



13 November 2015

Mr Jim Metcher
Branch Secretary

CEPU - Communications Division - New South Wales Postal and Telecommunications Branch
sent via email: jim.metcher@cepu.org

Dear Mr Metcher,

CEPU - Communications Division - New South Wales Postal and Telecommunications Branch - Financial Report for the year ended 31 March 2015 - [FR2015/64]

I acknowledge receipt of the financial report of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia-Communications Division - New South Wales Postal and Telecommunications Branch (the Branch). The documents were lodged with the Fair Work Commission on 25 September 2015.

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

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

I make the following comment to assist you when you next prepare a financial report. Copies of the full report were provided to members on 1 September 2015. It appears to have been the intention of the Branch to present the full report to a meeting of members in accordance with s.266 of the RO Act on 22 September 2015. I also note that this meeting was not convened and therefore the full report was presented to a meeting of the Committee of Management on 23 September 2015. When presenting the full report to the Committee of Management, to comply with s.265 of the RO Act the full report must be provided to members within 5 months of the end of the financial year, being 31 August 2015. In the future, it would be prudent of the Branch to ensure that the full report is provided to members by 31 August in case the meeting of members is not convened so that the Branch will still be able to comply with s.265 of the RO Act.

Please note that the financial report for the year ending 31 March 2015 may be subject to an advanced compliance review.

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. 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. Access to this information may be obtained via [this link](#).

11 Exhibition Street
Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001

Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au

If you have any queries regarding this letter, please contact me on (03) 8656 4699 or via email at Sam.Gallichio@fwc.gov.au.

Yours sincerely



Sam Gallichio
Adviser
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: 24 September 2015

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 2015

I Shane Murphy, being the A/g 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 2015 in accordance with s268 of the Fair Work (Registered Organisations) Act 2009;
- The concise report was provided to members as from 1 September 2015 in accordance with the Branch Committee of Management Statement;
- The Annual General Meeting of the Branch scheduled for 22 September 2015 failed to convene under the rules of the Union; and
- The General Purpose Financial and Concise Reports was presented to the Branch Committee of Management meeting (second meeting) held on 23 September 2015 in accordance with s266 of the Fair Work (Registered Organisations) Act 2009.

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

Yours faithfully,

SHANE MURPHY
A/G BRANCH SECRETARY

Connecting
our community

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

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**

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 2015.

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 2015 is \$102,247 (2014: \$338,803)

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

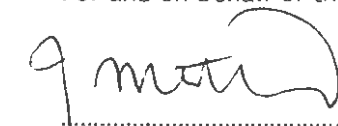
- (1) Under section 230 of the Fair Work (Registered Organisations) Act 2009 the number of persons recorded in the register of members and who under section 244 of the Fair Work (Registered Organisations) Act 2009 are taken to be members of the Branch of the Union as at 31 March 2015 was 8,421.
- (2) 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 2015 was 14 (2014: 13).
- (3) The names of persons who have at any time during the financial year ending 31 March 2015 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	1/4/2014 - 31/3/2015
Branch Vice Presidents	Maureen Morris	1/4/2014 - 31/3/2015
	Max Wiley	1/4/2014 - 31/3/2015
Branch Secretary	Jim Metcher	1/4/2014 - 31/3/2015
Branch Assistant Secretary	Shane Murphy	1/4/2014 - 31/3/2015
Branch Organisers	Peter Chaloner	1/4/2014 - 31/3/2015
	Gil Enzon	1/4/2014 - 31/3/2015
	Tan Kien Ly	1/4/2014 - 31/3/2015
	Aaron Stockdale	1/4/2014 - 31/3/2015
Lines & General Sectional Representatives	Max Catania	1/4/2014 - 31/3/2015
	Peter O'Connell	1/4/2014 - 31/3/2015
	Michael Stanbury	1/4/2014 - 31/3/2015
	Steve Worsley	21/5/2014 - 31/3/2015
Postal Sectional Representatives	Ramon Gammad	1/4/2014 - 31/3/2015
	Geoffrey Johnson	1/4/2014 - 31/3/2015
	Aaron Robertson	1/4/2014 - 31/3/2015
	John Amatto	1/4/2014 - 31/3/2015
	Paula Houghton	1/4/2014 - 31/3/2015
	Brandon Lam	1/4/2014 - 31/3/2015
	Gregory Rayner	1/4/2014 - 31/3/2015

For and on behalf of the Committee of Management



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JIM METCHER
BRANCH SECRETARY

15 July 2015

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

BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

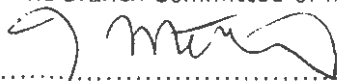
On 15 July 2015 the Branch Committee of Management of the Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 31 March 2015.

