



**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: FR2005/204-[128V-CPTN]**

Mr Jim Metcher  
Branch Secretary  
CEPU Communications Division  
NSW Postal & Telecommunications Branch  
PO Box 250  
PARRAMATTA NSW 2124

Dear Mr Metcher

**Financial Return - year ending 31 March, 2005**

Our records show your 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*.

**New legislation**

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.

The legislation has changed since your last return. In May 2003 the Industrial Registrar wrote to all organisations forwarding a number of facts sheets outlining the major changes made by Schedule 1B of the Workplace Relations Act 1996 ('RAO'<sup>1</sup>). While the immediate changes affected the rules and elections in organisations, the changes affecting financial returns involve a longer lead time.

**The key differences under the new legislation affecting financial returns are:**

- a reduced financial reporting cycle (now maximum periods of 5 or 6 months depending on internal arrangements of organisation)
- a greater emphasis given to Australian Accounting Standards
- the introduction of a new report, known as an Operating Report (broadly similar in concept to a Director's Report under the corporations legislation)
- extensions of time are limited to one month
- restructured penalty provisions involving more extensive use of Civil Penalties
- the introduction of the Industrial Registrar's Reporting Guidelines
- organisations and their branches to report according to their financial structures, known as 'reporting units'.

We recommend you discuss the new requirements with your accountant or auditor.

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<sup>1</sup> Registration and Accountability of Organisations Schedule (RAO) (Schedule 1B to the *Workplace Relations Act 1996*)

## Reporting Unit

One of the new concepts of the RAO legislation is that 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 refer to your organisation as a 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:

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

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); and

Committee of Management Statement as required by the Registrar's Reporting Guidelines (a sample certificate for illustrative purposes is at Attachment C)

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 and the second meeting 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](http://www.airc.gov.au)). When lodging the financial return please quote: **FR2005/204**.

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.

## Reduced Reporting Requirements

If your reporting unit meets certain conditions, some of these reporting requirements can be reduced. Such conditions might be where the annual income of the reporting unit (where the reporting unit is the whole of the organisation) is less than \$100,000, or where the reporting unit has no financial affairs in the financial year, or where the financial affairs of the reporting unit are encompassed by the financial affairs of its counterpart State industrial association.

## Contact the Registry

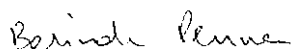
We encourage you to contact the Registry on (02) 8374 6618 or by e-mail at [belinda.penna@air.gov.au](mailto:belinda.penna@air.gov.au) as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedure but we cannot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

## Information on AIRC Website

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

- [RAO Schedule and 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 new requirements of the RAO Schedule - many of them deal with financial reporting matters.

Yours sincerely



Belinda Penna  
for Deputy Industrial Registrar  
11 April, 2005



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	✓
<b>1</b>	<b>General Purpose Financial Report</b>	
	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?	
<b>2</b>	<b>Committee of Management Statement</b>	
	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?	
<b>3</b>	<b>Auditor's Report</b>	
	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?	
<b>4</b>	<b>Operating Report</b>	
	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?	
<b>5</b>	<b>Concise report*</b>	
<b>6</b>	<b>Certificate of Secretary or other Authorised Officer</b>	
	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.

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 Officer<sup>1</sup>**

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]<sup>2</sup>*, referred to in s268 of the RAO Schedule; and
- that the *[full report OR concise report]<sup>3</sup>*, 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]<sup>3</sup>* of the reporting unit on *[insert date]*; in accordance with section 266 of the RAO Schedule.

Signature

Date:

<sup>1</sup>*RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:*

(a) the secretary; or

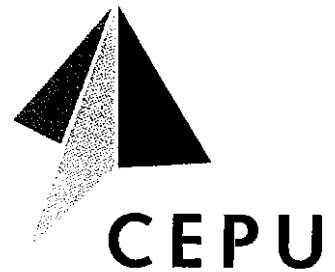
(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

<sup>2</sup>*Only applicable where a concise report is provided to members*

<sup>3</sup>*Insert whichever is applicable*

Our ref.: 62/2

Date: 26 September 2005



Mr Robyn Godfrey  
Statutory Services Branch  
Australian Industrial Registry  
Level 8, Terrace Towers  
80 William Street  
East Sydney NSW 2011

COMMUNICATIONS  
ELECTRICAL  
PLUMBING  
UNION

NSW Postal &  
Telecommunications  
Branch

ABN 81 643 762 631

Level 3, 81 George Street  
Parramatta NSW 2150

Postal address: PO Box 250  
Parramatta NSW 2124

Phone: (02) 9893 7822

Fax: (02) 9893 7396

E-mail: [admina@cepu.org](mailto:admina@cepu.org)

Website : [www.cepu.org](http://www.cepu.org)

Dear Mr Godfrey,

**Re: CEPU NSW (Postal and Telecommunications) Branch  
Financial Reports for the year ending 31 March 2005**

I James Metcher being the Branch Secretary of the CEPU NSW Postal and Telecommunications Branch certify:

- that the documents lodged herewith are copies of the full Branch financial report and concise report for year ending 31 March 2005, referred to in s268 of the RAO schedule; and
- that the concise report, was provided to members on 29 August 2005; and
- that the full report was presented to a meeting of the Branch Committee of Management of the CEPU NSW Postal and Telecommunications Branch on 21 September 2005, in accordance with section 266 of the RAO Schedule.

Should you require further information, please contact Jim Metcher on (02) 9893 7822

Yours faithfully

JIM METCHER  
BRANCH SECRETARY



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

NSW Postal and Telecommunications Branch

**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA**

**POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

**FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2005**



# COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

## POSTAL AND TELECOMMUNICATIONS BRANCH NSW

### OPERATING REPORT

Branch Committee of Management report in accordance with section 254 of the Workplace Relations Act 1996 for the year ended 31 March 2005.

