



**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: FR2007/204-[128V-CPTN]**

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

Dear Mr Metcher

**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](http://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](http://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](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 procedures but we cannot give you legal or accounting advice.

Yours sincerely



Belinda Penna  
For Deputy Industrial Registrar  
2 April, 2007



**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.

<b>No</b>	<b>Document</b>	<b>✓</b>
<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?	
	Does the statement contain declarations relating to any recovery of wages activity?	
<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.

[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 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.

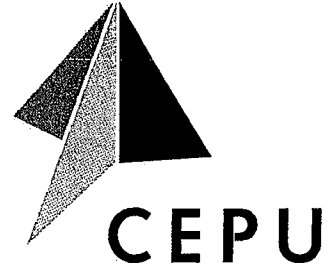
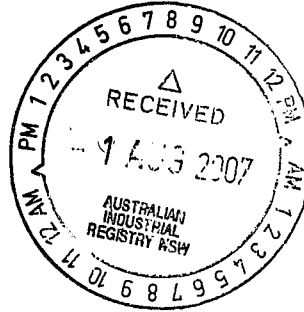
<sup>2</sup>*Only applicable where a concise report is provided to members*

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

Our ref.: 62/2

Date: 31 July 2007

Industrial Registrar  
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 Sir/Madam,

**Re: CEPU NSW (Postal and Telecommunications) Branch  
Financial Reports for the year ending 31 March 2007**

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 the year ending 31 March 2007, referred to in s268 of the RAO schedule; and
- that the concise report, was provided to members on 31 May 2007;
- the annual general meeting of the branch scheduled for 4 July 2007 failed following the absence of a quorum under the rules of the organisation; and
- the full branch financial report and concise report was presented to a meeting of the CEPU NSW Postal and Telecommunications Branch Committee of Management held on 18 July 2007.

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

Yours faithfully

  
JIM METCHER  
BRANCH SECRETARY

**Attachments:**

**Branch financial report and concise report 31 March 2007**

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

**POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

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

# 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 2007.

#### 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 Branch for the year ending 31 March 2007 is \$472,348.

#### 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(1) of the Workplace Relations Act. In accordance with section 174(1) of the Workplace Relations Act a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation. There was no change to this rule during the year.

#### Superannuation Office Holders

The ACTU has appointed Jim Metcher (Elected officer) as the members' representative on the board of the Australia Post Superannuation Scheme.

#### 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 Branch of the Union as at 31 March 2007 was 11,792.
- (2) The number of persons, both full-time and part time employees measured on a full-time equivalent basis, employed by the Branch as at 31 March 2007 was 17.
- (3) The names of persons who have at any time during the financial year ending 31 March 2007 been members of the CEPU P & T NSW Branch Committee of Management and periods they served on the committee are as follows:

Branch President	Wayne Hewitt	1/4/2006 – 31/3/2007
Branch Vice Presidents	Cynthia Talato Rod Baxter	1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007
Branch Secretary	Jim Metcher	1/4/2006 – 31/3/2007

# COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

## POSTAL AND TELECOMMUNICATIONS BRANCH NSW

### OPERATING REPORT (cont'd)

Branch Assistant Secretary	Laurie Chalker	1/4/2006 – 16/10/2006
	Steve Dodd	13/12/2006 – 31/3/2007
Branch Organisers	Lyle Brittain	1/4/2006 – 31/3/2007
	Steve Dodd	1/4/2006 – 12/12/2006
	Shane Murphy	1/4/2006 – 31/3/2007
	Peter Chaloner	1/4/2006 – 31/3/2007
	Gil Enzon	1/4/2006 – 31/3/2007
	Michael Etue	1/4/2006 – 31/3/2007
	Tan Kien Ly	1/4/2006 – 31/3/2007
Lines & General Postal Sectional Representatives	John Bloomfield	1/4/2006 – 31/3/2007
	Peter O'Connell	1/4/2006 – 31/3/2007
	Leslie Riddle	1/4/2006 – 31/3/2007
	Zoran Anceviski	1/4/2006 – 31/3/2007
	Kingsley Searle	1/4/2006 – 31/3/2007
	Tom Anderson	1/4/2006 – 23/8/2006
	Max Cantania	1/8/2006 – 31/3/2007
	Joe Di Mento	1/8/2006 – 31/3/2007
	Sepwita Fepuleaui	1/8/2006 – 31/3/2007
Postal Sectional Representatives	Stephen Brewer	1/4/2006 – 31/3/2007
	Rammon Gammad	1/4/2006 – 31/3/2007
	Geoffrey Johnson	1/4/2006 – 31/3/2007
	Peter Psomas	1/4/2006 – 31/3/2007
	Robyn Steele	1/4/2006 – 31/3/2007
	Maxwell Wiley	1/4/2006 – 31/3/2007
	Jason Tram	1/4/2006 – 31/3/2007
	Gokman Saticieli	1/4/2006 – 31/3/2007
	John Masters	1/4/2006 – 31/3/2007

