented to such a series of meetings. In this case the 'date' of the general meeting is taken to be the date of the last meeting in the series (see s266(2)).

The Second Meeting - if it is a Committee of Management Meeting

If the rules of your organisation contain a provision that allows up to 5% of members to demand a general meeting to be held consider the report (see s266(3)), it is permissible to present the report directly to a Committee of Management meeting.

Lodge full report within 14 days of meeting

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at www.airc.gov.au).

The Secretary (or another officer appropriately authorised under the rules of the organisation) must *certify* that the full report is a copy of the one provided to members and presented to the second meeting and provide the date of the meeting (a sample certification for illustrative purposes is at *Attachment D*).

When we receive your return we will check that it includes the information you must provide your members and that you have provided it to them correctly.

Complying with time limits

This letter has outlined some of the steps in preparing and lodging your return. Many of the steps must be completed within fixed time limits.

Failure to complete them in time could make your reporting unit or its officers liable to financial or "civil penalties".


Extensions of Time

We appreciate that sometimes circumstances beyond your reporting unit's control may delay completion of a financial return. If you believe your reporting unit is going to be unable to meet a time limit tell us as soon as you know. We can advise you if the step is one for which you may apply under RAO to the Industrial Registrar for extra time to complete. The maximum extra time allowed can be no more than one month.

Contact the Registry

We encourage you to contact the Registry on (02) 8374 6618 or by e-mail at belinda.penna@air.gov.au as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedures but we cannot give you legal or accounting advice.

Yours sincerely



Belinda Penna
For Deputy Industrial Registrar
2 April, 2007

TIMELINE/ PLANNER

| | | |
|--|-----|--|
| Financial reporting period ending: | / / | |
| FIRST MEETING: Prepare General Purpose Financial Report (including Committee of Management Statement in accordance with C of M resolution) and Operating Report - s253(1), s254(1) | / / | as soon as practicable after end of financial year |
| Auditor's Report prepared and signed and given to the Reporting Unit - s257 | / / | within a reasonable time of having received the GPFR |
| Provide full report free of charge to members. (a) if the report is to be presented before a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting, or (b) in any other case including where the report is presented to a Committee of Management meeting, the report must be provided to members within 5 months of end of financial year. <i>(obligation to provide full report may be discharged by provision of a concise report s265(1))</i> | / / | |
| SECOND MEETING: Present full report to: (a) General Meeting of Members - s266 (1),(2), or (b) where rules of organisation allow, a Committee of Management meeting - s266 (3) | / / | within 6 months of end of financial year |
| | / / | within 6 months of end of financial year |
| Lodge full report (including any concise report) in the Industrial Registry together with secretary's certificate (or other officer authorised by the rules of the organisation) - s268 | / / | within 14 days of meeting |

Note: The legislation makes limited provision for extensions of time concerning the provision of the full report to members and the presentation of the full report to a general meeting etc however the maximum extra time allowed can be no more than one month.

Documents Checklist

You can use this checklist as soon as possible after the financial year ends to ensure you have all the necessary documents prepared and that those documents contain all information required by RAO.

You can also use this checklist to ensure all documents in your financial return are complete before lodging them in the Registry.

| No | Document | ✓ |
|----------|---|---|
| 1 | General Purpose Financial Report | |
| | Does the report contain a Profit and Loss Statement? | |
| | Does the report contain a Balance Sheet? | |
| | Does the report contain a Statement of Cash Flows? | |
| | Does the report contain notes to the financial statements as required by AAS and the reporting guidelines? | |
| | Does the report contain all other information required by the reporting guidelines? | |
| 2 | Committee of Management Statement | |
| | Is the statement signed by the officer responsible for undertaking functions necessary to enable the reporting unit to comply with RAO? | |
| | Is the statement dated? | |
| | Is the statement in accordance with a resolution of the committee? | |
| | Does the statement specify the date of the resolution? | |
| | Does the statement contain declarations required by the reporting guidelines? | |
| | Does the statement contain declarations relating to any recovery of wages activity? | |
| 3 | Auditor's Report | |
| | Is the Report dated and signed by the auditor? | |
| | Is the name of the auditor clear? | |
| | Are the qualifications of the auditor on the report? | |
| | Has the auditor expressed an opinion on all matters required? | |
| 4 | Operating Report | |
| | Is the report signed and dated? | |
| | Does the report provide the number of members? | |
| | Does the report provide the number of employees? | |
| | Does the report contain a review of principal activities? | |
| | Does the report give details of significant changes? | |
| | Does the report give details of right of members to resign? | |
| | Does the report give details of superannuation trustees? | |
| | Does the report give details of membership of the committee of management? | |
| 5 | Concise report* | |
| 6 | Certificate of Secretary or other Authorised Officer | |
| | Is the certificate signed and dated? | |
| | Is the signatory the secretary or another officer authorised to sign the certificate? | |
| | Is the date that the report was provided to members stated? | |
| | Is the date of the Second Meeting at which the report was presented stated? | |
| | Does the certificate state that the documents are copies of those provided to members? | |
| | Does the certificate state that the documents are copies of those presented to the Second Meeting? | |

* This is an optional way of providing documents to members (see RAO s265(3) and RAO Reg. 161).

Committee Of Management Statement

On ____/____/____ [date of meeting] the Committee of Management of _____ [name of reporting unit] passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended ____/____/____ [date]:

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 Registrar;
- (c) the financial statements and notes give a true and fair view* of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds* to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held* in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been* managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been* kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - #(iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been* kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - #(v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been* furnished to the member or Registrar; and
 - #(vi) there has been* compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

[Add the following if any recovery of wages activity has been undertaken during the financial year]

- (f) in relation to recovery of wages activity:
 - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Industrial Registrar; and
 - (ii) the committee of management caused the auditor to include in the scope of the audit required under subsection 257(1) of the RAO Schedule all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
 - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
 - (iv) that prior to engaging in any recovery of wages activity, the organization has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and

- (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

For Committee of Management: _____ *[name of designated officer per section 243 of the RAO Schedule]*

Title of Office held:

Signature:

Date:

* *Where compliance or full compliance has not been attained - set out details of non compliance instead.*

Where not relevant these may be modified accordingly (e.g. in (vi) "No orders have been made by the Commission under section 273 of the RAO Schedule during the period."

Certificate of Secretary or other Authorised Officer¹

s268 of Schedule 1B *Workplace Relations Act 1996*

I [name] being the [title of office] of the [name of the organisation] certify:

- that the documents lodged herewith are copies of the full report, [and the concise report]², referred to in s268 of the RAO Schedule; and
- that the [full report **OR** concise report]³, was provided to members on [insert date]; and
- that the full report was presented to [a general meeting of members **OR** the last of a series of general meetings of members **OR** a meeting of the committee of management]³ of the reporting unit on [insert date]; in accordance with section 266 of the RAO Schedule.

Signature

Date:

¹RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

²Only applicable where a concise report is provided to members

³Insert whichever is applicable

Facsimile Message

Our Reference:

**CEPU**COMMUNICATIONS
ELECTRICAL
PLUMBING
UNION

Date:

14-9-07

Number of pages following:

1

**COMMUNICATIONS
DIVISION**

ABN 22 401 014 998

Colin Cooper
Divisional PresidentBrian Baulk
Divisional Secretary139-155 Queensberry St
[PO Box 472]
Carlton South
Victoria 3053
Australia

Ph: 03 9349 2100

Fax: 03 9349 1952

E-mail: cddo@cepu.asn.au

Web: www.cepu.asn.au

To: Attention: Mr S. Kellett

From:

Ian Bryant

AIRC

Facsimile No. (02) 9380 6990

REMARKS **Urgent** **For your information** **Reply ASAP Please comment** **As Discussed**

(please place a circle around whichever is applicable)

Re: Financial Report - Extension of Time

NOTE: The contents of this facsimile (including attachments) may be privileged and confidential. Any unauthorised use may therefore be prohibited. If you have received this facsimile in error, could you please advise us by telephone as soon as possible.

GEN 07/108
5.3/202

14th September, 2007.

The Industrial Registrar,
Australian Industrial Registry,
Level 8, Terrace Towers,
80 William Street,
EAST SYDNEY. NSW. 2011

ATTENTION: Mr. S. Kellett.

Dear Mr. Kellett,

RE: FINANCIAL REPORT - EXTENSION OF TIME

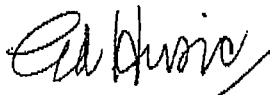
The CEPU Communications Division hereby requests an extension of time under s265(5) of the RAQ Schedule.

We request this extension on the basis that there have been delays in finalising the arrangements associated with the disbanding of the former Telecommunications Officers Division Branch. The delays are associated with closure of bank accounts for the TOA branch which have prevented the transfer of the funds to the Divisional Office accounts and the finalisation of the Divisional Office accounts.

There are a number of measures in place to ensure that arrangements are completed as a matter of urgency. Accordingly, we should be in a position to finalise the Division's financial statement in the near future, but will need an extension of one month to meet the reporting requirements.

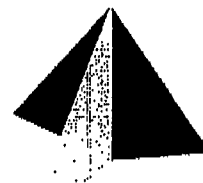
If you require any further information please contact Ian Bryant of this office.

Yours faithfully,



Ed Husic,
DIVISIONAL SECRETARY.

IB:mp



CEPU

COMMUNICATIONS
ELECTRICAL
PLUMBING
UNION

**COMMUNICATIONS
DIVISION**

ABN 22 401 014 998

Len Cooper
Divisional President

Ed Husic
Divisional Secretary
139-155 Queensberry St
[PO Box 472]
Carlton South
Victoria 3053
Australia

Ph: 03 9349 2100
Fax: 03 9349 1952
E-mail: cddo@cepu.asn.au
Web: www.cepu.asn.au

GEN 07/110
5.3/202

FAXED



CEPU

COMMUNICATIONS
ELECTRICAL
PLUMBING
UNION

19th September, 2007.

