



22 October 2014

Mr Jim Metcher
Branch Secretary
CEPU: Postal and Telecommunications Branch, New South Wales
Level 3, 81 George Street
Parramatta NSW 2150

via e-mail: admina@cepu.org

Dear Mr Metcher

**CEPU: Postal and Telecommunications Branch, New South Wales
Financial Report for the year ended 31 March 2014 - FR2014/62**

I acknowledge receipt of the financial report for the year ended 31 March 2014 for the CEPU: Postal and Telecommunications Branch, New South Wales. The amended financial report was lodged with the Fair Work Commission (FWC) on 21 October 2014.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

Changes to the reporting guidelines and model financial statement

A fourth edition of the General Manager's s.253 Reporting Guidelines was gazetted on 13 June 2014. These guidelines will apply to all financial reports that end on or after 30 June 2014. A model set of financial statements for the 2013-2014 financial year is also available on the FWC website. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards.

The Reporting Guidelines and Model Financial Statements are available on the FWC website:
<https://www.fwc.gov.au/registered-organisations/compliance-governance/financial-reporting>

If you have any queries regarding this letter, please contact me on (03) 8661 7675 or via email at ken.morgan@fwc.gov.au

Yours sincerely

A handwritten signature in black ink, appearing to read 'K. Morgan', with a stylized flourish at the end.

Ken Morgan
Financial Reporting Advisor
Regulatory Compliance Branch

COMMUNICATIONS ELECTRICAL PLUMBING UNION NSW POSTAL & TELECOMMUNICATIONS BRANCH

ABN 81 643 762 631

Level 3, 81 George Street Parramatta NSW 2150 | PO Box 250 Parramatta NSW 2124
Phone: (02) 9893 7822 | Fax: (02) 9893 7396 | Email: admina@cepu.org | Web: www.cepu.org

Our ref: 62/2

Date: 16 October 2014

General Manager
Fair Work Commission
Level 8, Terrace Towers
80 William Street
East Sydney 2011

Attention Mr Ken Morgan,



**Re: CEPU NSW Postal and Telecommunications Branch
Financial Reports for year ending 31 March 2014**

I refer to your correspondence dated 29 September 2014 in respect of the Branch General Purpose Financial Report (GPFR) and declaration for the year ending 31 March 2014 that was lodged with the Fair Work Commission (FWC) under covering letter dated 18 September 2014.

The FWC has required the Branch to have the GPFR reflect the following:

1. In Note 1 (a) of the GPFR, for the accounting standards to comply in terms of the GPFR being prepared on an accrual basis of measurement.

An amended Note 1 (a) has occurred to reflect this requirement of the FWC.

2. To have the Independent Auditors Report at sub heading 'Auditors Opinion' reflect that the GPFR complies with the 'Fair Work (Registered Organisations) Act 2009 as against the reference 'relevant legislation'.

The amendment has been made to incorporate compliance with the Act in the opinion to reflect this requirement of the FWC.

Further, the GPFR and Concise reports containing the amendments required to be made by the FWC have been presented to the Branch Committee of Management meeting held on 15 October 2014 and have been subsequently posted on the Branch website for the information to the members of the Branch.

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

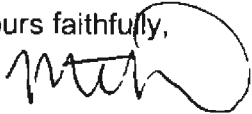
- the documents lodged herewith are copies of the general purpose and concise financial reports for the year ending 31 March 2014 in accordance with s268 of the Fair Work (Registered Organisations) Act 2009;
- The concise report was provided to members as from 31 July 2014 in accordance with the Branch Committee of Management Statement;
- The annual general meeting of the Branch scheduled for 27 August 2014 failed to convene under the rules of the Union;

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- The general purpose financial report and concise report was presented to the Branch Committee of Management meeting (second meeting) held on 17 September 2014 in accordance with s266 of the Fair Work (Registered Organisations) Act 2009; and
- Following amendments to the GPFR required to be undertaken by the FWC in their letter dated 29 September 2014, the GPFR and Concise Report was further presented to the Branch Committee of Management meeting held on 15 October 2014.

For further information please contact the Branch Secretary Jim Metcher at this office on (02) 9893 7822.

Yours faithfully,



JIM METCHER
BRANCH SECRETARY

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2014

**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 Fair Work (Registered Organisations) Act 2009 for the year ended 31 March 2014.

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 2014 is \$338,803 (2013: \$367,027)

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 Fair Work (Registered Organisations) Act 2009. In accordance with section 174(1) of the Fair Work (Registered Organisations) Act 2009 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.

Director of Corporate Trustee - Superannuation Entity

During the reporting period, James Metcher, being an officer of the Branch, was a director of Post Super Pty Limited (being the corporate trustee of the Australia Post Superannuation Scheme) and is appointed to that directorship upon the nomination of the ACTU pursuant to the company's constitution. The position is held as an employee representative by reason of the criteria established for industry superannuation funds.

There are no other directorships held by the officers or employees of the branch.

Membership Numbers

- (1) Under section 230 of the Fair Work (Registered Organisations) Act 2009 the number of persons recorded in the register of members and who under section 244 of the Fair Work (Registered Organisations) Act 2009 are taken to be members of the Branch of the Union as at 31 March 2014 was 8,398.
- (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 2014 was 13 (2013: 13.5).
- (3) The names of persons who have at any time during the financial year ending 31 March 2014 been members of the CEPU P & T NSW Branch Committee of Management and periods they served on the branch committee are as follows:

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

OPERATING REPORT (cont'd)

<u>Position</u>	<u>Name</u>	<u>Period</u>
Branch President	Rod Baxter	1/4/2013 - 31/3/2014
Branch Vice Presidents	Maureen Morris	1/4/2013 - 31/3/2014
	Max Wiley	1/4/2013 - 31/3/2014
Branch Secretary	Jim Metcher	1/4/2013 - 31/3/2014
Branch Assistant Secretary	Shane Murphy	1/4/2013 - 31/3/2014
Branch Organisers	Peter Chaloner	1/4/2013 - 31/3/2014
	Gil Enzon	1/4/2013 - 31/3/2014
	Tan Kien Ly	1/4/2013 - 31/3/2014
	Aaron Stockdale	1/4/2013 - 31/3/2014
Lines & General Sectional Representatives	Max Catania	1/4/2013 - 31/3/2014
	Coralie Luskey	1/4/2013 - 18/3/2014
	Peter O'Connell	1/4/2013 - 31/3/2014
	Michael Stanbury	1/4/2013 - 31/3/2014
Postal Sectional Representatives	Ramon Gammad	1/4/2013 - 31/3/2014
	Geoffrey Johnson	1/4/2013 - 31/3/2014
	Aaron Robertson	1/4/2013 - 31/3/2014
	John Amatto	1/4/2013 - 31/3/2014
	Paula Houghton	1/4/2013 - 31/3/2014
	Brandon Lam	1/4/2013 - 31/3/2014
	Gregory Rayner	1/4/2013 - 31/3/2014

For and on behalf of the Committee of Management



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JIM METCHER
BRANCH SECRETARY

15 October 2014

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

BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

On 21 May 2014 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 2014.

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 General Manager of Fair Work Australia;
- (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 2014;
- (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 2014 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 Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulation 2009; 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 Fair Work (Registered Organisations) Act 2009; and
 - (vi) no order for inspection of the financial records was made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (f) during the financial year ended 31 March 2014 the branch did not participate in any recovery of wages activity.

Branch Committee of Management further resolves for the Branch Secretary to prepare and distribute a concise financial report for the year ending 31 March 2014 for the information of members and make available the GPFR on the Branch website and a copy of the same to any member who makes a formal request in writing.

For the Branch Committee of Management:


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JIM METCHER

15 October 2014

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

STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2014

		2014 \$	2013 \$
INCOME			
Membership Contributions	4	3,052,588	2,995,189
Interest		28,330	43,629
Rent		656,765	532,592
Dividends		322	148
Tenants Outgoings		49,372	25,977
Sundry Income		18,208	14,610
TOTAL INCOME		3,805,585	3,612,145
EXPENDITURE			
Depreciation			
Office Furniture & Equipment		40,650	29,907
Motor Vehicles		48,999	52,060
		89,649	81,967
Employee Benefits Expense			
Salaries - Officials	5c	879,269	862,406
Salaries - Staff	5d	256,520	245,297
Payroll Tax		67,046	63,774
Provident Fund and Superannuation		177,052	177,683
Provision for Long Service Leave		30,900	23,776
Provision for Annual Leave		(25,028)	12,295
Provision for Sick Leave		36,000	9,117
		1,421,758	1,394,348
Other Expenses			
Affiliation Fees	5a	65,765	68,368
Bank Charges		34,266	32,096
Capitation Divisional Conference		689,554	673,918
CEPU Journey cover		57,599	58,226
Campaign Expenses - Your Rights At Work & EBA's		75,104	75,893
Collection Costs - Membership Contributions		19,663	21,579
Computer Expenses		54,181	52,597
Delegates, Meetings and Officials Expenses		46,828	45,466
Donations & Grants	5b	31,000	-
Electricity, Gas and Heating		55,430	54,961
Emergency Ambulance Transport Benefit		7,498	9,690
Equipment Rental		13,912	12,078
Fringe Benefits Tax		33,323	16,072
Insurance		30,087	33,284
Land Tax		22,792	33,172
Property leasing commission		-	92,044
Legal and Professional Fees		281,404	93,294
Carried Forward		1,518,406	1,372,738

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

**STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)**

	2014	2013
	\$	\$
Other Expenses (cont'd)		
Brought Forward	1,518,406	1,372,738
Loss on Disposal of Assets	-	4,698
Management Fees Building	26,427	25,200
Mortality Benefits Paid	3,000	3,500
Motor Vehicle Expenses	65,987	74,257
National Council Fund	2,962	4,526
Other Expenditure	7,535	8,209
Parking Space Levy	13,995	13,725
Postage, Printing and Stationery	70,884	36,977
Publications and Communication	40,776	18,845
Rates and Taxes	79,896	76,666
Repairs and Maintenance	77,953	81,472
Sub-Branch Expenses	18	75
Telecommunication costs	34,568	31,905
Training	1,296	2,436
Workers Compensation	11,671	13,574
	<u>1,955,374</u>	<u>1,768,803</u>
TOTAL EXPENDITURE	<u>3,466,782</u>	<u>3,245,118</u>
NET SURPLUS FOR THE YEAR	<u>338,803</u>	<u>367,027</u>
Other Comprehensive Income:		
Revaluation of Building	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>338,803</u>	<u>367,027</u>

(The attached notes form part of these financial statements)

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

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash and Cash Equivalents	9	2,641,193	2,240,145
Receivables	10	67,052	60,358
Contributions in Transit		30,693	36,130
		<u>2,738,938</u>	<u>2,336,633</u>
NON CURRENT ASSETS			
Investments	11	1,591	1,591
Property, Plant and Equipment	12	9,228,517	9,290,065
		<u>9,230,108</u>	<u>9,291,656</u>
TOTAL ASSETS		<u>11,969,046</u>	<u>11,628,289</u>
CURRENT LIABILITIES			
Provision for Branch Education Training		7,768	7,768
Provision for Emergency Ambulance Transport Benefit		10,000	10,000
Provision for Long Service Leave	6 c d	129,390	122,853
Provision for Annual Leave	6 c d	122,025	147,053
Provision for Sick Leave	6 c d	327,113	291,113
Sundry Creditors and Accruals		205,371	271,720
Sundry Creditor - Divisional Conference		59,215	32,784
		<u>860,882</u>	<u>883,291</u>
NON CURRENT LIABILITIES			
Provision for Long Service Leave	6 c d	<u>58,003</u>	<u>33,640</u>
TOTAL LIABILITIES		<u>918,885</u>	<u>916,931</u>
NET ASSETS		<u>11,050,161</u>	<u>10,711,358</u>
Accumulated Funds		10,850,161	10,511,358
Asset Revaluation Reserve		200,000	200,000
ACCUMULATED FUNDS AND RESERVES		<u>11,050,161</u>	<u>10,711,358</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 AND RESERVES
FOR THE YEAR ENDED 31 MARCH 2014**

	Accumulated Funds	Building Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 April 2012	10,144,331	200,000	10,344,331
Net Surplus	367,027	-	367,027
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the Year	<u>367,027</u>	<u>-</u>	<u>367,027</u>
Balance at 31 March 2013	<u>10,511,358</u>	<u>200,000</u>	<u>10,711,358</u>
Net Surplus	338,803	-	338,803
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the Year	<u>338,803</u>	<u>-</u>	<u>338,803</u>
Balance at 31 March 2014	<u>10,850,161</u>	<u>200,000</u>	<u>11,050,161</u>

(The attached notes form part of these financial statements)

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2014

	Note	2014 \$	2013 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Members		3,058,025	2,992,992
Payments to Suppliers and Employees		(3,388,209)	(3,203,033)
Interest Received		25,547	40,846
Dividend Received		322	148
Rent Received		656,765	532,592
Other Receipts		76,699	56,899
NET CASH PROVIDED BY OPERATING ACTIVITIES	13(b)	429,149	420,444
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of Property, Plant and Equipment		-	36,300
Payment for Property, Plant and Equipment		(28,101)	(250,214)
NET CASH USED IN INVESTING ACTIVITIES		(28,101)	(213,914)
NET INCREASE IN CASH		401,048	206,530
Cash at 1 April 2013		2,240,145	2,033,615
CASH AT 31 MARCH 2014	13(a)	2,641,193	2,240,145

(The attached notes form part of these financial statements)

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

RECOVERY OF WAGES ACTIVITY

FOR THE YEAR ENDED 31 MARCH 2014

The Communications, Electrical, Plumbing Union of Australia, Postal and Telecommunications Branch NSW has not undertaken recovery of wages activity. The Branch does assist with recovery of its member wages. However, as and when decreed by the court we confirm that any settlement or recovery of wages is directly managed between the employer and the employee (i.e. our Postal and Telecommunications Branch NSW member) and at no point of time is any money banked into the Branch bank account. Reportable amounts are NIL for:

- a. any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- b. any donations or other contributions deducted from recovered money.

**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 2014**

1. SIGNIFICANT ACCOUNTING POLICIES

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 Fair Work (Registered Organisations) Act 2009. 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.

Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009.

The reporting guidelines made under section 255 of the Fair Work (Registered Organisations) Act 2009 (the RO Act) require all reporting units to apply the Tier 1 reporting requirements as per Australian Accounting Standard AASB 1053 Application for Tiers of Australian Accounting Standards. As such the branch committee of management has prepared a full set of financial statements with all disclosure requirements. In the prior year the branch committee of management had early adopted Australian Accounting Standards - Reduced Disclosure Requirements but this is no longer permissible. This has had no material impact on amounts recognised in the financial statements because it merely requires a more detailed note disclosure on financial risk management than if these financial statements were prepared using Australian Accounting Standards - Reduced Disclosure Requirements.

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 other significant accounting policies adopted in the preparation of the financial statements.

(a) Revenue

Revenue from Membership contributions is accounted for on an accrual basis, and recorded in the year to which it relates, and to the extent that the amounts due are considered receivable.

An official, as a result of their position in the union, can be appointed as a Director on the Board of superannuation funds and other entities. Fees paid from those organisations are directed to the Union, and are accounted for on an accruals basis.

Interest income is accounted for on an accruals basis. Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

(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 2014 (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 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 statement of comprehensive income 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 statement of comprehensive income 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 2014 (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 cost. This results in an amount not materially different to measuring them 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 statement of financial position 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.

(i) Going concern

The Branch is not reliant on the financial support of any other reporting units to ensure they can continue on a going concern basis.

(j) Going concern support

The Branch provides Capitation Fees to the Divisional Conference Funds. The Branch has not agreed to provide any other financial support to any other reporting units to ensure they can continue on a going concern basis.

(k) Amalgamations and Restructures

There have been no amalgamations or restructures in the financial year and previous financial year. No assets or liabilities have been acquired as a result of any amalgamations or restructures.

(l) Business Combinations

There have been no business combinations during the financial year and previous financial year. No assets or liabilities have been acquired as a result of any business combinations.

**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 2014 (cont'd)**

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 amounts of assets 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 amounts of assets and liabilities.

3. INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL MANAGER OF FAIR WORK AUSTRALIA

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

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (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**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)**

4. INCOME

(a) Membership fees

	2014	2013
	\$	\$
Membership fees	3,052,588	2,995,189

(b) Other income

The following income items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. Capitation/Sustentation fees
- b. Compulsory levies
- c. Donations or grants
- d. Other financial support from other reporting units

5. EXPENSE

(a) Fees and periodic subscriptions are paid in respect of its affiliation to any political party, any federation, congress, council or group of organisations, or any international body having an interest in industrial matters

	2014	2013
	\$	\$
Affiliation Fees		
ALP NSW Branch	36,062	32,066
ALP ACT Branch	2,468	1,274
Unions NSW	27,235	35,028
	<u>65,765</u>	<u>68,368</u>
CEPU Divisional Conference (Capitation Fees)	689,554	673,918
CEPU National Office (National Council Fund)	2,962	4,526
Delegates Expenses	<u>46,828</u>	<u>45,466</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 2014 (cont'd)**

(b) Donations

2014

Non-reportable donations less than or equal to \$1,000 (excl. GST)

Details to whom payment made	Purpose	2014 \$
JDRF Australia	Cure diabetes JDRF walk	1,000
		<hr/> 1,000

Reportable donations exceeding \$1,000 (excl. GST)

Details to whom payment made	Purpose	2014 \$
Matt Thistlewaite	Matt Thistlewaite - ALP donation	10,000
ALP	ALP NSW Chifley Fundraising	20,000
		<hr/> 30,000

There were no donations made in 2013.

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 2014 (cont'd)

(c) Employee expenses related to holders of office

	2014	2013
	\$	\$
Officers benefits expense		
Wages and Salaries	879,269	862,406
Superannuation	101,047	101,281
Leave and other entitlements	23,448	25,306
Separation and redundancies	-	-
Fringe benefit expenses	12,351	12,666
	<u>1,016,115</u>	<u>1,001,659</u>

(d) Employee expenses related to employees (other than holders of office)

	2014	2013
	\$	\$
Employees benefits expense		
Wages and Salaries	256,520	245,297
Superannuation	76,005	76,402
Leave and other entitlements	18,424	19,892
Separation and redundancies	10,821	-
Fringe benefit expenses	9,880	12,666
	<u>371,650</u>	<u>354,257</u>

(f) Legal costs

	2014	2013
	\$	\$
Legal costs	249,904	59,472

**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 2014 (cont'd)**

(g) Other expense

The following expense items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. Compulsory levies
- b. Payments to employers for payroll deduction activity
- c. Fees or allowances (other than those already disclosed above) paid to persons in respect of their attendances as representatives of the Union at conferences or other meetings.
- d. Expenses (other than expenses included in any amounts referred to above) incurred in connection with holding meetings of members of the reporting unit and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the reporting unit was wholly or partly responsible
- e. Penalties imposed under the RO Act.

6. DISCLOSURES IN RESPECT OF STATEMENT OF FINANCIAL POSITION

(a) Amounts receivable/payable to/from other reporting units of the Union

	2014	2013
	\$	\$
Amounts receivable from reporting units		
CEPU Divisional Conference	1,812	1,812
Amounts payable to reporting units		
CEPU Divisional Conference (Capitation Fees Payable)	59,215	32,784

(b) Legal costs payable

	2014	2013
	\$	\$
Legal costs payable	41,573	7,710

**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 2014 (cont'd)**

(c) Employee provisions related to holders of office

	2014	2013
	\$	\$
Officers provisions		
Annual leave	51,064	81,925
Long service leave	95,178	98,864
Separation and redundancies	-	-
Other employee provisions (sick leave)	216,167	192,522
	<u>362,409</u>	<u>373,311</u>

(d) Employee provisions related to employees (other than holders of office)

	2014	2013
	\$	\$
Employees provisions		
Annual leave	70,961	65,228
Long service leave	92,215	57,629
Separation and redundancies	-	-
Other employee provisions (sick leave)	110,946	98,591
	<u>274,122</u>	<u>221,448</u>

(e) Other balances at 31 March 2014

Items noted above as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009 which have not occurred in the reporting period do not have respective balances at year-end and therefore not disclosed. These include:

- a. Payables to employers as consideration for the employers making payroll deductions of membership subscriptions

7. DISCLOSURES IN RESPECT OF STATEMENT OF CHANGES IN EQUITY

The following equity items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. No separate fund or account operated in respect of compulsory levies raised by the Union or voluntary contributions collected from members of the Union.
- b. No monies in respect of compulsory levies raised or voluntary contributions collected from members of the Union have been invested in any assets.
- c. No separate fund or account which is required by the rules of the Union or rules of a Branch of the Union.
- d. No transfer(s) and/or withdrawal(s) to a fund, account or controlled entity, when any of these are kept for a specific purpose(s) by the Union.

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 2014 (cont'd)

8. DISCLOSURES IN RESPECT OF STATEMENT OF CASH FLOWS

(a) Amounts received/paid to/from other reporting units of the Union

Amounts received and paid in respect of the Capitation Fees and other charges have been incorporated as part of the Statement of Cash Flows and detailed below.