For and on behalf of the Committee of Management



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

16 May 2007

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

**POSTAL AND TELECOMMUNICATIONS BRANCH NSW  
BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT**

On 16 May 2007 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 2007.

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 2007;
- (d) 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 2007 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 the RAO Schedule and the RAO Regulations; 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) no information has been sought in any request of a member of the branch or a Registrar under section 272 of the RAO Schedule; and
  - (vi) no order for inspection of the financial records was made by the Commission under section 273 of the RAO Schedule.
- (f) during the financial year ended 31 March 2007 the branch did not participate in any recovery of wages activity.

For the Branch Committee of Management:

  
.....  
**JIM METCHER**  
16 May 2007

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

INCOME STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2007

	Note	2007 \$	2006 \$
<b>INCOME</b>			
Membership Contributions		3,126,572	3,256,066
Interest		8,430	4,500
Rent		508,858	369,510
Dividends		505	107
Your Rights at Work Campaign Levy		203,075	-
Sundry Income		-	23,325
<b>TOTAL INCOME</b>		<u>3,847,440</u>	<u>3,653,508</u>
<b>EXPENDITURE</b>			
<b>Depreciation</b>		<u>79,492</u>	<u>73,541</u>
<b>Employee Benefits Expense</b>			
Salaries and Allowances – Officials		757,694	709,424
Salaries and Wages – Industrial Officers, Trainees and Staff		467,466	441,388
Payroll Tax		82,034	91,158
Provident Fund and Superannuation		156,665	154,091
Provision for Long Service Leave		(14,896)	39,539
Provision for Annual Leave		(9,264)	(26,671)
Provision for Sick Leave		(5,802)	39,780
		<u>1,433,897</u>	<u>1,448,709</u>
<b>Other Expenses</b>			
Affiliation Fees		63,036	73,141
Bank Charges		22,286	17,947
Capitation Divisional Conference		671,628	738,757
Collection Costs - Membership Contributions		29,509	33,481
Computer Expenses		65,281	69,951
Delegates, Meetings and Organisers Expenses		39,009	58,724
Donations & Grants		500	500
Electricity, Gas and Heating		31,768	31,737
Emergency Ambulance Transport Benefit Fund	9	11,668	7,965
Fringe Benefit Tax		15,084	2,599
Honorarium		500	500
ACTU/Unions NSW Your Rights At Work			
Campaign Expenses		168,051	59,015
Insurance		43,594	38,677
Interest & Bank Charges – CBA Bill Facility		90,811	99,912
Land Tax		28,923	-
Leasing Fee		16,635	19,040
Legal and Professional Fees	11	37,665	91,043
Management Fees Building		10,029	-
Mortality Benefits Paid		3,500	2,000
Motor Vehicle Expenses		80,795	90,962
<b>Carried Forward</b>		<u>1,430,272</u>	<u>1,435,951</u>

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

INCOME STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2007 (cont'd)