The Industrial Registrar,
Australian Industrial Registry,
Level 8, Terrace Towers,
80 William Street,
EAST SYDNEY. NSW. 2011

belinda.penna@air.gov.au

Attention: Ms. B. Penna

Dear Ms. Penna,

RE: FINANCIAL REPORT - EXTENSION OF TIME

Further to correspondence of 14th September 2007 (GEN 07/108), CEPU Communications Division now provides further information as requested. We are seeking the extension of time under S265(5)(b) of the RAQ Schedule.

For further information on this matter please contact Ian Bryant of this office.

Yours faithfully,

Ed Husic,
DIVISIONAL SECRETARY.

IB:sw

COMMUNICATIONS
DIVISION

ABN 22 401 014 998

Ian Cooper
Divisional President

Ed Husic
Divisional Secretary
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Australian Government
Australian Industrial Registry

Level 8, Terrace Towers
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Telephone: (02) 8374 6666
Fax: (02) 9380 6990
Email: sydney@air.gov.au

Mr Ed Husic
Divisional Secretary
CEPU Communications Division
PO Box 472
CARLTON SOUTH VIC 3053

Dear Mr Husic

**Re: Application for Extension of Time - CEPU Communications Division
for the year ending 31 March 2007 (FR2007/203)**

I refer to your letters dated 14 September 2007 and 19 September 2007 requesting an extension of time under s265(5)(b) of the RAO Schedule.

I may extend the period specified in s265(5)(b) for the Branch to provide the full or concise report to members by no more than one month, namely from 5 months to no more than 6 months from the end of the financial year.

I hereby allow the extension of time until 30 September 2007, which is the latest date allowed under the RAO Schedule.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Barry Jenkins'.

Barry Jenkins
Deputy Industrial Registrar

19 September 2007

GEN 07/114
5.0/001 5.3/202



CEPU

**COMMUNICATIONS
ELECTRICAL
PLUMBING
UNION**

**COMMUNICATIONS
DIVISION**

ABN 22 401 014 998

Len Cooper
Divisional President

Ed Husic
Divisional Secretary
139-155 Queensberry St
[PO Box 472]
Carlton South
Victoria 3053
Australia

Ph: 03 9349 2100
Fax: 03 9349 1952
E-mail: cddo@cepu.asn.au
Web: www.cepu.asn.au

29th October, 2007.

The Deputy Industrial Registrar,
Australian Industrial Registry,
Level 8, Terrace Towers,
80 William Street,
EAST SYDNEY. NSW. 2011.

Dear Deputy Industrial Registrar,

**RE: LODGEMENT OF FINANCIAL REPORTS OF THE
COMMUNICATIONS DIVISION OF THE CEPU**

Please find enclosed a copy of the full and concise financial reports for the Communications Division of the CEPU, together with the Secretary's certificate in accordance with s268 of the RAO Schedule.

Yours faithfully,

Ed Husic,
DIVISIONAL SECRETARY.

Enc.

:kr



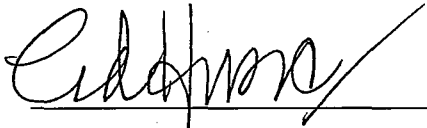
Certificate of Secretary or other Authorised Officer

s268 of Schedule 1B Workplace Relations Act 1996

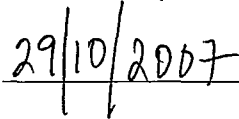
I, Ed Husic being the Divisional Secretary of the Communications Division of the CEPU certify:

1. that the documents lodged herewith are copies of the full report and the concise report referred to in s268 of the RAO schedule (Attachment 1);
2. that the concise report was provided to members by Bulletin 12 dated 5th October 2007 and distributed on 5th October 2007 (Attachment 2) pursuant to a resolution of the Divisional Executive of the Communications Division of 28th September 2007 (Attachment 3);
3. that the full report was presented to the Divisional Executive (Branch Committee of Management) of the Reporting Unit on 28th September 2007 and formally adopted at the 2nd meeting of the Divisional Executive on 29th October 2007; in accordance with Section 266 of the RAO Schedule (Attachment 4); and

Signature:



Date:



ATTACHMENT 1

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES
UNION OF AUSTRALIA,
COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
ABN 22 401 014 998**

**CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2007**

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
ABN 22 401 014 998**

OPERATING REPORT

In accordance with Section 254 of the Registration and Accountability of Organizations (RAO) Schedule, the Committee of Management present their Operating Report on the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Divisional Conference, the relevant Reporting Unit for the financial year ended 31 March 2007.

Principal Activities

The CEPU Communications Division operates as a Trade Union and mainly represents the Industrial interests of employees in the Postal Industry (e.g. Australia Post), and the Telecommunications Industry (e.g. Telstra and Optus).

Our objectives are to improve and protect the economic condition, job security, working conditions and other industrial concerns of our members.

In our representation of the employees in the Postal and Telecommunications Industries, we negotiate and enforce industrial awards and agreements.

In carrying out this function we provide representation in Industrial tribunals, provide legal assistance where deemed necessary, negotiate workplace change and assist with individual grievances. The union also provides information for its membership by the regular publication of Journals, Bulletins and provision of Web Sites.

The union also pursues and assists kindred organisations by affiliations and other means to uphold the rights and entitlements of workers by Industrial, Political, and Community action.

Operating Result

The operating profit of the Union for the financial year was \$152,155. No provision for tax was necessary as the Union is exempt from income tax.

Significant Changes

No significant changes in the Union's state of affairs occurred during the financial year.

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.

Rights of Members

Subject to the Rule 11 of the Union's rules and Section 174 of the RAO Schedule, members of the Union have the right to resign from membership by providing written notice addressed to and delivered to the Secretary of the relevant branch of the Union.

Superannuation Officeholders

The following officers or member of the Reporting Unit are trustees of superannuation funds:

| | |
|------------------|--|
| Brian Baulk | - Member Representative on the Board of Australia Post Superannuation Scheme |
| Ian McCarthy | - Board Member/Trustee of the Telstra Superannuation Scheme |
| Jim Metcher | - Member Representative on the Board of Australia Post Superannuation Scheme |
| Gerry Kandelaars | - Board Member/Trustee of the Telstra Superannuation Scheme |

Other Prescribed Information

In accordance with Regulation 159 of the Workplace Relations (Registration and Accountability of Organisations) Regulations:

- (a) 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 Section 230 of the RAO Schedule and who are taken to be members of the Union under section 244 of the RAO Schedule was 33,527.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
ABN 22 401 014 998**

OPERATING REPORT continued

- (b) the number of persons who were, at the end of the financial year to which the report relates, employees of the Union, where the number of employees includes both full-time and part-time employees, measured on a full-time equivalent basis was 14.
- (c) the names of each person who have been a member of the Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position were;

| Position | Name |
|---|--|
| Divisional President | C. Cooper (resigned 31 July 2007) |
| Divisional Secretary | E. Husic (appointed 24 July 2006) |
| | B. Baulk (resigned 7 July 2006) |
| Divisional Vice-President | C. Talato |
| | I. Bryant |
| Divisional Assistant Secretaries | S. Herrington (resigned 31 July 2007) |
| | B. Blackburne (appointed 24 July 2006) |
| Telecommunication and Service Representatives | I. McCarthy |
| | V. Horrex |
| | S. Mason |
| | M. Swan |
| | J. Lee |
| | G. Carson |
| | B. Riseley |
| | L. Cooper |
| | D. Irons |
| Postal and Telecommunications Representatives | J. Metcher |
| | J. Doyle |
| | C. Thiele |
| | K. Mellis |
| | N. Paul |
| | P. McDonald |
| | P. Kelly |
| | B. Watkins |
| | A. Absolom (resigned 21 July 2006) |
| | P. Miller |
| | D. Dwyer |
| | V. Butler |

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

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

For Committee of Management: Ed Husic
Title of Office held: Divisional Secretary



Signature
Melbourne: 28 September 2007

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
ABN 22 401 014 998**

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2007**

| | 2007 \$ | 2006 \$ |
|---|--------------------|--------------------|
| Revenue | 2,648,041 | 2,654,963 |
| Administration expense | (355,467) | (355,920) |
| Affiliation fees and compulsory levies | (195,378) | (237,077) |
| Branch assistance | (37,586) | (50,633) |
| Communication expense | (58,700) | (68,137) |
| Depreciation expenses | (63,880) | (71,324) |
| Doubtful debts - branches | 179,643 | 461,638 |
| Employee benefits expense | (1,500,652) | (1,594,352) |
| Occupancy expense | (136,542) | (108,958) |
| Travel expense | (239,905) | (277,474) |
| Other expenses | <u>(87,419)</u> | <u>(88,813)</u> |
| Profit/(loss) before income tax expense | 152,155 | 263,913 |
| Income tax expense | <u>-</u> | <u>-</u> |
| Net profit/(loss) after income tax expense | <u>152,155</u> | <u>263,913</u> |

Discussion and Analysis of Income Statement

The Divisional Conference continued to monitor the amounts owing by branches with the result that the amounts owing have decreased along with the provision for doubtful debts. But because the decrease in the provision for doubtful debts relating to branches is less compared to previous year, net profit has decreased compared with the previous financial year. This is despite revenue remaining constant and other expenses decreasing by \$177,159.