	2014	2013
	\$	\$
Cash inflows from other reporting units	-	-
Cash outflows to other reporting units (CEPU Divisional Conference)	663,123	670,075

	2014	2013
	\$	\$
9. CASH AND CASH EQUIVALENTS		
Cash on Hand	800	800
Cash at Bank	384,456	311,909
Cash Management Account	2,255,937	1,927,436
	<u>2,641,193</u>	<u>2,240,145</u>

10. RECEIVABLES

Accrued Interest	2,299	2,783
Bonds	6,795	6,795
Prepayments	41,210	28,179
Sundry Debtors	14,935	20,789
Amounts due from CEPU Divisional Conference	1,812	1,812
	<u>67,051</u>	<u>60,358</u>

11. INVESTMENTS

Available-For-Sale Financial Assets		
Shares in listed companies - at cost	<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 2014 (cont'd)

	2014 \$	2013 \$
12. PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings		
81 George Street, Parramatta		
At fair value	<u>8,825,000</u>	<u>8,825,000</u>
(The branch committee of management last determined the fair value of the building be increased to \$8,825,000 at 31 March 2012 to reflect current market information on the land and building. Information has been received to indicate that this value has not declined during the year to require adjustment.)		
Office Furniture and Equipment		
At Cost	714,767	686,668
Less Accumulated Depreciation	<u>(480,026)</u>	<u>(439,377)</u>
	<u>234,741</u>	<u>247,291</u>
Motor Vehicles		
At Cost	340,822	340,822
Less Accumulated Depreciation	<u>(172,046)</u>	<u>(123,048)</u>
	<u>168,776</u>	<u>217,774</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>9,228,517</u>	<u>9,290,065</u>

MOVEMENTS IN CARRYING AMOUNTS

	Land and Buildings	Office Furniture and Equipment	Motor Vehicles	Total
Balance at 1 April 2013	8,825,000	247,291	217,774	9,290,065
Additions	-	28,100	-	28,100
Disposals	-	-	-	-
Depreciation	-	(40,650)	(48,998)	(89,648)
Balance at 31 March 2014	<u>8,825,000</u>	<u>234,741</u>	<u>168,776</u>	<u>9,228,517</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 2014 (cont'd)

		2014 \$	2013 \$
13. CASH FLOW INFORMATION			
(a) 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	9	800	800
Cash at Bank	9	384,456	311,909
Cash Management Account	9	2,255,937	1,927,436
		<u>2,641,193</u>	<u>2,240,145</u>
(b) Reconciliation of cash flow from Operations with Net Surplus			
Net Surplus		338,803	367,027
Non-Cash Flows in Operating Result			
Loss on Disposal of Assets			4,698
Depreciation		89,649	81,967
Changes in Assets and Liabilities			
(Increase) in Deductions in Transit		5,437	(2,197)
Decrease/(Increase) in Bonds, Prepayments & Sundry Debtors		(6,695)	7,627
Increase in Branch Education Training Fund & Emergency Ambulance Transport Benefit Fund		-	-
(Decrease)/Increase in Sundry Creditors		(39,917)	(83,866)
Increase in Provisions		41,872	45,188
CASH FLOWS FROM OPERATIONS		<u>429,149</u>	<u>420,444</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 2014 (cont'd)

	2014 \$	2013 \$
14. AUDITORS' REMUNERATION		
Audit Fees	31,500	32,722
Accounting Services	-	1,100
	<u>31,500</u>	<u>33,822</u>

15. RELATED PARTY DISCLOSURES

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

<u>Position</u>	<u>Name</u>	<u>Period</u>
Branch President	Rod Baxter	1/4/2013 - 31/3/2014
Branch Vice Presidents	Maureen Morris	1/4/2013 - 31/3/2014
	Max Wiley	1/4/2013 - 31/3/2014
Branch Secretary	Jim Metcher	1/4/2013 - 31/3/2014
Branch Assistant Secretary	Shane Murphy	1/4/2013 - 31/3/2014
Branch Organisers	Peter Chaloner	1/4/2013 - 31/3/2014
	Gil Enzon	1/4/2013 - 31/3/2014
	Tan Kien Ly	1/4/2013 - 31/3/2014
	Aaron Stockdale	1/4/2013 - 31/3/2014
Lines & General Sectional Representatives	Max Catania	1/4/2013 - 31/3/2014
	Coralie Luskey	1/4/2013 - 18/3/2014
	Peter O'Connell	1/4/2013 - 31/3/2014
	Michael Stanbury	1/4/2013 - 31/3/2014
Postal Sectional Representatives	Ramon Gammad	1/4/2013 - 31/3/2014
	Geoffrey Johnson	1/4/2013 - 31/3/2014
	Aaron Robertson	1/4/2013 - 31/3/2014
	John Amatto	1/4/2013 - 31/3/2014
	Paula Houghton	1/4/2013 - 31/3/2014
	Brandon Lam	1/4/2013 - 31/3/2014
	Gregory Rayner	1/4/2013 - 31/3/2014

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 2014 (cont'd)

15. RELATED PARTY DISCLOSURES (cont'd)

(a) Related party transactions

Transactions with related parties are on normal terms and conditions no more favourable than those available to other parties, unless otherwise stated.

- (a) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the Financial Report (Note 5 (d)).
- (b) The aggregate amount paid during the financial year to a superannuation plan in respect of elected full time officers was \$101,047 (2013: \$101,281).
- (c) There have been no other transactions between the officers and the Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW 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.
- (d) Capitation fees and administration fees paid to Divisional Conference are disclosed as income and expenses respectively in the Statement of Comprehensive Income and as cash paid in Note 8(a).
- (e) Amounts receivable from and payable to the Divisional Conference at balance date are disclosed in Note 6(a).
- (f) The Branch Secretary's son is employed by the Union on terms and conditions no more favourable than applicable to other employees on the same level of experience and position within the Union. The appointment had been made independently of the Branch Secretary's involvement.

(b) Key management personnel remuneration

Key management persons are those persons having authority and responsibility for planning, directing and controlling the activities of the Branch, directly or indirectly, including any member of the Committee of Management. Key management personnel remuneration is represented by the remuneration of the Officers of the Branch which is disclosed in Note 5(c) of the 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 2014 (cont'd)

16. 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.

17. NATIONAL COUNCIL - BRANCH VOTING ENTITLEMENTS

For the purposes of the National Council Composition and Voting Rights, the actual membership contributions received for the financial year ended 31 March 2014 were \$3,052,588 (2013: \$2,995,189).

18. COMMITMENTS

Operating lease commitments:

The Union had the following lease commitment for Plant and Equipment as at 31 March 2014.

	2014	2013
	\$	\$
Payable within one year	13,214	13,214
Payable later than one year but not later than five years	31,344	44,558
	<u>44,558</u>	<u>57,772</u>

19. FINANCIAL RISK MANAGEMENT NOTE

(a) *General objectives, policies, and processes*

The Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW is exposed to risks that may arise from its use of financial instruments. This note describes the Branch's objectives, policies, and processes for managing those risks and the methods used to measure them. The Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW has no financial instruments relevant to the risk mentioned and this objective does not apply.

There have been no substantive changes in the Branch's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Branch's financial instruments consist mainly of deposits with banks and receivables. The main risks the Branch is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

The Branch Secretary and Branch Committee of Management have overall responsibility for the determination of the Branch's risk management objectives and policies.

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 2014 (cont'd)

19. FINANCIAL RISK MANAGEMENT NOTE (cont'd)

(b) Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Branch incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Branch.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed below:

	2014	2013
	\$	\$
Cash and cash equivalents	2,641,193	2,240,145

The cash and cash equivalents are held in a high quality Australian financial institutions

	2014	2013
	\$	\$
Receivables	67,051	60,358

There has been no history of default, no amounts are past due and all receivables are likely to be repaid within the expected terms.

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 2014 (cont'd)

19. FINANCIAL RISK MANAGEMENT NOTE (cont'd)

(c) *Liquidity Risk*

Liquidity risk is the risk that the Branch may encounter difficulties in raising funds to meet commitments associated with financial instruments.

The Branch is not significantly exposed to this risk; as at 31 March 2014 it has \$2,641,193 of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 31 March 2014 totalled \$282,355. The Branch manages liquidity risk by monitoring cash flows.

(d) *Market Risk*

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

(e) *Interest Rate Risk*

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

31 March 2014	Fixed Interest rate	Floating interest rate	Non- interest Bearing	Total
	\$	\$	\$	\$
Financial Assets				
Cash at Bank and on Hand		384,456	800	385,256
Held- to maturity investments	2,255,937			2,255,937
Receivables			67,051	67,051
Total financial assets	2,255,937	384,456	67,851	2,708,244
Weighted average Interest rate	2%	0.01%		
Financial Liabilities				
Payables			282,355	282,355
Net Financial Assets	2,255,937	384,456	(214,504)	2,425,889

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 2014 (cont'd)

19. FINANCIAL RISK MANAGEMENT NOTE (Cont'd)

31 March 2013	Fixed Interest rate	Floating interest rate	Non- interest Bearing	Total
	\$	\$	\$	\$
Financial Assets				
Cash at Bank and on Hand		311,909	800	312,709
Held- to maturity investments	1,927,436			1,927,426
Receivables			60,358	60,358
Total financial assets	1,927,426	311,909	61,158	2,300,493
Weighted average Interest rate	1.2%	0.01%		
Financial Liabilities				
Payables			322,272	322,272
Net Financial Assets	1,927,426	311,909	322,272	1,978,221

Sensitivity Analysis
2014

	Carrying Amount	+0.5% (50 basis points) Profit	-0.5% (50 basis points) Loss
	\$	\$	\$
Cash Assets	2,641,193	13,206	(13,206)

2013

Cash Assets	2,240,145	11,200	(11,200)
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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 2014 (cont'd)

19. FINANCIAL RISK MANAGEMENT NOTE (Cont'd)

(f) *Other Price Risks*

The Branch does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in price that are inherent in such a market.

(g) *Foreign Exchange Risk*

The Branch is not directly exposed to foreign exchange rate.

20. REGISTERED OFFICE

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

Level 3,
81 George Street
Parramatta NSW 2150

Grant Thornton Audit Pty Ltd
ACN 130 913 594

Level 17 383 Kent Street
Sydney NSW 2000
Locked Bag Q800
QVB Post Office
Sydney NSW 1230

T +61 2 8297 2400
F +61 2 9299 4445
E info.nsw@au.gt.com
W www.grantthornton.com.au

Independent Auditor's Report

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

We have audited the accompanying financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW (the "Trade Union"), which comprises the statement of financial position as at 31 March 2014, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the statement by the Committee of Management.

Responsibility of the Committee of Management for the financial report

The Committee of Management of the Trade Union is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009. This responsibility includes such internal controls as the Committee of Management determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Trade Union's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trade Union's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the applicable independence requirements of the Accounting Professional and Ethical Standards Board.

Auditor's Opinion

In our opinion,

- a the financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW:
 - i presents fairly, in all material respects, the Trade Union's financial position as at 31 March 2014 and of its performance and cash flows for the year then ended ; and
 - ii complies with Australian Accounting Standards, the Fair Work (Registered Organisations) Act 2009 and relevant legislation;
- b the Committee of Management appropriately applied the going concern basis of accounting.

Report on the recovery of wages activity

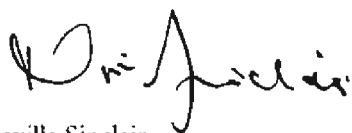
The Committee of Management are responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with section 253(2)(c) of the Fair Work Act 2009 (Registered Organisations). Our responsibility is to express an opinion on the recovery of wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards. We have been advised that no recovery of wages activity has been undertaken in the current financial year. Accordingly we have not been instructed by the Committee of Management to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity.

Other Matters

The signor is an Approved Auditor (who holds a current Public Practice Certificate) with the Institute of Chartered Accountants in Australia.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Neville Sinclair
Partner - Audit & Assurance

Sydney, 16 October 2014

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

**CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2014**

**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 2014 General Purpose Financial Report (GPFR) of the Communications, Electrical, Plumbing Union of Australia - Postal and Telecommunications Branch NSW. A copy of the GPFR and auditor's report can be made available to any member, free of charge, upon a request in writing.

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

Statement of Comprehensive Income and Statement of Financial Position:

The Branch continues to achieve an operating surplus to ensure cash reserves fund exceptional circumstances for relevant expenditure costs associated with protecting and improving living standards for members and their families. The Branch income and expenditure for the year end apart from legal and professional fees is consistent with budget estimations together with the responsible management of the overall Branch finances

Legal and other professional fees have exceeded budget estimations due to the need for the Branch, in the interests of the members, to fund advice and representation of Branch officers in litigation and contentious matters arising out of serious disputation which has been occurring and is still evident at the Communications Division level.

On 7 April 2014, the National Council adopted significant rule changes which, subject to ratification at the Divisional levels of the union, will enable branches to take steps to transfer to another Division for the purpose of ensuring effective servicing and representation of Branch members at the Divisional level in future. Branch officers are hopeful that, if these changes are implemented, they will assist in re-establishing greater harmony within the Union, with a consequent reduction in the need for legal and related professional services in future years.

The financial position of the Branch remains viable despite the need for significant funds to continue to be invested in these important legal and internal Union matters together with maintaining other initiatives associated with the ambassador card and journey cover benefits that provide important savings and income protection for all members of the branch.

Statement of Cashflows:

The cashflow of the Branch has been managed to ensure that all liabilities are met when they fall due. The financial management plan is meeting budget estimations despite the necessary increases in operating costs of the Branch, as explained above.



**JIM METCHER
BRANCH SECRETARY**

15 October 2014

**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 Fair Work (Registered Organisations) Act 2009 for the year ended 31 March 2014.

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 2014 is \$338,803 (2013: \$367,027)

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 Fair Work (Registered Organisations) Act 2009. In accordance with section 174(1) of the Fair Work (Registered Organisations) Act 2009 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.

Director of Corporate Trustee - Superannuation Entity

During the reporting period, James Metcher, being an officer of the Branch, was a director of Post Super Pty Limited (being the corporate trustee of the Australia Post Superannuation Scheme) and is appointed to that directorship upon the nomination of the ACTU pursuant to the company's constitution. The position is held as an employee representative by reason of the criteria established for industry superannuation funds.

There are no other directorships held by the officers or employees of the branch.

Membership Numbers

- (1) Under section 230 of the Fair Work (Registered Organisations) Act 2009 the number of persons recorded in the register of members and who under section 244 of the Fair Work (Registered Organisations) Act 2009 are taken to be members of the Branch of the Union as at 31 March 2014 was 8,398.
- (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 2014 was 13 (2013: 13.5).
- (3) The names of persons who have at any time during the financial year ending 31 March 2014 been members of the CEPU P & T NSW Branch Committee of Management and periods they served on the branch committee are as follows:

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

OPERATING REPORT (cont'd)

<u>Position</u>	<u>Name</u>	<u>Period</u>
Branch President	Rod Baxter	1/4/2013 - 31/3/2014
Branch Vice Presidents	Maureen Morris	1/4/2013 - 31/3/2014
	Max Wiley	1/4/2013 - 31/3/2014
Branch Secretary	Jim Metcher	1/4/2013 - 31/3/2014
Branch Assistant Secretary	Shane Murphy	1/4/2013 - 31/3/2014
Branch Organisers	Peter Chaloner	1/4/2013 - 31/3/2014
	Gil Enzon	1/4/2013 - 31/3/2014
	Tan Kien Ly	1/4/2013 - 31/3/2014
	Aaron Stockdale	1/4/2013 - 31/3/2014
Lines & General Sectional Representatives	Max Catania	1/4/2013 - 31/3/2014
	Coralie Luskey	1/4/2013 - 18/3/2014
	Peter O'Connell	1/4/2013 - 31/3/2014
	Michael Stanbury	1/4/2013 - 31/3/2014
Postal Sectional Representatives	Ramon Gammad	1/4/2013 - 31/3/2014
	Geoffrey Johnson	1/4/2013 - 31/3/2014
	Aaron Robertson	1/4/2013 - 31/3/2014
	John Amatto	1/4/2013 - 31/3/2014
	Paula Houghton	1/4/2013 - 31/3/2014
	Brandon Lam	1/4/2013 - 31/3/2014
	Gregory Rayner	1/4/2013 - 31/3/2014

For and on behalf of the Committee of Management



JIM METCHER
BRANCH SECRETARY

15 October 2014

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

BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

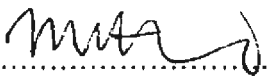
On 15 October 2014 the Branch Committee of Management of the Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 31 March 2014.

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 General Manager of Fair Work Australia;
- (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 2014;
- (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 2014 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 Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulation 2009; 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 Fair Work (Registered Organisations) Act 2009; and
 - (vi) no order for inspection of the financial records was made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (f) during the financial year ended 31 March 2014 the branch did not participate in any recovery of wages activity.

Branch Committee of Management further resolves for the Branch Secretary to prepare and distribute a concise financial report for the year ending 31 March 2014 for the information of members and make available the GPFR on the Branch website and a copy of the same to any member who makes a formal request in writing.

For the Branch Committee of Management:


.....
JIM METCHER

15 October 2014

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

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2014

	2014 \$	2013 \$
INCOME		
Membership Contributions	3,052,588	2,995,189
Interest	28,330	43,629
Rent	656,765	532,592
Dividends	322	148
Tenants Outgoings	49,372	25,977
Sundry Income	18,208	14,610
TOTAL INCOME	<u>3,805,585</u>	<u>3,612,145</u>
EXPENDITURE		
Depreciation	89,649	81,967
Employee Benefits Expense	1,421,758	1,394,348
Other Expenses	<u>1,955,374</u>	<u>1,768,803</u>
TOTAL EXPENDITURE	<u>3,466,782</u>	<u>3,245,118</u>
NET SURPLUS FOR THE YEAR	<u>338,803</u>	<u>367,027</u>
Other Comprehensive Income:		
Revaluation of Building	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>338,803</u>	<u>367,027</u>

(The attached notes form part of these financial statements)

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

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash and Cash Equivalents	9	2,641,193	2,240,145
Receivables	10	67,052	60,358
Contributions in Transit		30,693	36,130
		<u>2,738,938</u>	<u>2,336,633</u>
NON CURRENT ASSETS			
Investments	11	1,591	1,591
Property, Plant and Equipment	12	9,228,517	9,290,065
		<u>9,230,108</u>	<u>9,291,656</u>
TOTAL ASSETS		<u>11,969,046</u>	<u>11,628,289</u>
CURRENT LIABILITIES			
Provision for Branch Education Training		7,768	7,768
Provision for Emergency Ambulance Transport Benefit		10,000	10,000
Provision for Long Service Leave	6 c d	129,390	122,853
Provision for Annual Leave	6 c d	122,025	147,053
Provision for Sick Leave	6 c d	327,113	291,113
Sundry Creditors and Accruals		205,371	271,720
Sundry Creditor - Divisional Conference		59,215	32,784
		<u>860,882</u>	<u>883,291</u>
NON CURRENT LIABILITIES			
Provision for Long Service Leave	6 c d	58,003	33,640
TOTAL LIABILITIES		<u>918,885</u>	<u>916,931</u>
NET ASSETS		<u>11,050,161</u>	<u>10,711,358</u>
Accumulated Funds		<u>10,850,161</u>	<u>10,511,358</u>
Asset Revaluation Reserve		200,000	200,000
ACCUMULATED FUNDS AND RESERVES		<u>11,050,161</u>	<u>10,711,358</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 AND RESERVES

FOR THE YEAR ENDED 31 MARCH 2014

	Accumulated Funds	Building Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 April 2012	10,144,331	200,000	10,344,331
Net Surplus	367,027	-	367,027
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the Year	<u>367,027</u>	<u>-</u>	<u>367,027</u>
Balance at 31 March 2013	<u>10,511,358</u>	<u>200,000</u>	<u>10,711,358</u>
Net Surplus	338,803	-	338,803
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the Year	<u>338,803</u>	<u>-</u>	<u>338,803</u>
Balance at 31 March 2014	<u>10,850,161</u>	<u>200,000</u>	<u>11,050,161</u>

(The attached notes form part of these financial statements)

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2014

	Note	2014 \$	2013 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Members		3,058,025	2,992,992
Payments to Suppliers and Employees		(3,388,209)	(3,203,033)
Interest Received		25,547	40,846
Dividend Received		322	148
Rent Received		656,765	532,592
Other Receipts		76,699	56,899
NET CASH PROVIDED BY OPERATING ACTIVITIES	13(b)	429,149	420,444
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of Property, Plant and Equipment		-	36,300
Payment for Property, Plant and Equipment		(28,101)	(250,214)
NET CASH USED IN INVESTING ACTIVITIES		(28,101)	(213,914)
NET INCREASE IN CASH		401,048	206,530
Cash at 1 April 2013		2,240,145	2,033,615
CASH AT 31 MARCH 2014	13(a)	2,641,193	2,240,145

(The attached notes form part of these financial statements)

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

RECOVERY OF WAGES ACTIVITY

FOR THE YEAR ENDED 31 MARCH 2014

The Communications, Electrical, Plumbing Union of Australia, Postal and Telecommunications Branch NSW has not undertaken recovery of wages activity. The Branch does assist with recovery of its member wages. However, as and when decreed by the court we confirm that any settlement or recovery of wages is directly managed between the employer and the employee (i.e. our Postal and Telecommunications Branch NSW member) and at no point of time is any money banked into the Branch bank account. Reportable amounts are NIL for:

- a. any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- b. any donations or other contributions deducted from recovered money.

**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 2014**

NOTE 1: BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT

The concise financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009.

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 THE GENERAL MANAGER OF
FAIR WORK AUSTRALIA**

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

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (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).

Grant Thornton Audit Pty Ltd
ACN 130 913 594

Level 17, 383 Kent Street
Sydney NSW 2000

Correspondence to:
Locked Bag Q800
QVB Post Office
Sydney NSW 1230

T +61 2 8297 2400
F +61 2 9299 4445
E info.nsw@au.gt.com
W www.grantthornton.com.au

Independent Auditor's Report
To the Members of Communications, Electrical, Plumbing Union of
Australia Postal and Telecommunications Branch NSW

We have audited the accompanying concise financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW (the "Trade Union"), which comprises the statement of financial position as at 31 March 2014, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the statement by the Committee of Management.