#### Principal Activities

The principal activity of the Communications, Electrical, Plumbing Union of Australia, Postal and Telecommunications Branch NSW was that of a registered Trade Union.

There have been no significant changes to the way the Union has carried out these activities during the last financial year.

#### Operating Result

The operating surplus for the NSW Branch for the year ending 31 March 2005 is \$63,264.

#### Significant Changes

There have been no significant changes to the operating costs of the Branch in the last financial year.

#### Rights of Members

Members have the right to resign their membership of the union by giving written notice of resignation to the Branch Secretary. This written notification is accepted subject to the rules of CEPU and in accordance with section 174 of the Workplace Relations Act.

#### Superannuation Office Holders

NSW Branch has Jim Metcher (Elected officer) acting as its member's representative on the board of Australia Post Superannuation.

#### Membership Numbers

- (1) Under section 230 of the RAO Schedule the number of persons recorded in the register of members and who under section 244 of the RAO Schedule are taken to be members of the NSW Branch of the Union as at the 31 March 2005 was 13,248.
- (2) The number of persons, both full-time and part time employees measured on a full-time basis, employed by the NSW Branch of the Union as at 31 March 2005 was 17.5.
- (3) The names of persons who have at any time during the financial year ending 31 March 2005 been members of the CEPU P & T NSW Branch Committee of Management and periods they served on the committee are as follows:

# COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

## POSTAL AND TELECOMMUNICATIONS BRANCH NSW

Branch President	Laurie Chalker	1/4/2004 – 20/10/2004
Branch Vice Presidents	Tom Anderson Peter Jones	1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005
Branch Secretary	Jim Metcher	1/4/2004 – 31/3/2005
Branch Assistant Secretary	Greg Rayner Laurie Chalker	1/4/2004 – 27/8/2004 20/10/2004 – 31/3/2005
Branch Organisers	Lyle Brittain Steve Dodd Shane Murphy Peter Chaloner Gil Enzon Michael Etue Tan Kien Ly Hong Ha Le	1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 4/3/2005
Lines & General Postal Sectional Representatives	Zoran Ancevski Rodney Baxter John Bloomfield Evan Cartwright Trevor Dowse Grenville Highfield Peter O'Connell Leslie Riddle Kingsley Searle	1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005
Postal Sectional Representatives	Phillip Brew Stephen Brewer Kathleen Davies Rammon Gammad Wayne Hewitt Geoffrey Johnson Peter Psomas Robyn Steele Maxwell Wiley	1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005

For and on behalf of the Committee of Management

  
.....  
**JIM METCHER**  
**BRANCH SECRETARY**

20 July 2005

**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA**

**POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

**BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT**

On the 20 July 2005 the Branch Committee of Management of the Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 31 March 2005.

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

- (a) the financial report and notes comply with the Australian Accounting Standards;
- (b) the financial report and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the branch for the financial year ended 31 March 2005;
- (d) with the financial support of Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services Union of Australia, Communications Division, Divisional Executive, as necessary, there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year ended 31 March 2005 and since the end of the financial year:
  - (i) meetings of the Branch Committee of Management were held in accordance with the rules of the organisation and the rules of the Branch; and
  - (ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation and the rules of the Branch; and
  - (iii) the financial records of the Branch have been kept and maintained in accordance with Schedule 1B to the Workplace Relations Act 1996 and the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003; and
  - (iv) the financial records of the Branch have been kept, as far as practicable, in a consistent manner to each of the other branches of the organisation; and
  - (v) the information sought in any request of a member of the Branch or a Registrar duly made under section 272 of Schedule 1B to the Workplace Relations Act 1996 has been furnished to the member or Registrar; and
  - (vi) there has been compliance with any order for inspection of the financial records made by the Commission under section 273 of Schedule 1B to the Workplace Relations Act 1996

For the Branch Committee of Management:



.....  
JIM METCHER

20 July 2005

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 MARCH 2005

	Note	2005 \$	2004 \$
<b>INCOME</b>			
Membership Contributions		3,247,669	3,169,077
Interest		24	5,132
Rent		244,812	115,262
Dividend		197	103
<b>TOTAL INCOME</b>		<u>3,492,702</u>	<u>3,289,574</u>
<b>EXPENDITURE</b>			
<b>Depreciation</b>		<u>92,005</u>	<u>112,451</u>
<b>Employee Benefits Expense</b>			
Salaries and Allowances – Officials		833,075	776,838
Salaries and Allowances – Staff		336,702	344,277
Payroll Tax		80,757	57,876
Provident Fund and Superannuation		152,417	141,906
Provision for Long Service Leave		6,263	44,247
Provision for Annual Leave		20,769	3,616
Provision for Sick Leave		68,714	66,924
		<u>1,498,697</u>	<u>1,435,684</u>
<b>Other Expenses</b>			
Affiliation Fees		67,341	80,259
Bank Charges		19,903	20,000
Interest & Bank Charges – CBA Bill Facility		128,487	140,924
Capitation Divisional Conference		733,857	792,164
Collection Costs - Membership Contributions		35,432	39,602
Computer Expenses		69,820	65,463
Delegates, Meetings and Organisers Expenses		57,616	59,595
Donations & Grants		15,000	-
Electricity, Gas and Heating		28,753	21,885
Emergency Ambulance Transport Benefit Fund	8	7,352	10,216
Fringe Benefit Tax		33,417	30,252
Finance Lease Charges		-	1,883
Honorarium		500	1,000
Insurance		60,071	49,171
Leasing Fee		5,188	18,642
Legal and Professional Fees	12	160,524	55,623
Motor Vehicle Expenses		90,488	91,974
Mortality Benefits Paid		4,500	3,500
National Council Fund		5,088	12,433
Other Expenditure		40,511	64,960
Postage, Printing and Stationery		71,775	120,613
Rates and Taxes		42,688	48,332
<b>Carried Forward</b>		<u>1,678,311</u>	<u>1,728,491</u>