The accompanying notes form part of these financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
ABN 22 401 014 998**

**BALANCE SHEET
AS AT 31 MARCH 2007**

| | 2007 | 2006 |
|--------------------------------------|------------------|------------------|
| | \$ | \$ |
| CURRENT ASSETS | | |
| Cash and cash equivalents | 2,398,071 | 1,961,897 |
| Trade and other receivables | 1,314,638 | 1,382,169 |
| Financial assets | - | 200,000 |
| Other current assets | 29,406 | 32,046 |
| TOTAL CURRENT ASSETS | <u>3,742,115</u> | <u>3,576,112</u> |
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | <u>4,036,309</u> | <u>4,104,096</u> |
| TOTAL NON-CURRENT ASSETS | <u>4,036,309</u> | <u>4,104,096</u> |
| TOTAL ASSETS | <u>7,778,424</u> | <u>7,680,208</u> |
| CURRENT LIABILITIES | | |
| Trade and other payables | 1,289,755 | 978,730 |
| Short term provisions | <u>827,015</u> | <u>1,191,979</u> |
| TOTAL CURRENT LIABILITIES | <u>2,116,770</u> | <u>2,170,709</u> |
| TOTAL LIABILITIES | <u>2,116,770</u> | <u>2,170,709</u> |
| NET ASSETS | <u>5,661,654</u> | <u>5,509,499</u> |
| EQUITY | | |
| Reserves | 563,383 | 563,383 |
| Retained profits | <u>5,098,271</u> | <u>4,946,116</u> |
| TOTAL EQUITY | <u>5,661,654</u> | <u>5,509,499</u> |

Discussion and Analysis of Balance Sheet

The improvement in the balance sheet is due to continuing reduction of amount owing to the Divisional Conference, thus reducing trade and other receivables. The change from financial asset to cash also assisted the position.

The accompanying notes form part of these financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
 PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
 DIVISIONAL CONFERENCE
 ABN 22 401 014 998**

**STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 31 MARCH 2007**

| | Retained earnings general fund | Retained earnings special fund | Retained earnings international fund | Asset revaluation reserve | Total |
|-----------------------------------|---|---|---|---------------------------------|-----------|
| Balance at 31 March 2005 | 2,341,304 | 2,345,568 | (4,669) | 563,383 | 5,245,586 |
| Profit attributable to members | 218,566 | 45,347 | - | - | 263,913 |
| Revaluation increment (decrement) | - | - | - | - | - |
| Balance at 31 March 2006 | 2,559,870 | 2,390,915 | (4,669) | 563,383 | 5,509,499 |
| Profit attributable to members | 78,348 | 73,807 | - | - | 152,155 |
| Balance at 31 March 2007 | 2,638,218 | 2,464,722 | (4,669) | 563,383 | 5,661,654 |

Discussion and Analysis of Statement of Changes in Equity

Equity continued to increase due to the surplus of \$152,155 which consists of \$78,348 from the General Fund and \$73,807 from the Special Fund.

The accompanying notes form part of these financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
ABN 22 401 014 998**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2007**

| | 2007 \$ | 2006 \$ |
|---|--------------------|--------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| General Fund and Special Fund | | |
| Contributions – branches | 2,772,418 | 3,041,792 |
| Interest received | 141,227 | 97,727 |
| Rental received | 196,640 | 147,224 |
| Sundry income | 74,538 | 23,140 |
| Payments to suppliers & employees | <u>(3,034,782)</u> | <u>(3,199,956)</u> |
| Net cash provided by (used in) operating activities | <u>150,041</u> | <u>109,927</u> |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Proceeds on sale of fixed assets | 5,454 | - |
| Purchase of fixed assets | <u>(1,323)</u> | <u>(5,625)</u> |
| Net cash provided by (used in) investing activities | <u>4,131</u> | <u>(5,625)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from investments | 200,000 | - |
| Repayment of loans from branches | 82,000 | 59,335 |
| Payment UPT entitlements | <u>2</u> | <u>2</u> |
| Net cash flows provided by (used in) financing activities | <u>282,002</u> | <u>59,337</u> |
| Net increase/(decrease) in cash held | 436,174 | 163,639 |
| Cash at beginning of year | <u>1,961,897</u> | <u>1,798,258</u> |
| Cash at end of year | <u>2,398,071</u> | <u>1,961,897</u> |

Discussion and Analysis of Statement of Cash Flows

A reduction in payments to suppliers and employees together with proceeds from investments has contributed to the improvement in cash flow.

The accompanying notes form part of these financial statements.

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
ABN 22 401 014 998

**STATEMENT OF RECEIPTS AND PAYMENTS FOR RECOVERY OF WAGES ACTIVITY
CASH BASIS - FOR THE YEAR ENDED 31 MARCH 2007**

| | 2007 \$ | 2006 \$ |
|--|------------|------------|
| Cash assets in respect of recovered money at beginning of year | - | - |
| Receipts | | |
| Amounts recovered from employers in respect of wages etc | - | - |
| Interest received on recovered money | - | - |
| | <hr/> | <hr/> |
| Total receipts | - | - |
| Payments | | |
| Deductions of amounts due in respect of membership for:- | | |
| - 12 months or less | - | - |
| - greater than 12 months | - | - |
| Deductions of donations or other contributions to accounts or funds of:- | | |
| - the reporting unit | - | - |
| - other entity | - | - |
| Deductions of fees or reimbursements of expenses | - | - |
| Payments to workers in respect of recovered money | - | - |
| | <hr/> | <hr/> |
| Total payments | - | - |
| Cash assets in respect of recovered money at end of year | - | - |

Discussion and Analysis of Statement of Receipts and Payments for Recovery of Wages Activity

The union did not collect any wages on behalf of members throughout the year ended 31 March 2007.

The accompanying notes form part of these financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
ABN 22 401 014 998**

Note 1: Statement of Significant Accounting Policies

The concise financial report is an extract of the full financial report for the year ended 30 June 2007. The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Report and the Workplace Relations Act 1996.

The financial statements, specific disclosure and other information included in the concise financial report are derived from and are consistent with the full financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Divisional Conference. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financial and investing activities of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Divisional Conference as the full financial report.

The financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Divisional Conference comply with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

Note 2: Information To Be Provided To Members Or Registrar

In accordance with the requirements of the Workplace Relations Act, 1996, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272 of RAO Schedule , which read as follows:-

- (1) A member of a 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 specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

Note 3: Financial Statements

The Union will provide a copy of the full financial report for the year ended 31 March 2007, free of charge to any member who requests it.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
ABN 22 401 014 998**

COMMITTEE OF MANAGEMENT CERTIFICATE

On 28 September 2007, the Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Divisional Conference passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 March 2007:

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 Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the financial records for each of the other reporting units within the organisation are, as far as practicable kept in a manner consistent with this reporting unit; and
 - (v) no information has been sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (vi) no orders have been requested for inspection of financial records made by the Commission under section 273 of the RAO Schedule.
- (f) there was no recovery of wage activity for the financial year.
- (g) That the members receive a copy of the concise financial report.

For Committee of Management; Ed Husic
Title of Office held: Divisional Secretary



Signature:

Melbourne: 28 September 2007

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY,
INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA,
COMMUNICATIONS DIVISION, DIVISIONAL CONFERENCE
ABN 22 401 014 998**

Report on the concise financial report

The accompanying concise financial report of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Divisional Conference ("reporting unit") comprises the balance sheet as at 31 March 2007, the income statement, statement of changes in equity, cash flow statement and statement of receipts and payments for recovery of wages activity cash basis for the year ended on that date, a summary of significant accounting policies, the committee of management's declaration of the reporting unit during the financial year and the discussion and analysis. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Committee of management's responsibility for the financial report

The reporting unit's committee of management are responsible for the preparation and fair presentation of the concise financial report in accordance with Accounting Standard AASB 1039: Concise financial Reports (including the Australian Accounting Interpretations) and the Workplace Relations Act 1996. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the concise financial report selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of the Reporting Unit for the year ended 31 March 2007. Our audit report on the financial report for the year was signed on 28 September 2007 and was not subject to any modification. The Australian 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 for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039: Concise Financial Reports and whether the discussion and analysis complies with the requirements laid down in AASB 1039: Concise Financial Reports.

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

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY,
INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA,
COMMUNICATIONS DIVISION, DIVISIONAL CONFERENCE
ABN 22 401 014 998**

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the concise financial report including the discussion and analysis of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Divisional Conference for the year ended 31 March 2007 complies with Accounting Standard AASB 1039: Concise Financial Reports and the Workplace Relations Act 1996.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

L S Wong

L S WONG CA

Partner

Member of the Institute of Chartered Accountants in Australia and
holder of a current public practice certificate

Melbourne: 28 September 2007

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES
UNION OF AUSTRALIA,
COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
ABN 22 401 014 998**

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2007**

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
ABN 22 401 014 998**

OPERATING REPORT

In accordance with Section 254 of the Registration and Accountability of Organizations (RAO) Schedule, the Committee of Management present their Operating Report on the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Divisional Conference, the relevant Reporting Unit for the financial year ended 31 March 2007.

Principal Activities

The CEPU Communications Division operates as a Trade Union and mainly represents the Industrial interests of employees in the Postal Industry (e.g. Australia Post), and the Telecommunications Industry (e.g. Telstra and Optus).

Our objectives are to improve and protect the economic condition, job security, working conditions and other industrial concerns of our members.

In our representation of the employees in the Postal and Telecommunications Industries, we negotiate and enforce industrial awards and agreements.

In carrying out this function we provide representation in Industrial tribunals, provide legal assistance where deemed necessary, negotiate workplace change and assist with individual grievances. The union also provides information for its membership by the regular publication of Journals, Bulletins and provision of Web Sites.

The union also pursues and assists kindred organisations by affiliations and other means to uphold the rights and entitlements of workers by Industrial, Political, and Community action.

Operating Result

The operating profit of the Union for the financial year was \$152,155. No provision for tax was necessary as the Union is exempt from income tax.

Significant Changes

No significant changes in the Union's state of affairs occurred during the financial year.

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.

Rights of Members

Subject to the Rule 11 of the Union's rules and Section 174 of the RAO Schedule, members of the Union have the right to resign from membership by providing written notice addressed to and delivered to the Secretary of the relevant branch of the Union.