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 2014. Our audit report on the full financial report was signed on 15 October 2014, and was not subject to any qualification. The Auditor's opinion for the full financial report is as follows:

"In our opinion,

- a the financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW:
 - i presents fairly, in all material respects, the Trade Union's financial position as at 31 March 2014 and of its performance and cash flows for the year then ended ; and
 - ii complies with Australian Accounting Standards, the Fair Work (Registered Organisations) Act 2009 and the relevant legislation;

- b the Committee of Management appropriately applied the going concern basis of accounting.”

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 Fair Work (Registered Organisations) Act 2009.

Audit Opinion

In our opinion, the concise financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW for the year ended 31 March 2013 complies with Accounting Standard AASB 1039 Concise Financial Reports.

Report on the recovery of wages activity

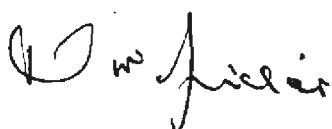
The Committee of Management are responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with section 253(2)(c) of the Fair Work Act 2009 (Registered Organisations). Our responsibility is to express an opinion on the recovery of wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards. We have been advised that no recovery of wages activity has been undertaken in the current financial year. Accordingly we have not been instructed by the Committee of Management to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity.

Other Matters

The signor is an Approved Auditor (who holds a current Public Practice Certificate) with the Institute of Chartered Accountants in Australia.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Neville Sinclair
Partner - Audit & Assurance

Sydney, 16 October 2014



29 September 2014

Jim Metcher
Branch Secretary
CEPU: Postal and Telecommunications Branch, New South Wales
Level 3, 81 George Street
Parramatta NSW 2150

via e-mail: admina@cepu.org

Dear Mr Metcher

**CEPU: Postal and Telecommunications Branch, New South Wales
Financial Report for the year ended 31 March 2014 - FR2014/62**

I acknowledge receipt of the financial report for the year ended 31 March 2014 for the CEPU: Postal and Telecommunications Branch, New South Wales (CEPU-CPTN). The financial report was lodged with the Fair Work Commission (FWC) on 19 September 2014.

The financial report has not been filed. I have examined the report and identified a number of matters, the details of which are set out below, that you are required to address before the report can be filed.

The General Purpose Financial Report (GPFR) and Auditor's Report will require amendments. The amended report will need to be presented to a Committee of Management meeting, republished on the CEPU-CPTN website and lodged with FWC.

The matters identified should be read in conjunction with the *Fair Work (Registered Organisations) Act 2009* (the RO Act), *Fair Work (Registered Organisations) Regulations 2009* (the RO Regs), Reporting Guidelines (RG) made under section 255 of the RO Act and Australian Accounting Standards. A 'Model financial statements' is also available on the FWC website to assist organisations in preparing returns.

1. General Purpose Financial Report

General purpose financial report to be prepared on accrual basis

Section 252 of the RO Act places obligations upon reporting units to keep financial records. Under section 252(4) an organisation may keep the financial records for its membership subscriptions on a cash basis.

This is distinct from the obligation under section 253 to *prepare* a General Purpose Financial Report (GPFR). Section 253 requires that '...a reporting unit must cause a General Purpose Financial Report to be *prepared*, in accordance with the Australian Accounting Standards, from the financial records kept under subsection 252(1) in relation to the financial year...'. Paragraph 27 of Australian Accounting Standard *AASB101 Presentation of Financial Statements*, states that 'an entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting'.

Note 1(a) to the financial statements states "Contributions and Entrance Fees are accounted for on a cash receipts basis".

Contributions and entrance fees will need to be brought to account on an accruals basis in accordance with the Australian Accounting Standards and the relevant statements and items will need to be amended accordingly. This will also require the re-auditing of these statements by your auditor and the reissuing of the GPFR to members and FWC.

It is further noted that this will result in a change of accounting policy that will need to be disclosed in accordance with *AASB 108 (Accounting Policies, Changes in Accounting Estimates and Errors)*. You may need to discuss this with your auditor.

2. Auditor Report

Reference to RO Act

In accordance with Reporting Guideline 43 c) the auditor's opinion should refer specifically to the *Fair Work (Registered Organisations) Act 2009* rather than "...and relevant legislation...".

Could you arrange for the auditor to amend the Auditor's Statement accordingly and reissue the report to the Members and FWC.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7675 or by email at ken.morgan@fwc.gov.au

Yours sincerely

A handwritten signature in black ink, appearing to read 'K. Morgan', with a stylized flourish at the end.

Ken Morgan
Financial Reporting Advisor
Regulatory Compliance Branch



COMMUNICATIONS ELECTRICAL PLUMBING UNION NSW POSTAL & TELECOMMUNICATIONS BRANCH

ABN 81 643 762 631

Level 3, 81 George Street Parramatta NSW 2150 | PO Box 250 Parramatta NSW 2124
Phone: (02) 9893 7822 | Fax: (02) 9893 7396 | Email: admina@cepu.org | Web: www.cepu.org

Our ref: 62/2

Date: 18 September 2014

General Manager
Fair Work Commission
Level 8, Terrace Towers
80 William Street
East Sydney 2011

Dear Sir/Madam,


Re: CEPU NSW Postal and Telecommunications Branch Financial Reports for year ending 31 March 2014

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 general purpose and concise financial reports for the year ending 31 March 2014 in accordance with s268 of the Fair Work (Registered Organisations) Act 2009;
- The concise report was provided to members as from 31 July 2014 in accordance with the Branch Committee of Management Statement;
- The annual general meeting of the Branch scheduled for 27 August 2014 failed to convene under the rules of the Union; and
- The general purpose financial report and concise report was presented to the Branch Committee of Management meeting (second meeting) held on 17 September 2014 in accordance with s266 of the Fair Work (Registered Organisations) Act 2009.

For further information please contact the Branch Secretary at this office on (02) 9893 7822.

Yours faithfully,


JIM METCHER
BRANCH SECRETARY



Connecting
our community



COMMUNICATIONS ELECTRICAL PLUMBING UNION NSW POSTAL & TELECOMMUNICATIONS BRANCH

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Our ref: 62/2

Date: 18 September 2014

General Manager
Fair Work Commission
Level 8, Terrace Towers
80 William Street
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Dear Sir/Madam,

**Re: CEPU NSW Postal and Telecommunications Branch
Financial Reports for year ending 31 March 2014**

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

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For further information please contact the Branch Secretary at this office on (02) 9893 7822.

Yours faithfully,


JIM METCHER
BRANCH SECRETARY



Connecting
our community

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2014

**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 Fair Work (Registered Organisations) Act 2009 for the year ended 31 March 2014.

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 2014 is \$338,803 (2013: \$367,027)

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 Fair Work (Registered Organisations) Act 2009. In accordance with section 174(1) of the Fair Work (Registered Organisations) Act 2009 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.

Director of Corporate Trustee - Superannuation Entity

During the reporting period, James Metcher, being an officer of the Branch, was a director of Post Super Pty Limited (being the corporate trustee of the Australia Post Superannuation Scheme) and is appointed to that directorship upon the nomination of the ACTU pursuant to the company's constitution. The position is held as an employee representative by reason of the criteria established for industry superannuation funds.

There are no other directorships held by the officers or employees of the branch.

Membership Numbers

- (1) Under section 230 of the Fair Work (Registered Organisations) Act 2009 the number of persons recorded in the register of members and who under section 244 of the Fair Work (Registered Organisations) Act 2009 are taken to be members of the Branch of the Union as at 31 March 2014 was 8,398.
- (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 2014 was 13 (2013: 13.5).
- (3) The names of persons who have at any time during the financial year ending 31 March 2014 been members of the CEPU P & T NSW Branch Committee of Management and periods they served on the branch committee are as follows:

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

OPERATING REPORT (cont'd)

<u>Position</u>	<u>Name</u>	<u>Period</u>
Branch President	Rod Baxter	1/4/2013 - 31/3/2014
Branch Vice Presidents	Maureen Morris	1/4/2013 - 31/3/2014
	Max Wiley	1/4/2013 - 31/3/2014
Branch Secretary	Jim Metcher	1/4/2013 - 31/3/2014
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	John Amatto	1/4/2013 - 31/3/2014
	Paula Houghton	1/4/2013 - 31/3/2014
	Brandon Lam	1/4/2013 - 31/3/2014
	Gregory Rayner	1/4/2013 - 31/3/2014

For and on behalf of the Committee of Management



JIM METCHER
BRANCH SECRETARY

21 May 2014

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

BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

On 21 May 2014 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 2014.

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 General Manager of Fair Work Australia;
- (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 2014;
- (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 2014 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 Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulation 2009; 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 Fair Work (Registered Organisations) Act 2009; and
 - (vi) no order for inspection of the financial records was made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (f) during the financial year ended 31 March 2014 the branch did not participate in any recovery of wages activity.

Branch Committee of Management further resolves for the Branch Secretary to prepare and distribute a concise financial report for the year ending 31 March 2014 for the information of members and make available the GPFR on the Branch website and a copy of the same to any member who makes a formal request in writing.

For the Branch Committee of Management:


.....
JIM METCHER
21 May 2014

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

STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2014

		2014 \$	2013 \$
INCOME			
Membership Contributions	4	3,052,588	2,995,189
Interest		28,330	43,629
Rent		656,765	532,592
Dividends		322	148
Tenants Outgoings		49,372	25,977
Sundry Income		18,208	14,610
TOTAL INCOME		3,805,585	3,612,145
EXPENDITURE			
Depreciation			
Office Furniture & Equipment		40,650	29,907
Motor Vehicles		48,999	52,060
		89,649	81,967
Employee Benefits Expense			
Salaries - Officials	5c	879,269	862,406
Salaries - Staff	5d	256,520	245,297
Payroll Tax		67,046	63,774
Provident Fund and Superannuation		177,052	177,683
Provision for Long Service Leave		30,900	23,776
Provision for Annual Leave		(25,028)	12,295
Provision for Sick Leave		36,000	9,117
		1,421,758	1,394,348
Other Expenses			
Affiliation Fees	5a	65,765	68,368
Bank Charges		34,266	32,096
Capitation Divisional Conference		689,554	673,918
CEPU Journey cover		57,599	58,226
Campaign Expenses - Your Rights At Work & EBA's		75,104	75,893
Collection Costs - Membership Contributions		19,663	21,579
Computer Expenses		54,181	52,597
Delegates, Meetings and Officials Expenses		46,828	45,466
Donations & Grants	5b	31,000	-
Electricity, Gas and Heating		55,430	54,961
Emergency Ambulance Transport Benefit		7,498	9,690
Equipment Rental		13,912	12,078
Fringe Benefits Tax		33,323	16,072
Insurance		30,087	33,284
Land Tax		22,792	33,172
Property leasing commission		-	92,044
Legal and Professional Fees		281,404	93,294
Carried Forward		1,518,406	1,372,738

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

**STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)**

	2014	2013
	\$	\$
Other Expenses (cont'd)		
Brought Forward	1,518,406	1,372,738
Loss on Disposal of Assets	-	4,698
Management Fees Building	26,427	25,200
Mortality Benefits Paid	3,000	3,500
Motor Vehicle Expenses	65,987	74,257
National Council Fund	2,962	4,526
Other Expenditure	7,535	8,209
Parking Space Levy	13,995	13,725
Postage, Printing and Stationery	70,884	36,977
Publications and Communication	40,776	18,845
Rates and Taxes	79,896	76,666
Repairs and Maintenance	77,953	81,472
Sub-Branch Expenses	18	75
Telecommunication costs	34,568	31,905
Training	1,296	2,436
Workers Compensation	11,671	13,574
	<u>1,955,374</u>	<u>1,768,803</u>
TOTAL EXPENDITURE	<u>3,466,782</u>	<u>3,245,118</u>
NET SURPLUS FOR THE YEAR	<u>338,803</u>	<u>367,027</u>
Other Comprehensive Income:		
Revaluation of Building	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>338,803</u>	<u>367,027</u>

(The attached notes form part of these financial statements)

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

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash and Cash Equivalents	9	2,641,193	2,240,145
Receivables	10	67,052	60,358
Contributions in Transit		30,693	36,130
		<u>2,738,938</u>	<u>2,336,633</u>
NON CURRENT ASSETS			
Investments	11	1,591	1,591
Property, Plant and Equipment	12	9,228,517	9,290,065
		<u>9,230,108</u>	<u>9,291,656</u>
TOTAL ASSETS		<u>11,969,046</u>	<u>11,628,289</u>
CURRENT LIABILITIES			
Provision for Branch Education Training		7,768	7,768
Provision for Emergency Ambulance Transport Benefit		10,000	10,000
Provision for Long Service Leave	6 c d	129,390	122,853
Provision for Annual Leave	6 c d	122,025	147,053
Provision for Sick Leave	6 c d	327,113	291,113
Sundry Creditors and Accruals		205,371	271,720
Sundry Creditor - Divisional Conference		59,215	32,784
		<u>860,882</u>	<u>883,291</u>
NON CURRENT LIABILITIES			
Provision for Long Service Leave	6 c d	58,003	33,640
TOTAL LIABILITIES		<u>918,885</u>	<u>916,931</u>
NET ASSETS		<u>11,050,161</u>	<u>10,711,358</u>
Accumulated Funds		10,850,161	10,511,358
Asset Revaluation Reserve		200,000	200,000
ACCUMULATED FUNDS AND RESERVES		<u>11,050,161</u>	<u>10,711,358</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 AND RESERVES
FOR THE YEAR ENDED 31 MARCH 2014

	Accumulated Funds	Building Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 April 2012	10,144,331	200,000	10,344,331
Net Surplus	367,027	-	367,027
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the Year	<u>367,027</u>	<u>-</u>	<u>367,027</u>
Balance at 31 March 2013	<u>10,511,358</u>	<u>200,000</u>	<u>10,711,358</u>
Net Surplus	338,803	-	338,803
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the Year	<u>338,803</u>	<u>-</u>	<u>338,803</u>
Balance at 31 March 2014	<u>10,850,161</u>	<u>200,000</u>	<u>11,050,161</u>

(The attached notes form part of these financial statements)

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2014

	Note	2014 \$	2013 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Members		3,058,025	2,992,992
Payments to Suppliers and Employees		(3,388,209)	(3,203,033)
Interest Received		25,547	40,846
Dividend Received		322	148
Rent Received		656,765	532,592
Other Receipts		<u>76,699</u>	<u>56,899</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	13(b)	<u>429,149</u>	<u>420,444</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of Property, Plant and Equipment		-	36,300
Payment for Property, Plant and Equipment		<u>(28,101)</u>	<u>(250,214)</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>(28,101)</u>	<u>(213,914)</u>
NET INCREASE IN CASH		401,048	206,530
Cash at 1 April 2013		<u>2,240,145</u>	<u>2,033,615</u>
CASH AT 31 MARCH 2014	13(a)	<u>2,641,193</u>	<u>2,240,145</u>

(The attached notes form part of these financial statements)

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

RECOVERY OF WAGES ACTIVITY

FOR THE YEAR ENDED 31 MARCH 2014

The Communications, Electrical, Plumbing Union of Australia, Postal and Telecommunications Branch NSW has not undertaken recovery of wages activity. The Branch does assist with recovery of its member wages. However, as and when decreed by the court we confirm that any settlement or recovery of wages is directly managed between the employer and the employee (i.e. our Postal and Telecommunications Branch NSW member) and at no point of time is any money banked into the Branch bank account. Reportable amounts are NIL for:

- a. any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- b. any donations or other contributions deducted from recovered money.

**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 2014**

1. SIGNIFICANT ACCOUNTING POLICIES

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 Fair Work (Registered Organisations) Act 2009. 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.

Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009.

The reporting guidelines made under section 255 of the Fair Work (Registered Organisations) Act 2009 (the RO Act) require all reporting units to apply the Tier 1 reporting requirements as per Australian Accounting Standard AASB 1053 Application for Tiers of Australian Accounting Standards. As such the branch committee of management has prepared a full set of financial statements with all disclosure requirements. In the prior year the branch committee of management had early adopted Australian Accounting Standards - Reduced Disclosure Requirements but this is no longer permissible. This has had no material impact on amounts recognised in the financial statements because it merely requires a more detailed note disclosure on financial risk management than if these financial statements were prepared using Australian Accounting Standards - Reduced Disclosure Requirements.

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 other significant accounting policies adopted in the preparation of the financial statements.

(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 2014 (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 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 statement of comprehensive income 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 statement of comprehensive income 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (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 cost. This results in an amount not materially different to measuring them 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 statement of financial position 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.

(i) Going concern

The Branch is not reliant on the financial support of any other reporting units to ensure they can continue on a going concern basis.

(j) Going concern support

The Branch provides Capitation Fees to the Divisional Conference Funds. The Branch has not agreed to provide any other financial support to any other reporting units to ensure they can continue on a going concern basis.

(k) Amalgamations and Restructures

There have been no amalgamations or restructures in the financial year and previous financial year. No assets or liabilities have been acquired as a result of any amalgamations or restructures.

(l) Business Combinations

There have been no business combinations during the financial year and previous financial year. No assets or liabilities have been acquired as a result of any business combinations.

**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 2014 (cont'd)**

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 amounts of assets 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 amounts of assets and liabilities.

3. INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL MANAGER OF FAIR WORK AUSTRALIA

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

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)

4. INCOME

(a) Membership fees

	2014	2013
	\$	\$
Membership fees	3,052,588	2,995,189

(b) Other income

The following income items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. Capitation/Sustentation fees
- b. Compulsory levies
- c. Donations or grants
- d. Other financial support from other reporting units

5. EXPENSE

(ii) Fees and periodic subscriptions are paid in respect of its affiliation to any political party, any federation, congress, council or group of organisations, or any international body having an interest in industrial matters

	2014	2013
	\$	\$
Affiliation Fees		
ALP NSW Branch	36,062	32,066
ALP ACT Branch	2,468	1,274
Unions NSW	27,235	35,028
	<u>65,765</u>	<u>68,368</u>
CEPU Divisional Conference (Capitation Fees)	<u>689,554</u>	<u>673,918</u>
CEPU National Office (National Council Fund)	<u>2,962</u>	<u>4,526</u>
Delegates Expenses	<u>46,828</u>	<u>45,466</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 2014 (cont'd)

(b) Donations

2014

Non-reportable donations less than or equal to \$1,000 (excl. GST)

Details to whom payment made	Purpose	2014 \$
JDRF Australia	Cure diabetes JDRF walk	1,000
		<hr/> 1,000

Reportable donations exceeding \$1,000 (excl. GST)

Details to whom payment made	Purpose	2014 \$
Matt Thistlewaite	Matt Thistlewaite - ALP donation	10,000
ALP	ALP NSW Chifley Fundraising	20,000
		<hr/> 30,000

There were no donations made in 2013.

**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 2014 (cont'd)**

(c) Employee expenses related to holders of office

	2014	2013
	\$	\$
Officers benefits expense		
Wages and Salaries	879,269	862,406
Superannuation	101,047	101,281
Leave and other entitlements	23,448	25,306
Separation and redundancies	-	-
Fringe benefit expenses	12,351	12,666
	<u>1,016,115</u>	<u>1,001,659</u>

(d) Employee expenses related to employees (other than holders of office)

	2014	2013
	\$	\$
Employees benefits expense		
Wages and Salaries	256,520	245,297
Superannuation	76,005	76,402
Leave and other entitlements	18,424	19,892
Separation and redundancies	10,821	-
Fringe benefit expenses	9,880	12,666
	<u>371,650</u>	<u>354,257</u>

(f) Legal costs

	2014	2013
	\$	\$
Legal costs	249,904	59,472

**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 2014 (cont'd)**

(g) Other expense

The following expense items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. Compulsory levies
- b. Payments to employers for payroll deduction activity
- c. Fees or allowances (other than those already disclosed above) paid to persons in respect of their attendances as representatives of the Union at conferences or other meetings.
- d. Expenses (other than expenses included in any amounts referred to above) incurred in connection with holding meetings of members of the reporting unit and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the reporting unit was wholly or partly responsible
- e. Penalties imposed under the RO Act.

6. DISCLOSURES IN RESPECT OF STATEMENT OF FINANCIAL POSITION

(a) Amounts receivable/payable to/from other reporting units of the Union

	2014	2013
	\$	\$
Amounts receivable from reporting units		
CEPU Divisional Conference	1,812	1,812
	<hr/>	<hr/>
Amounts payable to reporting units		
CEPU Divisional Conference (Capitation Fees Payable)	59,215	32,784
	<hr/>	<hr/>

(b) Legal costs payable

	2014	2013
	\$	\$
Legal costs payable	41,573	7,710
	<hr/>	<hr/>

**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 2014 (cont'd)**

(c) Employee provisions related to holders of office

	2014	2013
	\$	\$
Officers provisions		
Annual leave	51,064	81,925
Long service leave	95,178	98,864
Separation and redundancies	-	-
Other employee provisions (sick leave)	216,167	192,522
	<u>362,409</u>	<u>373,311</u>

(d) Employee provisions related to employees (other than holders of office)

	2014	2013
	\$	\$
Employees provisions		
Annual leave	70,961	65,228
Long service leave	92,215	57,629
Separation and redundancies	-	-
Other employee provisions (sick leave)	110,946	98,591
	<u>274,122</u>	<u>221,448</u>

(e) Other balances at 31 March 2014

Items noted above as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009 which have not occurred in the reporting period do not have respective balances at year-end and therefore not disclosed. These include:

- a. Payables to employers as consideration for the employers making payroll deductions of membership subscriptions

7. DISCLOSURES IN RESPECT OF STATEMENT OF CHANGES IN EQUITY

The following equity items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. No separate fund or account operated in respect of compulsory levies raised by the Union or voluntary contributions collected from members of the Union.
- b. No monies in respect of compulsory levies raised or voluntary contributions collected from members of the Union have been invested in any assets.
- c. No separate fund or account which is required by the rules of the Union or rules of a Branch of the Union.
- d. No transfer(s) and/or withdrawal(s) to a fund, account or controlled entity, when any of these are kept for a specific purpose(s) by the Union.