	2007	2006
	\$	\$
<b>Other Expenses (cont'd)</b>		
<b>Brought Forward</b>	1,430,272	1,435,951
National Council Fund	5,329	6,009
Other Expenditure	58,149	32,717
Parking Space Levy	8,055	7,728
Postage, Printing and Stationery	75,114	56,840
Publications and Communication	116,245	5,102
Rates and Taxes	54,279	49,343
Repairs and Maintenance	35,554	32,866
Sub-Branch Expenses	874	1,378
Telecommunication costs	56,279	61,178
Training	2,050	18,137
Workers Compensation	14,888	17,352
	<u>1,857,088</u>	<u>1,724,601</u>
<b>TOTAL EXPENDITURE</b>	<u>3,370,477</u>	<u>3,246,851</u>
<b>OPERATING SURPLUS FOR THE YEAR</b>	476,963	406,657
Deficit on Disposal of assets	<u>(4,615)</u>	<u>-</u>
<b>NET SURPLUS FOR THE YEAR</b>	<u>472,348</u>	<u>406,657</u>

(The attached notes form part of these financial statements)



COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

BALANCE SHEET AS AT 31 MARCH 2007

	Note	2007 \$	2006 \$
<b>ACCUMULATED FUNDS</b>		<u>6,908,321</u>	<u>6,435,973</u>
Represented by Net Assets as Follows:			
<b>CURRENT ASSETS</b>			
Receivables	5	63,980	66,769
Cash and Cash Equivalents	4	238,894	190,729
Deductions in Transit		-	27,080
		<u>302,874</u>	<u>284,578</u>
<b>NON CURRENT ASSETS</b>			
Investments	6	1,591	1,591
Property, Plant and Equipment	7	9,113,480	9,047,459
		<u>9,115,071</u>	<u>9,049,050</u>
<b>TOTAL ASSETS</b>		<u>9,417,945</u>	<u>9,333,628</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Branch Education Training Fund	8	7,768	7,768
Emergency Ambulance Transport Benefit Fund	9	9,867	9,867
Provision for Long Service Leave		239,279	254,175
Provision for Annual Leave		92,732	101,996
Provision for Sick Leave		379,871	413,588
Sundry Creditors and Accruals		420,746	255,933
Sundry Creditor - Divisional Conference		87,064	295,733
Divisional Executive Loan		-	14,000
CBA Bill Facility - Secured	14	258,720	258,720
		<u>1,496,047</u>	<u>1,611,780</u>
<b>NON-CURRENT LIABILITIES</b>			
Provision for Sick Leave		68,177	40,262
CBA Bill Facility – Secured	14	655,760	914,480
Sundry Creditor – Divisional Conference		289,640	331,133
		<u>1,013,577</u>	<u>1,285,875</u>
<b>TOTAL LIABILITIES</b>		<u>2,509,624</u>	<u>2,897,655</u>
<b>NET ASSETS</b>		<u>6,908,321</u>	<u>6,435,973</u>

(The attached notes form part of these financial statements)

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

STATEMENT OF CHANGES IN ACCUMULATED FUNDS  
FOR THE YEAR ENDED 31 MARCH 2007

	<b>Accumulated Funds</b>
	\$
<b>Balance at 1 April 2005</b>	6,029,316
Net Surplus for Year Ended 31 March 2006	<u>406,657</u>
<b>Balance at 31 March 2006</b>	6,435,973
Net Surplus for Year Ended 31 March 2007	<u>472,348</u>
<b>Balance at 31 March 2007</b>	<u>6,908,321</u>

(The attached notes form part of these financial statements)

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

CASH FLOW STATEMENT FOR THE  
YEAR ENDED 31 MARCH 2007

	Note	2007 \$	2006 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from Members		3,153,652	3,278,267
Payments to Suppliers and Employees		(3,312,646)	(3,279,516)
Interest Received		8,380	3,983
Interest Paid		(90,811)	(99,912)
Your Rights At Work Campaign Levy		203,075	-
Rent Received		508,858	369,510
Other Receipts		505	23,432
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	10(b)	<u>471,013</u>	<u>295,764</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of Property, Plant and Equipment		25,597	-
Payment for Property, Plant and Equipment		<u>(175,725)</u>	<u>(454)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<u>(150,128)</u>	<u>(454)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Repayment of Borrowings		(14,000)	(26,000)
Repayment of Bank Bill Facility		<u>(258,720)</u>	<u>(237,160)</u>
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<u>(272,720)</u>	<u>(263,160)</u>
<b>NET INCREASE IN CASH</b>		48,165	32,150
Cash at 1 April 2006		<u>190,729</u>	<u>158,579</u>
<b>CASH AT 31 MARCH 2007</b>	10(a)	<u>238,894</u>	<u>190,729</u>