Superannuation Officeholders

The following officers or member of the Reporting Unit are trustees of superannuation funds:

| | |
|------------------|--|
| Brian Baulk | - Member Representative on the Board of Australia Post Superannuation Scheme |
| Ian McCarthy | - Board Member/Trustee of the Telstra Superannuation Scheme |
| Jim Metcher | - Member Representative on the Board of Australia Post Superannuation Scheme |
| Gerry Kandelaars | - Board Member/Trustee of the Telstra Superannuation Scheme |

Other Prescribed Information

In accordance with Regulation 159 of the Workplace Relations (Registration and Accountability of Organisations) Regulations:

- (a) 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 Section 230 of the RAO Schedule and who are taken to be members of the Union under section 244 of the RAO Schedule was 33,527.

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
ABN 22 401 014 998

OPERATING REPORT continued

- (b) the number of persons who were, at the end of the financial year to which the report relates, employees of the Union, where the number of employees includes both full-time and part-time employees, measured on a full-time equivalent basis was 14.
- (c) the names of each person who have been a member of the Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position were;

| Position | Name |
|---|--|
| Divisional President | C. Cooper (resigned 31 July 2007) |
| Divisional Secretary | E. Husic (appointed 24 July 2006) |
| | B. Baulk (resigned 7 July 2006) |
| Divisional Vice-President | C. Talato |
| | I. Bryant |
| Divisional Assistant Secretaries | S. Herrington (resigned 31 July 2007) |
| | B. Blackburne (appointed 24 July 2006) |
| Telecommunication and Service Representatives | I. McCarthy |
| | V. Horrex |
| | S. Mason |
| | M. Swan |
| | J. Lee |
| | G. Carson |
| | B. Riseley |
| | L. Cooper |
| | D. Irons |
| Postal and Telecommunications Representatives | J. Metcher |
| | J. Doyle |
| | C. Thiele |
| | K. Mellis |
| | N. Paul |
| | P. McDonald |
| | P. Kelly |
| | B. Watkins |
| | A. Absolom (resigned 21 July 2006) |
| | P. Miller |
| | D. Dwyer |
| | V. Butler |

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

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

For Committee of Management: Ed Husic
Title of Office held: Divisional Secretary



Signature
Melbourne: 28 September 2007

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
 PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
 DIVISIONAL CONFERENCE
 ABN 22 401 014 998**

**INCOME STATEMENT
 FOR THE YEAR ENDED 31 MARCH 2007**

| | Note | 2007 \$ | 2006 \$ |
|--|------|-----------------|-----------------|
| Revenue | 3 | 2,648,041 | 2,654,963 |
| Administration expense | 4 | (355,467) | (355,920) |
| Affiliation fees and compulsory levies | 4 | (195,378) | (237,077) |
| Branch assistance | | (37,586) | (50,633) |
| Communication expense | | (58,700) | (68,137) |
| Depreciation expenses | 4 | (63,880) | (71,324) |
| Doubtful debts – branches | | 179,643 | 461,638 |
| Employee benefits expense | 4 | (1,500,652) | (1,594,352) |
| Occupancy expense | | (136,542) | (108,958) |
| Travel expense | 4 | (239,905) | (277,474) |
| Other expenses | | <u>(87,419)</u> | <u>(88,813)</u> |
| Profit before income tax expense | 4 | 152,155 | 263,913 |
| Income tax expense | 1(a) | <u>-</u> | <u>-</u> |
| Net profit after income tax expense | | <u>152,155</u> | <u>263,913</u> |

The accompanying notes form part of these financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
ABN 22 401 014 998**

**BALANCE SHEET
AS AT 31 MARCH 2007**

| | Note | 2007 \$ | 2006 \$ |
|----------------------------------|------|------------------|------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 5 | 2,398,071 | 1,961,897 |
| Trade and other receivables | 6 | 1,314,638 | 1,382,169 |
| Financial assets | 7 | - | 200,000 |
| Other current assets | 8 | <u>29,406</u> | <u>32,046</u> |
| TOTAL CURRENT ASSETS | | <u>3,742,115</u> | <u>3,576,112</u> |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 9 | <u>4,036,309</u> | <u>4,104,096</u> |
| TOTAL NON-CURRENT ASSETS | | <u>4,036,309</u> | <u>4,104,096</u> |
| TOTAL ASSETS | | <u>7,778,424</u> | <u>7,680,208</u> |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 10 | 1,289,755 | 978,730 |
| Short term provisions | 11 | <u>827,015</u> | <u>1,191,979</u> |
| TOTAL CURRENT LIABILITIES | | <u>2,116,770</u> | <u>2,170,709</u> |
| TOTAL LIABILITIES | | <u>2,116,770</u> | <u>2,170,709</u> |
| NET ASSETS | | <u>5,661,654</u> | <u>5,509,499</u> |
| EQUITY | | | |
| Reserves | | 563,383 | 563,383 |
| Retained profits | | <u>5,098,271</u> | <u>4,946,116</u> |
| TOTAL EQUITY | | <u>5,661,654</u> | <u>5,509,499</u> |

The accompanying notes form part of these financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
 PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
 DIVISIONAL CONFERENCE
 ABN 22 401 014 998**

**STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 31 MARCH 2007**

| | Retained earnings general fund \$ | Retained earnings special fund \$ | Retained earnings international fund \$ | Asset revaluation reserve \$ | Total \$ |
|---------------------------------|---|---|---|---------------------------------------|------------------|
| Balance at 31 March 2005 | 2,341,304 | 2,345,568 | (4,669) | 563,383 | 5,245,586 |
| Profit attributable to members | <u>218,566</u> | <u>45,347</u> | <u>-</u> | <u>-</u> | <u>263,913</u> |
| Balance at 31 March 2006 | 2,559,870 | 2,390,915 | (4,669) | 563,383 | 5,509,499 |
| Profit attributable to members | <u>78,348</u> | <u>73,807</u> | <u>-</u> | <u>-</u> | <u>152,155</u> |
| Balance at 31 March 2007 | <u>2,638,218</u> | <u>2,464,722</u> | <u>(4,669)</u> | <u>563,383</u> | <u>5,661,654</u> |

The accompanying notes form part of these financial statements.

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
ABN 22 401 014 998

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2007**

| | Note | 2007 \$ | 2006 \$ |
|---|------|--------------------|--------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| General Fund and Special Fund | | | |
| Contributions – branches | | 2,772,418 | 3,041,792 |
| Interest received | | 141,227 | 97,727 |
| Rental received | | 196,640 | 147,224 |
| Sundry income | | 74,538 | 23,140 |
| Payments to suppliers & employees | | <u>(3,034,782)</u> | <u>(3,199,956)</u> |
| Net cash provided by operating activities | 17b | <u>150,041</u> | <u>109,927</u> |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Proceeds on sale of fixed assets | | 5,454 | - |
| Purchase of fixed assets | | <u>(1,323)</u> | <u>(5,625)</u> |
| Net cash provided by (used in) investing activities | | <u>4,131</u> | <u>(5,625)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from investments | | 200,000 | - |
| Repayment of loans from branches | | 82,000 | 59,335 |
| Payment UPT entitlements | | <u>2</u> | <u>2</u> |
| Net cash flows provided by financing activities | | <u>282,002</u> | <u>59,337</u> |
| Net increase in cash held | | 436,174 | 163,639 |
| Cash at beginning of year | | <u>1,961,897</u> | <u>1,798,258</u> |
| Cash at end of year | 17a | <u>2,398,071</u> | <u>1,961,897</u> |

The accompanying notes form part of these financial statements.

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
ABN 22 401 014 998

**STATEMENT OF RECEIPTS AND PAYMENTS FOR RECOVERY OF WAGES ACTIVITY
CASH BASIS - FOR THE YEAR ENDED 31 MARCH 2007**

| | 2007 \$ | 2006 \$ |
|--|------------|------------|
| Cash assets in respect of recovered money at beginning of year | - | - |
| Receipts | | |
| Amounts recovered from employers in respect of wages etc | - | - |
| Interest received on recovered money | - | - |
| Total receipts | - | - |
| Payments | | |
| Deductions of amounts due in respect of membership for:- | | |
| - 12 months or less | - | - |
| - greater than 12 months | - | - |
| Deductions of donations or other contributions to accounts or funds of:- | | |
| - the reporting unit | - | - |
| - other entity | - | - |
| Deductions of fees or reimbursements of expenses | - | - |
| Payments to workers in respect of recovered money | - | - |
| Total payments | - | - |
| Cash assets in respect of recovered money at end of year | - | - |

The accompanying notes form part of these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Workplace Relations Act 1996.

The financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Divisional Conference complies 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 Union in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

Reporting Basis and Conventions

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, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Accounting Policies

a. Income Tax

No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 50 – 15 of the Income Tax Assessment Act 1997.

b. Property, Plant and Equipment

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

Property

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. Appraisals are carried out by the committee of management on a 3 yearly basis.

Plant and equipment

Plant and equipment is measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the committee of management to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

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**NOTES TO THE FINANCIAL STATEMENTS
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NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

b. Property, Plant and Equipment continued

Depreciation

The depreciable amount of all fixed assets including buildings, but excluding freehold land, is depreciated on a straight line basis or a reducing balance basis over their estimated useful lives to the Union commencing from the time the asset is held ready for use.

The depreciation rates used for each class of assets are:

| Class of Fixed Asset | Depreciation Rate |
|--------------------------------|-------------------|
| Buildings | 2.5% |
| Employee amenities | 5.0% |
| Office furniture and equipment | 7.5% - 30% |
| Office machines and equipment | 20% - 40% |
| Motor vehicles | 22.5% |

c. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

d. Employee Benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Union to an employee superannuation fund and are charged as expenses when incurred.

e. Financial Instruments

Recognition

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:

Financial Assets

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 nominal value.

Held-to-maturity investments

These investments have fixed maturities, and it is the Union's intention to hold these investments to maturity. Any held-to-maturity investments held by the Union are stated at a current value based on either amortising or revaluing the investment on a straight line basis to its face value at maturity. Any adjustment is debited or credited to interest.