**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 2014 (cont'd)**

8. DISCLOSURES IN RESPECT OF STATEMENT OF CASH FLOWS

(a) Amounts received/paid to/from other reporting units of the Union

Amounts received and paid in respect of the Capitation Fees and other charges have been incorporated as part of the Statement of Cash Flows and detailed below.

	2014	2013
	\$	\$
Cash inflows from other reporting units	-	-
Cash outflows to other reporting units (CEPU Divisional Conference)	663,123	670,075

	2014	2013
	\$	\$
9. CASH AND CASH EQUIVALENTS		
Cash on Hand	800	800
Cash at Bank	384,456	311,909
Cash Management Account	<u>2,255,937</u>	<u>1,927,436</u>
	<u>2,641,193</u>	<u>2,240,145</u>

10. RECEIVABLES

Accrued Interest	2,299	2,783
Bonds	6,795	6,795
Prepayments	41,210	28,179
Sundry Debtors	14,935	20,789
Amounts due from CEPU Divisional Conference	<u>1,812</u>	<u>1,812</u>
	<u>67,051</u>	<u>60,358</u>

11. INVESTMENTS

Available-For-Sale Financial Assets		
Shares in listed companies - at cost	<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 2014 (cont'd)

	2014 \$	2013 \$
12. PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings		
81 George Street, Parramatta		
At fair value	<u>8,825,000</u>	<u>8,825,000</u>
(The branch committee of management last determined the fair value of the building be increased to \$8,825,000 at 31 March 2012 to reflect current market information on the land and building. Information has been received to indicate that this value has not declined during the year to require adjustment.)		
Office Furniture and Equipment		
At Cost	714,767	686,668
Less Accumulated Depreciation	<u>(480,026)</u>	<u>(439,377)</u>
	<u>234,741</u>	<u>247,291</u>
Motor Vehicles		
At Cost	340,822	340,822
Less Accumulated Depreciation	<u>(172,046)</u>	<u>(123,048)</u>
	<u>168,776</u>	<u>217,774</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>9,228,517</u>	<u>9,290,065</u>

MOVEMENTS IN CARRYING AMOUNTS

	Land and Buildings	Office Furniture and Equipment	Motor Vehicles	Total
Balance at 1 April 2013	8,825,000	247,291	217,774	9,290,065
Additions	-	28,100	-	28,100
Disposals	-	-	-	-
Depreciation	-	(40,650)	(48,998)	(89,648)
Balance at 31 March 2014	<u>8,825,000</u>	<u>234,741</u>	<u>168,776</u>	<u>9,228,517</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 2014 (cont'd)

		2014 \$	2013 \$
13. CASH FLOW INFORMATION			
(a) 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	9	800	800
Cash at Bank	9	384,456	311,909
Cash Management Account	9	2,255,937	1,927,436
		<u>2,641,193</u>	<u>2,240,145</u>
(b) Reconciliation of cash flow from Operations with Net Surplus			
Net Surplus		338,803	367,027
Non-Cash Flows in Operating Result			
Loss on Disposal of Assets			4,698
Depreciation		89,649	81,967
Changes in Assets and Liabilities			
(Increase) in Deductions in Transit		5,437	(2,197)
Decrease/(Increase) in Bonds, Prepayments & Sundry Debtors		(6,695)	7,627
Increase in Branch Education Training Fund & Emergency Ambulance Transport Benefit Fund		-	-
(Decrease)/Increase in Sundry Creditors		(39,917)	(83,866)
Increase in Provisions		41,872	45,188
CASH FLOWS FROM OPERATIONS		<u>429,149</u>	<u>420,444</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 2014 (cont'd)

	2014 \$	2013 \$
14. AUDITORS' REMUNERATION		
Audit Fees	31,500	32,722
Accounting Services	-	1,100
	<u>31,500</u>	<u>33,822</u>

15. RELATED PARTY DISCLOSURES

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

<u>Position</u>	<u>Name</u>	<u>Period</u>
Branch President	Rod Baxter	1/4/2013 - 31/3/2014
Branch Vice Presidents	Maureen Morris	1/4/2013 - 31/3/2014
	Max Wiley	1/4/2013 - 31/3/2014
Branch Secretary	Jim Metcher	1/4/2013 - 31/3/2014
Branch Assistant Secretary	Shane Murphy	1/4/2013 - 31/3/2014
Branch Organisers	Peter Chaloner	1/4/2013 - 31/3/2014
	Gil Enzon	1/4/2013 - 31/3/2014
	Tan Kien Ly	1/4/2013 - 31/3/2014
	Aaron Stockdale	1/4/2013 - 31/3/2014
Lines & General Sectional Representatives	Max Catania	1/4/2013 - 31/3/2014
	Coralie Luskey	1/4/2013 - 18/3/2014
	Peter O'Connell	1/4/2013 - 31/3/2014
	Michael Stanbury	1/4/2013 - 31/3/2014
Postal Sectional Representatives	Ramon Gammad	1/4/2013 - 31/3/2014
	Geoffrey Johnson	1/4/2013 - 31/3/2014
	Aaron Robertson	1/4/2013 - 31/3/2014
	John Amatto	1/4/2013 - 31/3/2014
	Paula Houghton	1/4/2013 - 31/3/2014
	Brandon Lam	1/4/2013 - 31/3/2014
	Gregory Rayner	1/4/2013 - 31/3/2014

**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 2014 (cont'd)**

15. RELATED PARTY DISCLOSURES (cont'd)

(a) Related party transactions

Transactions with related parties are on normal terms and conditions no more favourable than those available to other parties, unless otherwise stated.

- (a) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the Financial Report (Note 5 (d)).
- (b) The aggregate amount paid during the financial year to a superannuation plan in respect of elected full time officers was \$101,047 (2013: \$101,281).
- (c) There have been no other transactions between the officers and the Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW 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.
- (d) Capitation fees and administration fees paid to Divisional Conference are disclosed as income and expenses respectively in the Statement of Comprehensive Income and as cash paid in Note 8(a).
- (e) Amounts receivable from and payable to the Divisional Conference at balance date are disclosed in Note 6(a).
- (f) The Branch Secretary's son is employed by the Union on terms and conditions no more favourable than applicable to other employees on the same level of experience and position within the Union. The appointment had been made independently of the Branch Secretary's involvement.

(b) Key management personnel remuneration

Key management persons are those persons having authority and responsibility for planning, directing and controlling the activities of the Branch, directly or indirectly, including any member of the Committee of Management. Key management personnel remuneration is represented by the remuneration of the Officers of the Branch which is disclosed in Note 5(c) of the 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 2014 (cont'd)

16. 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.

17. NATIONAL COUNCIL - BRANCH VOTING ENTITLEMENTS

For the purposes of the National Council Composition and Voting Rights, the actual membership contributions received for the financial year ended 31 March 2014 were \$3,052,588 (2013: \$2,995,189).

18. COMMITMENTS

Operating lease commitments:

The Union had the following lease commitment for Plant and Equipment as at 31 March 2014.

	2014	2013
	\$	\$
Payable within one year	13,214	13,214
Payable later than one year but not later than five years	31,344	44,558
	<u>44,558</u>	<u>57,772</u>

19. FINANCIAL RISK MANAGEMENT NOTE

(a) *General objectives, policies, and processes*

The Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW is exposed to risks that may arise from its use of financial instruments. This note describes the Branch's objectives, policies, and processes for managing those risks and the methods used to measure them. The Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW has no financial instruments relevant to the risk mentioned and this objective does not apply.

There have been no substantive changes in the Branch's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Branch's financial instruments consist mainly of deposits with banks and receivables. The main risks the Branch is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

The Branch Secretary and Branch Committee of Management have overall responsibility for the determination of the Branch's risk management objectives and policies.

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 2014 (cont'd)

19. FINANCIAL RISK MANAGEMENT NOTE (cont'd)

(b) *Credit Risk*

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Branch incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Branch.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed below:

	2014	2013
	\$	\$
Cash and cash equivalents	2,641,193	2,240,145

The cash and cash equivalents are held in a high quality Australian financial institutions

	2014	2013
	\$	\$
Receivables	67,051	60,358

There has been no history of default, no amounts are past due and all receivables are likely to be repaid within the expected terms.

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 2014 (cont'd)

19. FINANCIAL RISK MANAGEMENT NOTE (cont'd)

(c) *Liquidity Risk*

Liquidity risk is the risk that the Branch may encounter difficulties in raising funds to meet commitments associated with financial instruments.

The Branch is not significantly exposed to this risk; as at 31 March 2014 it has \$2,641,193 of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 31 March 2014 totalled \$282,355. The Branch manages liquidity risk by monitoring cash flows.

(d) *Market Risk*

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

(e) *Interest Rate Risk*

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

31 March 2014	Fixed Interest rate	Floating interest rate	Non- interest Bearing	Total
	\$	\$	\$	\$
Financial Assets				
Cash at Bank and on Hand		384,456	800	385,256
Held- to maturity investments	2,255,937			2,255,937
Receivables			67,051	67,051
Total financial assets	2,255,937	384,456	67,851	2,708,244
Weighted average Interest rate	2%	0.01%		
Financial Liabilities				
Payables			282,355	282,355
Net Financial Assets	2,255,937	384,456	(214,504)	2,425,889

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 2014 (cont'd)

19. FINANCIAL RISK MANAGEMENT NOTE (Cont'd)

31 March 2013	Fixed Interest rate	Floating interest rate	Non- interest Bearing	Total
	\$	\$	\$	\$
Financial Assets				
Cash at Bank and on Hand		311,909	800	312,709
Held- to maturity investments	1,927,436			1,927,426
Receivables			60,358	60,358
Total financial assets	1,927,426	311,909	61,158	2,300,493
Weighted average Interest rate	1.2%	0.01%		
Financial Liabilities				
Payables			322,272	322,272
Net Financial Assets	1,927,426	311,909	322,272	1,978,221

Sensitivity Analysis

2014	Carrying Amount	+0.5% (50 basis points) Profit	-0.5% (50 basis points) Loss
	\$	\$	\$
Cash Assets	2,641,193	13,206	(13,206)

2013

Cash Assets	2,240,145	11,200	(11,200)
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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 2014 (cont'd)

19. FINANCIAL RISK MANAGEMENT NOTE (Cont'd)

(f) *Other Price Risks*

The Branch does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in price that are inherent in such a market.

(g) *Foreign Exchange Risk*

The Branch is not directly exposed to foreign exchange rate.

20. REGISTERED OFFICE

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

Level 3,
81 George Street
Parramatta NSW 2150



Grant Thornton

Grant Thornton Audit Pty Ltd
ACN 130 913 594

Level 17, 383 Kent Street
Sydney NSW 2000

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W www.grantthornton.com.au

Independent Auditor's Report

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

We have audited the accompanying financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW (the "Trade Union"), which comprises the statement of financial position as at 31 March 2014, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the statement by the Committee of Management.

Responsibility of the Committee of Management for the financial report

The Committee of Management of the Trade Union is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work Act 2009 (Registered Organisations). This responsibility includes such internal controls as the Committee of Management determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the Trade Union's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trade Union's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the applicable independence requirements of the Accounting Professional and Ethical Standards Board.

Auditor's Opinion

In our opinion,

- a the financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW:
 - i presents fairly, in all material respects, the Trade Union's financial position as at 31 March 2014 and of its performance and cash flows for the year then ended ; and
 - ii complies with Australian Accounting Standards and the relevant legislation;
- b the Committee of Management appropriately applied the going concern basis of accounting.

Report on the recovery of wages activity

The Committee of Management are responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with section 253(2)(c) of the Fair Work Act 2009 (Registered Organisations). Our responsibility is to express an opinion on the recovery of wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards. We have been advised that no recovery of wages activity has been undertaken in the current financial year. Accordingly we have not been instructed by the Committee of Management to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity.

Other Matters

The signor is an Approved Auditor (who holds a current Public Practice Certificate) with the Institute of Chartered Accountants in Australia.

Grant Thornton.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

N Sinclair

Neville Sinclair
Partner - Audit & Assurance

Sydney, 21 May 2014

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2014

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 2014 General Purpose Financial Report (GPFR) of the Communications, Electrical, Plumbing Union of Australia - Postal and Telecommunications Branch NSW. A copy of the GPFR and auditor's report can be made available to any member, free of charge, upon a request in writing.

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

Statement of Comprehensive Income and Statement of Financial Position:

The Branch continues to achieve an operating surplus to ensure cash reserves fund exceptional circumstances for relevant expenditure costs associated with protecting and improving living standards for members and their families. The Branch income and expenditure for the year end apart from legal and professional fees is consistent with budget estimations together with the responsible management of the overall Branch finances

Legal and other professional fees have exceeded budget estimations due to the need for the Branch, in the interests of the members, to fund advice and representation of Branch officers in litigation and contentious matters arising out of serious disputation which has been occurring and is still evident at the Communications Division level.

On 7 April 2014, the National Council adopted significant rule changes which, subject to ratification at the Divisional levels of the union, will enable branches to take steps to transfer to another Division for the purpose of ensuring effective servicing and representation of Branch members at the Divisional level in future. Branch officers are hopeful that, if these changes are implemented, they will assist in re-establishing greater harmony within the Union, with a consequent reduction in the need for legal and related professional services in future years.

The financial position of the Branch remains viable despite the need for significant funds to continue to be invested in these important legal and internal Union matters together with maintaining other initiatives associated with the ambassador card and journey cover benefits that provide important savings and income protection for all members of the branch.

Statement of Cashflows:

The cashflow of the Branch has been managed to ensure that all liabilities are met when they fall due. The financial management plan is meeting budget estimations despite the necessary increases in operating costs of the Branch, as explained above.



JIM METCHER

BRANCH SECRETARY

21 May 2014

**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 Fair Work (Registered Organisations) Act 2009 for the year ended 31 March 2014.

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 2014 is \$338,803 (2013: \$367,027)

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 Fair Work (Registered Organisations) Act 2009. In accordance with section 174(1) of the Fair Work (Registered Organisations) Act 2009 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.

Director of Corporate Trustee - Superannuation Entity

During the reporting period, James Metcher, being an officer of the Branch, was a director of Post Super Pty Limited (being the corporate trustee of the Australia Post Superannuation Scheme) and is appointed to that directorship upon the nomination of the ACTU pursuant to the company's constitution. The position is held as an employee representative by reason of the criteria established for industry superannuation funds.

There are no other directorships held by the officers or employees of the branch.

Membership Numbers

- (1) Under section 230 of the Fair Work (Registered Organisations) Act 2009 the number of persons recorded in the register of members and who under section 244 of the Fair Work (Registered Organisations) Act 2009 are taken to be members of the Branch of the Union as at 31 March 2014 was 8,398.
- (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 2014 was 13 (2013: 13.5).
- (3) The names of persons who have at any time during the financial year ending 31 March 2014 been members of the CEPU P & T NSW Branch Committee of Management and periods they served on the branch committee are as follows:

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

OPERATING REPORT (cont'd)

<u>Position</u>	<u>Name</u>	<u>Period</u>
Branch President	Rod Baxter	1/4/2013 - 31/3/2014
Branch Vice Presidents	Maureen Morris	1/4/2013 - 31/3/2014
	Max Wiley	1/4/2013 - 31/3/2014
Branch Secretary	Jim Metcher	1/4/2013 - 31/3/2014
Branch Assistant Secretary	Shane Murphy	1/4/2013 - 31/3/2014
Branch Organisers	Peter Chaloner	1/4/2013 - 31/3/2014
	Gil Enzon	1/4/2013 - 31/3/2014
	Tan Kien Ly	1/4/2013 - 31/3/2014
	Aaron Stockdale	1/4/2013 - 31/3/2014
Lines & General Sectional Representatives	Max Catania	1/4/2013 - 31/3/2014
	Coralie Luskey	1/4/2013 - 18/3/2014
	Peter O'Connell	1/4/2013 - 31/3/2014
	Michael Stanbury	1/4/2013 - 31/3/2014
Postal Sectional Representatives	Ramon Gammad	1/4/2013 - 31/3/2014
	Geoffrey Johnson	1/4/2013 - 31/3/2014
	Aaron Robertson	1/4/2013 - 31/3/2014
	John Amatto	1/4/2013 - 31/3/2014
	Paula Houghton	1/4/2013 - 31/3/2014
	Brandon Lam	1/4/2013 - 31/3/2014
	Gregory Rayner	1/4/2013 - 31/3/2014

For and on behalf of the Committee of Management



JIM METCHER
BRANCH SECRETARY

21 May 2014

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

BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

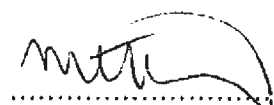
On 21 May 2014 the Branch Committee of Management of the Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 31 March 2014.

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 General Manager of Fair Work Australia;
- (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 2014;
- (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 2014 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 Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulation 2009; 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 Fair Work (Registered Organisations) Act 2009; and
 - (vi) no order for inspection of the financial records was made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (f) during the financial year ended 31 March 2014 the branch did not participate in any recovery of wages activity.

Branch Committee of Management further resolves for the Branch Secretary to prepare and distribute a concise financial report for the year ending 31 March 2014 for the information of members and make available the GPFR on the Branch website and a copy of the same to any member who makes a formal request in writing.

For the Branch Committee of Management:



.....

JIM METCHER

21 May 2014

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

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2014

	2014	2013
	\$	\$
INCOME		
Membership Contributions	3,052,588	2,995,189
Interest	28,330	43,629
Rent	656,765	532,592
Dividends	322	148
Tenants Outgoings	49,372	25,977
Sundry Income	18,208	14,610
TOTAL INCOME	3,805,585	3,612,145
EXPENDITURE		
Depreciation	89,649	81,967
Employee Benefits Expense	1,421,758	1,394,348
Other Expenses	1,955,374	1,768,803
TOTAL EXPENDITURE	3,466,782	3,245,118
NET SURPLUS FOR THE YEAR	338,803	367,027
Other Comprehensive Income:		
Revaluation of Building	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	338,803	367,027

(The attached notes form part of these financial statements)

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

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash and Cash Equivalents	9	2,641,193	2,240,145
Receivables	10	67,052	60,358
Contributions in Transit		30,693	36,130
		<u>2,738,938</u>	<u>2,336,633</u>
NON CURRENT ASSETS			
Investments	11	1,591	1,591
Property, Plant and Equipment	12	9,228,517	9,290,065
		<u>9,230,108</u>	<u>9,291,656</u>
TOTAL ASSETS		<u>11,969,046</u>	<u>11,628,289</u>
CURRENT LIABILITIES			
Provision for Branch Education Training		7,768	7,768
Provision for Emergency Ambulance Transport Benefit		10,000	10,000
Provision for Long Service Leave	6 c d	129,390	122,853
Provision for Annual Leave	6 c d	122,025	147,053
Provision for Sick Leave	6 c d	327,113	291,113
Sundry Creditors and Accruals		205,371	271,720
Sundry Creditor - Divisional Conference		59,215	32,784
		<u>860,882</u>	<u>883,291</u>
NON CURRENT LIABILITIES			
Provision for Long Service Leave	6 c d	58,003	33,640
TOTAL LIABILITIES		<u>918,885</u>	<u>916,931</u>
NET ASSETS		<u>11,050,161</u>	<u>10,711,358</u>
Accumulated Funds		10,850,161	10,511,358
Asset Revaluation Reserve		200,000	200,000
ACCUMULATED FUNDS AND RESERVES		<u>11,050,161</u>	<u>10,711,358</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 AND RESERVES
FOR THE YEAR ENDED 31 MARCH 2014**

	Accumulated Funds	Building Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 April 2012	10,144,331	200,000	10,344,331
Net Surplus	367,027	-	367,027
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the Year	<u>367,027</u>	<u>-</u>	<u>367,027</u>
Balance at 31 March 2013	<u>10,511,358</u>	<u>200,000</u>	<u>10,711,358</u>
Net Surplus	338,803	-	338,803
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the Year	<u>338,803</u>	<u>-</u>	<u>338,803</u>
Balance at 31 March 2014	<u>10,850,161</u>	<u>200,000</u>	<u>11,050,161</u>

(The attached notes form part of these financial statements)

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2014

	Note	2014	2013
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Members		3,058,025	2,992,992
Payments to Suppliers and Employees		(3,388,209)	(3,203,033)
Interest Received		25,547	40,846
Dividend Received		322	148
Rent Received		656,765	532,592
Other Receipts		76,699	56,899
NET CASH PROVIDED BY OPERATING ACTIVITIES	13(b)	<u>429,149</u>	<u>420,444</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of Property, Plant and Equipment		-	36,300
Payment for Property, Plant and Equipment		<u>(28,101)</u>	<u>(250,214)</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>(28,101)</u>	<u>(213,914)</u>
NET INCREASE IN CASH		401,048	206,530
Cash at 1 April 2013		<u>2,240,145</u>	<u>2,033,615</u>
CASH AT 31 MARCH 2014	13(a)	<u>2,641,193</u>	<u>2,240,145</u>

(The attached notes form part of these financial statements)

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

RECOVERY OF WAGES ACTIVITY

FOR THE YEAR ENDED 31 MARCH 2014

The Communications, Electrical, Plumbing Union of Australia, Postal and Telecommunications Branch NSW has not undertaken recovery of wages activity. The Branch does assist with recovery of its member wages. However, as and when decreed by the court we confirm that any settlement or recovery of wages is directly managed between the employer and the employee (i.e. our Postal and Telecommunications Branch NSW member) and at no point of time is any money banked into the Branch bank account. Reportable amounts are NIL for:

- a. any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- b. any donations or other contributions deducted from recovered money.

**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 2014**

NOTE 1: BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT

The concise financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009.