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 2015;
- (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 2015 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 2015 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 2015 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 July 2015

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 2015

		2015	2014
		\$	\$
INCOME			
Membership Contributions	4	3,043,528	3,052,588
Interest		28,797	28,330
Rent		688,249	656,765
Dividends		232	322
Tenants Outgoings		97,508	49,372
Board fees	1	33,415	-
Sundry Income		6,200	18,208
TOTAL INCOME		<u>3,897,929</u>	<u>3,805,585</u>
EXPENDITURE			
Depreciation			
Office Furniture & Equipment		49,377	40,650
Motor Vehicles		40,359	48,999
		<u>89,736</u>	<u>89,649</u>
Employee Benefits Expense			
Salaries - Officials	5c	890,762	879,269
Salaries - Staff	5d	352,300	256,520
Payroll Tax		97,256	67,046
Provident Fund and Superannuation	5 c d	178,761	177,052
Provision for Long Service Leave		(4,628)	30,900
Provision for Annual Leave		(8,826)	(25,028)
Provision for Sick Leave		(69,980)	36,000
		<u>1,435,645</u>	<u>1,421,759</u>
Other Expenses			
Affiliation Fees	5a	62,073	65,765
Bank Charges		33,571	34,266
Capitation Divisional Conference	5a	684,793	689,554
CEPU Journey cover		59,916	57,599
Campaign Expenses - Your Rights At Work & research report		124,680	75,104
Collection Costs - Membership Contributions		24,207	19,663
Computer Expenses		52,082	54,181
Delegates, Meetings and Officials Expenses	5f	54,217	46,828
Donations & Grants	5b	-	31,000
Electricity, Gas and Heating		51,465	55,430
Emergency Ambulance Transport Benefit		11,892	7,498
Equipment Rental		12,013	13,912
Fringe Benefits Tax		16,692	33,323
Honorarium		1,000	-
Insurance		34,471	30,087
Land Tax		58,476	22,792
Property leasing commission		5,707	-
Legal and Professional Fees	5e	524,556	281,404
Carried Forward		<u>1,811,811</u>	<u>1,518,406</u>

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 2015 (cont'd)

	2015	2014
	\$	\$
Other Expenses (cont'd)		
Brought Forward	1,811,811	1,518,406
Loss on Disposal of Assets	26,660	-
Management Fees Building	26,835	26,427
Mortality Benefits Paid	1,500	3,000
Motor Vehicle Expenses	64,258	65,987
National Council Fund	4,243	2,962
Other Expenditure	9,172	7,535
Parking Space Levy	14,310	13,995
Postage, Printing and Stationery	60,427	70,884
Publications and Communication	37,895	40,776
Rates and Taxes	78,515	79,896
Repairs and Maintenance	82,143	77,953
Sub-Branch Expenses	51	18
Telecommunication costs	38,493	34,568
Training	1,669	1,296
Workers Compensation	12,319	11,671
	<u>2,270,301</u>	<u>1,955,374</u>
TOTAL EXPENDITURE	<u>3,795,682</u>	<u>3,466,782</u>
NET SURPLUS FOR THE YEAR	<u>102,247</u>	<u>338,803</u>
Other Comprehensive Income:		
Revaluation of Building	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>102,247</u>	<u>338,803</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 2015

	Note	2015 \$	2014 \$
CURRENT ASSETS			
Cash and Cash Equivalents	9	2,657,702	2,641,193
Receivables	10	72,452	67,052
Receivables - member Contributions in Transit		42,239	30,693
		<u>2,772,393</u>	<u>2,738,938</u>
NON CURRENT ASSETS			
Investments	11	1,591	1,591
Property, Plant and Equipment	12	9,247,757	9,228,517
		<u>9,249,348</u>	<u>9,230,108</u>
TOTAL ASSETS		<u>12,021,741</u>	<u>11,969,046</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	102,027	129,390
Provision for Annual Leave	6 c d	113,199	122,025
Provision for Sick Leave	6 c d	257,133	327,113
Sundry Creditors and Accruals	6 b	229,318	205,371
Sundry Creditor - Divisional Conference	5a	69,150	59,215
		<u>788,595</u>	<u>860,882</u>
NON CURRENT LIABILITIES			
Provision for Long Service Leave	6 c d	80,738	58,003
TOTAL LIABILITIES		<u>869,333</u>	<u>918,885</u>
NET ASSETS		<u>11,152,408</u>	<u>11,050,161</u>
Accumulated Funds		10,952,408	10,850,161
Asset Revaluation Reserve		200,000	200,000
ACCUMULATED FUNDS AND RESERVES		<u>11,152,408</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 CHANGES IN ACCUMULATED FUNDS AND RESERVES
 FOR THE YEAR ENDED 31 MARCH 2015

	Accumulated Funds	Building Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 April 2013	10,511,358	200,000	10,711,358
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	10,850,161	200,000	11,050,161
Net Surplus	102,247	-	102,247
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the Year	<u>102,247</u>	<u>-</u>	<u>102,247</u>
Balance at 31 March 2015	10,952,408	200,000	11,152,408

(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 2015

	Note	2015 \$	2014 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Members		3,031,982	3,058,025
Payments to Suppliers and Employees		(3,119,062)	(2,757,870)
Payments to other Unions or Parent Union (CEPU Divisional Conference)		(615,643)	(630,339)
Interest Received		28,797	25,547
Dividend Received		232	322
Rent Received		688,248	656,765
Other Receipts		137,589	76,699
NET CASH PROVIDED BY OPERATING ACTIVITIES	13(b)	<u>152,143</u>	<u>429,149</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of Property, Plant and Equipment		26,660	-
Payment for Property, Plant and Equipment		(162,294)	(28,101)
NET CASH USED IN INVESTING ACTIVITIES		<u>(135,634)</u>	<u>(28,101)</u>
NET INCREASE IN CASH		16,509	401,048
Cash at 1 April 2014		<u>2,641,193</u>	<u>2,240,145</u>
CASH AT 31 MARCH 2015	13(a)	<u>2,657,702</u>	<u>2,641,193</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 2015

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 2015**

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 NSW Branch is a Branch of the registered organisation. In accordance with the Act, the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the Branch are not subject to the Corporations Act 2001. The Branch is a not-for-profit entity for the purpose of preparing financial statements under Australian Accounting Standards.