Fair Value

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

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**NOTES TO THE FINANCIAL STATEMENTS
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NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

e. Financial Instruments continued

Impairment

At each reporting date, the Union assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the income statement.

f. Impairment of Assets

At each reporting date, the Union review the carrying value of the tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

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 on the balance sheet.

h. Revenue

Revenue from membership is recognised on an accrual basis.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

i. 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 Balance Sheet are shown inclusive of GST.

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

k. Comparative Figures

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

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**NOTES TO THE FINANCIAL STATEMENTS
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NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

l. Critical Accounting Estimates and Judgements

The committee of management evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the union.

Key Estimates

The committee of management assesses impairment at each reporting date by evaluating conditions specific to the union that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value in use calculation performed in assessing recoverable amounts incorporates a number of key estimates.

Key Judgements

There are no critical judgements that have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities.

m. Consolidation

The Divisional Conference represents the nationwide interest of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, in Australia and has agreed to provide financial assistance where necessary. The Divisional Conference however has no control over the operations or management of the branches which are run by their own committee of management and which report separately to the Australian Industrial Registry as required by the Workplace Relations Act 1996. Accordingly no consolidated financial statements have been prepared that incorporate the financial performance or position of the branches.

NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act, 1996, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272 of Schedule 1, which read as follows:-

- (1) A member of a 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 specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007**

| | 2007 \$ | 2006 \$ |
|---|------------------|------------------|
| NOTE 3: REVENUE | | |
| Operating activities | | |
| Contributions from branches | | |
| Postal and Telecommunications: | | |
| -New South Wales | 671,628 | 734,127 |
| -Queensland | 269,037 | 272,719 |
| -South Australia/Northern Territory | 142,062 | 147,131 |
| -Tasmania | 52,480 | 50,633 |
| -Victoria | 356,017 | 356,365 |
| -Western Australia | 123,395 | 129,655 |
| Telecommunications and Services: | | |
| -New South Wales | 188,753 | 223,174 |
| -Queensland | 118,418 | 125,731 |
| -South Australia/Northern Territory | 60,389 | 67,977 |
| -Victoria | 217,252 | 225,790 |
| -Western Australia | 53,090 | 56,061 |
| -Tasmania | 2,521 | - |
| | <u>2,255,042</u> | <u>2,389,363</u> |
| Board position | 26,225 | 11,878 |
| Interest received | 118,369 | 108,620 |
| Profit on sale of fixed assets | 225 | - |
| Rent received | 196,641 | 133,840 |
| Sundry income | 408 | 11,262 |
| Transfer from CEPU T&S Vic – Entitlements | 51,131 | - |
| | <u>392,999</u> | <u>265,600</u> |
| Total revenue | <u>2,648,041</u> | <u>2,654,963</u> |

NOTE 4: PROFIT FOR YEAR

Profit before income tax expense has been determined after:

Expenses

Affiliation fees:

| | | |
|--|----------------|----------------|
| - Australian Council of Trade Unions | 105,388 | 92,125 |
| - Union Network International | 47,125 | 58,394 |
| Compulsory fees: | | |
| - ACTU IR campaign | 31,965 | 84,158 |
| - Australia at work, Workplace Research Centre | 10,500 | - |
| - State Revenue Office congestion levy | 400 | 2,400 |
| | <u>195,378</u> | <u>237,077</u> |

Depreciation expense

| | | |
|---|---------------|---------------|
| Depreciation of property, plant and equipment | <u>63,880</u> | <u>71,324</u> |
|---|---------------|---------------|

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007**

| | 2007 \$ | 2006 \$ |
|--|------------------|------------------|
| NOTE 4: PROFIT FOR YEAR continued | | |
| Employee benefits expense | | |
| Salaries and allowances | | |
| - elected officials | 548,183 | 348,802 |
| - employees | 1,041,030 | 903,987 |
| Superannuation contributions | | |
| - elected officials | 56,481 | 65,274 |
| - employees | 102,227 | 115,225 |
| Provision for annual leave | | |
| - elected officials | 14,547 | (13,728) |
| - employees | (76,702) | 2,720 |
| Provision for long service leave | | |
| - elected officials | (111,061) | 45,078 |
| - employees | (30,220) | (12,646) |
| Provision for sick leave | | |
| - elected officials | (58,583) | 13,742 |
| - employees | (102,946) | 7,963 |
| Other | | |
| - fringe benefit tax | 10,754 | 10,578 |
| - payroll tax | 80,108 | 74,011 |
| - superannuation insurance | 13,611 | 20,056 |
| - Workcover levy | 13,223 | 13,290 |
| | <u>1,500,652</u> | <u>1,594,352</u> |
| Administration expense | | |
| Advertising | 150 | - |
| Bank charges | 1,205 | 1,723 |
| Books, publications and subscriptions | 9,010 | 16,863 |
| Computer expense | 19,839 | 15,319 |
| Donations - APHEDA | 500 | - |
| Journals and publications | 30,008 | - |
| Insurance | 17,300 | 17,385 |
| Postage and courier | 3,812 | 8,481 |
| Printing and stationery | 8,668 | 16,257 |
| Professional services | | |
| - Audit | 22,900 | 22,670 |
| - Consultants | 9,850 | 11,135 |
| - Legal | 182,932 | 208,125 |
| Rental of office equipment | 9,911 | 11,194 |
| Repairs and maintenance | 37,496 | 25,666 |
| Training and Education | 1,886 | 1,102 |
| | <u>355,467</u> | <u>355,920</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007**

| | 2007 \$ | 2006 \$ |
|--|----------------|----------------|
| NOTE 4: PROFIT FOR YEAR continued | | |
| Travel expenses | | |
| Airfares | | |
| - General | 108,665 | 90,230 |
| - International | 5,734 | 14,811 |
| - Divisional conference | - | 14,241 |
| - Divisional executive | 19,180 | 27,309 |
| - National council | 4,604 | 5,824 |
| Car hire and taxi | | |
| - General | 21,840 | 23,480 |
| - Divisional conference | - | 1,191 |
| - Divisional executive | 2,589 | 3,682 |
| - National council | 99 | 715 |
| - National executive | - | 153 |
| Motor vehicle expense | 16,044 | 12,386 |
| Travelling allowance | | |
| - General | 29,667 | 25,662 |
| - International | 5,752 | 10,488 |
| - Divisional conference | - | 10,892 |
| - Divisional executive | 20,398 | 26,504 |
| - National council | 4,683 | 4,360 |
| - National executive | - | 1,188 |
| - Home state allowance | 650 | 4,358 |
| | <u>239,905</u> | <u>277,474</u> |

NOTE 5: CASH AND CASH EQUIVALENTS

| | | |
|-------------------------|------------------|------------------|
| General Fund | | |
| Cash on hand | 1,000 | 1,000 |
| Cash at bank | | |
| - General account | 175,226 | 139,732 |
| - Joint fund | 1,162 | 1,204 |
| - Union dues account | 230,760 | 307,264 |
| - UPT provident fund | 871 | 869 |
| - OnLine Saver Account | 612,059 | - |
| Cash on deposit | | |
| - Employee entitlements | 119,589 | 112,967 |
| - General account | 984,198 | 1,365,237 |
| - Term Deposit | 237,611 | - |
| | <u>2,362,476</u> | <u>1,928,273</u> |
| Special Fund | | |
| Deposits on call | 35,595 | 33,624 |
| | <u>2,398,071</u> | <u>1,961,897</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007**

| | 2007 \$ | 2006 \$ |
|---|------------------|------------------|
| NOTE 6: TRADE AND OTHER RECEIVABLES | | |
| CURRENT | | |
| General Fund | | |
| Amount owing by Postal and Telecommunications branches: | | |
| - New South Wales | 511,332 | 649,516 |
| - Queensland | 23,471 | 21,319 |
| - South Australia / Northern Territory | 12,488 | 12,473 |
| - Tasmania | 3,987 | 471 |
| - Victoria | 91,706 | 47,708 |
| | <u>642,984</u> | <u>731,487</u> |
| Less provision for impairment of receivables | <u>(300,731)</u> | <u>(436,873)</u> |
| | <u>342,253</u> | <u>294,614</u> |
| Amount owing by Telecommunications and Services Branches: | | |
| - New South Wales | 67,085 | 164,382 |
| - Queensland | 3,553 | 4,433 |
| - South Australia / Northern Territory | 2,710 | 2,069 |
| - Tasmania | 8,251 | 8,251 |
| - Victoria | 15,389 | 93,061 |
| | <u>96,988</u> | <u>272,196</u> |
| Less provision for impairment of receivables | <u>(8,251)</u> | <u>(60,924)</u> |
| | <u>88,737</u> | <u>211,272</u> |
| Loan owing by Postal and Telecommunications branches: | | |
| - New South Wales | - | 14,000 |
| Less provision for impairment of receivables | <u>-</u> | <u>(6,000)</u> |
| | <u>-</u> | <u>8,000</u> |
| Loan owing by Telecommunications and Services branches: | | |
| - Victoria | <u>-</u> | <u>68,000</u> |
| Other debtors: | | |
| - Accrued income | 14,294 | 37,247 |
| - Amount owing from International Fund | 4,669 | 4,669 |
| - Sundry debtors | 73,380 | 66,131 |
| | <u>92,343</u> | <u>108,047</u> |
| Less provision for impairment of receivables | <u>-</u> | <u>(3,483)</u> |
| | <u>92,343</u> | <u>104,564</u> |
| TOTAL GENERAL FUND | <u>523,333</u> | <u>686,450</u> |
| Special Fund | | |
| Accrued Income | 542 | 448 |
| Amount owing from general fund | <u>790,763</u> | <u>695,271</u> |
| TOTAL SPECIAL FUND | <u>791,305</u> | <u>695,719</u> |
| TOTAL RECEIVABLE | <u>1,314,638</u> | <u>1,382,169</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007**