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 MARCH 2005  
(Continued)

	Note	2005 \$	2004 \$
<b>Other Expenses (contd)</b>			
<b>Brought Forward</b>		1,678,311	1,728,491
Repairs and Maintenance		27,371	20,713
Sub-Branch Expenses		1,538	1,831
Telecommunication costs		93,282	98,512
Training		38,234	14,798
		<u>1,838,736</u>	<u>1,864,345</u>
<b>TOTAL EXPENDITURE</b>		<u>3,429,438</u>	<u>3,412,480</u>
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>		63,264	(122,906)
<b>SIGNIFICANT ITEMS</b>			
Adjustment to prior years' Capitation Fees	13	-	(205,571)
On costs in respect of provisions for employee benefits	1(c)	-	(64,203)
<b>NET SURPLUS / (DEFICIT) FOR THE YEAR</b>		63,264	(392,680)
Accumulated Funds at Beginning of Year		<u>5,494,345</u>	<u>5,887,025</u>
<b>ACCUMULATED FUNDS AT END OF YEAR</b>		<u>5,557,609</u>	<u>5,494,345</u>

The attached notes form part of these accounts



**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA**

**POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2005**

	Note	2005 \$	2004 \$
<b>ACCUMULATED FUNDS</b>		5,557,609	5,494,345
<b>ASSET REVALUATION RESERVE</b>	9	471,707	471,707
		<u>6,029,316</u>	<u>5,966,052</u>
Represented by Net Assets as Follows:			
<b>CURRENT ASSETS</b>			
Accrued Interest		13	16
Bonds		6,795	6,795
Cash on Hand		800	800
Cash at Bank		143,220	153,884
Sundry Debtors and Prepayments		87,417	76,690
Deductions in Transit		49,281	45,060
		<u>287,526</u>	<u>283,245</u>
<b>INVESTMENTS</b>			
Cash Management Account		14,559	14,532
Shares in Listed Company		1,591	1,591
		<u>16,150</u>	<u>16,123</u>
<b>FIXED ASSETS</b>			
Freehold Land and Buildings	3	8,625,000	8,625,000
Motor Vehicles	4	123,652	159,551
Furniture, Equipment and Plant	5	331,595	357,038
Computer Hardware & Software	6	40,298	56,379
		<u>9,120,545</u>	<u>9,197,968</u>
<b>TOTAL ASSETS</b>		<u>9,424,221</u>	<u>9,497,336</u>
<b>CURRENT LIABILITIES</b>			
Branch Education Training Fund	7	7,768	7,768
Emergency Ambulance Transport Benefit Fund	8	9,867	9,867
Provision for Long Service Leave		214,605	218,061
Provision for Annual Leave		128,667	118,879
Provision for Sick Leave		414,070	414,685
Sundry Creditors and Accruals		247,019	180,865
Sundry Creditor - Divisional Conference		789,595	539,847
Divisional Executive Loan		24,000	-
CBA Bill Facility - Secured		258,720	258,720
		<u>2,094,311</u>	<u>1,748,692</u>

The attached notes form part of these accounts

**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA**

**POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2005 (Continued)**

	2005	2004
	\$	\$
<b>NON-CURRENT LIABILITIES</b>		
CBA Bill Facility – Secured	1,151,640	1,410,360
Sundry Creditor – Divisional Conference	132,954	372,232
Divisional Executive Loan	16,000	-
	<u>1,300,594</u>	<u>1,782,592</u>
<b>TOTAL LIABILITIES</b>	<u>3,394,905</u>	<u>3,531,284</u>
<b>NET ASSETS</b>	<u>6,029,316</u>	<u>5,966,052</u>

The attached notes form part of these accounts

**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA**

**POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

**STATEMENT OF CASH FLOWS FOR THE  
YEAR ENDED 31 MARCH 2005**

	Note	2005 \$	2004 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from Members		3,243,448	3,162,327
Payments to Suppliers and Employees		(3,142,428)	(2,828,172)
Interest Received		24	5,132
Interest Paid		(128,487)	(140,924)
Rent Received		244,812	115,262
Other Receipts		5,296	103
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	11	<u>222,665</u>	<u>313,728</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for Property, Plant and Equipment		<u>(14,582)</u>	<u>(14,084)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<u>(14,582)</u>	<u>(14,084)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Finance Leases		-	(10,132)
Proceeds from Borrowings		40,000	-
Repayment of Bank Bill Facility		(258,720)	(530,920)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<u>(218,720)</u>	<u>(541,052)</u>
<b>NET DECREASE IN CASH</b>		(10,637)	(241,408)
Cash at 1 April 2004		<u>169,216</u>	<u>410,624</u>
<b>CASH AT 31 MARCH 2005</b>	10	<u>158,579</u>	<u>169,216</u>

The attached notes form part of these accounts

# COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

## POSTAL AND TELECOMMUNICATIONS BRANCH NSW

### NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2005

#### 1. STATEMENT OF ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with applicable Accounting Standards, other mandatory professional reporting requirements in Australia, and the Workplace Relations Act, 1996. The financial report has been prepared on the basis of historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. The accounting policies have been consistently applied, unless otherwise stated.

The financial report has been prepared on a going concern basis, which contemplates continuity of normal operating activities and the realisation of assets and settlement of liabilities in the normal course of the branch's operations.

The continuing operations of the branch and the ability to pay its debts in the normal course is dependant upon the financial support of Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services Union of Australia, Communications Division, Divisional Executive, as necessary, and upon the success of future operations.