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 THE GENERAL MANAGER OF
FAIR WORK AUSTRALIA**

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

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (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).



Grant Thornton

Grant Thornton Audit Pty Ltd
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Sydney NSW 1230

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E info.nsw@au.gt.com
W www.grantthornton.com.au

Independent Auditor's Report

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

We have audited the accompanying concise financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW (the "Trade Union"), which comprises the statement of financial position as at 31 March 2014, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the statement by the Committee of Management.

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 2014. Our audit report on the full financial report was signed on 21 May 2014, and was not subject to any qualification. The Auditor's opinion for the full financial report is as follows:

"In our opinion,

- a the financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW:
 - i presents fairly, in all material respects, the Trade Union's financial position as at 31 March 2014 and of its performance and cash flows for the year then ended; and
 - ii complies with Australian Accounting Standards and the relevant legislation;
- b the Committee of Management appropriately applied the going concern basis of accounting."

Grant Thornton Audit Pty Ltd ACN 130 913 594
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

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Liability limited by a scheme approved under Professional Standards Legislation. Liability is limited in those States where a relevant scheme applies.

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 Fair Work (Registered Organisations) Act 2009.

Audit Opinion

In our opinion, the concise financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW for the year ended 31 March 2013 complies with Accounting Standard AASB 1039 Concise Financial Reports.

Report on the recovery of wages activity

The Committee of Management are responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with section 253(2)(c) of the Fair Work Act 2009 (Registered Organisations). Our responsibility is to express an opinion on the recovery of wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards. We have been advised that no recovery of wages activity has been undertaken in the current financial year. Accordingly we have not been instructed by the Committee of Management to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity.

Other Matters

The signor is an Approved Auditor (who holds a current Public Practice Certificate) with the Institute of Chartered Accountants in Australia.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Neville Sinclair
Partner - Audit & Assurance

Sydney, 21 May 2014



COMMUNICATIONS ELECTRICAL PLUMBING UNION NSW POSTAL & TELECOMMUNICATIONS BRANCH

ABN 81 643 762 631

Level 3, 81 George Street Parramatta NSW 2150 | PO Box 250 Parramatta NSW 2124
Phone: (02) 9893 7822 | Fax: (02) 9893 7396 | Email: admina@cepu.org | Web: www.cepu.org

Our ref: 62/2

Date: 18 September 2014

General Manager
Fair Work Commission
Level 8, Terrace Towers
80 William Street
East Sydney 2011

Dear Sir/Madam,

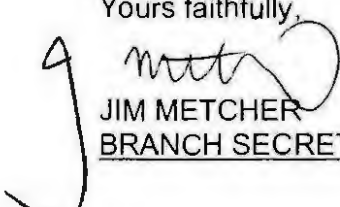
Re: CEPU NSW Postal and Telecommunications Branch Financial Reports for year ending 31 March 2014

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 general purpose and concise financial reports for the year ending 31 March 2014 in accordance with s268 of the Fair Work (Registered Organisations) Act 2009;
- The concise report was provided to members as from 31 July 2014 in accordance with the Branch Committee of Management Statement;
- The annual general meeting of the Branch scheduled for 27 August 2014 failed to convene under the rules of the Union; and
- The general purpose financial report and concise report was presented to the Branch Committee of Management meeting (second meeting) held on 17 September 2014 in accordance with s266 of the Fair Work (Registered Organisations) Act 2009.

For further information please contact the Branch Secretary at this office on (02) 9893 7822.

Yours faithfully,


JIM METCHER
BRANCH SECRETARY



Connecting
our community



COMMUNICATIONS ELECTRICAL PLUMBING UNION NSW POSTAL & TELECOMMUNICATIONS BRANCH

ABN 81 643 762 631

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Our ref: 62/2

Date: 18 September 2014

General Manager
Fair Work Commission
Level 8, Terrace Towers
80 William Street
East Sydney 2011

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Re: CEPU NSW Postal and Telecommunications Branch Financial Reports for year ending 31 March 2014

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For further information please contact the Branch Secretary at this office on (02) 9893 7822.

Yours faithfully,


JIM METCHER
BRANCH SECRETARY



Connecting
our community

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2014

**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 Fair Work (Registered Organisations) Act 2009 for the year ended 31 March 2014.

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 2014 is \$338,803 (2013: \$367,027)

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 Fair Work (Registered Organisations) Act 2009. In accordance with section 174(1) of the Fair Work (Registered Organisations) Act 2009 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.

Director of Corporate Trustee - Superannuation Entity

During the reporting period, James Metcher, being an officer of the Branch, was a director of Post Super Pty Limited (being the corporate trustee of the Australia Post Superannuation Scheme) and is appointed to that directorship upon the nomination of the ACTU pursuant to the company's constitution. The position is held as an employee representative by reason of the criteria established for industry superannuation funds.

There are no other directorships held by the officers or employees of the branch.

Membership Numbers

- (1) Under section 230 of the Fair Work (Registered Organisations) Act 2009 the number of persons recorded in the register of members and who under section 244 of the Fair Work (Registered Organisations) Act 2009 are taken to be members of the Branch of the Union as at 31 March 2014 was 8,398.
- (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 2014 was 13 (2013: 13.5).
- (3) The names of persons who have at any time during the financial year ending 31 March 2014 been members of the CEPU P & T NSW Branch Committee of Management and periods they served on the branch committee are as follows:

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

OPERATING REPORT (cont'd)

<u>Position</u>	<u>Name</u>	<u>Period</u>
Branch President	Rod Baxter	1/4/2013 - 31/3/2014
Branch Vice Presidents	Maureen Morris	1/4/2013 - 31/3/2014
	Max Wiley	1/4/2013 - 31/3/2014
Branch Secretary	Jim Metcher	1/4/2013 - 31/3/2014
Branch Assistant Secretary	Shane Murphy	1/4/2013 - 31/3/2014
Branch Organisers	Peter Chaloner	1/4/2013 - 31/3/2014
	Gil Enzon	1/4/2013 - 31/3/2014
	Tan Kien Ly	1/4/2013 - 31/3/2014
	Aaron Stockdale	1/4/2013 - 31/3/2014
Lines & General Sectional Representatives	Max Catania	1/4/2013 - 31/3/2014
	Coralie Luskey	1/4/2013 - 18/3/2014
	Peter O'Connell	1/4/2013 - 31/3/2014
	Michael Stanbury	1/4/2013 - 31/3/2014
Postal Sectional Representatives	Ramon Gammad	1/4/2013 - 31/3/2014
	Geoffrey Johnson	1/4/2013 - 31/3/2014
	Aaron Robertson	1/4/2013 - 31/3/2014
	John Amatto	1/4/2013 - 31/3/2014
	Paula Houghton	1/4/2013 - 31/3/2014
	Brandon Lam	1/4/2013 - 31/3/2014
	Gregory Rayner	1/4/2013 - 31/3/2014

For and on behalf of the Committee of Management



.....
JIM METCHER
BRANCH SECRETARY

21 May 2014

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

BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

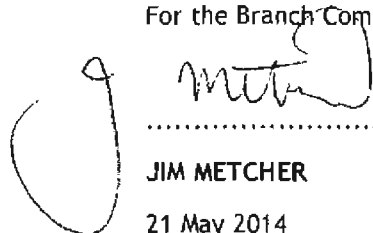
On 21 May 2014 the Branch Committee of Management of the Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 31 March 2014.

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 General Manager of Fair Work Australia;
- (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 2014;
- (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 2014 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 Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulation 2009; 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 Fair Work (Registered Organisations) Act 2009; and
 - (vi) no order for inspection of the financial records was made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (f) during the financial year ended 31 March 2014 the branch did not participate in any recovery of wages activity.

Branch Committee of Management further resolves for the Branch Secretary to prepare and distribute a concise financial report for the year ending 31 March 2014 for the information of members and make available the GPFR on the Branch website and a copy of the same to any member who makes a formal request in writing.

For the Branch Committee of Management:


.....
JIM METCHER
21 May 2014

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

STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2014

		2014 \$	2013 \$
INCOME			
Membership Contributions	4	3,052,588	2,995,189
Interest		28,330	43,629
Rent		656,765	532,592
Dividends		322	148
Tenants Outgoings		49,372	25,977
Sundry Income		18,208	14,610
TOTAL INCOME		3,805,585	3,612,145
EXPENDITURE			
Depreciation			
Office Furniture & Equipment		40,650	29,907
Motor Vehicles		48,999	52,060
		89,649	81,967
Employee Benefits Expense			
Salaries - Officials	5c	879,269	862,406
Salaries - Staff	5d	256,520	245,297
Payroll Tax		67,046	63,774
Provident Fund and Superannuation		177,052	177,683
Provision for Long Service Leave		30,900	23,776
Provision for Annual Leave		(25,028)	12,295
Provision for Sick Leave		36,000	9,117
		1,421,758	1,394,348
Other Expenses			
Affiliation Fees	5a	65,765	68,368
Bank Charges		34,266	32,096
Capitation Divisional Conference		689,554	673,918
CEPU Journey cover		57,599	58,226
Campaign Expenses - Your Rights At Work & EBA's		75,104	75,893
Collection Costs - Membership Contributions		19,663	21,579
Computer Expenses		54,181	52,597
Delegates, Meetings and Officials Expenses		46,828	45,466
Donations & Grants	5b	31,000	-
Electricity, Gas and Heating		55,430	54,961
Emergency Ambulance Transport Benefit		7,498	9,690
Equipment Rental		13,912	12,078
Fringe Benefits Tax		33,323	16,072
Insurance		30,087	33,284
Land Tax		22,792	33,172
Property leasing commission		-	92,044
Legal and Professional Fees		281,404	93,294
Carried Forward		1,518,406	1,372,738

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

**STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)**

	2014	2013
	\$	\$
Other Expenses (cont'd)		
Brought Forward	1,518,406	1,372,738
Loss on Disposal of Assets	-	4,698
Management Fees Building	26,427	25,200
Mortality Benefits Paid	3,000	3,500
Motor Vehicle Expenses	65,987	74,257
National Council Fund	2,962	4,526
Other Expenditure	7,535	8,209
Parking Space Levy	13,995	13,725
Postage, Printing and Stationery	70,884	36,977
Publications and Communication	40,776	18,845
Rates and Taxes	79,896	76,666
Repairs and Maintenance	77,953	81,472
Sub-Branch Expenses	18	75
Telecommunication costs	34,568	31,905
Training	1,296	2,436
Workers Compensation	11,671	13,574
	<u>1,955,374</u>	<u>1,768,803</u>
TOTAL EXPENDITURE	<u>3,466,782</u>	<u>3,245,118</u>
NET SURPLUS FOR THE YEAR	<u>338,803</u>	<u>367,027</u>
Other Comprehensive Income:		
Revaluation of Building	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>338,803</u>	<u>367,027</u>

(The attached notes form part of these financial statements)

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

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash and Cash Equivalents	9	2,641,193	2,240,145
Receivables	10	67,052	60,358
Contributions in Transit		30,693	36,130
		<u>2,738,938</u>	<u>2,336,633</u>
NON CURRENT ASSETS			
Investments	11	1,591	1,591
Property, Plant and Equipment	12	9,228,517	9,290,065
		<u>9,230,108</u>	<u>9,291,656</u>
TOTAL ASSETS		<u>11,969,046</u>	<u>11,628,289</u>
CURRENT LIABILITIES			
Provision for Branch Education Training		7,768	7,768
Provision for Emergency Ambulance Transport Benefit		10,000	10,000
Provision for Long Service Leave	6 c d	129,390	122,853
Provision for Annual Leave	6 c d	122,025	147,053
Provision for Sick Leave	6 c d	327,113	291,113
Sundry Creditors and Accruals		205,371	271,720
Sundry Creditor - Divisional Conference		59,215	32,784
		<u>860,882</u>	<u>883,291</u>
NON CURRENT LIABILITIES			
Provision for Long Service Leave	6 c d	58,003	33,640
TOTAL LIABILITIES		<u>918,885</u>	<u>916,931</u>
NET ASSETS		<u>11,050,161</u>	<u>10,711,358</u>
Accumulated Funds		10,850,161	10,511,358
Asset Revaluation Reserve		200,000	200,000
ACCUMULATED FUNDS AND RESERVES		<u>11,050,161</u>	<u>10,711,358</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 AND RESERVES
FOR THE YEAR ENDED 31 MARCH 2014**

	Accumulated Funds	Building Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 April 2012	10,144,331	200,000	10,344,331
Net Surplus	367,027	-	367,027
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the Year	<u>367,027</u>	<u>-</u>	<u>367,027</u>
Balance at 31 March 2013	<u>10,511,358</u>	<u>200,000</u>	<u>10,711,358</u>
Net Surplus	338,803	-	338,803
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the Year	<u>338,803</u>	<u>-</u>	<u>338,803</u>
Balance at 31 March 2014	<u>10,850,161</u>	<u>200,000</u>	<u>11,050,161</u>

(The attached notes form part of these financial statements)

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2014

	Note	2014 \$	2013 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Members		3,058,025	2,992,992
Payments to Suppliers and Employees		(3,388,209)	(3,203,033)
Interest Received		25,547	40,846
Dividend Received		322	148
Rent Received		656,765	532,592
Other Receipts		76,699	56,899
NET CASH PROVIDED BY OPERATING ACTIVITIES	13(b)	<u>429,149</u>	<u>420,444</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of Property, Plant and Equipment		-	36,300
Payment for Property, Plant and Equipment		<u>(28,101)</u>	<u>(250,214)</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>(28,101)</u>	<u>(213,914)</u>
NET INCREASE IN CASH		401,048	206,530
Cash at 1 April 2013		<u>2,240,145</u>	<u>2,033,615</u>
CASH AT 31 MARCH 2014	13(a)	<u>2,641,193</u>	<u>2,240,145</u>

(The attached notes form part of these financial statements)

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

RECOVERY OF WAGES ACTIVITY

FOR THE YEAR ENDED 31 MARCH 2014

The Communications, Electrical, Plumbing Union of Australia, Postal and Telecommunications Branch NSW has not undertaken recovery of wages activity. The Branch does assist with recovery of its member wages. However, as and when decreed by the court we confirm that any settlement or recovery of wages is directly managed between the employer and the employee (i.e. our Postal and Telecommunications Branch NSW member) and at no point of time is any money banked into the Branch bank account. Reportable amounts are NIL for:

- a. any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- b. any donations or other contributions deducted from recovered money.

**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 2014**

1. SIGNIFICANT ACCOUNTING POLICIES

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 Fair Work (Registered Organisations) Act 2009. 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.

Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009.

The reporting guidelines made under section 255 of the Fair Work (Registered Organisations) Act 2009 (the RO Act) require all reporting units to apply the Tier 1 reporting requirements as per Australian Accounting Standard AASB 1053 Application for Tiers of Australian Accounting Standards. As such the branch committee of management has prepared a full set of financial statements with all disclosure requirements. In the prior year the branch committee of management had early adopted Australian Accounting Standards - Reduced Disclosure Requirements but this is no longer permissible. This has had no material impact on amounts recognised in the financial statements because it merely requires a more detailed note disclosure on financial risk management than if these financial statements were prepared using Australian Accounting Standards - Reduced Disclosure Requirements.

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 other significant accounting policies adopted in the preparation of the financial statements.

(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
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (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 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 statement of comprehensive income 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 statement of comprehensive income 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 2014 (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 cost. This results in an amount not materially different to measuring them 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 statement of financial position 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.

(i) **Going concern**

The Branch is not reliant on the financial support of any other reporting units to ensure they can continue on a going concern basis.

(j) **Going concern support**

The Branch provides Capitation Fees to the Divisional Conference Funds. The Branch has not agreed to provide any other financial support to any other reporting units to ensure they can continue on a going concern basis.

(k) **Amalgamations and Restructures**

There have been no amalgamations or restructures in the financial year and previous financial year. No assets or liabilities have been acquired as a result of any amalgamations or restructures.

(l) **Business Combinations**

There have been no business combinations during the financial year and previous financial year. No assets or liabilities have been acquired as a result of any business combinations.

**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 2014 (cont'd)**

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 amounts of assets 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 amounts of assets and liabilities.

3. INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL MANAGER OF FAIR WORK AUSTRALIA

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

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)

4. INCOME

(a) Membership fees

	2014	2013
	\$	\$
Membership fees	3,052,588	2,995,189

(b) Other income

The following income items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. Capitation/Sustentation fees
- b. Compulsory levies
- c. Donations or grants
- d. Other financial support from other reporting units

5. EXPENSE

(a) Fees and periodic subscriptions are paid in respect of its affiliation to any political party, any federation, congress, council or group of organisations, or any international body having an interest in industrial matters

	2014	2013
	\$	\$
Affiliation Fees		
ALP NSW Branch	36,062	32,066
ALP ACT Branch	2,468	1,274
Unions NSW	27,235	35,028
	<u>65,765</u>	<u>68,368</u>
CEPU Divisional Conference (Capitation Fees)	<u>689,554</u>	<u>673,918</u>
CEPU National Office (National Council Fund)	<u>2,962</u>	<u>4,526</u>
Delegates Expenses	<u>46,828</u>	<u>45,466</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 2014 (cont'd)

(b) Donations

2014

Non-reportable donations less than or equal to \$1,000 (excl. GST)

Details to whom payment made	Purpose	2014 \$
JDRF Australia	Cure diabetes JDRF walk	1,000
		<hr/> 1,000

Reportable donations exceeding \$1,000 (excl. GST)

Details to whom payment made	Purpose	2014 \$
Matt Thistlewaite	Matt Thistlewaite - ALP donation	10,000
ALP	ALP NSW Chifley Fundraising	20,000
		<hr/> 30,000

There were no donations made in 2013.

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 2014 (cont'd)

(c) Employee expenses related to holders of office

	2014	2013
	\$	\$
Officers benefits expense		
Wages and Salaries	879,269	862,406
Superannuation	101,047	101,281
Leave and other entitlements	23,448	25,306
Separation and redundancies	-	-
Fringe benefit expenses	12,351	12,666
	<u>1,016,115</u>	<u>1,001,659</u>

(d) Employee expenses related to employees (other than holders of office)

	2014	2013
	\$	\$
Employees benefits expense		
Wages and Salaries	256,520	245,297
Superannuation	76,005	76,402
Leave and other entitlements	18,424	19,892
Separation and redundancies	10,821	-
Fringe benefit expenses	9,880	12,666
	<u>371,650</u>	<u>354,257</u>

(f) Legal costs

	2014	2013
	\$	\$
Legal costs	249,904	59,472

**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)**

(g) Other expense

The following expense items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. Compulsory levies
- b. Payments to employers for payroll deduction activity
- c. Fees or allowances (other than those already disclosed above) paid to persons in respect of their attendances as representatives of the Union at conferences or other meetings.
- d. Expenses (other than expenses included in any amounts referred to above) incurred in connection with holding meetings of members of the reporting unit and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the reporting unit was wholly or partly responsible
- e. Penalties imposed under the RO Act.

6. DISCLOSURES IN RESPECT OF STATEMENT OF FINANCIAL POSITION

(a) Amounts receivable/payable to/from other reporting units of the Union

	2014	2013
	\$	\$
Amounts receivable from reporting units		
CEPU Divisional Conference	1,812	1,812
	<hr/>	<hr/>
Amounts payable to reporting units		
CEPU Divisional Conference (Capitation Fees Payable)	59,215	32,784
	<hr/>	<hr/>

(b) Legal costs payable

	2014	2013
	\$	\$
Legal costs payable	41,573	7,710
	<hr/>	<hr/>

**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 2014 (cont'd)**

(c) Employee provisions related to holders of office

	2014	2013
	\$	\$
Officers provisions		
Annual leave	51,064	81,925
Long service leave	95,178	98,864
Separation and redundancies	-	-
Other employee provisions (sick leave)	216,167	192,522
	<u>362,409</u>	<u>373,311</u>

(d) Employee provisions related to employees (other than holders of office)

	2014	2013
	\$	\$
Employees provisions		
Annual leave	70,961	65,228
Long service leave	92,215	57,629
Separation and redundancies	-	-
Other employee provisions (sick leave)	110,946	98,591
	<u>274,122</u>	<u>221,448</u>

(e) Other balances at 31 March 2014

Items noted above as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009 which have not occurred in the reporting period do not have respective balances at year-end and therefore not disclosed. These include:

- a. Payables to employers as consideration for the employers making payroll deductions of membership subscriptions

7. DISCLOSURES IN RESPECT OF STATEMENT OF CHANGES IN EQUITY

The following equity items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. No separate fund or account operated in respect of compulsory levies raised by the Union or voluntary contributions collected from members of the Union.
- b. No monies in respect of compulsory levies raised or voluntary contributions collected from members of the Union have been invested in any assets.
- c. No separate fund or account which is required by the rules of the Union or rules of a Branch of the Union.
- d. No transfer(s) and/or withdrawal(s) to a fund, account or controlled entity, when any of these are kept for a specific purpose(s) by the Union.

**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)**

8. DISCLOSURES IN RESPECT OF STATEMENT OF CASH FLOWS

(a) Amounts received/paid to/from other reporting units of the Union

Amounts received and paid in respect of the Capitation Fees and other charges have been incorporated as part of the Statement of Cash Flows and detailed below.