| | 2007 \$ | 2006 \$ |
|---|------------|------------|
| NOTE 7: FINANCIAL ASSETS | | |
| CURRENT | | |
| Fixed interest securities | - | 200,000 |
| NOTE 8: OTHER CURRENT ASSETS | | |
| Prepayments | 29,406 | 32,046 |
| NOTE 9: PROPERTY, PLANT AND EQUIPMENT | | |
| General Fund | | |
| Land and Building | | |
| Freehold land – Queensberry Street at independent valuation 8 June 2005 | 1,100,000 | 1,100,000 |
| Building – Queensberry Street at independent valuation 8 June 2005 | 950,000 | 950,000 |
| Less accumulated depreciation | (66,825) | (43,075) |
| | 883,175 | 906,925 |
| TOTAL LAND AND BUILDING | 1,983,175 | 2,006,925 |
| Employee amenities – at cost | 1,051 | 1,051 |
| Less accumulated depreciation | (1,051) | (1,051) |
| | - | - |
| Motor vehicles – at cost | 97,820 | 129,769 |
| Less accumulated depreciation | (78,043) | (98,684) |
| | 19,777 | 31,085 |
| Office furniture and equipment – at cost | 342,146 | 340,823 |
| Less accumulated depreciation | (304,170) | (299,979) |
| | 37,976 | 40,844 |
| Office machines and equipment – at cost | 121,310 | 121,310 |
| Less accumulated depreciation | (109,104) | (102,993) |
| | 12,206 | 18,317 |
| TOTAL GENERAL FUND | 2,053,134 | 2,097,171 |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007**

NOTE 9: PROPERTY, PLANT AND EQUIPMENT continued

MOVEMENTS IN CARRYING AMOUNTS

| | Land \$ | Building \$ | Employee amenities \$ | Motor Vehicles \$ |
|---|------------------|----------------|-----------------------------|-------------------------|
| Balance at the beginning of year | 1,100,000 | 906,925 | - | 31,085 |
| Additions | - | - | - | - |
| Disposals | - | - | - | (5,230) |
| Depreciation expense | - | (23,750) | - | (6,078) |
| Carrying amount at the end of financial year | 1,100,000 | 883,175 | - | 19,777 |

| | Office furniture and fittings \$ | Office machines and equipment \$ | Total \$ |
|---|---|--|------------------|
| Balance at the beginning of year | 40,844 | 18,317 | 2,097,171 |
| Additions | 1,323 | - | 1,323 |
| Disposals | - | - | (5,230) |
| Depreciation expense | (4,191) | (6,111) | (40,130) |
| Carrying amount at the end of financial year | 37,976 | 12,206 | 2,053,134 |

| | 2007 \$ | 2006 \$ |
|---|-------------------------|-------------------------|
| Special Fund | | |
| Land and Building | | |
| Freehold land – Queensberry Street at independent valuation 8 June 2005 | <u>1,100,000</u> | <u>1,100,000</u> |
| Building – Queensberry Street at independent valuation 8 June 2005 | 950,000 | 950,000 |
| Less accumulated depreciation | <u>(66,825)</u> | <u>(43,075)</u> |
| | <u>883,175</u> | <u>906,925</u> |
| TOTAL LAND AND BUILDING | <u>1,983,175</u> | <u>2,006,925</u> |
| TOTAL SPECIAL FUND | <u>1,983,175</u> | <u>2,006,925</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
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NOTE 9: PROPERTY, PLANT AND EQUIPMENT continued

MOVEMENTS IN CARRYING AMOUNTS

| | Land \$ | Buildings \$ | Total \$ |
|---|------------------|-----------------|------------------|
| Balance at the beginning of year | 1,100,000 | 906,925 | 2,006,925 |
| Additions | - | - | - |
| Disposals | - | - | - |
| Depreciation expense | - | (23,750) | (23,750) |
| Carrying amount at the end of financial year | <u>1,100,000</u> | <u>883,175</u> | <u>1,983,175</u> |

| | 2007 \$ | 2006 \$ |
|--|--------------------|--------------------|
| Total Property, Plant & Equipment | <u>4,036,309</u> | <u>4,104,096</u> |

An independent valuation conducted on the 8 June 2005 by WBP Property Valuers Pty Ltd.

NOTE 10: PAYABLES

General Fund

Amount owing to Postal and Telecommunications branches:

| | | |
|------------|---|-------|
| - Victoria | - | 1,981 |
|------------|---|-------|

Amount owing to Telecommunications and Services branches:

| | | |
|---------------------|--------------|--------------|
| - New South Wales | - | 4,472 |
| - Victoria | 77 | 70 |
| - Western Australia | 1,877 | 1,523 |
| | <u>1,954</u> | <u>6,065</u> |

| | | |
|------------------------------|----------------|----------------|
| Amount owing to Special Fund | <u>790,763</u> | <u>695,271</u> |
|------------------------------|----------------|----------------|

| | | |
|---------------------|----------------|----------------|
| GST Collected | 3,469 | 42,931 |
| Legal costs payable | 30,754 | 7,309 |
| Sundry creditors | 458,146 | 220,504 |
| | <u>492,369</u> | <u>270,744</u> |

| | | |
|--------------------|------------------|----------------|
| Total General Fund | <u>1,285,086</u> | <u>974,061</u> |
|--------------------|------------------|----------------|

International Fund

| | | |
|------------------------------|--------------|--------------|
| Amount owing to General Fund | <u>4,669</u> | <u>4,669</u> |
|------------------------------|--------------|--------------|

| | | |
|-----------------------|------------------|----------------|
| Total Payables | <u>1,289,755</u> | <u>978,730</u> |
|-----------------------|------------------|----------------|

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**NOTES TO THE FINANCIAL STATEMENTS
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| | 2007 | 2006 |
|--|------------------|------------------|
| | \$ | \$ |
| NOTE 11: PROVISIONS | | |
| Employee entitlements: | | |
| Provision for annual leave | | |
| - elected officials | 47,629 | 33,082 |
| - employees | 92,486 | 169,188 |
| | <u>140,115</u> | <u>202,270</u> |
| Provision for long service leave | | |
| - elected officials | 214,616 | 325,677 |
| - employees | 269,571 | 299,791 |
| | <u>484,187</u> | <u>625,468</u> |
| Provision for sick leave | | |
| - elected officials | 42,715 | 101,298 |
| - employees | 159,128 | 262,074 |
| | <u>201,843</u> | <u>363,372</u> |
| Provision for UPT provident fund | <u>870</u> | <u>869</u> |
| Total entitlements | <u>827,015</u> | <u>1,191,979</u> |
| Number of employees at year end | 14 | 15 |
| NOTE 12: SPECIAL FUND BALANCE | | |
| Opening balance | 2,390,915 | 2,345,568 |
| Add receipts: | | |
| - interest | 2,065 | 2,177 |
| - rent received | 95,492 | 66,920 |
| | <u>2,488,472</u> | <u>2,414,665</u> |
| Less expenses: | | |
| - depreciation | <u>23,750</u> | <u>23,750</u> |
| Closing balance | <u>2,464,722</u> | <u>2,390,915</u> |
| Accrued income | 542 | 448 |
| Amount owing from general fund | 790,763 | 695,271 |
| Deposits at call | 35,595 | 33,624 |
| Fixed assets | 1,983,175 | 2,006,925 |
| Asset revaluation reserve | <u>(345,353)</u> | <u>(345,353)</u> |
| | <u>2,464,722</u> | <u>2,390,915</u> |
| NOTE 13: INTERNATIONAL FUND BALANCE | | |
| Balance | <u>(4,669)</u> | <u>(4,669)</u> |
| Sundry creditors | <u>(4,669)</u> | <u>(4,669)</u> |

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
ABN 22 401 014 998**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007**

**NOTE 14: KEY MANAGEMENT PERSONNEL COMPENSATION AND
RELATED PARTY TRANSACTIONS**

Key Management Personnel compensation

- a. The aggregate amount of remuneration paid to elected officials during the financial year for salaries was \$548,183 (2006: 348,802) and for honorarium was \$8,667.
The aggregate amount paid during the financial year to a superannuation plan in connection with the retirement of elected officials was \$56,481 (2006:65,274).
- b. The aggregate amount of remuneration paid to other persons on the committee of management was \$2,000.
- c. The names of committee of management of the Union who have held office during the financial year are:

| Position | Name |
|---|--|
| Divisional President | C. Cooper |
| Divisional Secretary | E. Husic (appointed 24 July 2006) B. Baulk (resigned 7 July 2006) |
| Divisional Vice-President | C. Talato |
| Divisional Assistant Secretaries | I. Bryant S. Herrington |
| Telecommunication and Service Representatives | B. Blackburne (appointed 24 July 2006) I. McCarthy V. Horrex S. Mason M. Swan J. Lee G. Carson B. Riseley L. Cooper D. Irons |
| Postal and Telecommunications Representatives | J. Metcher J. Doyle C. Thiele K. Mellis N. Paul P. McDonald P. Kelly B. Watkins A. Absalom (resigned 21 July 2006) P. Miller D. Dwyer V. Butler |

Related Party Transactions

- a. There were no transactions between the officers of the Union other than those relating to their membership of the Union and reimbursement by the Union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007**

**NOTE 14: KEY MANAGEMENT PERSONNEL COMPENSATION AND
RELATED PARTY TRANSACTIONS continued**

b. The branches of the CEPU Communication Division are as follows:

Postal and Telecommunications branches:

- New South Wales
- Queensland
- South Australia / Northern Territory
- Tasmania
- Victoria
- Western Australia

Telecommunications and Services branches:

- New South Wales
- Queensland
- South Australia / Northern Territory
- Tasmania
- Victoria
- Western Australia

The transactions between the branches and divisional conference are on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length and are as disclosed in note 3,6, and 10.