If the branch is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from those stated in the financial report.

The following is a summary of the significant accounting policies adopted in the preparation of the Financial report.

- (a) 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 Branch Committee of Management on an annual basis.
- (b) Properties held for investment purposes are not subject to depreciation. Depreciation of fixed assets is calculated on the diminishing value method.
- (c) Provision for employee benefits in the form of Long Service Leave, Annual Leave and Sick Leave have been made for the estimated accrued entitlements of all employees on the basis of their terms of employment.

In the case of Long Service Leave, the accrual has been measured by reference to periods of service and current salary rates as it is considered that this results in an amount not materially different to that achieved by discounting estimated future cash flows.

On costs comprising payroll tax, workers compensation levy and where appropriate superannuation contributions were included in the calculation of the provisions for employee benefits for the first time last year. This had the affect of increasing the amounts provided for employee benefits in the 2004 year by a total of \$64,203.

- (d) Contributions are accounted for on a cash receipts basis.

# COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

## POSTAL AND TELECOMMUNICATIONS BRANCH NSW

### NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2005 (Continued)

#### 1. STATEMENT OF ACCOUNTING POLICIES (Continued)

- (e) Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Union, are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.
- (f) No provision for Income Tax is necessary as Industrial Trade Unions are exempt from Income Tax under Section 50-15 of the Income Tax Assessment Act 1997.

#### 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 1B which read as follows:-

- (1) A member of an organisation, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must 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).

	2005 \$	2004 \$
<b>3. FREEHOLD LAND AND BUILDINGS</b>		
81 George Street, Parramatta At Branch Committee of Management Valuation 31 March 2003	8,625,000	8,625,000
	<u>8,625,000</u>	<u>8,625,000</u>
<b>4. MOTOR VEHICLES</b>		
At Cost	389,406	389,406
Less Accumulated Depreciation	<u>(265,754)</u>	<u>(229,855)</u>
	<u>123,652</u>	<u>159,551</u>
<b>5. FURNITURE, PLANT AND EQUIPMENT</b>		
At Cost	469,968	458,061
Less Accumulated Depreciation	<u>(138,373)</u>	<u>(101,023)</u>
	<u>331,595</u>	<u>357,038</u>

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE  
YEAR ENDED 31 MARCH 2005 (Continued)

	2005 \$	2004 \$
<b>6. COMPUTER HARDWARE &amp; SOFTWARE</b>		
At Cost	222,558	219,883
Less Accumulated Depreciation	<u>(182,260)</u>	<u>(163,504)</u>
	<u>40,298</u>	<u>56,379</u>
<b>7. BRANCH EDUCATION TRAINING FUND</b>		
Balance brought forward	7,768	7,768
Add Training Fund Levies Received	-	-
Less Benefits Paid	<u>-</u>	<u>-</u>
Balance carried forward	<u>7,768</u>	<u>7,768</u>
<b>8. EMERGENCY AMBULANCE TRANSPORT BENEFIT FUND</b>		
Balance brought forward	9,867	9,867
Transfer from Statement of Financial Performance	7,352	10,216
Less Benefits Paid	<u>(7,352)</u>	<u>(10,216)</u>
Balance carried forward	<u>9,867</u>	<u>9,867</u>
<b>9. ASSET REVALUATION RESERVE</b>		
Balance brought forward	471,707	471,707
Revaluation Increment on Freehold Land & Buildings	<u>-</u>	<u>-</u>
Balance carried forward	<u>471,707</u>	<u>471,707</u>

The Asset Revaluation Reserve records revaluations of non-current assets.

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2005 (Continued)

	2005 \$	2004 \$
<b>10. RECONCILIATION OF CASH</b>		
For the purpose of the statement of cash flows, cash includes cash on hand and in at call deposits with banks and financial institutions.		
Cash at the end of the year is shown in the statement of financial position as :		
Cash on Hand	800	800
Cash at Bank	143,220	153,884
Cash Management Account	14,559	14,532
	<u>158,579</u>	<u>169,216</u>
<b>11. RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH NET SURPLUS/(DEFICIT) FOR THE YEAR</b>		
Net Surplus/(Deficit)	63,264	(392,680)
<b>Non-Cash Flows in Operating Result</b>		
Depreciation and Amortisation	92,005	112,451
Charges to Provisions	95,745	114,787
<b>Cash Flows not in Operating Result</b>		
Payments from Provisions	(90,029)	64,202
<b>Changes in Assets and Liabilities</b>		
(Increase)/Decrease in Accrued Interest	3	1,047
(Increase)/Decrease in Sundry Debtors	(14,947)	56,328
Increase/(Decrease) in Sundry Creditors	76,624	357,593
	<u>222,665</u>	<u>313,728</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
<b>12. LEGAL AND PROFESSIONAL FEES</b>		
Auditors' Remuneration:		
Audit Fees	22,000	31,636
Accounting Services	19,000	3,420
	<u>41,000</u>	<u>35,056</u>
Legal Costs	<u>119,524</u>	<u>20,567</u>
	<u>160,524</u>	<u>55,623</u>

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2005 (Continued)

	2005	2004
13. SIGNIFICANT ITEM	\$	\$
Adjustment in respect of Capitation Fees payable to Divisional Conference from 1 July 2000 to 31 March 2003 following the introduction of the GST.	-	205,571

This resulted in a corresponding increase in the amount included in Non Current Liabilities as owing to Divisional Conference at 31 March 2004.

14. RELATED PARTIES

(a) The following persons were members of the Branch Committee of Management during the financial period.