	2014	2013
	\$	\$
Cash inflows from other reporting units	-	-
Cash outflows to other reporting units (CEPU Divisional Conference)	663,123	670,075

	2014	2013
	\$	\$
9. CASH AND CASH EQUIVALENTS		
Cash on Hand	800	800
Cash at Bank	384,456	311,909
Cash Management Account	2,255,937	1,927,436
	<u>2,641,193</u>	<u>2,240,145</u>

10. RECEIVABLES

Accrued Interest	2,299	2,783
Bonds	6,795	6,795
Prepayments	41,210	28,179
Sundry Debtors	14,935	20,789
Amounts due from CEPU Divisional Conference	1,812	1,812
	<u>67,051</u>	<u>60,358</u>

11. INVESTMENTS

Available-For-Sale Financial Assets		
Shares in listed companies - at cost	<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 2014 (cont'd)

	2014 \$	2013 \$
12. PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings		
81 George Street, Parramatta		
At fair value	<u>8,825,000</u>	<u>8,825,000</u>
(The branch committee of management last determined the fair value of the building be increased to \$8,825,000 at 31 March 2012 to reflect current market information on the land and building. Information has been received to indicate that this value has not declined during the year to require adjustment.)		
Office Furniture and Equipment		
At Cost	714,767	686,668
Less Accumulated Depreciation	<u>(480,026)</u>	<u>(439,377)</u>
	<u>234,741</u>	<u>247,291</u>
Motor Vehicles		
At Cost	340,822	340,822
Less Accumulated Depreciation	<u>(172,046)</u>	<u>(123,048)</u>
	<u>168,776</u>	<u>217,774</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>9,228,517</u>	<u>9,290,065</u>

MOVEMENTS IN CARRYING AMOUNTS

	Land and Buildings	Office Furniture and Equipment	Motor Vehicles	Total
Balance at 1 April 2013	8,825,000	247,291	217,774	9,290,065
Additions	-	28,100	-	28,100
Disposals	-	-	-	-
Depreciation	-	(40,650)	(48,998)	(89,648)
Balance at 31 March 2014	<u>8,825,000</u>	<u>234,741</u>	<u>168,776</u>	<u>9,228,517</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 2014 (cont'd)

		2014 \$	2013 \$
13. CASH FLOW INFORMATION			
(a) 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	9	800	800
Cash at Bank	9	384,456	311,909
Cash Management Account	9	2,255,937	1,927,436
		<u>2,641,193</u>	<u>2,240,145</u>
(b) Reconciliation of cash flow from Operations with Net Surplus			
Net Surplus		338,803	367,027
Non-Cash Flows in Operating Result			
Loss on Disposal of Assets			4,698
Depreciation		89,649	81,967
Changes in Assets and Liabilities			
(Increase) in Deductions in Transit		5,437	(2,197)
Decrease/(Increase) in Bonds, Prepayments & Sundry Debtors		(6,695)	7,627
Increase in Branch Education Training Fund & Emergency Ambulance Transport Benefit Fund		-	-
(Decrease)/Increase in Sundry Creditors		(39,917)	(83,866)
Increase in Provisions		<u>41,872</u>	<u>45,188</u>
CASH FLOWS FROM OPERATIONS		<u>429,149</u>	<u>420,444</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 2014 (cont'd)

	2014 \$	2013 \$
14. AUDITORS' REMUNERATION		
Audit Fees	31,500	32,722
Accounting Services	-	1,100
	<u>31,500</u>	<u>33,822</u>

15. RELATED PARTY DISCLOSURES

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

<u>Position</u>	<u>Name</u>	<u>Period</u>
Branch President	Rod Baxter	1/4/2013 - 31/3/2014
Branch Vice Presidents	Maureen Morris Max Wiley	1/4/2013 - 31/3/2014 1/4/2013 - 31/3/2014
Branch Secretary	Jim Metcher	1/4/2013 - 31/3/2014
Branch Assistant Secretary	Shane Murphy	1/4/2013 - 31/3/2014
Branch Organisers	Peter Chaloner Gil Enzon Tan Kien Ly Aaron Stockdale	1/4/2013 - 31/3/2014 1/4/2013 - 31/3/2014 1/4/2013 - 31/3/2014 1/4/2013 - 31/3/2014
Lines & General Sectional Representatives	Max Catania Coralie Luskey Peter O'Connell Michael Stanbury	1/4/2013 - 31/3/2014 1/4/2013 - 18/3/2014 1/4/2013 - 31/3/2014 1/4/2013 - 31/3/2014
Postal Sectional Representatives	Ramon Gammad Geoffrey Johnson Aaron Robertson John Amatto Paula Houghton Brandon Lam Gregory Rayner	1/4/2013 - 31/3/2014 1/4/2013 - 31/3/2014 1/4/2013 - 31/3/2014 1/4/2013 - 31/3/2014 1/4/2013 - 31/3/2014 1/4/2013 - 31/3/2014 1/4/2013 - 31/3/2014

**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 2014 (cont'd)**

15. RELATED PARTY DISCLOSURES (cont'd)

(a) Related party transactions

Transactions with related parties are on normal terms and conditions no more favourable than those available to other parties, unless otherwise stated.

- (a) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the Financial Report (Note 5 (d)).
- (b) The aggregate amount paid during the financial year to a superannuation plan in respect of elected full time officers was \$101,047 (2013: \$101,281).
- (c) There have been no other transactions between the officers and the Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW 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.
- (d) Capitation fees and administration fees paid to Divisional Conference are disclosed as income and expenses respectively in the Statement of Comprehensive Income and as cash paid in Note 8(a).
- (e) Amounts receivable from and payable to the Divisional Conference at balance date are disclosed in Note 6(a).
- (f) The Branch Secretary's son is employed by the Union on terms and conditions no more favourable than applicable to other employees on the same level of experience and position within the Union. The appointment had been made independently of the Branch Secretary's involvement.

(b) Key management personnel remuneration

Key management persons are those persons having authority and responsibility for planning, directing and controlling the activities of the Branch, directly or indirectly, including any member of the Committee of Management. Key management personnel remuneration is represented by the remuneration of the Officers of the Branch which is disclosed in Note 5(c) of the financial statements.

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)

16. 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.

17. NATIONAL COUNCIL - BRANCH VOTING ENTITLEMENTS

For the purposes of the National Council Composition and Voting Rights, the actual membership contributions received for the financial year ended 31 March 2014 were \$3,052,588 (2013: \$2,995,189).

18. COMMITMENTS

Operating lease commitments:

The Union had the following lease commitment for Plant and Equipment as at 31 March 2014.

	2014	2013
	\$	\$
Payable within one year	13,214	13,214
Payable later than one year but not later than five years	31,344	44,558
	<u>44,558</u>	<u>57,772</u>

19. FINANCIAL RISK MANAGEMENT NOTE

(a) *General objectives, policies, and processes*

The Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW is exposed to risks that may arise from its use of financial instruments. This note describes the Branch's objectives, policies, and processes for managing those risks and the methods used to measure them. The Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW has no financial instruments relevant to the risk mentioned and this objective does not apply.

There have been no substantive changes in the Branch's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Branch's financial instruments consist mainly of deposits with banks and receivables. The main risks the Branch is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

The Branch Secretary and Branch Committee of Management have overall responsibility for the determination of the Branch's risk management objectives and policies.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)

19. FINANCIAL RISK MANAGEMENT NOTE (cont'd)

(b) *Credit Risk*

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Branch incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Branch.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed below:

	2014	2013
	\$	\$
Cash and cash equivalents	2,641,193	2,240,145

The cash and cash equivalents are held in a high quality Australian financial institutions

	2014	2013
	\$	\$
Receivables	67,051	60,358

There has been no history of default, no amounts are past due and all receivables are likely to be repaid within the expected terms.

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)

19. FINANCIAL RISK MANAGEMENT NOTE (cont'd)

(c) *Liquidity Risk*

Liquidity risk is the risk that the Branch may encounter difficulties in raising funds to meet commitments associated with financial instruments.

The Branch is not significantly exposed to this risk; as at 31 March 2014 it has \$2,641,193 of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 31 March 2014 totalled \$282,355. The Branch manages liquidity risk by monitoring cash flows.

(d) *Market Risk*

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

(e) *Interest Rate Risk*

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

31 March 2014	Fixed Interest rate	Floating interest rate	Non- interest Bearing	Total
	\$	\$	\$	\$
Financial Assets				
Cash at Bank and on Hand		384,456	800	385,256
Held- to maturity investments	2,255,937			2,255,937
Receivables			67,051	67,051
Total financial assets	2,255,937	384,456	67,851	2,708,244
Weighted average Interest rate	2%	0.01%		
Financial Liabilities				
Payables			282,355	282,355
Net Financial Assets	2,255,937	384,456	(214,504)	2,425,889

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)

19. FINANCIAL RISK MANAGEMENT NOTE (Cont'd)

31 March 2013	Fixed Interest rate	Floating interest rate	Non- interest Bearing	Total
	\$	\$	\$	\$
Financial Assets				
Cash at Bank and on Hand		311,909	800	312,709
Held- to maturity investments	1,927,436			1,927,426
Receivables			60,358	60,358
Total financial assets	1,927,426	311,909	61,158	2,300,493
Weighted average Interest rate	1.2%	0.01%		
Financial Liabilities				
Payables			322,272	322,272
Net Financial Assets	1,927,426	311,909	322,272	1,978,221

Sensitivity Analysis

2014	Carrying Amount	+0.5% (50 basis points) Profit	-0.5% (50 basis points) Loss
	\$	\$	\$
Cash Assets	2,641,193	13,206	(13,206)

2013

Cash Assets	2,240,145	11,200	(11,200)
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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 2014 (cont'd)

19. FINANCIAL RISK MANAGEMENT NOTE (Cont'd)

(f) *Other Price Risks*

The Branch does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in price that are inherent in such a market.

(g) *Foreign Exchange Risk*

The Branch is not directly exposed to foreign exchange rate.

20. REGISTERED OFFICE

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

Level 3,
81 George Street
Parramatta NSW 2150



Grant Thornton

Grant Thornton Audit Pty Ltd
ACN 130 913 594

Level 17, 383 Kent Street
Sydney NSW 2000

Correspondence to:
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E info.nsw@au.gt.com
W www.grantthornton.com.au

Independent Auditor's Report

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

We have audited the accompanying financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW (the "Trade Union"), which comprises the statement of financial position as at 31 March 2014, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the statement by the Committee of Management.

Responsibility of the Committee of Management for the financial report

The Committee of Management of the Trade Union is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work Act 2009 (Registered Organisations). This responsibility includes such internal controls as the Committee of Management determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

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Liability limited by a scheme approved under Professional Standards Legislation. Liability is limited in those States where a current scheme applies.

In making those risk assessments, the auditor considers internal control relevant to the Trade Union's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trade Union's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the applicable independence requirements of the Accounting Professional and Ethical Standards Board.

Auditor's Opinion

In our opinion,

- a the financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW:
 - i presents fairly, in all material respects, the Trade Union's financial position as at 31 March 2014 and of its performance and cash flows for the year then ended ; and
 - ii complies with Australian Accounting Standards and the relevant legislation;
- b the Committee of Management appropriately applied the going concern basis of accounting.

Report on the recovery of wages activity

The Committee of Management are responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with section 253(2)(c) of the Fair Work Act 2009 (Registered Organisations). Our responsibility is to express an opinion on the recovery of wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards. We have been advised that no recovery of wages activity has been undertaken in the current financial year. Accordingly we have not been instructed by the Committee of Management to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity.

Other Matters

The signor is an Approved Auditor (who holds a current Public Practice Certificate) with the Institute of Chartered Accountants in Australia.

Grant Thornton.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

N Sinclair

Neville Sinclair
Partner - Audit & Assurance

Sydney, 21 May 2014

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

**CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2014**

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 2014 General Purpose Financial Report (GPFR) of the Communications, Electrical, Plumbing Union of Australia - Postal and Telecommunications Branch NSW. A copy of the GPFR and auditor's report can be made available to any member, free of charge, upon a request in writing.

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

Statement of Comprehensive Income and Statement of Financial Position:

The Branch continues to achieve an operating surplus to ensure cash reserves fund exceptional circumstances for relevant expenditure costs associated with protecting and improving living standards for members and their families. The Branch income and expenditure for the year end apart from legal and professional fees is consistent with budget estimations together with the responsible management of the overall Branch finances

Legal and other professional fees have exceeded budget estimations due to the need for the Branch, in the interests of the members, to fund advice and representation of Branch officers in litigation and contentious matters arising out of serious disputation which has been occurring and is still evident at the Communications Division level.

On 7 April 2014, the National Council adopted significant rule changes which, subject to ratification at the Divisional levels of the union, will enable branches to take steps to transfer to another Division for the purpose of ensuring effective servicing and representation of Branch members at the Divisional level in future. Branch officers are hopeful that, if these changes are implemented, they will assist in re-establishing greater harmony within the Union, with a consequent reduction in the need for legal and related professional services in future years.

The financial position of the Branch remains viable despite the need for significant funds to continue to be invested in these important legal and internal Union matters together with maintaining other initiatives associated with the ambassador card and journey cover benefits that provide important savings and income protection for all members of the branch.

Statement of Cashflows:

The cashflow of the Branch has been managed to ensure that all liabilities are met when they fall due. The financial management plan is meeting budget estimations despite the necessary increases in operating costs of the Branch, as explained above.



JIM METCHER

BRANCH SECRETARY

21 May 2014

**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 Fair Work (Registered Organisations) Act 2009 for the year ended 31 March 2014.

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 2014 is \$338,803 (2013: \$367,027)

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 Fair Work (Registered Organisations) Act 2009. In accordance with section 174(1) of the Fair Work (Registered Organisations) Act 2009 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.

Director of Corporate Trustee - Superannuation Entity

During the reporting period, James Metcher, being an officer of the Branch, was a director of Post Super Pty Limited (being the corporate trustee of the Australia Post Superannuation Scheme) and is appointed to that directorship upon the nomination of the ACTU pursuant to the company's constitution. The position is held as an employee representative by reason of the criteria established for industry superannuation funds.

There are no other directorships held by the officers or employees of the branch.

Membership Numbers

- (1) Under section 230 of the Fair Work (Registered Organisations) Act 2009 the number of persons recorded in the register of members and who under section 244 of the Fair Work (Registered Organisations) Act 2009 are taken to be members of the Branch of the Union as at 31 March 2014 was 8,398.
- (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 2014 was 13 (2013: 13.5).
- (3) The names of persons who have at any time during the financial year ending 31 March 2014 been members of the CEPU P & T NSW Branch Committee of Management and periods they served on the branch committee are as follows:

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

OPERATING REPORT (cont'd)

<u>Position</u>	<u>Name</u>	<u>Period</u>
Branch President	Rod Baxter	1/4/2013 - 31/3/2014
Branch Vice Presidents	Maureen Morris	1/4/2013 - 31/3/2014
	Max Wiley	1/4/2013 - 31/3/2014
Branch Secretary	Jim Metcher	1/4/2013 - 31/3/2014
Branch Assistant Secretary	Shane Murphy	1/4/2013 - 31/3/2014
Branch Organisers	Peter Chaloner	1/4/2013 - 31/3/2014
	Gil Enzon	1/4/2013 - 31/3/2014
	Tan Kien Ly	1/4/2013 - 31/3/2014
	Aaron Stockdale	1/4/2013 - 31/3/2014
Lines & General Sectional Representatives	Max Catania	1/4/2013 - 31/3/2014
	Coralie Luskey	1/4/2013 - 18/3/2014
	Peter O'Connell	1/4/2013 - 31/3/2014
	Michael Stanbury	1/4/2013 - 31/3/2014
Postal Sectional Representatives	Ramon Gammad	1/4/2013 - 31/3/2014
	Geoffrey Johnson	1/4/2013 - 31/3/2014
	Aaron Robertson	1/4/2013 - 31/3/2014
	John Amatto	1/4/2013 - 31/3/2014
	Paula Houghton	1/4/2013 - 31/3/2014
	Brandon Lam	1/4/2013 - 31/3/2014
	Gregory Rayner	1/4/2013 - 31/3/2014

For and on behalf of the Committee of Management



.....
JIM METCHER
BRANCH SECRETARY

21 May 2014

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

BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

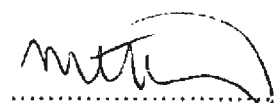
On 21 May 2014 the Branch Committee of Management of the Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 31 March 2014.

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 General Manager of Fair Work Australia;
- (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 2014;
- (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 2014 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 Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulation 2009; 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 Fair Work (Registered Organisations) Act 2009; and
 - (vi) no order for inspection of the financial records was made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (f) during the financial year ended 31 March 2014 the branch did not participate in any recovery of wages activity.

Branch Committee of Management further resolves for the Branch Secretary to prepare and distribute a concise financial report for the year ending 31 March 2014 for the information of members and make available the GPFR on the Branch website and a copy of the same to any member who makes a formal request in writing.

For the Branch Committee of Management:



.....

JIM METCHER

21 May 2014

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

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2014

	2014	2013
	\$	\$
INCOME		
Membership Contributions	3,052,588	2,995,189
Interest	28,330	43,629
Rent	656,765	532,592
Dividends	322	148
Tenants Outgoings	49,372	25,977
Sundry Income	18,208	14,610
TOTAL INCOME	3,805,585	3,612,145
EXPENDITURE		
Depreciation	89,649	81,967
Employee Benefits Expense	1,421,758	1,394,348
Other Expenses	1,955,374	1,768,803
TOTAL EXPENDITURE	3,466,782	3,245,118
NET SURPLUS FOR THE YEAR	338,803	367,027
Other Comprehensive Income:		
Revaluation of Building	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	338,803	367,027

(The attached notes form part of these financial statements)

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

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash and Cash Equivalents	9	2,641,193	2,240,145
Receivables	10	67,052	60,358
Contributions in Transit		30,693	36,130
		<u>2,738,938</u>	<u>2,336,633</u>
NON CURRENT ASSETS			
Investments	11	1,591	1,591
Property, Plant and Equipment	12	9,228,517	9,290,065
		<u>9,230,108</u>	<u>9,291,656</u>
TOTAL ASSETS		<u>11,969,046</u>	<u>11,628,289</u>
CURRENT LIABILITIES			
Provision for Branch Education Training		7,768	7,768
Provision for Emergency Ambulance Transport Benefit		10,000	10,000
Provision for Long Service Leave	6 c d	129,390	122,853
Provision for Annual Leave	6 c d	122,025	147,053
Provision for Sick Leave	6 c d	327,113	291,113
Sundry Creditors and Accruals		205,371	271,720
Sundry Creditor - Divisional Conference		59,215	32,784
		<u>860,882</u>	<u>883,291</u>
NON CURRENT LIABILITIES			
Provision for Long Service Leave	6 c d	<u>58,003</u>	<u>33,640</u>
TOTAL LIABILITIES		<u>918,885</u>	<u>916,931</u>
NET ASSETS		<u>11,050,161</u>	<u>10,711,358</u>
Accumulated Funds		10,850,161	10,511,358
Asset Revaluation Reserve		200,000	200,000
ACCUMULATED FUNDS AND RESERVES		<u>11,050,161</u>	<u>10,711,358</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 AND RESERVES
FOR THE YEAR ENDED 31 MARCH 2014**

	Accumulated Funds	Building Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 April 2012	10,144,331	200,000	10,344,331
Net Surplus	367,027	-	367,027
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the Year	<u>367,027</u>	<u>-</u>	<u>367,027</u>
Balance at 31 March 2013	<u>10,511,358</u>	<u>200,000</u>	<u>10,711,358</u>
Net Surplus	338,803	-	338,803
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the Year	<u>338,803</u>	<u>-</u>	<u>338,803</u>
Balance at 31 March 2014	<u>10,850,161</u>	<u>200,000</u>	<u>11,050,161</u>

(The attached notes form part of these financial statements)

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2014

	Note	2014 \$	2013 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Members		3,058,025	2,992,992
Payments to Suppliers and Employees		(3,388,209)	(3,203,033)
Interest Received		25,547	40,846
Dividend Received		322	148
Rent Received		656,765	532,592
Other Receipts		76,699	56,899
NET CASH PROVIDED BY OPERATING ACTIVITIES	13(b)	429,149	420,444
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of Property, Plant and Equipment		-	36,300
Payment for Property, Plant and Equipment		(28,101)	(250,214)
NET CASH USED IN INVESTING ACTIVITIES		(28,101)	(213,914)
NET INCREASE IN CASH		401,048	206,530
Cash at 1 April 2013		2,240,145	2,033,615
CASH AT 31 MARCH 2014	13(a)	2,641,193	2,240,145

(The attached notes form part of these financial statements)

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

RECOVERY OF WAGES ACTIVITY

FOR THE YEAR ENDED 31 MARCH 2014

The Communications, Electrical, Plumbing Union of Australia, Postal and Telecommunications Branch NSW has not undertaken recovery of wages activity. The Branch does assist with recovery of its member wages. However, as and when decreed by the court we confirm that any settlement or recovery of wages is directly managed between the employer and the employee (i.e. our Postal and Telecommunications Branch NSW member) and at no point of time is any money banked into the Branch bank account. Reportable amounts are NIL for:

- a. any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- b. any donations or other contributions deducted from recovered money.

**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 2014**

NOTE 1: BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT

The concise financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009.

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 THE GENERAL MANAGER OF
FAIR WORK AUSTRALIA**

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

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (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).



Grant Thornton

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W www.grantthornton.com.au

**Independent Auditor's Report
To the Members of Communications, Electrical, Plumbing Union of
Australia Postal and Telecommunications Branch NSW**

We have audited the accompanying concise financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW (the "Trade Union"), which comprises the statement of financial position as at 31 March 2014, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the statement by the Committee of Management.

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 2014. Our audit report on the full financial report was signed on 21 May 2014, and was not subject to any qualification. The Auditor's opinion for the full financial report is as follows:

"In our opinion,

- a the financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW:
 - i presents fairly, in all material respects, the Trade Union's financial position as at 31 March 2014 and of its performance and cash flows for the year then ended; and
 - ii complies with Australian Accounting Standards and the relevant legislation;
- b the Committee of Management appropriately applied the going concern basis of accounting."

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Liability limited by a scheme approved under Professional Standards Legislation. Liability is limited in those States where a current scheme applies.