NOTE 15: SEGMENT REPORTING

The Union operates predominantly in one industry, being the Communications sector. The business operates predominantly in one geographical area being Australia.

NOTE 16: ECONOMIC DEPENDENCE

The principle source of income for the Union is from membership fees from branches. The Union is economically dependent upon the membership level and fees.

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007**

2007 **2006**
\$ **\$**

NOTE 17: CASH FLOW INFORMATION

a. Reconciliation of Cash

Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the balance sheet as follows:

General Fund

| | | |
|------------------|------------------|------------------|
| Cash on hand | 1,000 | 1,000 |
| Cash at bank | 1,020,078 | 449,069 |
| Deposits at call | 1,341,398 | 1,478,204 |
| | <u>2,362,476</u> | <u>1,928,273</u> |

Special Fund

| | | |
|------------------|---------------|---------------|
| Deposits at call | <u>35,595</u> | <u>33,624</u> |
|------------------|---------------|---------------|

| | | |
|------------|------------------|------------------|
| Total Cash | <u>2,398,071</u> | <u>1,961,897</u> |
|------------|------------------|------------------|

**b. Reconciliation of Cash Flow from Operations
with Profit after Income Tax**

General Fund

| | | |
|--|----------------|----------------|
| Net profit | 78,348 | 218,566 |
| Non-cash flow in profit: | | |
| Depreciation | 40,130 | 47,574 |
| (Profit) / loss on sale of property, plant and equipment | (225) | 1,841 |
| Changes in assets and liabilities: | | |
| (Increase)/decrease in prepayments | 2,641 | 6,117 |
| (Increase)/decrease in trade and other receivables | 81,118 | (26,518) |
| Increase/(decrease) in trade and other payables | 311,025 | (182,511) |
| Increase/(decrease) in short term provisions | (364,966) | 43,129 |
| | <u>148,071</u> | <u>108,198</u> |

Special Fund

| | | |
|---------------------------------------|--------------|--------------|
| Net profit | 73,807 | 45,347 |
| Non-cash flow in profit: | | |
| Depreciation | 23,750 | 23,750 |
| Changes in assets and liabilities: | | |
| (Increase)/decrease in General Fund | (95,492) | (66,920) |
| (Increase)/decrease in sundry debtors | (95) | (448) |
| | <u>1,970</u> | <u>1,729</u> |

| | | |
|----------------------------|----------------|----------------|
| Cash flows from operations | <u>150,041</u> | <u>109,927</u> |
|----------------------------|----------------|----------------|

c. The Union has no credit stand-by or financing facilities in place.

d. There were no non-cash financing or investing activities during the period.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007**

NOTE 18: FINANCIAL INSTRUMENTS

a. Interest Rate Risk

The Union's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

| 2007 | Note | Weighted Average Effective Interest Rate | Floating Interest Rate | Fixed Interest Rate Maturing | | | TOTAL |
|---|------|--|---------------------------|------------------------------|--------------|--------------------------|-----------|
| | | % | \$ | Within 1 Year | 1 to 5 Years | Non- interest bearing | |
| | | | | \$ | \$ | \$ | \$ |
| Financial Assets | | | | | | | |
| Cash | 5 | 5.60 | 2,395,909 | - | - | 2,162 | 2,398,071 |
| Receivables | 6 | - | - | - | - | 1,314,638 | 1,314,638 |
| Total Financial Assets | | | 2,395,909 | - | - | 1,316,800 | 3,712,709 |
| Financial Liabilities | | | | | | | |
| Payables | 10 | - | - | - | - | 1,289,755 | 1,289,755 |
| Total Financial Liabilities | | | - | - | - | 1,289,755 | 1,289,755 |
| Net Financial Assets/(Liabilities) | | | 2,395,909 | - | - | 27,045 | 2,422,954 |

| 2006 | Note | Weighted Average Effective Interest Rate | Floating Interest Rate | Fixed Interest Rate Maturing | | | TOTAL |
|---|------|--|---------------------------|------------------------------|--------------|--------------------------|-----------|
| | | % | \$ | Within 1 Year | 1 to 5 Years | Non- interest bearing | |
| | | | | \$ | \$ | \$ | \$ |
| Financial Assets | | | | | | | |
| Cash | 5 | 5.25 | 1,959,693 | - | - | 2,204 | 1,961,897 |
| Receivables | 6 | - | - | - | - | 1,382,169 | 1,382,169 |
| Financial assets | 7 | 5.70 | - | 200,000 | - | - | 200,000 |
| Total Financial Assets | | | 1,959,693 | 200,000 | - | 1,384,373 | 3,544,066 |
| Financial Liabilities | | | | | | | |
| Payables | 10 | - | - | - | - | 978,730 | 978,730 |
| Total Financial Liabilities | | | - | - | - | 978,730 | 978,730 |
| Net Financial Assets/(Liabilities) | | | 1,959,693 | 200,000 | - | 405,643 | 2,565,336 |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007**

| | 2007 \$ | 2006 \$ |
|---|-------------------|------------------|
| NOTE 18: FINANCIAL INSTRUMENTS continued | | |
| Reconciliation of Net Financial Assets to Net Assets | | |
| Net Financial assets as above | 2,422,954 | 2,565,336 |
| Non-Financial assets and liabilities: | | |
| Prepayments | 8 29,406 | 32,046 |
| Plant and equipment | 9 4,036,309 | 4,104,096 |
| Employee entitlements | 11 (827,015) | (1,191,979) |
| Net assets per balance sheet | <u>5,661,654</u> | <u>5,509,499</u> |

b. Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for impairment, as disclosed in the balance sheet and notes to the financial statements.

The Union does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Union.

c. Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the Union intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

NOTE 19: CONTINGENT LIABILITIES

As at the 31 March 2007 the following branch had an excess of current liabilities over current assets after adjusting for any amount included in payables or receivables owing to or from the Divisional Conference from the branches.

Telecommunications and Services Branch:
- New South Wales \$202,039

The Divisional Conference has agreed to provide the financial assistance necessary to ensure that the following branch can pay its debts as and when they fall due for a period of 12 months from the 31 March 2007.

The amount of contingent liability stated above may change depending on the financial performance of the branch. No estimates are possible due to the lack of up to date financial information available at the date of signing this financial report.

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ABN 22 401 014 998**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007**

NOTE 20: ENTITY DETAILS

The registered office is:

139 – 155 Queensberry Street
CARLTON SOUTH VIC 3053

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
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COMMITTEE OF MANAGEMENT CERTIFICATE

On 28 September 2007 the Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Communications Division, Telecommunications and Services Branch (Victoria) ("Union/Reporting Unit") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 March 2007:

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 Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organization; and
 - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member of Registrar; and
 - (vi) there has been compliance with any order for inspection of financial reports made by the Commission under section 273 of the RAO Schedule.

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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COMMITTEE OF MANAGEMENT CERTIFICATE
continued

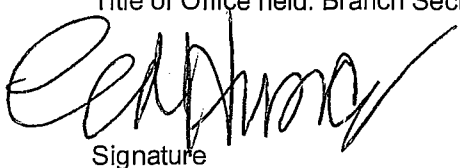
(f) in relation to recovery of wages activity:

- (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Industrial Registrar; and
- (ii) the committee of management caused the auditor to include in the scope of the audit required under subsection 257(1) of the RAO Schedule all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
- (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
- (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
- (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

(g) that the members receive a copy of the concise financial report.

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

For Committee of Management: Ed Husic
Title of Office held: Branch Secretary



Signature

Melbourne: 28 September 2007

INDEPENDENT AUDITOR'S REPORT

TO COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, DIVISIONAL CONFERENCE

We have audited the accompanying financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Divisional Conference (the reporting unit), which comprises the balance sheet as at 31 March 2007, and the income statement, statement of changes in equity, cash flow statement and statement of receipts and payments for recovery of wages activity cash basis for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the committee of management's declaration of the reporting unit during the financial year.

Committee of management's responsibility for the financial report

The reporting unit's committee of management 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 Workplace Relations Act 1996. This responsibility includes establishing and maintaining internal control 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 of management also state, in accordance with Accounting Standard AASB 101: "Presentation of Financial Statements" that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

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 judgment, 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 the committee of 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.

INDEPENDENT AUDITOR'S REPORT continued

**TO COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE**

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

Auditor's opinion

In our opinion the financial report of the reporting unit:

- (a) is in accordance with the provisions of the Workplace Relations Act 1996, other requirements imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the RAO Schedule, including:
 - (i) presenting fairly the reporting unit's financial position as at 31 March 2007 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and International Financial Reporting Standards as disclosed in Note 1.
- (b) properly and fairly report all information in relation to recovery of wages activity required by the reporting guidelines of the Industrial Registrar, including:
 - (i) any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity; and
 - (ii) any donations or other contributions deducted from recovered money.
- (c) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

MSI RaggWeir

MSI RAGG WEIR
Chartered Accountants

L.S. Wong

L.S. WONG
Partner,
Member of the Institute of Chartered Accountants in Australia and
holder of a current public practice certificate

Melbourne 28 September 2007

COMPILATION REPORT

TO COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION, DIVISIONAL CONFERENCE

Scope

On the basis of the information provided by the Committee of Management of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Divisional Conference (Reporting Unit) we have complied, in accordance with APS 9: Statement of Compilation of Financial Reports the special purpose financial report comprising the Detailed Profit and Loss Statement of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Divisional Conference for the year ended 31 March 2007 as set out on page 31 to 33.

The specific purpose for which the special purpose financial report has been prepared is to provide financial information to the Committee of Management. No Accounting Standards and other mandatory professional reporting requirements have been adopted in the preparation of the special purpose financial report.

The Committee of Management is solely responsible for the information contained in the special purpose financial report and has determined that the accounting policies used are consistent and are appropriate to satisfy the needs of the Committee of Management.