Branch President	Laurie Chalker	1/4/2004 – 20/10/2004
Branch Vice Presidents	Tom Anderson Peter Jones	1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005
Branch Secretary	Jim Metcher	1/4/2004 – 31/3/2005
Branch Assistant Secretary	Greg Rayner Laurie Chalker	1/4/2004 – 27/8/2004 20/10/2004 – 31/3/2005
Branch Organisers	Lyle Brittain Steve Dodd Shane Murphy Peter Chaloner Gil Enzon Michael Etue Tan Kien Ly Hong Ha Le	1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 4/3/2005
Lines & General Postal Sectional Representatives	Zoran Ancevski Rodney Baxter John Bloomfield Evan Cartwright Trevor Dowse Grenville Highfield Peter O'Connell Leslie Riddle Kingsley Searle	1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005
Postal Sectional Representatives	Phillip Brew Stephen Brewer Kathleen Davies Raminon Gammad Wayne Hewitt Geoffrey Johnson	1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005



**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA**

**POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE  
YEAR ENDED 31 MARCH 2005 (Continued)**

Peter Psomas	1/4/2004 – 31/3/2005
Robyn Steele	1/4/2004 – 31/3/2005
Maxwell Wiley	1/4/2004 – 31/3/2005

- (b) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the Statement of Financial Performance under Salaries and allowances - Officials
- (c) The aggregate amount paid during the financial year to a superannuation plan in respect of elected full time officials was \$93,352 (2004: \$94,989)
- (d) There have been no other transactions between the officers and the Union other than those relating to their membership of the Union and the 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.

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE  
YEAR ENDED 31 MARCH 2005 (Continued)

15. FINANCIAL INSTRUMENTS

Interest Rate Risk

The Branch's exposure to interest rate risk for each class of financial assets and financial liabilities is set out below:

31 March 2005	Floating interest rate	Floating interest rate		Non interest bearing	Total
		1 year or less	Over 1 to 5 years		
	\$	\$	\$	\$	\$
<b>Financial Assets</b>					
Cash	143,220	-	-	800	144,020
Receivables	-	-	-	96,433	96,433
Short term Call Account	14,559	-	-	-	14,559
	<u>157,779</u>	<u>-</u>	<u>-</u>	<u>97,233</u>	<u>255,012</u>
<b>Financial Liabilities</b>					
Payables	-	-	-	1,187,203	1,187,203
Loans	-	258,720	1,151,640	40,000	1,450,360
		<u>258,720</u>	<u>1,151,640</u>	<u>1,227,203</u>	<u>2,637,563</u>
Net Financial Assets/(Liabilities)	<u>157,779</u>	<u>(258,720)</u>	<u>(1,151,640)</u>	<u>(1,129,970)</u>	<u>(2,382,551)</u>
<b>31 March 2004</b>					
<b>Financial Assets</b>					
Cash	153,884	-	-	800	154,684
Receivables	-	-	-	77,666	77,666
Short term Call Account	14,532	-	-	-	14,532
	<u>168,416</u>	<u>-</u>	<u>-</u>	<u>78,466</u>	<u>246,882</u>
<b>Financial Liabilities</b>					
Payables	-	-	-	1,110,579	1,110,579
Loans	-	258,720	1,410,360	-	1,669,080
		<u>258,720</u>	<u>1,410,360</u>	<u>1,110,579</u>	<u>2,779,659</u>
Net Financial Assets/(Liabilities)	<u>168,416</u>	<u>(258,720)</u>	<u>(1,410,360)</u>	<u>(1,032,113)</u>	<u>(2,532,777)</u>

**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA**

**POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE  
YEAR ENDED 31 MARCH 2005 (Continued)**

**15. FINANCIAL INSTRUMENTS (Continued)**

**Credit Risk Exposure**

Credit risk is the risk that counterparties to a financial asset will fail to discharge their obligation, causing the Branch to incur financial loss.

The credit risk exposure of the Branch to financial assets which have been recognised in the Statement of Financial Position is generally the carrying amounts, net of any provisions for doubtful debts.

The carrying amounts of cash and non-interest bearing monetary financial assets and liabilities (e.g. receivables and payables) approximate net fair values.

**16. AUSTRALIAN EQUIVALENTS TO INTERNATIONAL  
FINANCIAL REPORTING STANDARDS (IFRSs)**

For the year ended 31 March 2006, all general purpose financial reports will be required to comply with Australian equivalents to International Financial Reporting Standards (IFRSs) instead of Australian Accounting Standards presently on issue.

The Committee of Management considers that no key accounting policy changes will arise out of this transition to IFRSs.

A more detailed review will be conducted during the year ending 31 March 2006.

**17. BRANCH MEMBERSHIP**

For the purposes of the National Council Composition and Voting Rights, the actual membership contributions received for the financial year ended 31 March 2005 were \$3,243,448.

**18. REGISTERED OFFICE**

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

Level 3,  
81 George Street  
Parramatta NSW 2150

# COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

## POSTAL AND TELECOMMUNICATIONS BRANCH NSW

### INDEPENDENT AUDIT REPORT

#### Scope

#### *The Financial Report and the Responsibility of the Branch Committee of Management and Branch Secretary*

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements and the Branch Committee of Management's statement for the Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW, for the year ended 31 March 2005.

The Branch Committee of Management and the Branch Secretary are responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

#### *Audit Approach*

We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Branch. Our audit has been conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal controls, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Workplace Relations Act 1996, including compliance with Accounting Standards and other mandatory professional reporting requirements in Australia a view which is consistent with our understanding of the Branch's financial position and its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Branch Committee of Management and the Branch secretary.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

#### Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Workplace Relations Act 1996.

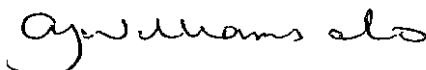
**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA**

**POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

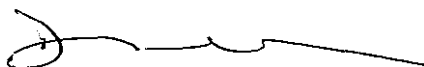
**Audit Opinion**

In our opinion the financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW is in accordance with:-

- a) the Workplace Relations Act 1996, including:
  - (i) giving a true and fair view of the Branch's financial position as at 31 March 2005 and its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards; and
  - (iii) complying with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of Schedule 1B of the Act; and
- b) other mandatory professional reporting requirements in Australia.