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 Fair Work (Registered Organisations) Act 2009.

Audit Opinion

In our opinion, the concise financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW for the year ended 31 March 2013 complies with Accounting Standard AASB 1039 Concise Financial Reports.

Report on the recovery of wages activity

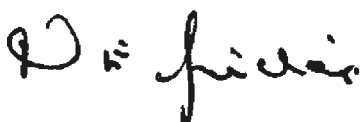
The Committee of Management are responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with section 253(2)(c) of the Fair Work Act 2009 (Registered Organisations). Our responsibility is to express an opinion on the recovery of wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards. We have been advised that no recovery of wages activity has been undertaken in the current financial year. Accordingly we have not been instructed by the Committee of Management to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity.

Other Matters

The signor is an Approved Auditor (who holds a current Public Practice Certificate) with the Institute of Chartered Accountants in Australia.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Neville Sinclair
Partner - Audit & Assurance

Sydney, 21 May 2014

FR2014/62

Our ref: 62/2

Date: 16 October 2014

General Manager
Fair Work Commission
Level 8, Terrace Towers
80 William Street
East Sydney 2011

Attention Mr Ken Morgan,



**Re: CEPU NSW Postal and Telecommunications Branch
Financial Reports for year ending 31 March 2014**

I refer to your correspondence dated 29 September 2014 in respect of the Branch General Purpose Financial Report (GPFR) and declaration for the year ending 31 March 2014 that was lodged with the Fair Work Commission (FWC) under covering letter dated 18 September 2014.

The FWC has required the Branch to have the GPFR reflect the following:

1. In Note 1 (a) of the GPFR, for the accounting standards to comply in terms of the GPFR being prepared on an accrual basis of measurement.

An amended Note 1 (a) has occurred to reflect this requirement of the FWC.

2. To have the Independent Auditors Report at sub heading 'Auditors Opinion' reflect that the GPFR complies with the 'Fair Work (Registered Organisations) Act 2009 as against the reference 'relevant legislation'.

The amendment has been made to incorporate compliance with the Act in the opinion to reflect this requirement of the FWC.

Further, the GPFR and Concise reports containing the amendments required to be made by the FWC have been presented to the Branch Committee of Management meeting held on 15 October 2014 and have been subsequently posted on the Branch website for the information to the members of the Branch.

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

- the documents lodged herewith are copies of the general purpose and concise financial reports for the year ending 31 March 2014 in accordance with s268 of the Fair Work (Registered Organisations) Act 2009;
- The concise report was provided to members as from 31 July 2014 in accordance with the Branch Committee of Management Statement;
- The annual general meeting of the Branch scheduled for 27 August 2014 failed to convene under the rules of the Union;

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our community**

- The general purpose financial report and concise report was presented to the Branch Committee of Management meeting (second meeting) held on 17 September 2014 in accordance with s266 of the Fair Work (Registered Organisations) Act 2009; and
- Following amendments to the GPFR required to be undertaken by the FWC in their letter dated 29 September 2014, the GPFR and Concise Report was further presented to the Branch Committee of Management meeting held on 15 October 2014.

For further information please contact the Branch Secretary Jim Metcher at this office on (02) 9893 7822.

Yours faithfully,



JIM METCHER
BRANCH SECRETARY

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2014

**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 Fair Work (Registered Organisations) Act 2009 for the year ended 31 March 2014.

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 2014 is \$338,803 (2013: \$367,027)

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 Fair Work (Registered Organisations) Act 2009. In accordance with section 174(1) of the Fair Work (Registered Organisations) Act 2009 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.

Director of Corporate Trustee - Superannuation Entity

During the reporting period, James Metcher, being an officer of the Branch, was a director of Post Super Pty Limited (being the corporate trustee of the Australia Post Superannuation Scheme) and is appointed to that directorship upon the nomination of the ACTU pursuant to the company's constitution. The position is held as an employee representative by reason of the criteria established for industry superannuation funds.

There are no other directorships held by the officers or employees of the branch.

Membership Numbers


- (1) Under section 230 of the Fair Work (Registered Organisations) Act 2009 the number of persons recorded in the register of members and who under section 244 of the Fair Work (Registered Organisations) Act 2009 are taken to be members of the Branch of the Union as at 31 March 2014 was 8,398.
- (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 2014 was 13 (2013: 13.5).
- (3) The names of persons who have at any time during the financial year ending 31 March 2014 been members of the CEPU P & T NSW Branch Committee of Management and periods they served on the branch committee are as follows:

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

OPERATING REPORT (cont'd)

<u>Position</u>	<u>Name</u>	<u>Period</u>
Branch President	Rod Baxter	1/4/2013 - 31/3/2014
Branch Vice Presidents	Maureen Morris	1/4/2013 - 31/3/2014
	Max Wiley	1/4/2013 - 31/3/2014
Branch Secretary	Jim Metcher	1/4/2013 - 31/3/2014
Branch Assistant Secretary	Shane Murphy	1/4/2013 - 31/3/2014
Branch Organisers	Peter Chaloner	1/4/2013 - 31/3/2014
	Gil Enzon	1/4/2013 - 31/3/2014
	Tan Kien Ly	1/4/2013 - 31/3/2014
	Aaron Stockdale	1/4/2013 - 31/3/2014
Lines & General Sectional Representatives	Max Catania	1/4/2013 - 31/3/2014
	Coralie Luskey	1/4/2013 - 18/3/2014
	Peter O'Connell	1/4/2013 - 31/3/2014
	Michael Stanbury	1/4/2013 - 31/3/2014
Postal Sectional Representatives	Ramon Gammad	1/4/2013 - 31/3/2014
	Geoffrey Johnson	1/4/2013 - 31/3/2014
	Aaron Robertson	1/4/2013 - 31/3/2014
	John Amatto	1/4/2013 - 31/3/2014
	Paula Houghton	1/4/2013 - 31/3/2014
	Brandon Lam	1/4/2013 - 31/3/2014
	Gregory Rayner	1/4/2013 - 31/3/2014

For and on behalf of the Committee of Management



JIM METCHER
BRANCH SECRETARY

15 October 2014

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

BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

On 21 May 2014 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 2014.

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 General Manager of Fair Work Australia;
- (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 2014;
- (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 2014 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 Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulation 2009; 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 Fair Work (Registered Organisations) Act 2009; and
 - (vi) no order for inspection of the financial records was made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (f) during the financial year ended 31 March 2014 the branch did not participate in any recovery of wages activity.

Branch Committee of Management further resolves for the Branch Secretary to prepare and distribute a concise financial report for the year ending 31 March 2014 for the information of members and make available the GPFR on the Branch website and a copy of the same to any member who makes a formal request in writing.

For the Branch Committee of Management:



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JIM METCHER

15 October 2014

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

STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2014

		2014 \$	2013 \$
INCOME			
Membership Contributions	4	3,052,588	2,995,189
Interest		28,330	43,629
Rent		656,765	532,592
Dividends		322	148
Tenants Outgoings		49,372	25,977
Sundry Income		18,208	14,610
TOTAL INCOME		3,805,585	3,612,145
EXPENDITURE			
Depreciation			
Office Furniture & Equipment		40,650	29,907
Motor Vehicles		48,999	52,060
		89,649	81,967
Employee Benefits Expense			
Salaries - Officials	5c	879,269	862,406
Salaries - Staff	5d	256,520	245,297
Payroll Tax		67,046	63,774
Provident Fund and Superannuation		177,052	177,683
Provision for Long Service Leave		30,900	23,776
Provision for Annual Leave		(25,028)	12,295
Provision for Sick Leave		36,000	9,117
		1,421,758	1,394,348
Other Expenses			
Affiliation Fees	5a	65,765	68,368
Bank Charges		34,266	32,096
Capitation Divisional Conference		689,554	673,918
CEPU Journey cover		57,599	58,226
Campaign Expenses - Your Rights At Work & EBA's		75,104	75,893
Collection Costs - Membership Contributions		19,663	21,579
Computer Expenses		54,181	52,597
Delegates, Meetings and Officials Expenses		46,828	45,466
Donations & Grants	5b	31,000	-
Electricity, Gas and Heating		55,430	54,961
Emergency Ambulance Transport Benefit		7,498	9,690
Equipment Rental		13,912	12,078
Fringe Benefits Tax		33,323	16,072
Insurance		30,087	33,284
Land Tax		22,792	33,172
Property leasing commission		-	92,044
Legal and Professional Fees		281,404	93,294
Carried Forward		1,518,406	1,372,738

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

**STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)**

	2014	2013
	\$	\$
Other Expenses (cont'd)		
Brought Forward	1,518,406	1,372,738
Loss on Disposal of Assets	-	4,698
Management Fees Building	26,427	25,200
Mortality Benefits Paid	3,000	3,500
Motor Vehicle Expenses	65,987	74,257
National Council Fund	2,962	4,526
Other Expenditure	7,535	8,209
Parking Space Levy	13,995	13,725
Postage, Printing and Stationery	70,884	36,977
Publications and Communication	40,776	18,845
Rates and Taxes	79,896	76,666
Repairs and Maintenance	77,953	81,472
Sub-Branch Expenses	18	75
Telecommunication costs	34,568	31,905
Training	1,296	2,436
Workers Compensation	11,671	13,574
	<u>1,955,374</u>	<u>1,768,803</u>
TOTAL EXPENDITURE	<u>3,466,782</u>	<u>3,245,118</u>
NET SURPLUS FOR THE YEAR	<u>338,803</u>	<u>367,027</u>
Other Comprehensive Income:		
Revaluation of Building	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>338,803</u>	<u>367,027</u>

(The attached notes form part of these financial statements)

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

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash and Cash Equivalents	9	2,641,193	2,240,145
Receivables	10	67,052	60,358
Contributions in Transit		30,693	36,130
		<u>2,738,938</u>	<u>2,336,633</u>
NON CURRENT ASSETS			
Investments	11	1,591	1,591
Property, Plant and Equipment	12	9,228,517	9,290,065
		<u>9,230,108</u>	<u>9,291,656</u>
TOTAL ASSETS		<u>11,969,046</u>	<u>11,628,289</u>
CURRENT LIABILITIES			
Provision for Branch Education Training		7,768	7,768
Provision for Emergency Ambulance Transport Benefit		10,000	10,000
Provision for Long Service Leave	6 c d	129,390	122,853
Provision for Annual Leave	6 c d	122,025	147,053
Provision for Sick Leave	6 c d	327,113	291,113
Sundry Creditors and Accruals		205,371	271,720
Sundry Creditor - Divisional Conference		59,215	32,784
		<u>860,882</u>	<u>883,291</u>
NON CURRENT LIABILITIES			
Provision for Long Service Leave	6 c d	58,003	33,640
TOTAL LIABILITIES		<u>918,885</u>	<u>916,931</u>
NET ASSETS		<u>11,050,161</u>	<u>10,711,358</u>
Accumulated Funds		10,850,161	10,511,358
Asset Revaluation Reserve		200,000	200,000
ACCUMULATED FUNDS AND RESERVES		<u>11,050,161</u>	<u>10,711,358</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 AND RESERVES
FOR THE YEAR ENDED 31 MARCH 2014**

	Accumulated Funds	Building Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 April 2012	10,144,331	200,000	10,344,331
Net Surplus	367,027	-	367,027
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the Year	<u>367,027</u>	<u>-</u>	<u>367,027</u>
Balance at 31 March 2013	<u>10,511,358</u>	<u>200,000</u>	<u>10,711,358</u>
Net Surplus	338,803	-	338,803
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the Year	<u>338,803</u>	<u>-</u>	<u>338,803</u>
Balance at 31 March 2014	<u>10,850,161</u>	<u>200,000</u>	<u>11,050,161</u>

(The attached notes form part of these financial statements)

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2014

	Note	2014 \$	2013 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Members		3,058,025	2,992,992
Payments to Suppliers and Employees		(3,388,209)	(3,203,033)
Interest Received		25,547	40,846
Dividend Received		322	148
Rent Received		656,765	532,592
Other Receipts		<u>76,699</u>	<u>56,899</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	13(b)	<u>429,149</u>	<u>420,444</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of Property, Plant and Equipment		-	36,300
Payment for Property, Plant and Equipment		<u>(28,101)</u>	<u>(250,214)</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>(28,101)</u>	<u>(213,914)</u>
NET INCREASE IN CASH		401,048	206,530
Cash at 1 April 2013		<u>2,240,145</u>	<u>2,033,615</u>
CASH AT 31 MARCH 2014	13(a)	<u>2,641,193</u>	<u>2,240,145</u>

(The attached notes form part of these financial statements)

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

RECOVERY OF WAGES ACTIVITY

FOR THE YEAR ENDED 31 MARCH 2014

The Communications, Electrical, Plumbing Union of Australia, Postal and Telecommunications Branch NSW has not undertaken recovery of wages activity. The Branch does assist with recovery of its member wages. However, as and when decreed by the court we confirm that any settlement or recovery of wages is directly managed between the employer and the employee (i.e. our Postal and Telecommunications Branch NSW member) and at no point of time is any money banked into the Branch bank account. Reportable amounts are NIL for:

- a. any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- b. any donations or other contributions deducted from recovered money.

**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 2014**

1. SIGNIFICANT ACCOUNTING POLICIES

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 Fair Work (Registered Organisations) Act 2009. 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.

Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009.

The reporting guidelines made under section 255 of the Fair Work (Registered Organisations) Act 2009 (the RO Act) require all reporting units to apply the Tier 1 reporting requirements as per Australian Accounting Standard AASB 1053 Application for Tiers of Australian Accounting Standards. As such the branch committee of management has prepared a full set of financial statements with all disclosure requirements. In the prior year the branch committee of management had early adopted Australian Accounting Standards - Reduced Disclosure Requirements but this is no longer permissible. This has had no material impact on amounts recognised in the financial statements because it merely requires a more detailed note disclosure on financial risk management than if these financial statements were prepared using Australian Accounting Standards - Reduced Disclosure Requirements.

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 other significant accounting policies adopted in the preparation of the financial statements.

(a) Revenue

Revenue from Membership contributions is accounted for on an accrual basis, and recorded in the year to which it relates, and to the extent that the amounts due are considered receivable.

An official, as a result of their position in the union, can be appointed as a Director on the Board of superannuation funds and other entities. Fees paid from those organisations are directed to the Union, and are accounted for on an accruals basis.

Interest income is accounted for on an accruals basis. Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

(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 2014 (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 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 statement of comprehensive income 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 statement of comprehensive income 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 2014 (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 cost. This results in an amount not materially different to measuring them 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 statement of financial position 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.

(i) Going concern

The Branch is not reliant on the financial support of any other reporting units to ensure they can continue on a going concern basis.

(j) Going concern support

The Branch provides Capitation Fees to the Divisional Conference Funds. The Branch has not agreed to provide any other financial support to any other reporting units to ensure they can continue on a going concern basis.

(k) Amalgamations and Restructures

There have been no amalgamations or restructures in the financial year and previous financial year. No assets or liabilities have been acquired as a result of any amalgamations or restructures.

(l) Business Combinations

There have been no business combinations during the financial year and previous financial year. No assets or liabilities have been acquired as a result of any business combinations.

**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 2014 (cont'd)**

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 amounts of assets 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 amounts of assets and liabilities.

3. INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL MANAGER OF FAIR WORK AUSTRALIA

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

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (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**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)**

4. INCOME

(a) Membership fees

	2014	2013
	\$	\$
Membership fees	3,052,588	2,995,189

(b) Other income

The following income items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. Capitation/Sustentation fees
- b. Compulsory levies
- c. Donations or grants
- d. Other financial support from other reporting units

5. EXPENSE

(a) Fees and periodic subscriptions are paid in respect of its affiliation to any political party, any federation, congress, council or group of organisations, or any international body having an interest in industrial matters

	2014	2013
	\$	\$
Affiliation Fees		
ALP NSW Branch	36,062	32,066
ALP ACT Branch	2,468	1,274
Unions NSW	27,235	35,028
	<u>65,765</u>	<u>68,368</u>
CEPU Divisional Conference (Capitation Fees)	<u>689,554</u>	<u>673,918</u>
CEPU National Office (National Council Fund)	<u>2,962</u>	<u>4,526</u>
Delegates Expenses	<u>46,828</u>	<u>45,466</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 2014 (cont'd)

(b) Donations

2014

Non-reportable donations less than or equal to \$1,000 (excl. GST)

Details to whom payment made	Purpose	2014 \$
JDRF Australia	Cure diabetes JDRF walk	1,000
		<hr/> 1,000

Reportable donations exceeding \$1,000 (excl. GST)

Details to whom payment made	Purpose	2014 \$
Matt Thistlewaite	Matt Thistlewaite - ALP donation	10,000
ALP	ALP NSW Chifley Fundraising	20,000
		<hr/> 30,000

There were no donations made in 2013.

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 2014 (cont'd)

(c) Employee expenses related to holders of office

	2014	2013
	\$	\$
Officers benefits expense		
Wages and Salaries	879,269	862,406
Superannuation	101,047	101,281
Leave and other entitlements	23,448	25,306
Separation and redundancies	-	-
Fringe benefit expenses	12,351	12,666
	<u>1,016,115</u>	<u>1,001,659</u>

(d) Employee expenses related to employees (other than holders of office)

	2014	2013
	\$	\$
Employees benefits expense		
Wages and Salaries	256,520	245,297
Superannuation	76,005	76,402
Leave and other entitlements	18,424	19,892
Separation and redundancies	10,821	-
Fringe benefit expenses	9,880	12,666
	<u>371,650</u>	<u>354,257</u>

(f) Legal costs

	2014	2013
	\$	\$
Legal costs	249,904	59,472

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 2014 (cont'd)

(g) Other expense

The following expense items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. Compulsory levies
- b. Payments to employers for payroll deduction activity
- c. Fees or allowances (other than those already disclosed above) paid to persons in respect of their attendances as representatives of the Union at conferences or other meetings.
- d. Expenses (other than expenses included in any amounts referred to above) incurred in connection with holding meetings of members of the reporting unit and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the reporting unit was wholly or partly responsible
- e. Penalties imposed under the RO Act.

6. DISCLOSURES IN RESPECT OF STATEMENT OF FINANCIAL POSITION

(a) Amounts receivable/payable to/from other reporting units of the Union

	2014	2013
	\$	\$
Amounts receivable from reporting units		
CEPU Divisional Conference	1,812	1,812
Amounts payable to reporting units		
CEPU Divisional Conference (Capitation Fees Payable)	59,215	32,784

(b) Legal costs payable

	2014	2013
	\$	\$
Legal costs payable	41,573	7,710

**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 2014 (cont'd)**

(c) Employee provisions related to holders of office

	2014	2013
	\$	\$
Officers provisions		
Annual leave	51,064	81,925
Long service leave	95,178	98,864
Separation and redundancies	-	-
Other employee provisions (sick leave)	216,167	192,522
	<u>362,409</u>	<u>373,311</u>

(d) Employee provisions related to employees (other than holders of office)

	2014	2013
	\$	\$
Employees provisions		
Annual leave	70,961	65,228
Long service leave	92,215	57,629
Separation and redundancies	-	-
Other employee provisions (sick leave)	110,946	98,591
	<u>274,122</u>	<u>221,448</u>

(e) Other balances at 31 March 2014

Items noted above as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009 which have not occurred in the reporting period do not have respective balances at year-end and therefore not disclosed. These include:

- a. Payables to employers as consideration for the employers making payroll deductions of membership subscriptions

7. DISCLOSURES IN RESPECT OF STATEMENT OF CHANGES IN EQUITY

The following equity items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. No separate fund or account operated in respect of compulsory levies raised by the Union or voluntary contributions collected from members of the Union.
- b. No monies in respect of compulsory levies raised or voluntary contributions collected from members of the Union have been invested in any assets.
- c. No separate fund or account which is required by the rules of the Union or rules of a Branch of the Union.
- d. No transfer(s) and/or withdrawal(s) to a fund, account or controlled entity, when any of these are kept for a specific purpose(s) by the Union.

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 2014 (cont'd)

8. DISCLOSURES IN RESPECT OF STATEMENT OF CASH FLOWS

(a) Amounts received/paid to/from other reporting units of the Union

Amounts received and paid in respect of the Capitation Fees and other charges have been incorporated as part of the Statement of Cash Flows and detailed below.