Our procedures use accounting expertise to collect, classify and summarise the financial information which the Committee of Management provided into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the reporting unit, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared for the benefit of the reporting unit and its members and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.



MSI RAGG WEIR
Chartered Accountants

Melbourne: 28 September 2007

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
ABN 22 401 014 998
DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 MARCH 2007**

| | 2007 | 2006 |
|---------------------------------------|------------------|------------------|
| | \$ | \$ |
| INCOME | | |
| Contributions - branches | 2,255,042 | 2,389,363 |
| Interest received | 118,369 | 108,620 |
| Board position | 26,225 | 11,878 |
| Rent received | 196,641 | 133,840 |
| Sundry income | 408 | 11,262 |
| Profit on sale of fixed assets | 225 | - |
| Transfer from CEPU T&S – Entitlements | 51,131 | - |
| TOTAL INCOME | <u>2,648,041</u> | <u>2,654,963</u> |
| LESS EXPENDITURE | | |
| Advertising | 150 | - |
| Affiliation fees: | | |
| - ACTU | 105,388 | 92,125 |
| - UNI | 47,125 | 58,394 |
| Airfares: | | |
| - Divisional Conference | - | 14,241 |
| - Divisional Executive | 19,180 | 27,309 |
| - International | 5,734 | 14,811 |
| - General | 55,727 | 29,324 |
| - General/Other | 52,937 | 60,906 |
| - National Council | 4,604 | 5,824 |
| Bad Debts Written Off | 3,226 | - |
| Bank charges | 1,205 | 1,723 |
| Books, publications and subscriptions | 9,010 | 16,863 |
| Branch assistance: | | |
| - P & T Tasmania | 37,586 | 50,633 |
| Building Security | 4,775 | 3,970 |
| Campaigns | 98,305 | 150,482 |
| Car hire and taxis: | | |
| - Divisional Conference | - | 1,191 |
| - Divisional Executive | 2,589 | 3,681 |
| - General | 21,840 | 23,480 |
| - National Council | 99 | 715 |
| - National Executive | - | 153 |
| Cleaning | 27,217 | 23,461 |
| Computer charges | 19,839 | 15,319 |
| Congestion levy | 400 | 2,400 |
| Depreciation | 63,880 | 71,324 |
| Donations - APHEDA | 500 | - |

This statement should be read in conjunction with the attached compilation report on page 30.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
ABN 22 401 014 998**

**DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 MARCH 2007**

| | 2007 \$ | 2006 \$ |
|---|------------|------------|
| EXPENDITURE continued | | |
| Fringe benefits tax | 10,754 | 10,578 |
| Functions, social and fraternal gifts | 9,067 | 2,650 |
| General expenses | - | 4,066 |
| Honoraria | 10,667 | 8,500 |
| Insurance | 17,300 | 17,385 |
| Journals and publications | 30,008 | - |
| Light, power and cleaning | 42,515 | 45,518 |
| Loss of salary | 5,954 | 293 |
| Loss on sale of property, plant and equipment | - | 1,840 |
| Management Fee – Rented Office | 11,359 | |
| Meetings expenses: | | |
| - General | 320 | - |
| Motor vehicle expenses | 16,044 | 12,386 |
| Payroll tax | 80,108 | 74,010 |
| Postage and delivery charges | 3,813 | 8,481 |
| Printing and stationery | 8,668 | 16,257 |
| Professional services: | | |
| - Accountancy and audit fees | 22,900 | 22,670 |
| - Consultant | 9,850 | 11,135 |
| - Legal fees | 182,932 | 208,125 |
| Provision for annual leave | (62,155) | (11,008) |
| Provision for doubtful debts | (182,869) | (461,638) |
| Provision for long service leave | (141,281) | 32,433 |
| Provision for sick leave | (161,529) | 21,705 |
| Rates and taxes | 50,676 | 36,009 |
| Rental of equipment | 9,912 | 11,194 |
| Repairs and maintenance | 37,496 | 25,666 |
| Salaries and allowances: | | |
| - elected officials | 548,183 | 348,802 |
| - employees | 1,041,030 | 903,987 |
| Staff amenities | 5,570 | 5,141 |
| Superannuation: | | |
| - elected officials | 56,481 | 65,274 |
| - employees | 102,227 | 115,225 |
| - Group life cover | 13,611 | 20,056 |
| Telephone and facsimile | 58,700 | 68,137 |
| Training and education | 1,886 | 1,102 |

This statement should be read in conjunction with the attached compilation report on page 30.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
DIVISIONAL CONFERENCE
ABN 22 401 014 998**

**DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 MARCH 2007**

| EXPENDITURE continued | 2007 \$ | 2006 \$ |
|------------------------------|--------------------|--------------------|
| Travelling allowance: | | |
| - Divisional Conference | - | 10,892 |
| - Divisional Executive | 20,398 | 26,504 |
| - General | 21,363 | 8,799 |
| - General/Other | 8,304 | 16,863 |
| - Home State allowance | 650 | 4,358 |
| - International | 5,752 | 10,488 |
| - National Council | 4,683 | 4,360 |
| - National Executive | - | 1,188 |
| Workcover | <u>13,223</u> | <u>13,290</u> |
| TOTAL EXPENDITURE | <u>2,495,886</u> | <u>2,391,050</u> |
| PROFIT FOR YEAR | <u>152,155</u> | <u>263,913</u> |

This statement should be read in conjunction with the attached compilation report on page 30.

ATTACHMENT 2

Bulletin No. 12 Ref: LC/ED
Distribution: CEPU (CD) WEBSITE

File: 5.3/202

Date: 5 OCTOBER 2007



Len Cooper
DIVISIONAL PRESIDENT

CEPU
COMMUNICATIONS DIVISION
DIVISIONAL CONFERENCE AND
TOA FINANCIAL STATEMENTS
AS AT 31ST MARCH 2007



Ed Husic
DIVISIONAL SECRETARY

FOR INFORMATION

DECISION 51 TOA

"Divisional Executive reaffirms its decision of 27 October 2006 (Motion 13) and notes reception of the TOA financial reports at the DE meeting on 27 October 2006.

Divisional Executive notes the report of the Divisional Assistant Secretary today that includes that the bank account of the former TOA branch has been closed and funds transferred to the Divisional Conference accounts.

Divisional Executive further notes that the remaining income flow from membership fees has ceased and remaining members transferred to relevant branches within the Division. Divisional Executive having received this report on the TOA accounts agrees to publish the accounts of the defunct branch on the CEPU Communications Division website."

DECISION 54 COMMITTEE OF MANAGEMENT – OPERATING REPORT AND **CERTIFICATE SIGNING OF**

"That the Divisional Executive authorises Ed Husic, Divisional Secretary to sign on behalf of the Committee of Management the operating report and the Committee of Management Certificate.

The Divisional Executive further authorises the Divisional Secretary to circulate a concise financial report to the members by way of publication on the Divisional website. The report will also be available via email on request. Members will be advised of this via circular."

***CEPU Communications Division and TOA Financial Statements
are available on our website or by request via email***

Website: www.cepu.asn.au
Email: cddo@cepu.asn.au

ATTACHMENT 3

DECISIONS TAKEN FROM DIVISIONAL EXECUTIVE TELEPHONE HOOK-UP
HELD ON 28TH SEPTEMBER 2007

DECISION 53 COMMITTEE OF MANAGEMENT – GENERAL PURPOSE FINANCIAL REPORT

“That the Divisional Executive as the Committee of Management declares in relation to the General Purpose Financial Report 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 Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the financial records for each of the other reporting units within the organisation are, as far as practicable kept in a manner consistent with this reporting unit; and
 - (v) no information has been sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (vi) no orders have been requested for inspection of financial records made by the Commission under section 273 of the RAO Schedule; and
 - (vii) there was no recovery of wage activity for the financial year; and
 - (viii) that the members receive a copy of the concise financial report.”

DECISION 54 COMMITTEE OF MANAGEMENT – OPERATING REPORT AND CERTIFICATE SIGNING OF

“That the Divisional Executive authorises Ed Husic, Divisional Secretary to sign on behalf of the Committee of Management the operating report and the Committee of Management Certificate.

The Divisional Executive further authorises the Divisional Secretary to circulate a concise financial report to the members by way of publication on the Divisional website. The report will also be available via email on request. Members will be advised of this via circular.”

ATTACHMENT 4

DIVISIONAL EXECUTIVE TELEPHONE HOOK-UP
MONDAY, 29TH OCTOBER 2007

DECISION 68 DIVISIONAL CONFERENCE FINANCIAL REPORT

“That the Divisional Executive notes that pursuant to Decision 54 of the Divisional Executive meeting held by telephone hook-up on 28th September 2007, the concise Financial Report for the Divisional Conference Accounts for the year ending 31st March 2007 was provided to members in Bulletin No. 12 dated 5th October 2007 via website and distribution to worksites.

Divisional Executive formally adopts the Divisional Conference accounts for the year ending 31st March 2007 as tabled at this meeting being the same accounts certified in Decision 54 of the Divisional Executive meeting held by telephone hook-up on 28th September 2007.

Further the Divisional Executive authorises the Divisional Secretary to sign the certificate pursuant to S268 of the RAO Schedule and to lodge the full and concise reports with the Industrial Registrar.”



Australian Government
Australian Industrial Registry

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990
Email: sydney@air.gov.au

Mr Ed Husic
Divisional Secretary, Communications Division
CEPU
PO Box 472
CARLTON SOUTH VIC 3053

Dear Mr Husic

**Re: Lodgement of Financial Statements and Accounts –
Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and
Allied Services Union of Australia, Communications Division –
for year ending 31 March 2007 (FR2007/203)**

I refer to the abovementioned financial statements and accounts which were lodged in the Registry on 30 October 2007.

The legislative requirements appear to have been met and accordingly the documents have been filed.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Stephen Kellett'.

Stephen Kellett
Statutory Services Branch

5 November 2007