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.

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.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Board fees are fees received where union officials are appointed to a board of trustees for superannuation funds as union representatives. These fees are recognised on an accruals basis. In prior years the board fees were retained by the officials as permitted by the National body ruling in 2004 as to the accounting for other remuneration received in connection with the duties of the union official, external to the Union activities. Since April 2014 the fees are remitted to the Branch net of the PAYE obligation on the receiving officer.

Interest and dividend income 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 2015 (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 2015 (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 has 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) Administration

The Branch has not been administered by another entity.

(k) 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.

(l) 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.

(m) 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 2015 (cont'd)

- (n) New and revised Standards that is effective for annual periods beginning on or after 1 April 2014.

A number of new and revised standards are effective for annual periods beginning on or after 1 April 2014. Information on these new standards is presented below.

Amendments to AASB 119 *Employee Benefits*

The 2011 amendments to AASB 119 made a number of changes to the accounting for employee benefits, the most significant relating to defined benefit plans. The amendments:

- Eliminate the 'corridor method' and requires the recognition of re-measurements (including actuarial gains and losses) arising in the reporting period in other comprehensive income;
- Change the measurement and presentation of certain components of the defined benefit cost. The net amount in profit or loss is affected by the removal of the expected return on plan assets and interest cost components and their replacement by a net interest expense or income based on the net defined benefit asset or liability; and
- Enhance disclosures, including more information about the characteristics of defined benefit plans and related risks.

Under the amendments, employee benefits 'expected to be settled wholly' (as opposed to 'due to be settled' under the superseded version of AASB 119) within 12 months after the end of the reporting period are short-term benefits, and are therefore not discounted when calculating leave liabilities. As the Union does not expect all annual leave for all employees to be used wholly within 12 months of the end of reporting period, annual leave is included in 'other long-term benefit' and discounted when calculating the leave liability. This change has had no impact on the presentation of annual leave as a current liability in accordance with AASB 101 *Presentation of Financial Statements*.

These amendments have had no significant impact on the entity.

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.

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 2015 (cont'd)

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).

4. INCOME

(a) Membership fees

	2015	2014
	\$	\$
Membership fees	3,043,528	3,052,588

(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

	2015	2014
	\$	\$
Affiliation Fees		
ALP NSW Branch	35,773	36,062
ALP ACT Branch	2,069	2,468
Unions NSW	24,231	27,235
	<u>62,073</u>	<u>65,765</u>
CEPU Divisional Conference (Capitation Fees) - Paid	8 615,643	630,339
CEPU Divisional Conference (Capitation Fees) - Accrued	69,150	59,215
CEPU Divisional Conference (Capitation Fees)	<u>684,793</u>	<u>689,554</u>
CEPU National Office (National Council Fund)	4,243	2,962

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)

(b) Donations

Details to whom payment made	Purpose	2015 \$
Media Wise Productions	Costs of brochures and mail out for electricity privatisation Campaign during the NSW election	10,229

There were no other donations made in the 2015 financial year.

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
		<u>1,000</u>

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
		<u>30,000</u>

(c) Employee expenses related to holders of office

	2015 \$	2014 \$
Officers benefits expense		
Wages and Salaries	890,762	879,269
Superannuation	102,023	101,047
Leave and other entitlements	35,262	23,448
Separation and redundancies	-	-
Fringe benefit expenses	11,697	23,443
	<u>1,039,744</u>	<u>1,027,207</u>

**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 2015 (cont'd)**

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

	2015	2014
	\$	\$
Employees benefits expense		
Wages and Salaries	352,300	256,520
Superannuation	76,738	76,005
Leave and other entitlements	(118,696)	18,424
Separation and redundancies	-	10,821
Fringe benefit expenses	4,995	9,880
	<u>315,337</u>	<u>371,650</u>

(e) Legal and Professional Fees

	2015	2014
	\$	\$
Legal costs - litigation	329,001	171,090
Legal costs - other matters	151,556	78,814
Sub total	<u>480,556</u>	<u>249,904</u>
Audit Fees	14 43,999	31,500
	<u>524,556</u>	<u>281,404</u>

(f) Delegates expenses

	2015	2014
	\$	\$
Delegates Expenses	54,217	46,828
Included in the above delegates expense are expenses for:		
Fees or allowances for attendances as representatives of the Union at conferences or other meetings	4,000	50
Expenses incurred in connection with holding meetings of members of the reporting unit	16,149	31,951

(g) Other expense

Payments to employers for payroll deduction activity	24,204	19,633
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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. Penalties imposed under the RO Act.