**A.J. WILLIAMS & CO.**



**D S MCLEAN**  
Registered Company Auditor.  
SYDNEY NSW 2000

29 July 2005

**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA**

**POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

**CONCISE FINANCIAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2005**



**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA  
POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

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**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA  
POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

**DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS**

**Information on the Communications, Electrical, Plumbing Union of Australia, Postal and Telecommunications Branch NSW Concise Financial Report:**

The financial statements and disclosures in the concise financial report have been derived from the 2005 financial report of the Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW.

A copy of the full financial report and auditors report can be sent to any members, free of charge, upon request.

This discussion and analysis is provided to assist members in understanding the concise report. The discussion and analysis is based on Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW 2005 financial report.

**Statement of Financial Performance and Statement of Financial Position:**

The end of year 2005 financial report reflects the results associated with the important decisions made by the Branch to realign resources and restructure the roles and responsibilities of the Branch officers. The added introduction of the in house training resource has contributed to the necessity for stabilising union membership and for the focus on membership growth.

The end of year financial position exceeded budget expectations. Significant funds were invested into the Australia Post Enterprise Agreement campaign. The increase in legal and professional fees was caused by the Branch having no other option but to defend and to commence litigation against scurrilous allegations designed to harm the reputation of the Union including the Branch officers and staff. These matters are in the process of a satisfactory resolution. The opportunity to utilise additional funds for membership educational material and membership campaigns should be realised given the potential offsetting of reduced future legal and professional fees.

**Statement of Cash Flows:**

The cash flow of the Branch has been managed to ensure liabilities are met when they fall due. The Branch is in the process of securing long-term leases with fixed annual increases for the remaining vacant space within the building, which will produce immediate and long-term alternative cash income benefits for the Branch. The financial management plan for servicing and early retirement of the outstanding building redevelopment bank loan not to mention the ability to increase cash reserves will also be realised.



**JIM METCHER  
BRANCH SECRETARY**

20 July 2005



**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA  
POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

**OPERATING REPORT**

Branch Committee of Management report in accordance with section 254 of the Workplace Relations Act 1996 for the year ended 31 March 2005.

**Principal Activities**

The principal activity of the Communications, Electrical, Plumbing Union of Australia, Postal and Telecommunications Branch NSW was that of a registered Trade Union.

There have been no significant changes to the way the Union has carried out these activities during the last financial year.

**Operating Result**

The operating surplus for the NSW Branch for the year ending 31 March 2005 is \$63,264.

**Significant Changes**

There have been no significant changes to the operating costs of the Branch in the last financial year.

**Rights of Members**

Members have the right to resign their membership of the union by giving written notice of resignation to the Branch Secretary. This written notification is accepted subject to the rules of CEPU and in accordance with section 174 of the Workplace Relations Act.

**Superannuation Office Holders**

NSW Branch has Jim Metcher (Elected officer) acting as its member's representative on the board of Australia Post Superannuation.

**Membership Numbers**

- (1) Under section 230 of the RAO Schedule the number of persons recorded in the register of members and who under section 244 of the RAO Schedule are taken to be members of the NSW Branch of the Union as at the 31 March 2005 was 13,248.
- (2) The number of persons, both full-time and part time employees measured on a full-time basis, employed by the NSW Branch of the Union as at 31 March 2005 was 17.5.
- (3) The names of persons who have at any time during the financial year ending 31 March 2005 been members of the CEPU P & T NSW Branch Committee of Management and periods they served on the committee are as follows:

**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA  
POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

Branch President	Laurie Chalker	1/4/2004 – 20/10/2004
Branch Vice Presidents	Tom Anderson Peter Jones	1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005
Branch Secretary	Jim Metcher	1/4/2004 – 31/3/2005
Branch Assistant Secretary	Greg Rayner Laurie Chalker	1/4/2004 – 27/8/2004 20/10/2004 – 31/3/2005
Branch Organisers	Lyle Brittain Steve Dodd Shane Murphy Peter Chaloner Gil Enzon Michael Etue Tan Kien Ly Hong Ha Le	1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 4/3/2005
Lines & General Postal Sectional Representatives	Zoran Ancevski Rodney Baxter John Bloomfield Evan Cartwright Trevor Dowse Grenville Highfield Peter O'Connell Leslie Riddle Kingsley Searle	1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005
Postal Sectional Representatives	Phillip Brew Stephen Brewer Kathleen Davies Rammon Gammad Wayne Hewitt Geoffrey Johnson Peter Psomas Robyn Steele Maxwell Wiley	1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005 1/4/2004 – 31/3/2005

For and on behalf of the Committee of Management

  
.....  
**JIM METCHER**  
**BRANCH SECRETARY**

20 July 2005

**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA  
POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

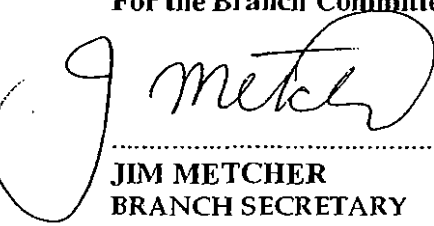
**BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT**

On the 20 July 2005 the Branch Committee of Management of the Communications, Electrical, Plumbing Union Of Australia Postal And Telecommunications Branch NSW passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 31 March 2005.