(The attached notes form part of these financial statements)

# COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

## POSTAL AND TELECOMMUNICATIONS BRANCH NSW

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

#### 1. SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Work Place Relations Act, 1996.

Compliance with Australian equivalents to International Financial Reporting Standards ensures that the financial report comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS) except for:

- Segment reporting because AASB 114 "Segment Reporting" does not apply to not-for-profit organisations.
- Impairment of assets under AASB 136 "Impairment of assets"

#### BASIS OF PREPARATION

The financial report is for the entity Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW, as an individual entity. The Communications, Electrical, Plumbing Union of Australia is an organisation registered under the Workplace Relations Act, 1996. The Postal and Telecommunications Branch NSW is a Branch of the registered organisation. In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the Branch are not subject to the Corporations Act 2001.

The financial report has been prepared on the basis of historical costs modified by the revaluation of selected financial assets and liabilities for which the fair value basis of accounting has been applied. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

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

##### (a) Revenue

Contributions and Entrance Fees are accounted for on a cash receipts basis. Otherwise, the concept of accruals accounting has been adopted in the preparation of the financial statements. Interest is accounted for on an accruals basis.

##### (b) Income Tax

No provision for Income Tax is necessary as the Union is exempt from Income Tax under Section 50 - 15 of the Income Tax Assessment Act 1997.

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2007 (cont'd)

1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(c) Property, Plant and Equipment

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

*Depreciation*

The depreciable amount of plant and equipment is depreciated on a diminishing value method over their useful lives to the union commencing from the time the asset is ready for use.

The depreciation rates used for each class of asset are:

Office Furniture and Equipment	10% - 33%
Motor Vehicles	22.5%

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

Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in the income statement in the year that the item is derecognised.

*Land and Buildings*

Land and Buildings are carried at fair value.

(d) Impairment

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised in the income statement for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value and value in use. For the purpose of assessing value in use, this represents depreciated current replacement cost, as the Union is a not-for profit organisation.

(e) Employee Benefits

Provision is made for the Branch's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within 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 amounts expected to be paid when the liability is settled, plus related on-costs. In the case of Long Service Leave this results in an amount not materially different to that achieved by discounting future cash flows.

Contributions are made by the Branch to employee superannuation funds and are charged as expenses when incurred.

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

**POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2007 (cont'd)**

**1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(f) Investments**

All investments and other financial assets are initially stated at cost, being the fair value of consideration given plus acquisition costs. Purchases and sales of investments are recognised on trade date, which is the date on which the entity commits to purchase, or sell the asset. Accounting policies for each category of investments and other financial assets subsequent to initial recognition are set out below.

*Available-for-sale financial assets*

Investments, which are classified as available for sale, are measured at fair value.

**(g) Goods and Services Tax**

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 on the balance sheet are shown inclusive of GST.

**(h) Accounting Standards Issued But Not Yet Effective**

There have been no accounting standards issued which will impact the financial report in future periods and which are not yet effective.

**2. ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**(a) Critical accounting estimates and assumptions**

The Branch makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of asset and liabilities.

**(b) Critical judgments in applying the Branch's accounting principles**

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

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2007 (cont'd)

3. 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).

	2007 \$	2006 \$
<b>4. CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	800	800
Cash at Bank	101,230	61,386
Cash Management Account	136,864	128,543
	<u>238,894</u>	<u>190,729</u>
<b>5. RECEIVABLES</b>		
Accrued Interest	580	530
Bonds	6,795	6,795
Sundry debtors and Prepayments	56,605	59,444
	<u>63,980</u>	<u>66,769</u>
<b>6. INVESTMENTS</b>		
<b>Available-For-Sale Financial Assets</b>		
Shares	<u>1,591</u>	<u>1,591</u>

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2007 (cont'd)

	2007 \$	2006 \$
<b>7. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Land and Buildings</b>		
81 George Street, Parramatta		
At fair value	8,625,000	8,625,000
<b>Office Furniture and Equipment</b>		
At Cost	708,723	692,982
Less Accumulated Depreciation	(406,776)	(366,353)
	301,947	326,629
<b>Motor Vehicles</b>		
At Cost	367,303	389,406
Less Accumulated Depreciation	(180,770)	(293,576)
	186,533	95,830
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>9,113,480</b>	<b>9,047,459</b>