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 2015 (cont'd)

6. DISCLOSURES IN RESPECT OF STATEMENT OF FINANCIAL POSITION

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

		2015	2014
		\$	\$
Amounts receivable from reporting units			
CEPU Divisional Conference	10	1,812	1,812
Amounts payable to reporting units			
CEPU Divisional Conference (Capitation Fees Payable)		69,150	59,215
CEPU Divisional Office - for journey cover		4,350	-

(b) Payables and accruals

		2015	2014
		\$	\$
Legal costs - litigation		25,072	41,573
Trade payable		143,557	68,296
Tax payable		43,793	70,382
CEPU Divisional Office - for journey cover		4,350	-
Payables to employers as consideration for the employers making payroll deductions of membership subscriptions		-	-
Other payable		12,546	25,120
		<u>229,318</u>	<u>205,371</u>

(c) Employee provisions related to holders of office

		2015	2014
		\$	\$
Officers provisions			
Annual leave		71,655	51,064
Long service leave		141,799	95,178
Separation and redundancies		-	-
Other employee provisions (sick leave)		225,937	216,167
		<u>469,391</u>	<u>362,409</u>

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

		2015	2014
		\$	\$
Employees provisions			
Annual leave		41,544	70,961
Long service leave		40,966	92,215
Separation and redundancies		-	-
Other employee provisions (sick leave)		31,196	110,946
		<u>113,706</u>	<u>274,122</u>

**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA
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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.

8. DISCLOSURES IN RESPECT OF STATEMENT OF CASH FLOWS

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.

		2015	2014
		\$	\$
Cash inflows from other reporting units		-	-
Cash outflows to other reporting units (CEPU Divisional Conference)	5a	615,643	630,339
		2015	2014
		\$	\$
9. CASH AND CASH EQUIVALENTS			
Cash on Hand		800	800
Cash at Bank		32,563	384,456
Cash Management Account		2,534,568	2,255,937
NSW State Election Account		89,771	-
		<u>2,657,702</u>	<u>2,641,193</u>
10. RECEIVABLES			
Accrued Interest		377	2,299
Bonds		6,795	6,795
Prepayments		47,075	41,210
Sundry Debtors		16,393	14,935
Amounts due from CEPU Divisional Conference	6a	1,812	1,812
		<u>72,452</u>	<u>67,051</u>
11. INVESTMENTS			
Available-For-Sale Financial Assets			
Shares in listed companies at cost		<u>1,591</u>	<u>1,591</u>

Cost is used as a reasonable approximation of fair value given the low value held.

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 2015 (cont'd)

	2015 \$	2014 \$
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>
<p>The branch committee of management determined the fair value of the building had increased to \$8,825,000 at 31 March 2012 to reflect current market information on the land and building. Information on current values to 31 March 2015 has been received to indicate that this value has not declined since that date to require adjustment. Part of the building is used to generate rental income determined on market rental rates and is considered to be the assets highest and best use.</p>		
Office Furniture and Equipment		
At Cost	760,853	714,767
Less Accumulated Depreciation	<u>(529,403)</u>	<u>(480,026)</u>
	<u>231,450</u>	<u>234,741</u>
Motor Vehicles		
At Cost	274,980	340,822
Less Accumulated Depreciation	<u>(83,673)</u>	<u>(172,046)</u>
	<u>191,307</u>	<u>168,776</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>9,247,757</u>	<u>9,228,517</u>

MOVEMENTS IN CARRYING AMOUNTS

	Land and Buildings	Office Furniture and Equipment	Motor Vehicles	Total
Balance at 1 April 2014	8,825,000	234,741	168,776	9,228,517
Additions	-	46,086	116,208	162,294
Disposals	-	-	(53,318)	(53,318)
Depreciation	-	(49,377)	(40,359)	(89,736)
	<u>8,825,000</u>	<u>231,450</u>	<u>191,307</u>	<u>9,247,757</u>
Balance at 31 March 2015	<u>8,825,000</u>	<u>231,450</u>	<u>191,307</u>	<u>9,247,757</u>
	8,825,000	247,291	217,774	9,290,065
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 2015 (cont'd)

		2015	2014
		\$	\$
13. CASH FLOW INFORMATION			
Cash and cash equivalents			
<i>Cash</i> comprises cash on hand and demand deposits.			
<i>Cash equivalents</i> are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.			
(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	32,563	384,456
Cash Management Account	9	2,534,568	2,255,937
NSW State Election Account	9	89,771	
		<u>2,657,702</u>	<u>2,641,193</u>
(b) Reconciliation of cash flow from Operations with Net Surplus			
Net Surplus		102,247	338,803
Non-Cash Flows in Operating Result			
Loss on Disposal of Assets		26,659	-
Depreciation		89,736	89,649
Changes in Assets and Liabilities			
(Increase) in Deductions in Transit		(11,546)	5,437
(Increase)/ Decrease in Bonds, Prepayments & Sundry Debtors		(5,400)	(6,695)
Increase in Branch Education Training Fund & Emergency Ambulance Transport Benefit Fund		-	-
(Decrease)/Increase in Sundry Creditors		33,881	(39,917)
(Decrease)/Increase in Provisions		<u>(83,434)</u>	<u>41,872</u>
CASH FLOWS FROM OPERATIONS		<u>152,143</u>	<u>429,149</u>
		2015	2014
		\$	\$
14. AUDITORS' REMUNERATION			
Audit Fees		34,450	31,500
Accounting and other support services		9,549	-
		<u>43,999</u>	<u>31,500</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)