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

- (a) the financial report and notes comply with the Australian Accounting Standards;
- (b) the financial report and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the branch for the financial year ended 31 March 2005;
- (d) with the financial support of Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services Union of Australia, Communications Division, Divisional Executive, as necessary, there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year ended 31 March 2005 and since the end of the financial year:
  - (i) meetings of the Branch Committee of Management were held in accordance with the rules of the organisation and the rules of the Branch; and
  - (ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation and the rules of the Branch; and
  - (iii) the financial records of the Branch have been kept and maintained in accordance with Schedule 1B to the Workplace Relations Act 1996 and the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003; and
  - (iv) the financial records of the Branch have been kept, as far as practicable, in a consistent manner to each of the other branches of the organisation; and
  - (v) the information sought in any request of a member of the Branch or a Registrar duly made under section 272 of Schedule 1B to the Workplace Relations Act 1996 has been furnished to the member or Registrar; and
  - (vi) there has been compliance with any order for inspection of the financial records made by the Commission under section 273 of Schedule 1B to the Workplace Relations Act 1996

**For the Branch Committee of Management:**

  
.....  
**JIM METCHER**  
**BRANCH SECRETARY**

20 July 2005

**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA  
POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 MARCH 2005**

	2005 \$	2004 \$
<b>INCOME</b>		
Membership Contributions	3,247,669	3,169,077
Interest	24	5,132
Rent	244,812	115,262
Dividend	197	103
<b>TOTAL INCOME</b>	<u>3,492,702</u>	<u>3,289,574</u>
<b>EXPENDITURE</b>		
Depreciation	92,005	112,451
Employee Benefits Expense	1,498,697	1,435,684
Other expenses	1,838,736	1,864,345
<b>TOTAL EXPENDITURE</b>	<u>3,429,438</u>	<u>3,412,480</u>
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>	63,264	(122,906)
<b>SIGNIFICANT ITEMS</b>		
Adjustment to prior years' Capitation Fees	-	(205,571)
On costs in respect of provisions for employee benefits	-	(64,203)
<b>NET SURPLUS / (DEFICIT) FOR THE YEAR</b>	63,264	(392,680)
Accumulated Funds at Beginning of Year	<u>5,494,345</u>	<u>5,887,025</u>
<b>ACCUMULATED FUNDS AT END OF YEAR</b>	<u>5,557,609</u>	<u>5,494,345</u>

The attached notes form part of these accounts

**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA  
POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2005**

	2005 \$	2004 \$
<b>ACCUMULATED FUNDS</b>	5,557,609	5,494,345
<b>ASSET REVALUATION RESERVE</b>	471,707	471,707
	<u>6,029,316</u>	<u>5,966,052</u>
Represented by Net Assets as Follows:		
<b>CURRENT ASSETS</b>		
Cash Assets	144,020	154,684
Receivables	143,506	128,561
Investments	16,150	16,123
<b>TOTAL CURRENT ASSETS</b>	<u>303,676</u>	<u>299,368</u>
<b>NON CURRENT ASSETS</b>		
Fixed Assets	9,120,545	9,197,968
<b>TOTAL NON CURRENT ASSETS</b>	<u>9,120,545</u>	<u>9,197,968</u>
<b>TOTAL ASSETS</b>	<u>9,424,221</u>	<u>9,497,336</u>
<b>CURRENT LIABILITIES</b>		
Payables	1,054,249	738,347
Provisions	757,342	751,625
Divisional Executive Loan	24,000	-
CBA Bill Facility – Secured	258,720	258,720
	<u>2,094,311</u>	<u>1,748,692</u>
<b>NON CURRENT LIABILITIES</b>		
Payables	132,954	372,232
CBA Bill Facility – Secured	1,151,640	1,410,360
Divisional Executive Loan	16,000	-
<b>TOTAL NON CURRENT LIABILITIES</b>	<u>1,300,594</u>	<u>1,782,592</u>
<b>TOTAL LIABILITIES</b>	<u>3,394,905</u>	<u>3,531,284</u>
<b>NET ASSETS</b>	<u>6,029,316</u>	<u>5,966,052</u>

The attached notes form part of these accounts

**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA  
POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

**STATEMENT OF CASH FLOWS FOR THE  
YEAR ENDED 31 MARCH 2005**

	2005 \$	2004 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Receipts from Members	3,243,448	3,162,327
Payments to Suppliers and Employees	(3,142,428)	(2,828,172)
Interest Received	24	5,132
Interest Paid	(128,487)	(140,924)
Rent Received	244,812	115,262
Other Receipts	5,296	103
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>222,665</u>	<u>313,728</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for Property, Plant and Equipment	<u>(14,582)</u>	<u>(14,084)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(14,582)</u>	<u>(14,084)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance Leases	-	(10,132)
Proceeds from Borrowings	40,000	-
Repayment of Bank Bill Facility	(258,720)	(530,920)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u>(218,720)</u>	<u>(541,052)</u>
<b>NET DECREASE IN CASH</b>	(10,637)	(241,408)
Cash at 1 April 2004	<u>169,216</u>	<u>410,624</u>
<b>CASH AT 31 MARCH 2005</b>	<u>158,579</u>	<u>169,216</u>

The attached notes form part of these accounts

**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA  
POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2005**

**NOTE 1: BASIC PREPARATION OF THE CONCISE FINANCIAL REPORT**

The concise financial report has been prepared in accordance with applicable Accounting Standards and the Workplace Relations Act 1996.

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full report of the Communications, Electrical, Plumbing Union of Australia, Postal and Telecommunications Branch NSW. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Communications, Electrical, Plumbing Union of Australia, Postal and Telecommunications Branch NSW as the full financial report.

Both the full and concise financial reports have been prepared on a going concern basis, which contemplates continuity of normal operating activities and the realisation of assets and settlement of liabilities in the normal course of the branch's operations.

The continuing operations of the branch and the ability to pay its debts in the normal course is dependant upon the financial support of Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services Union of Australia, Communications Division, Divisional Executive, as necessary, and upon the success of future operations.