MOVEMENTS IN CARRYING AMOUNTS

	Land and Buildings	Office Furniture and Equipment	Motor Vehicles	Total
Balance at 1 April 2006	8,625,000	326,629	95,830	9,047,459
Additions	-	15,742	159,983	175,725
Disposals	-	-	(30,212)	(30,212)
Depreciation	-	(40,424)	(39,068)	(79,492)
Balance at 31 March 2007	8,625,000	301,947	186,533	9,113,480

	2007 \$	2006 \$
<b>8. BRANCH EDUCATION TRAINING FUND</b>		
Balance brought forward	7,768	7,768
Add Training Fund Levies Received	-	-
Less Benefits Paid	-	-
Balance carried forward	7,768	7,768
<b>9. EMERGENCY AMBULANCE TRANSPORT BENEFIT FUND</b>		
Balance brought forward	9,867	9,867
Transfer from Income Statement	11,668	7,965
Less Benefits Paid	(11,668)	(7,965)
Balance carried forward	9,867	9,867



COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2007 (cont'd)

	2007	2006
	\$	\$
<b>10. CASH FLOW INFORMATION</b>		
(a) For the purpose of the of cash flow statement, 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	101,230	61,386
Cash Management Account	136,864	128,543
	<u>238,894</u>	<u>190,729</u>
(b) Reconciliation of cash flow from Operations with Operating Result		
<b>Net Surplus</b>	472,348	406,657
<b>Non-Cash Flows in Operating Result</b>		
Loss on disposal of assets	4,615	-
Depreciation	79,492	73,541
<b>Changes in Assets and Liabilities</b>		
(Increase)/Decrease in Accrued Interest	(50)	(517)
(Increase)/Decrease in Sundry Debtors	29,919	50,173
Increase/(Decrease) in Sundry Creditors	(85,349)	(286,769)
Increase in Provisions	(29,962)	52,679
	<u>471,013</u>	<u>295,764</u>
<b>CASH FLOWS FROM OPERATIONS</b>		
<b>11. LEGAL AND PROFESSIONAL FEES</b>		
Auditors' Remuneration:		
Audit Fees	24,600	10,035
Accounting Services	9,990	5,820
	<u>34,590</u>	<u>15,855</u>
Legal Costs	<u>3,075</u>	<u>75,188</u>
	<u>37,665</u>	<u>91,043</u>

# COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

## POSTAL AND TELECOMMUNICATIONS BRANCH NSW

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007 (cont'd)

#### 12. RELATED PARTIES

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

Branch President	Wayne Hewitt	1/4/2006 – 31/3/2007
Branch Vice Presidents	Cynthia Talato Rod Baxter	1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007
Branch Secretary	Jim Metcher	1/4/2006 – 31/3/2007
Branch Assistant Secretary	Laurie Chalker Steve Dodd	1/4/2006 – 16/10/2006 13/12/2006 – 31/3/2007
Branch Organisers	Lyle Brittain Steve Dodd Shane Murphy Peter Chaloner Gil Enzon Michael Etue Tan Kien Ly	1/4/2006 – 31/3/2007 1/4/2006 – 12/12/2006 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007
Lines & General Postal Sectional Representatives	John Bloomfield Peter O'Connell Leslie Riddle Zoran Ancevski Kingsley Searle Tom Anderson Max Cantania Joe Di Mento Sepwita Fepuleaui	1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 23/8/2006 1/8/2006 – 31/3/2007 1/8/2006 – 31/3/2007 1/8/2006 – 31/3/2007
Postal Sectional Representatives	Stephen Brewer Rammon Gammad Geoffrey Johnson Peter Psomas Robyn Steele Maxwell Wiley Jason Tram Gokman Saticieli John Masters	1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007

- (b) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the Income Statement 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 \$86,314 (2006: \$80,691).
- (d) There have been no other transactions between the officers and the Branch other than those relating to their membership of the Branch and the reimbursement by the Branch 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 FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2007 (cont'd)