15. RELATED PARTY DISCLOSURES

(a). 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	1/4/2014 - 31/3/2015
Branch Vice Presidents	Maureen Morris Max Wiley	1/4/2014 - 31/3/2015 1/4/2014 - 31/3/2015
Branch Secretary	Jim Metcher	1/4/2014 - 31/3/2015
Branch Assistant Secretary	Shane Murphy	1/4/2014 - 31/3/2015
Branch Organisers	Peter Chaloner Gil Enzon Tan Kien Ly Aaron Stockdale	1/4/2014 - 31/3/2015 1/4/2014 - 31/3/2015 1/4/2014 - 31/3/2015 1/4/2014 - 31/3/2015
Lines & General Sectional Representatives	Max Catania Peter O'Connell Michael Stanbury Steve Worsley	1/4/2014 - 31/3/2015 1/4/2014 - 31/3/2015 1/4/2014 - 31/3/2015 21/5/2014 - 31/3/2015
Postal Sectional Representatives	Ramon Gammad Geoffrey Johnson Aaron Robertson John Amatto Paula Houghton Brandon Lam Gregory Rayner	1/4/2014 - 31/3/2015 1/4/2014 - 31/3/2015 1/4/2014 - 31/3/2015 1/4/2014 - 31/3/2015 1/4/2014 - 31/3/2015 1/4/2014 - 31/3/2015 1/4/2014 - 31/3/2015

(b). 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.

- i. The aggregate amount of remuneration paid to officers during the financial year is disclosed in the Financial Report (Note 5 (c)).
- ii. The aggregate amount paid during the financial year to a superannuation plan in respect of elected full time officers was \$102,023 (2014: \$101,047).
- iii. 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.

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 2015 (cont'd)

- iv. 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).
- v. Amounts receivable from and payable to the Divisional Conference at balance date are disclosed in Note 6(a).
- vi. 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.

(c). 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.

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 2015 were \$3,043,528 (2014: \$3,052,588).

18. COMMITMENTS

Finance lease payment commitments:

The Union had the following lease commitment for Plant and Equipment as at 31 March 2015.

	2015	2014
	\$	\$
Payable within one year	13,214	13,214
Payable later than one year but not later than five years	18,094	31,344
Payable later than five years	-	-
	<u>31,308</u>	<u>44,558</u>

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)

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

(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:

	2015	2014
	\$	\$
Cash and cash equivalents	2,657,702	2,641,193

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

	2015	2014
	\$	\$
Receivables	72,452	67,052

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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(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 2015 it has \$2,657,702 of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 31 March 2015 totalled \$316,236. 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 2015	Fixed Interest rate	Floating interest rate	Non-interest Bearing	Total
Financial Assets	\$	\$	\$	\$
Cash at Bank and on Hand		32,563	800	33,363
Held- to maturity investments	2,534,568			2,534,568
Receivables			72,452	72,452
Total financial assets	2,534,568	32,563	73,252	2,640,383
Weighted average Interest rate	2%	0.01%		
Financial Liabilities				
Payables			316,236	316,236
Net Financial Assets	2,532,568	32,563	(242,984)	2,324,147

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 2015 (cont'd)
19. FINANCIAL RISK MANAGEMENT NOTE (cont'd)

Sensitivity Analysis

2015	Carrying Amount	+0.5% (50 basis points) Profit	-0.5% (50 basis points) Loss
	\$	\$	\$
Cash Assets	<u>2,657,702</u>	<u>13,288</u>	<u>(13,288)</u>
2014			
Cash Assets	<u>2,641,193</u>	<u>13,206</u>	<u>(13,206)</u>

(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. OPERATING LEASE INCOME

The future minimum lease rental receipts under non-cancellable operating leases are set out below, in the aggregate and represent for each of the following periods, the current rental amounts receivable :

	2015	2014
	\$	\$
Receivable within one year	555,277	686,926
Receivable later than one year but not later than five years	1,480,738	2,036,015
Receivable later than five years	-	-
	<u>2,036,015</u>	<u>2,722,941</u>

General description of the lessor's leasing arrangements

The operating leases are applicable to the portion of the building not used by the Branch, which are leased under operating leases of between 3 and 5 years.

The leases are subject to annual reviews with increases based on varying levels of 3% to 4%, subject to varying conditions and inflation.

21. REGISTERED OFFICE

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

Level 3,
81 George Street
Parramatta NSW 2150

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 financial report of Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW (the "Association"), which comprises the statement of financial position as at 31 March 2015, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information 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 Association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and Associations Incorporation Act 2009 (NSW). 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.

Grant Thornton Audit Pty Ltd ABN 94 269 609 023
ACN 130 913 594
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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.

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 Association'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 Association'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, Ethical Standards Board and the Fair Work (Registered Organisations) Act 2009.

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 Association's financial position as at 31 March 2015 and of its performance and cash flows for the year then ended ; and
 - ii complies with Australian Accounting Standards the requirements imposed by the Fair Work (Registered Organisations) Act 2009; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statement.
- c In preparing the financial report management has 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.