	2014	2013
	\$	\$
Cash inflows from other reporting units	-	-
Cash outflows to other reporting units (CEPU Divisional Conference)	663,123	670,075

	2014	2013
	\$	\$
9. CASH AND CASH EQUIVALENTS		
Cash on Hand	800	800
Cash at Bank	384,456	311,909
Cash Management Account	2,255,937	1,927,436
	<u>2,641,193</u>	<u>2,240,145</u>

10. RECEIVABLES

Accrued Interest	2,299	2,783
Bonds	6,795	6,795
Prepayments	41,210	28,179
Sundry Debtors	14,935	20,789
Amounts due from CEPU Divisional Conference	1,812	1,812
	<u>67,051</u>	<u>60,358</u>

11. INVESTMENTS

Available-For-Sale Financial Assets		
Shares in listed companies - at cost	<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 2014 (cont'd)

	2014 \$	2013 \$
12. PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings		
81 George Street, Parramatta		
At fair value	<u>8,825,000</u>	<u>8,825,000</u>
(The branch committee of management last determined the fair value of the building be increased to \$8,825,000 at 31 March 2012 to reflect current market information on the land and building. Information has been received to indicate that this value has not declined during the year to require adjustment.)		
Office Furniture and Equipment		
At Cost	714,767	686,668
Less Accumulated Depreciation	<u>(480,026)</u>	<u>(439,377)</u>
	<u>234,741</u>	<u>247,291</u>
Motor Vehicles		
At Cost	340,822	340,822
Less Accumulated Depreciation	<u>(172,046)</u>	<u>(123,048)</u>
	<u>168,776</u>	<u>217,774</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>9,228,517</u>	<u>9,290,065</u>

MOVEMENTS IN CARRYING AMOUNTS

	Land and Buildings	Office Furniture and Equipment	Motor Vehicles	Total
Balance at 1 April 2013	8,825,000	247,291	217,774	9,290,065
Additions	-	28,100	-	28,100
Disposals	-	-	-	-
Depreciation	-	(40,650)	(48,998)	(89,648)
	<u>8,825,000</u>	<u>234,741</u>	<u>168,776</u>	<u>9,228,517</u>
Balance at 31 March 2014	<u>8,825,000</u>	<u>234,741</u>	<u>168,776</u>	<u>9,228,517</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 2014 (cont'd)

		2014 \$	2013 \$
13. CASH FLOW INFORMATION			
(a) 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	9	800	800
Cash at Bank	9	384,456	311,909
Cash Management Account	9	2,255,937	1,927,436
		<u>2,641,193</u>	<u>2,240,145</u>
(b) Reconciliation of cash flow from Operations with Net Surplus			
Net Surplus		338,803	367,027
Non-Cash Flows in Operating Result			
Loss on Disposal of Assets			4,698
Depreciation		89,649	81,967
Changes in Assets and Liabilities			
(Increase) in Deductions in Transit		5,437	(2,197)
Decrease/(Increase) in Bonds, Prepayments & Sundry Debtors		(6,695)	7,627
Increase in Branch Education Training Fund & Emergency Ambulance Transport Benefit Fund		-	-
(Decrease)/Increase in Sundry Creditors		(39,917)	(83,866)
Increase in Provisions		41,872	45,188
		<u>429,149</u>	<u>420,444</u>
CASH FLOWS FROM OPERATIONS			

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 2014 (cont'd)

	2014 \$	2013 \$
14. AUDITORS' REMUNERATION		
Audit Fees	31,500	32,722
Accounting Services	.	1,100
	<u>31,500</u>	<u>33,822</u>

15. RELATED PARTY DISCLOSURES

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

<u>Position</u>	<u>Name</u>	<u>Period</u>
Branch President	Rod Baxter	1/4/2013 - 31/3/2014
Branch Vice Presidents	Maureen Morris	1/4/2013 - 31/3/2014
	Max Wiley	1/4/2013 - 31/3/2014
Branch Secretary	Jim Metcher	1/4/2013 - 31/3/2014
Branch Assistant Secretary	Shane Murphy	1/4/2013 - 31/3/2014
Branch Organisers	Peter Chaloner	1/4/2013 - 31/3/2014
	Gil Enzon	1/4/2013 - 31/3/2014
	Tan Kien Ly	1/4/2013 - 31/3/2014
	Aaron Stockdale	1/4/2013 - 31/3/2014
Lines & General Sectional Representatives	Max Catania	1/4/2013 - 31/3/2014
	Coralie Luskey	1/4/2013 - 18/3/2014
	Peter O'Connell	1/4/2013 - 31/3/2014
	Michael Stanbury	1/4/2013 - 31/3/2014
Postal Sectional Representatives	Ramon Gammad	1/4/2013 - 31/3/2014
	Geoffrey Johnson	1/4/2013 - 31/3/2014
	Aaron Robertson	1/4/2013 - 31/3/2014
	John Amatto	1/4/2013 - 31/3/2014
	Paula Houghton	1/4/2013 - 31/3/2014
	Brandon Lam	1/4/2013 - 31/3/2014
	Gregory Rayner	1/4/2013 - 31/3/2014

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 2014 (cont'd)

15. RELATED PARTY DISCLOSURES (cont'd)

(a) Related party transactions

Transactions with related parties are on normal terms and conditions no more favourable than those available to other parties, unless otherwise stated.

- (a) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the Financial Report (Note 5 (d)).
- (b) The aggregate amount paid during the financial year to a superannuation plan in respect of elected full time officers was \$101,047 (2013: \$101,281).
- (c) There have been no other transactions between the officers and the Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW 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.
- (d) Capitation fees and administration fees paid to Divisional Conference are disclosed as income and expenses respectively in the Statement of Comprehensive Income and as cash paid in Note 8(a).
- (e) Amounts receivable from and payable to the Divisional Conference at balance date are disclosed in Note 6(a).
- (f) The Branch Secretary's son is employed by the Union on terms and conditions no more favourable than applicable to other employees on the same level of experience and position within the Union. The appointment had been made independently of the Branch Secretary's involvement.

(b) Key management personnel remuneration

Key management persons are those persons having authority and responsibility for planning, directing and controlling the activities of the Branch, directly or indirectly, including any member of the Committee of Management. Key management personnel remuneration is represented by the remuneration of the Officers of the Branch which is disclosed in Note 5(c) of the 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 2014 (cont'd)

16. 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.

17. NATIONAL COUNCIL - BRANCH VOTING ENTITLEMENTS

For the purposes of the National Council Composition and Voting Rights, the actual membership contributions received for the financial year ended 31 March 2014 were \$3,052,588 (2013: \$2,995,189).

18. COMMITMENTS

Operating lease commitments:

The Union had the following lease commitment for Plant and Equipment as at 31 March 2014.

	2014	2013
	\$	\$
Payable within one year	13,214	13,214
Payable later than one year but not later than five years	31,344	44,558
	<u>44,558</u>	<u>57,772</u>

19. FINANCIAL RISK MANAGEMENT NOTE

(a) *General objectives, policies, and processes*

The Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW is exposed to risks that may arise from its use of financial instruments. This note describes the Branch's objectives, policies, and processes for managing those risks and the methods used to measure them. The Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW has no financial instruments relevant to the risk mentioned and this objective does not apply.

There have been no substantive changes in the Branch's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Branch's financial instruments consist mainly of deposits with banks and receivables. The main risks the Branch is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

The Branch Secretary and Branch Committee of Management have overall responsibility for the determination of the Branch's risk management objectives and policies.

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 2014 (cont'd)

19. FINANCIAL RISK MANAGEMENT NOTE (cont'd)

(b) *Credit Risk*

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Branch incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Branch.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed below:

	2014	2013
	\$	\$
Cash and cash equivalents	2,641,193	2,240,145

The cash and cash equivalents are held in a high quality Australian financial institutions

	2014	2013
	\$	\$
Receivables	67,051	60,358

There has been no history of default, no amounts are past due and all receivables are likely to be repaid within the expected terms.

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 2014 (cont'd)

19. FINANCIAL RISK MANAGEMENT NOTE (cont'd)

(c) *Liquidity Risk*

Liquidity risk is the risk that the Branch may encounter difficulties in raising funds to meet commitments associated with financial instruments.

The Branch is not significantly exposed to this risk; as at 31 March 2014 it has \$2,641,193 of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 31 March 2014 totalled \$282,355. The Branch manages liquidity risk by monitoring cash flows.

(d) *Market Risk*

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

(e) *Interest Rate Risk*

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

31 March 2014	Fixed Interest rate	Floating interest rate	Non- interest Bearing	Total
	\$	\$	\$	\$
Financial Assets				
Cash at Bank and on Hand		384,456	800	385,256
Held- to maturity investments	2,255,937			2,255,937
Receivables			67,051	67,051
Total financial assets	2,255,937	384,456	67,851	2,708,244
Weighted average Interest rate	2%	0.01%		
Financial Liabilities				
Payables			282,355	282,355
Net Financial Assets	2,255,937	384,456	(214,504)	2,425,889

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 2014 (cont'd)

19. FINANCIAL RISK MANAGEMENT NOTE (Cont'd)

31 March 2013	Fixed Interest rate	Floating interest rate	Non- interest Bearing	Total
	\$	\$	\$	\$
Financial Assets				
Cash at Bank and on Hand		311,909	800	312,709
Held- to maturity investments	1,927,436			1,927,426
Receivables			60,358	60,358
Total financial assets	1,927,426	311,909	61,158	2,300,493
Weighted average Interest rate	1.2%	0.01%		
Financial Liabilities				
Payables			322,272	322,272
Net Financial Assets	1,927,426	311,909	322,272	1,978,221

Sensitivity Analysis
2014

	Carrying Amount	+0.5% (50 basis points) Profit	-0.5% (50 basis points) Loss
	\$	\$	\$
Cash Assets	2,641,193	13,206	(13,206)

2013

Cash Assets	2,240,145	11,200	(11,200)
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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 2014 (cont'd)

19. FINANCIAL RISK MANAGEMENT NOTE (Cont'd)

(f) *Other Price Risks*

The Branch does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in price that are inherent in such a market.

(g) *Foreign Exchange Risk*

The Branch is not directly exposed to foreign exchange rate.

20. REGISTERED OFFICE

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

Level 3,
81 George Street
Parramatta NSW 2150

Grant Thornton Audit Pty Ltd
ACN 130 913 594

Level 17 383 Kent Street
Sydney NSW 2000
Locked Bag Q300
QVB Post Office
Sydney NSW 1230

T +61 2 8297 2400
F +61 2 9299 4445
E info.nsw@au.gt.com
W www.granthornton.com.au

Independent Auditor's Report

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

We have audited the accompanying financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW (the "Trade Union"), which comprises the statement of financial position as at 31 March 2014, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the statement by the Committee of Management.

Responsibility of the Committee of Management for the financial report

The Committee of Management of the Trade Union is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009. This responsibility includes such internal controls as the Committee of Management determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Trade Union's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trade Union's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the applicable independence requirements of the Accounting Professional and Ethical Standards Board.

Auditor's Opinion

In our opinion,

- a the financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW:
 - i presents fairly, in all material respects, the Trade Union's financial position as at 31 March 2014 and of its performance and cash flows for the year then ended ; and
 - ii complies with Australian Accounting Standards, the Fair Work (Registered Organisations) Act 2009 and relevant legislation;
- b the Committee of Management appropriately applied the going concern basis of accounting.

Report on the recovery of wages activity

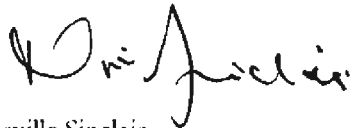
The Committee of Management are responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with section 253(2)(c) of the Fair Work Act 2009 (Registered Organisations). Our responsibility is to express an opinion on the recovery of wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards. We have been advised that no recovery of wages activity has been undertaken in the current financial year. Accordingly we have not been instructed by the Committee of Management to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity.

Other Matters

The signor is an Approved Auditor (who holds a current Public Practice Certificate) with the Institute of Chartered Accountants in Australia.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Neville Sinclair
Partner - Audit & Assurance

Sydney, 16 October 2014

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2014

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 2014 General Purpose Financial Report (GPFR) of the Communications, Electrical, Plumbing Union of Australia - Postal and Telecommunications Branch NSW. A copy of the GPFR and auditor's report can be made available to any member, free of charge, upon a request in writing.

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

Statement of Comprehensive Income and Statement of Financial Position:

The Branch continues to achieve an operating surplus to ensure cash reserves fund exceptional circumstances for relevant expenditure costs associated with protecting and improving living standards for members and their families. The Branch income and expenditure for the year end apart from legal and professional fees is consistent with budget estimations together with the responsible management of the overall Branch finances

Legal and other professional fees have exceeded budget estimations due to the need for the Branch, in the interests of the members, to fund advice and representation of Branch officers in litigation and contentious matters arising out of serious disputation which has been occurring and is still evident at the Communications Division level.

On 7 April 2014, the National Council adopted significant rule changes which, subject to ratification at the Divisional levels of the union, will enable branches to take steps to transfer to another Division for the purpose of ensuring effective servicing and representation of Branch members at the Divisional level in future. Branch officers are hopeful that, if these changes are implemented, they will assist in re-establishing greater harmony within the Union, with a consequent reduction in the need for legal and related professional services in future years.

The financial position of the Branch remains viable despite the need for significant funds to continue to be invested in these important legal and internal Union matters together with maintaining other initiatives associated with the ambassador card and journey cover benefits that provide important savings and income protection for all members of the branch.

Statement of Cashflows:

The cashflow of the Branch has been managed to ensure that all liabilities are met when they fall due. The financial management plan is meeting budget estimations despite the necessary increases in operating costs of the Branch, as explained above.



**JIM METCHER
BRANCH SECRETARY**

15 October 2014

**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 Fair Work (Registered Organisations) Act 2009 for the year ended 31 March 2014.

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 2014 is \$338,803 (2013: \$367,027)

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 Fair Work (Registered Organisations) Act 2009. In accordance with section 174(1) of the Fair Work (Registered Organisations) Act 2009 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.

Director of Corporate Trustee - Superannuation Entity

During the reporting period, James Metcher, being an officer of the Branch, was a director of Post Super Pty Limited (being the corporate trustee of the Australia Post Superannuation Scheme) and is appointed to that directorship upon the nomination of the ACTU pursuant to the company's constitution. The position is held as an employee representative by reason of the criteria established for industry superannuation funds.

There are no other directorships held by the officers or employees of the branch.

Membership Numbers


- (1) Under section 230 of the Fair Work (Registered Organisations) Act 2009 the number of persons recorded in the register of members and who under section 244 of the Fair Work (Registered Organisations) Act 2009 are taken to be members of the Branch of the Union as at 31 March 2014 was 8,398.
- (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 2014 was 13 (2013: 13.5).
- (3) The names of persons who have at any time during the financial year ending 31 March 2014 been members of the CEPU P & T NSW Branch Committee of Management and periods they served on the branch committee are as follows:

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

OPERATING REPORT (cont'd)

<u>Position</u>	<u>Name</u>	<u>Period</u>
Branch President	Rod Baxter	1/4/2013 - 31/3/2014
Branch Vice Presidents	Maureen Morris	1/4/2013 - 31/3/2014
	Max Wiley	1/4/2013 - 31/3/2014
Branch Secretary	Jim Metcher	1/4/2013 - 31/3/2014
Branch Assistant Secretary	Shane Murphy	1/4/2013 - 31/3/2014
Branch Organisers	Peter Chaloner	1/4/2013 - 31/3/2014
	Gil Enzon	1/4/2013 - 31/3/2014
	Tan Kien Ly	1/4/2013 - 31/3/2014
	Aaron Stockdale	1/4/2013 - 31/3/2014
Lines & General Sectional Representatives	Max Catania	1/4/2013 - 31/3/2014
	Coralie Luskey	1/4/2013 - 18/3/2014
	Peter O'Connell	1/4/2013 - 31/3/2014
	Michael Stanbury	1/4/2013 - 31/3/2014
Postal Sectional Representatives	Ramon Gammad	1/4/2013 - 31/3/2014
	Geoffrey Johnson	1/4/2013 - 31/3/2014
	Aaron Robertson	1/4/2013 - 31/3/2014
	John Amatto	1/4/2013 - 31/3/2014
	Paula Houghton	1/4/2013 - 31/3/2014
	Brandon Lam	1/4/2013 - 31/3/2014
	Gregory Rayner	1/4/2013 - 31/3/2014

For and on behalf of the Committee of Management



JIM METCHER
BRANCH SECRETARY

15 October 2014

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

BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

On 15 October 2014 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 2014.

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 General Manager of Fair Work Australia;
- (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 2014;
- (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 2014 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 Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulation 2009; 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 Fair Work (Registered Organisations) Act 2009; and
 - (vi) no order for inspection of the financial records was made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (f) during the financial year ended 31 March 2014 the branch did not participate in any recovery of wages activity.

Branch Committee of Management further resolves for the Branch Secretary to prepare and distribute a concise financial report for the year ending 31 March 2014 for the information of members and make available the GPFR on the Branch website and a copy of the same to any member who makes a formal request in writing.

For the Branch Committee of Management:



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JIM METCHER

15 October 2014

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

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2014

	2014 \$	2013 \$
INCOME		
Membership Contributions	3,052,588	2,995,189
Interest	28,330	43,629
Rent	656,765	532,592
Dividends	322	148
Tenants Outgoings	49,372	25,977
Sundry Income	18,208	14,610
TOTAL INCOME	<u>3,805,585</u>	<u>3,612,145</u>
EXPENDITURE		
Depreciation	89,649	81,967
Employee Benefits Expense	1,421,758	1,394,348
Other Expenses	1,955,374	1,768,803
TOTAL EXPENDITURE	<u>3,466,782</u>	<u>3,245,118</u>
NET SURPLUS FOR THE YEAR	<u>338,803</u>	<u>367,027</u>
Other Comprehensive Income:		
Revaluation of Building	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>338,803</u>	<u>367,027</u>

(The attached notes form part of these financial statements)

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

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash and Cash Equivalents	9	2,641,193	2,240,145
Receivables	10	67,052	60,358
Contributions in Transit		30,693	36,130
		<u>2,738,938</u>	<u>2,336,633</u>
NON CURRENT ASSETS			
Investments	11	1,591	1,591
Property, Plant and Equipment	12	9,228,517	9,290,065
		<u>9,230,108</u>	<u>9,291,656</u>
TOTAL ASSETS		<u>11,969,046</u>	<u>11,628,289</u>
CURRENT LIABILITIES			
Provision for Branch Education Training		7,768	7,768
Provision for Emergency Ambulance Transport Benefit		10,000	10,000
Provision for Long Service Leave	6 c d	129,390	122,853
Provision for Annual Leave	6 c d	122,025	147,053
Provision for Sick Leave	6 c d	327,113	291,113
Sundry Creditors and Accruals		205,371	271,720
Sundry Creditor - Divisional Conference		59,215	32,784
		<u>860,882</u>	<u>883,291</u>
NON CURRENT LIABILITIES			
Provision for Long Service Leave	6 c d	58,003	33,640
TOTAL LIABILITIES		<u>918,885</u>	<u>916,931</u>
NET ASSETS		<u>11,050,161</u>	<u>10,711,358</u>
Accumulated Funds			
		10,850,161	10,511,358
Asset Revaluation Reserve		200,000	200,000
ACCUMULATED FUNDS AND RESERVES		<u>11,050,161</u>	<u>10,711,358</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 AND RESERVES
FOR THE YEAR ENDED 31 MARCH 2014**

	Accumulated Funds	Building Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 April 2012	10,144,331	200,000	10,344,331
Net Surplus	367,027	-	367,027
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the Year	<u>367,027</u>	<u>-</u>	<u>367,027</u>
Balance at 31 March 2013	<u>10,511,358</u>	<u>200,000</u>	<u>10,711,358</u>
Net Surplus	338,803	-	338,803
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the Year	<u>338,803</u>	<u>-</u>	<u>338,803</u>
Balance at 31 March 2014	<u>10,850,161</u>	<u>200,000</u>	<u>11,050,161</u>

(The attached notes form part of these financial statements)

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2014

	Note	2014 \$	2013 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Members		3,058,025	2,992,992
Payments to Suppliers and Employees		(3,388,209)	(3,203,033)
Interest Received		25,547	40,846
Dividend Received		322	148
Rent Received		656,765	532,592
Other Receipts		76,699	56,899
NET CASH PROVIDED BY OPERATING ACTIVITIES	13(b)	<u>429,149</u>	<u>420,444</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of Property, Plant and Equipment		-	36,300
Payment for Property, Plant and Equipment		<u>(28,101)</u>	<u>(250,214)</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>(28,101)</u>	<u>(213,914)</u>
NET INCREASE IN CASH		401,048	206,530
Cash at 1 April 2013		<u>2,240,145</u>	<u>2,033,615</u>
CASH AT 31 MARCH 2014	13(a)	<u>2,641,193</u>	<u>2,240,145</u>

(The attached notes form part of these financial statements)

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

RECOVERY OF WAGES ACTIVITY

FOR THE YEAR ENDED 31 MARCH 2014

The Communications, Electrical, Plumbing Union of Australia, Postal and Telecommunications Branch NSW has not undertaken recovery of wages activity. The Branch does assist with recovery of its member wages. However, as and when decreed by the court we confirm that any settlement or recovery of wages is directly managed between the employer and the employee (i.e. our Postal and Telecommunications Branch NSW member) and at no point of time is any money banked into the Branch bank account. Reportable amounts are NIL for:

- a. any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- b. any donations or other contributions deducted from recovered money.

**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 2014**

NOTE 1: BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT

The concise financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009.

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 THE GENERAL MANAGER OF
FAIR WORK AUSTRALIA**

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

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (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).

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Independent Auditor's Report

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

We have audited the accompanying concise financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW (the "Trade Union"), which comprises the statement of financial position as at 31 March 2014, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the statement by the Committee of Management.

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 2014. Our audit report on the full financial report was signed on 15 October 2014, and was not subject to any qualification. The Auditor's opinion for the full financial report is as follows:

"In our opinion,

- a the financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW:
 - i presents fairly, in all material respects, the Trade Union's financial position as at 31 March 2014 and of its performance and cash flows for the year then ended; and
 - ii complies with Australian Accounting Standards, the Fair Work (Registered Organisations) Act 2009 and the relevant legislation;

- b the Committee of Management appropriately applied the going concern basis of accounting.”

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 Fair Work (Registered Organisations) Act 2009.

Audit Opinion

In our opinion, the concise financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW for the year ended 31 March 2013 complies with Accounting Standard AASB 1039 Concise Financial Reports.

Report on the recovery of wages activity

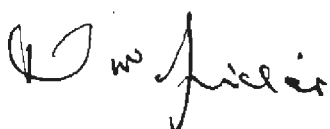
The Committee of Management are responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with section 253(2)(c) of the Fair Work Act 2009 (Registered Organisations). Our responsibility is to express an opinion on the recovery of wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards. We have been advised that no recovery of wages activity has been undertaken in the current financial year. Accordingly we have not been instructed by the Committee of Management to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity.

Other Matters

The signor is an Approved Auditor (who holds a current Public Practice Certificate) with the Institute of Chartered Accountants in Australia.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Neville Sinclair
Partner - Audit & Assurance

Sydney, 16 October 2014