13. FINANCIAL INSTRUMENTS

Interest Rate Risk

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

31 March 2007	Floating interest rate	Fixed interest rate		Non interest bearing	Total
		1 year or less	Over 1 to 5 years		
	\$	\$	\$	\$	\$
<b>Financial Assets</b>					
Cash	101,230	-	-	800	102,030
Receivables	-	-	-	28,322	28,322
Cash Management Account	136,864	-	-	-	136,864
	<u>238,094</u>	<u>-</u>	<u>-</u>	<u>29,122</u>	<u>267,216</u>
Weighted Average Interest Rate	4.85%				
<b>Financial Liabilities</b>					
Payables	-	-	-	815,085	815,085
Loans	-	258,720	655,760	-	914,480
	<u>-</u>	<u>258,720</u>	<u>655,760</u>	<u>815,085</u>	<u>1,729,565</u>
Weighted Average Interest Rate		7%	7%		
Net Financial Assets/(Liabilities)	<u>238,094</u>	<u>(258,720)</u>	<u>(655,760)</u>	<u>(785,963)</u>	<u>(1,462,349)</u>
<b>31 March 2006</b>					
<b>Financial Assets</b>					
Cash	61,386	-	-	800	62,186
Receivables	-	-	-	55,352	55,352
Cash Management Account	128,543	-	-	-	128,543
	<u>189,929</u>	<u>-</u>	<u>-</u>	<u>56,152</u>	<u>246,081</u>
Weighted Average Interest Rate	4.80%				
<b>Financial Liabilities</b>					
Payables	-	-	-	900,434	900,434
Loans	-	258,720	914,480	14,000	1,187,200
	<u>-</u>	<u>258,720</u>	<u>914,480</u>	<u>914,434</u>	<u>2,087,634</u>
Weighted Average Interest Rate		7%	7%		
Net Financial Assets/(Liabilities)	<u>189,929</u>	<u>(258,720)</u>	<u>(914,480)</u>	<u>(858,282)</u>	<u>(1,841,553)</u>

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2007 (cont'd)

**13. FINANCIAL INSTRUMENTS (cont'd)**

**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 Balance Sheet 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.

**14. CBA BILL FACILITY - SECURED**

The CBA Bill Facility is secured by a registered mortgage over the property at 81 George Street, Parramatta.

**15. SUPERANNUATION**

Employees of the Branch are entitled to benefits from a superannuation plan on retirement, disability or death. The Branch participated in a defined contribution plan. The benefits provided under this plan are based on accumulated contributions and earnings for each employee. The Branch's liability is limited to paying the contributions to the plan.

**16. 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 2007 were \$3,153,652.

**17. 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 balance sheet, income statement, statement of changes in accumulated funds, of cash flow statement, 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 2007.

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.

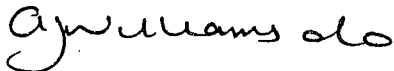
COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

**Audit Opinion**

In our opinion the general purpose financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW is in accordance with the Workplace Relations Act 1996, including:

- (i) giving a true and fair view of the Branch's financial position as at 31 March 2007 and its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and other mandatory professional reporting requirements in Australia; and
- (iii) complying with the requirements of the RAO Schedule.



**A J Williams & Co**  
Chartered Accountants



**David McLean**  
Registered Company Auditor  
SYDNEY NSW 2000

16 May 2007

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

**POSTAL AND TELECOMMUNICATIONS BRANCH NSW**

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

DATE	21 MAY 2007
BY	1413
RECEIVED	
INFO	

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

**TABLE OF CONTENTS**

Discussion and Analysis of the Financial Statements	1
Operating Report	2
Branch Committee of Management's Statement	4
Income Statement	5
Balance Sheet	6
Statement of Changes in Accumulated Funds	7
Cash Flow Statement	8
Notes to the Financial Statements	9
Independent Audit Report	10



**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 2007 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 2007 financial report.

**Income Statement and Balance Sheet Position:**

The end of year 2007 financial report reflects the achievements associated with the important decisions made by the Branch to realign resources and restructure the roles and responsibilities of the Branch officers. The introduction of the in house training resource together with the investment into the development of three trainee organiser's has contributed to the necessity for stabilising union membership levels and delivering new membership in targeted areas.