Auditor's opinion on the recovery of wages activity financial report

Based upon the management statements referred to above, in our opinion in relation to the recovery of wages activity, the financial report presents fairly all reporting guidelines of the General Manager, including:

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

Other Matter

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, 15 July 2015

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA

POSTAL AND TELECOMMUNICATIONS BRANCH NSW

CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA
POSTAL AND TELECOMMUNICATIONS BRANCH NSW
CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

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**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA
POSTAL AND TELECOMMUNICATIONS BRANCH NSW
CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2015**

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 2015 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:

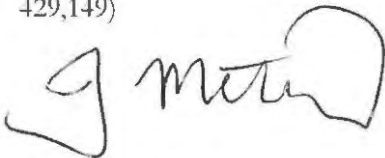
The Branch continues to achieve an operating surplus to ensure cash reserves are able to fund any exceptional circumstances which require expenditure costs associated with protecting and improving living standards for members and their families. The Branch income and expenditure for the year end apart 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 to meet significant legal costs which have resulted as a result of responding to Royal Commission enquiries and other legal costs have been incurred in dealing with the interests of the members; to fund advice and representation of Branch officers in litigation and contentious matters arising out of serious disputations which have been occurring and is still evident at the Communications Division level.

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. The Branch retains a positive surplus amount of net current assets over liabilities of \$ 1,988,149 (2014 \$ 1,878,056) notwithstanding the abnormal legal costs incurred. The land and buildings has increased in value according to the recent market fair value advice with the Committee of Management electing to not revise the land and building asset value at this point.

Statement of Cash flows:

The cash flow 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 and legal costs of the Branch, as explained above. The net cash flow from operations was \$152,143 (2014 \$ 429,149)



**JIM METCHER
BRANCH SECRETARY**

15 July 2015

**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA
POSTAL AND TELECOMMUNICATIONS BRANCH NSW
CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2015
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 2015.

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 2015 is \$102,247 (2014: \$338,803)

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 2015 was 8,421.
- (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 2015 was 14 (2014: 13).
- (3) The names of persons who have at any time during the financial year ending 31 March 2015 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
 CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

OPERATING REPORT (cont'd)

<u>Position</u>	<u>Name</u>	<u>Period</u>
Branch President	Rod Baxter	1/4/2014 - 31/3/2015
Branch Vice Presidents	Maureen Morris	1/4/2014 - 31/3/2015
	Max Wiley	1/4/2014 - 31/3/2015
Branch Secretary	Jim Metcher	1/4/2014 - 31/3/2015
Branch Assistant Secretary	Shane Murphy	1/4/2014 - 31/3/2015
Branch Organisers	Peter Chaloner	1/4/2014 - 31/3/2015
	Gil Enzon	1/4/2014 - 31/3/2015
	Tan Kien Ly	1/4/2014 - 31/3/2015
	Aaron Stockdale	1/4/2014 - 31/3/2015
Lines & General Sectional Representatives	Max Catania	1/4/2014 - 31/3/2015
	Peter O'Connell	1/4/2014 - 31/3/2015
	Michael Stanbury	1/4/2014 - 31/3/2015
	Steve Worsley	21/5/2014 - 31/3/2015
Postal Sectional Representatives	Ramon Gammad	1/4/2014 - 31/3/2015
	Geoffrey Johnson	1/4/2014 - 31/3/2015
	Aaron Robertson	1/4/2014 - 31/3/2015
	John Amatto	1/4/2014 - 31/3/2015
	Paula Houghton	1/4/2014 - 31/3/2015
	Brandon Lam	1/4/2014 - 31/3/2015
	Gregory Rayner	1/4/2014 - 31/3/2015

For and on behalf of the Committee of Management



JIM METCHER
 BRANCH SECRETARY

15 July 2015

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA
POSTAL AND TELECOMMUNICATIONS BRANCH NSW
CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

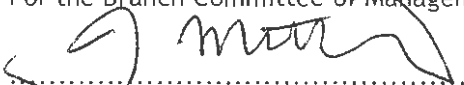
On 15 July 2015 the Branch Committee of Management of the Communications, Electrical, Plumbing Union of Australia Postal and Telecommunications Branch NSW passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 31 March 2015.

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 2015;
- (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 2015 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 2015 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 2015 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 July 2015

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA
 POSTAL AND TELECOMMUNICATIONS BRANCH NSW
 CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