If the branch is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from those stated in the full and concise financial reports.

The accounting policies have been consistently applied by the entity and are consistent with those of the previous financial year.

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

**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA  
POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

**INDEPENDENT AUDIT REPORT**

To the members of the Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW

**Scope**

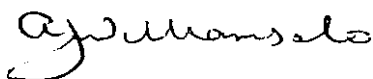
We have audited the concise financial report of Communications, Electrical, Plumbing Union of Australia, Postal and Telecommunications Branch NSW for the financial year ended 31 March 2005 comprising the Branch Committee of Management's Statement, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and notes to the financial statements. The Branch Committee of Management and the Branch Secretary are responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the concise financial report is free of material misstatement. We have also performed an independent audit of the full financial report of Communications, Electrical, Plumbing Union of Australia, Postal and Telecommunications Branch NSW for the year ended 31 March 2005. Our audit report on the full financial report was signed on 29 July 2005, and was not subject to any qualification.

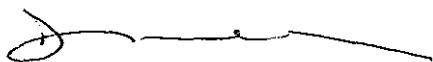
Our procedures in respect of the audit of the concise financial report included testing that the information in the concise financial report is consistent with the full financial report, and examination, on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the full financial report. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report is presented fairly in accordance with Accounting Standards and the Workplace Relations Act 1996.

**Audit Opinion**

In our opinion, the concise financial report of Communications, Electrical, Plumbing Union of Australia, Postal and Telecommunications Branch NSW complies with Accounting Standards and the Workplace Relations Act 1996.



**A.J. WILLIAMS & CO.**



**D. S. MCLEAN**  
Registered Company Auditor.  
SYDNEY NSW 2000

29 July 2005





**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 J Metcher  
Branch Secretary  
CEPU Communications Division  
NSW Postal & Telecommunications Branch  
PO Box 250  
PARRAMATTA NSW 2124

Dear Mr Metcher

**Re: Lodgement of Financial Statements and Accounts for the CEPU Communications Division, NSW P&T Branch for the year ending 31 March 2005 (FR2005/204)**

Receipt is acknowledged of the abovementioned financial statements and accounts which were lodged in the Registry on 27 September 2005.

Donations

The Statement of Financial Performance identifies an amount of \$15,000 as Donations and Grants. I would like to remind you that, pursuant to s237(1) of the RAO Schedule states (in part) that an organisation must lodge in the Industrial Registry a statement showing the relevant particulars in relation to each loan, grant, or donation of an amount exceeding \$1,000 made during the financial year.

Section 237(6) states that the relevant particulars required to be lodged are:

- the amount of the donation or grant
- the purpose for which the donation was made
- the name and address of the person to whom the donation was (except in cases of severe hardship of a member, or dependant of a member)

Please lodge a statement if any of the Donations or Grants made in the financial year ending 31 March 2005 exceeded \$1000.

Any statement lodged will be placed on a file which is not for public viewing, other than by members of your organisation.

I have attached a copy of s237 for your information.

Concise Report – Resolution by Committee of Management

When a Concise Report of the financial documents is provided to members there must be a prior resolution to this effect by the Committee of Management – see s265(2) of the RAO Schedule.

Future financial returns which utilise a Concise Report should ensure that such a resolution has been made.

In addition, an extra clause should be added to the Committee of Management Statement to confirm that the relevant resolution under s 265(2) has been passed.

The financial documents for the year ending 31 March 2005 have been filed, and may be viewed on the internet at [www.e-airc.gov.au/128vcptn/financial](http://www.e-airc.gov.au/128vcptn/financial).

If you have any queries regarding this letter please contact me on 02 8374 6618.

Yours sincerely,

A handwritten signature in black ink that reads "Belinda Penna". The signature is written in a cursive style with a long horizontal flourish at the end.

Belinda Penna  
for Deputy Industrial Registrar

11 October 2005

### **237 Organisations to notify particulars of loans, grants and donations**

**(1) An organisation must, within 90 days after the end of each financial year (or such longer period as the Registrar allows), lodge in the Industrial Registry a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 made by the organisation during the financial year.**

Note: This subsection is a civil penalty provision (see section 305).

**(2) A statement lodged in the Industrial Registry under subsection (1) must be signed by an officer of the organisation.**

(3) An organisation must not, in a statement under subsection (1), make a statement if the person knows, or is reckless as to whether, the statement is false or misleading.

Note: This subsection is a civil penalty provision (see section 305).

(4) A statement lodged in the Industrial Registry under subsection (1) may be inspected at any registry, during office hours, by a member of the organisation concerned.

(5) The relevant particulars, in relation to a loan made by an organisation, are:

(a) the amount of the loan; and

(b) the purpose for which the loan was required; and

(c) the security given in relation to the loan; and

(d) except where the loan was made to relieve a member of the organisation, or a dependant of a member of the organisation, from severe financial hardship-the name and address of the person to whom the loan was made and the arrangements made for the repayment of the loan.

**(6) The relevant particulars, in relation to a grant or donation made by an organisation, are:**

**(a) the amount of the grant or donation; and**

**(b) the purpose for which the grant or donation was made; and**

**(c) except where the grant or donation was made to relieve a member of the organisation, or a dependant of a member of the organisation, from severe financial hardship-the name and address of the person to whom the grant or donation was made.**

(7) Where an organisation is divided into branches:

(a) this section applies in relation to the organisation as if loans, grants or donations made by a branch of the organisation were not made by the organisation; and

(b) this section applies in relation to each of the branches as if the branch were itself an organisation.

(8) For the purposes of the application of this section in accordance with subsection (7) in relation to a branch of an organisation, the members of the organisation constituting the branch are taken to be members of the branch.