The end of year financial position was consistent with budget expectations. This was achieved despite significant funds invested into the Australia Post Enterprise Agreement and Your Rights at Work campaigns.

**Cash Flow Statement:**

The cash flow of the Branch has been managed to ensure liabilities are met when they fall due. The Branch has achieved long-term leases with fixed annual increases for the remaining vacant space within the building, which is returning immediate and long-term alternative cash income benefits for the Branch. The financial management plan is achieving above expectations for early retirement of the building redevelopment liability along with increasing Branch cash reserves.



**JIM METCHER  
BRANCH SECRETARY**

16 May 2007

**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 2007.

**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 2007 is \$472,348.

**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(1) of the Workplace Relations Act. In accordance with section 174(1) of the workplace Relations Act a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation. There was no change to this rule during the year.

**Superannuation Office Holders**

The ACTU has appointed Jim Metcher (Elected officer) as the members' representative on the board of the Australia Post Superannuation Scheme.

**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 31 March 2007 was 11,792.
- (2) The number of persons, both full-time and part time employees measured on a full-time equivalent basis, employed by the NSW Branch of the Union as at 31 March 2007 was 17.
- (3) The names of persons who have at any time during the financial year ending 31 March 2007 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**

**OPERATING REPORT (cont'd)**

Branch President	Wayne Hewitt	1/4/2006 – 31/3/2007
Branch Vice Presidents	Cynthia Talato Rod Baxter	1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007
Branch Secretary	Jim Metcher	1/4/2006 – 31/3/2007
Branch Assistant Secretary	Laurie Chalker Steve Dodd	1/4/2006 – 16/10/2006 13/12/2006 – 31/3/2007
Branch Organisers	Lyle Brittain Steve Dodd Shane Murphy Peter Chaloner Gil Enzon Michael Etue Tan Kien Ly	1/4/2006 – 31/3/2007 1/4/2006 – 12/12/2006 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007
Lines & General Postal Sectional Representatives	John Bloomfield Peter O'Connell Leslie Riddle Zoran Ancevski Kingsley Searle Tom Anderson Max Cantania Joe Di Mento Sepwita Fepuleaui	1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 23/8/2006 1/8/2006 – 31/3/2007 1/8/2006 – 31/3/2007 1/8/2006 – 31/3/2007
Postal Sectional Representatives	Stephen Brewer Rammon Gammad Geoffrey Johnson Peter Psomas Robyn Steele Maxwell Wiley Jason Tram Gokman Saticieli John Masters	1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007 1/4/2006 – 31/3/2007

For and on behalf of the Committee of Management

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

16 May 2007

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

**BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT**

On 16 May 2007 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 2007.

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 2007;
- (d) 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 2007 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 the RAO Schedule and the RAO Regulations; 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) no information has been sought in any request of a member of the branch or a Registrar under section 272 of the RAO Schedule; and
  - (vi) no order for inspection of the financial records was made by the Commission under section 273 of the RAO Schedule.
- (f) during the financial year ended 31 March 2007 the branch did not participate in any recovery of wages activity.

For the Branch Committee of Management:

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

16 May 2007

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

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

	2007 \$	2006 \$
<b>INCOME</b>		
Membership Contributions	3,126,572	3,256,066
Interest	8,430	4,500
Rent	508,858	369,510
Dividends	505	107
Your Rights At Work Campaign Levy	203,075	-
Sundry Income	-	23,325
<b>TOTAL INCOME</b>	<u>3,847,440</u>	<u>3,653,508</u>
<b>EXPENDITURE</b>		
Depreciation	79,492	73,541
Employee Benefits Expense	1,433,897	1,448,709
Other expenses	1,857,088	1,724,601
<b>TOTAL EXPENDITURE</b>	<u>3,370,477</u>	<u>3,246,851</u>
<b>OPERATING SURPLUS FOR THE YEAR</b>	476,963	406,657
Deficit on Disposal of Assets	<u>(4,615)</u>	<u>-</u>
<b>NET SURPLUS FOR THE YEAR</b>	<u>472,348</u>	<u>406,657</u>