STATEMENT OF PROFIT OR LOSS AND OTHER
 COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 MARCH 2015

		2015	2014
		\$	\$
INCOME			
Membership Contributions	4	3,043,528	3,052,588
Interest		28,797	28,330
Rent		688,249	656,765
Dividends		232	322
Tenants Outgoings		97,508	49,372
Board fees	1	33,415	-
Sundry Income		6,200	18,208
TOTAL INCOME		<u>3,897,929</u>	<u>3,805,585</u>
EXPENDITURE			
Depreciation			
Office Furniture & Equipment		49,377	40,650
Motor Vehicles		40,359	48,999
		<u>89,736</u>	<u>89,649</u>
Employee Benefits Expense			
Salaries - Officials	5c	890,762	879,269
Salaries - Staff	5d	352,300	256,520
Payroll Tax		97,256	67,046
Provident Fund and Superannuation	5 c d	178,761	177,052
Provision for Long Service Leave		(4,628)	30,900
Provision for Annual Leave		(8,826)	(25,028)
Provision for Sick Leave		(69,980)	36,000
		<u>1,435,645</u>	<u>1,421,759</u>
Other Expenses			
Affiliation Fees	5a	62,073	65,765
Bank Charges		33,571	34,266
Capitation Divisional Conference	5a	684,793	689,554
CEPU Journey cover		59,916	57,599
Campaign Expenses - Your Rights At Work & research report		124,680	75,104
Collection Costs - Membership Contributions		24,207	19,663
Computer Expenses		52,082	54,181
Delegates, Meetings and Officials Expenses	5f	54,217	46,828
Donations & Grants	5b	-	31,000
Electricity, Gas and Heating		51,465	55,430
Emergency Ambulance Transport Benefit		11,892	7,498
Equipment Rental		12,013	13,912
Fringe Benefits Tax		16,692	33,323
Honorarium		1,000	-
Insurance		34,471	30,087
Land Tax		58,476	22,792
Property leasing commission		5,707	-
Legal and Professional Fees	5e	524,556	281,404
Carried Forward		<u>1,811,811</u>	<u>1,518,406</u>

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA
 POSTAL AND TELECOMMUNICATIONS BRANCH NSW
 CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2015
 STATEMENT OF PROFIT OR LOSS AND OTHER
 COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)

	2015	2014
	\$	\$
Other Expenses (cont'd)		
Brought Forward	1,811,811	1,518,406
Loss on Disposal of Assets	26,660	-
Management Fees Building	26,835	26,427
Mortality Benefits Paid	1,500	3,000
Motor Vehicle Expenses	64,258	65,987
National Council Fund	4,243	2,962
Other Expenditure	9,172	7,535
Parking Space Levy	14,310	13,995
Postage, Printing and Stationery	60,427	70,884
Publications and Communication	37,895	40,776
Rates and Taxes	78,515	79,896
Repairs and Maintenance	82,143	77,953
Sub-Branch Expenses	51	18
Telecommunication costs	38,493	34,568
Training	1,669	1,296
Workers Compensation	12,319	11,671
	<u>2,270,301</u>	<u>1,955,374</u>
TOTAL EXPENDITURE	<u>3,795,682</u>	<u>3,466,782</u>
NET SURPLUS FOR THE YEAR	<u>102,247</u>	<u>338,803</u>
Other Comprehensive Income:		
Revaluation of Building	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>102,247</u>	<u>338,803</u>

(The attached notes form part of these financial statements)

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA
 POSTAL AND TELECOMMUNICATIONS BRANCH NSW
 CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015

	Note	2015 \$	2014 \$
CURRENT ASSETS			
Cash and Cash Equivalents	9	2,657,702	2,641,193
Receivables	10	72,452	67,052
Receivables - member Contributions in Transit		42,239	30,693
		<u>2,772,393</u>	<u>2,738,938</u>
NON CURRENT ASSETS			
Investments	11	1,591	1,591
Property, Plant and Equipment	12	9,247,757	9,228,517
		<u>9,249,348</u>	<u>9,230,108</u>
TOTAL ASSETS		<u>12,021,741</u>	<u>11,969,046</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	102,027	129,390
Provision for Annual Leave	6 c d	113,199	122,025
Provision for Sick Leave	6 c d	257,133	327,113
Sundry Creditors and Accruals	6 b	229,318	205,371
Sundry Creditor - Divisional Conference	5a	69,150	59,215
		<u>788,595</u>	<u>860,882</u>
NON CURRENT LIABILITIES			
Provision for Long Service Leave	6 c d	80,738	58,003
TOTAL LIABILITIES		<u>869,333</u>	<u>918,885</u>
NET ASSETS		<u>11,152,408</u>	<u>11,050,161</u>
Accumulated Funds		10,952,408	10,850,161
Asset Revaluation Reserve		200,000	200,000
ACCUMULATED FUNDS AND RESERVES		<u>11,152,408</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
 CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

STATEMENT OF CHANGES IN ACCUMULATED FUNDS AND RESERVES
 FOR THE YEAR ENDED 31 MARCH 2015

	Accumulated Funds	Building Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 April 2013	10,511,358	200,000	10,711,358
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>
Net Surplus	102,247	-	102,247
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the Year	<u>102,247</u>	<u>-</u>	<u>102,247</u>
Balance at 31 March 2015	<u>10,952,408</u>	<u>200,000</u>	<u>11,152,408</u>

(The attached notes form part of these financial statements)

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA
 POSTAL AND TELECOMMUNICATIONS BRANCH NSW
 CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 31 MARCH 2015

	Note	2015 \$	2014 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Members		3,031,982	3,058,025
Payments to Suppliers and Employees		(3,119,062)	(2,757,870)
Payments to other Unions or Parent Union (CEPU Divisional Conference)		(615,643)	(630,339)
Interest Received		28,797	25,547
Dividend Received		232	322
Rent Received		688,248	656,765
Other Receipts		137,589	76,699
NET CASH PROVIDED BY OPERATING ACTIVITIES	13(b)	<u>152,143</u>	<u>429,149</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of Property, Plant and Equipment		26,660	-
Payment for Property, Plant and Equipment		<u>(162,294)</u>	<u>(28,101)</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>(135,634)</u>	<u>(28,101)</u>
NET INCREASE IN CASH		16,509	401,048
Cash at 1 April 2014		<u>2,641,193</u>	<u>2,240,145</u>
CASH AT 31 MARCH 2015	13(a)	<u>2,657,702</u>	<u>2,641,193</u>

(The attached notes form part of these financial statements)

**COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA
POSTAL AND TELECOMMUNICATIONS BRANCH NSW
CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2015**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

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.