The attached notes form part of these accounts

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

**BALANCE SHEET  
AS AT 31 MARCH 2007**

	2007 \$	2006 \$
<b>ACCUMULATED FUNDS</b>	<u>6,908,321</u>	<u>6,435,973</u>
Represented by Net Assets as Follows:		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	238,894	190,729
Deductions in Transit	-	27,080
Receivables	<u>63,980</u>	<u>66,769</u>
	<u>302,874</u>	<u>284,578</u>
<b>NON CURRENT ASSETS</b>		
Investments	1,591	1,591
Fixed Assets	<u>9,113,480</u>	<u>9,047,459</u>
	<u>9,115,071</u>	<u>9,049,050</u>
<b>TOTAL ASSETS</b>	<u>9,417,945</u>	<u>9,333,628</u>
<b>CURRENT LIABILITIES</b>		
Payables	525,445	569,301
Provisions	711,882	769,759
Divisional Executive Loan	-	14,000
CBA Bill Facility – Secured	<u>258,720</u>	<u>258,720</u>
	<u>1,496,047</u>	<u>1,611,780</u>
<b>NON CURRENT LIABILITIES</b>		
Payables	289,640	331,133
Provisions	68,177	40,262
CBA Bill Facility – Secured	<u>655,760</u>	<u>914,480</u>
	<u>1,013,577</u>	<u>1,285,875</u>
<b>TOTAL LIABILITIES</b>	<u>2,509,624</u>	<u>2,897,655</u>
<b>NET ASSETS</b>	<u>6,908,321</u>	<u>6,435,973</u>

The attached notes form part of these accounts

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

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

	<b>Accumulated Funds</b>
	<b>\$</b>
<b>Balance at 1 April 2005</b>	6,029,316
Net Surplus for Year Ended 31 March 2006	<u>406,657</u>
<b>Balance at 31 March 2006</b>	6,435,973
Net Surplus for Year Ended 31 March 2007	<u>472,348</u>
<b>Balance at 31 March 2007</b>	<u>6,908,321</u>

The attached notes form part of these accounts

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

**CASH FLOW STATEMENT FOR THE  
YEAR ENDED 31 MARCH 2007**

	2007	2006
	\$	\$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Receipts from Members	3,153,652	3,278,267
Your Rights At Work Campaign Levy	203,075	-
Payments to Suppliers and Employees	(3,312,646)	(3,279,516)
Interest Received	8,380	3,983
Interest Paid	(90,811)	(99,912)
Rent Received	508,858	369,510
Other Receipts	505	23,432
	<u>471,013</u>	<u>295,764</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of Property, Plant and Equipment	25,597	-
Payment for Property, Plant and Equipment	(175,725)	(454)
	<u>(150,128)</u>	<u>(454)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Borrowings	(14,000)	(26,000)
Repayment of Bank Bill Facility	(258,720)	(237,160)
	<u>(272,720)</u>	<u>(263,160)</u>
<b>NET INCREASE IN CASH</b>	48,165	32,150
Cash at 1 April 2006	<u>190,729</u>	<u>158,579</u>
<b>CASH AT 31 MARCH 2007</b>	<u>238,894</u>	<u>190,729</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 2007**

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

The concise financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Australian 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.

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**

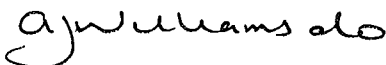
We have audited the concise financial report of Communications, Electrical, Plumbing Union of Australia, Postal and Telecommunications Branch NSW for the financial year ended 31 March 2007 comprising the Branch Committee of Management's Statement, Income Statement, Balance sheet, Statement of Changes in Accumulated Funds, Cash Flow Statement 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 2007. Our audit report on the full financial report was signed on 16 May 2007, 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 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**  
Chartered Accountants



**David McLean**  
Registered Company Auditor  
SYDNEY NSW 2000

16 May 2007



**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 Jim 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 – CEPU Communications  
Division, NSW Postal & Telecommunications Branch – for year ending 31 March 2007  
(FR2007/204)**

I refer to the abovementioned financial statements and accounts which were lodged in the Registry on 1 August 2007.

The legislative requirements have been met and the documents have been filed.

Yours sincerely,

A handwritten signature in cursive script that reads 'Belinda Penna'.

Belinda Penna  
for Deputy Industrial Registrar

7 August 2007