2. RECOVERY OF WAGES ACTIVITY

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.

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
 CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

4. INCOME

(a) Membership fees

	2015	2014
	\$	\$
Membership fees	3,043,528	3,052,588

(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

	2015	2014
	\$	\$
Affiliation Fees		
ALP NSW Branch	35,773	36,062
ALP ACT Branch	2,069	2,468
Unions NSW	24,231	27,235
	<u>62,073</u>	<u>65,765</u>
CEPU Divisional Conference (Capitation Fees) - Paid	8 615,643	630,339
CEPU Divisional Conference (Capitation Fees) - Accrued	69,150	59,215
CEPU Divisional Conference (Capitation Fees)	<u>684,793</u>	<u>689,554</u>
CEPU National Office (National Council Fund)	4,243	2,962

(b) Donations

Details to whom payment made	Purpose	2015
		\$
Media Wise Productions	Costs of brochures and mail out for electricity privatisation Campaign during the NSW election	<u>10,229</u>

There were no other donations made in the 2015 financial year.

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA
 POSTAL AND TELECOMMUNICATIONS BRANCH NSW
 CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)

5.c Donations Cont.

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
		<u>1,000</u>

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
		<u>30,000</u>

(c) Employee expenses related to holders of office

	2015 \$	2014 \$
Officers benefits expense		
Wages and Salaries	890,762	879,269
Superannuation	102,023	101,047
Leave and other entitlements	35,262	23,448
Separation and redundancies	-	-
Fringe benefit expenses	11,697	23,443
	<u>1,039,744</u>	<u>1,027,207</u>

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

	2015 \$	2014 \$
Employees benefits expense		
Wages and Salaries	352,300	256,520
Superannuation	76,738	76,005
Leave and other entitlements	(118,696)	18,424
Separation and redundancies	-	10,821
Fringe benefit expenses	4,995	9,880
	<u>315,337</u>	<u>371,650</u>

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA
 POSTAL AND TELECOMMUNICATIONS BRANCH NSW
 CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)

(e) Legal and Professional Fees

	2015	2014
	\$	\$
Legal costs - litigation	329,001	171,090
Legal costs - other matters	151,556	78,814
Sub total	<u>480,556</u>	<u>249,904</u>
Audit Fees	14 43,999	31,500
	<u>524,556</u>	<u>281,404</u>

(f) Delegates expenses

	2015	2014
	\$	\$
Delegates Expenses	54,217	46,828
Included in the above delegates expense are expenses for:		
Fees or allowances for attendances as representatives of the Union at conferences or other meetings	4,000	50
Expenses incurred in connection with holding meetings of members of the reporting unit	16,149	31,951

(g) Other expense

Payments to employers for payroll deduction activity	24,204	19,633
--	--------	--------

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. Penalties imposed under the RO Act.

COMMUNICATIONS, ELECTRICAL, PLUMBING UNION OF AUSTRALIA
 POSTAL AND TELECOMMUNICATIONS BRANCH NSW
 CONCISE FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2015 (cont'd)

6. DISCLOSURES IN RESPECT OF STATEMENT OF FINANCIAL POSITION

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

		2015	2014
		\$	\$
Amounts receivable from reporting units			
CEPU Divisional Conference	10	1,812	1,812
Amounts payable to reporting units			
CEPU Divisional Conference (Capitation Fees Payable)		69,150	59,215
CEPU Divisional Office - for journey cover		4,350	-

(b) Payables and accruals

		2015	2014
		\$	\$
Legal costs - litigation		25,072	41,573
Trade payable		143,557	68,296
Tax payable		43,793	70,382
CEPU Divisional Office - for journey cover		4,350	-
Payables to employers as consideration for the employers making payroll deductions of membership subscriptions		-	-
Other payable		12,546	25,120
		<u>229,318</u>	<u>205,371</u>

(c) Employee provisions related to holders of office

		2015	2014
		\$	\$
Officers provisions			
Annual leave		71,655	51,064
Long service leave		141,799	95,178
Separation and redundancies		-	-
Other employee provisions (sick leave)		225,937	216,167
		<u>469,391</u>	<u>362,409</u>

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

	2015	2014
	\$	\$
Employees provisions		
Annual leave	41,544	70,961
Long service leave	40,966	92,215
Separation and redundancies	-	-
Other employee provisions (sick leave)	31,196	110,946
	113,706	274,122

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.

8. DISCLOSURES IN RESPECT OF STATEMENT OF CASH FLOWS

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.

		2015	2014
		\$	\$
Cash inflows from other reporting units		-	-
Cash outflows to other reporting units (CEPU Divisional Conference)	5a	615,643	630,339

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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 2015, 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 2015. Our audit report on the full financial report was signed on 15 July 2015, 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 Association's financial position as at 31 March 2015 and of its performance and cash flows for the year then ended; and

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- ii complies with Australian Accounting Standards the requirements imposed by the Fair Work (Registered Organisations) Act 2009; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statement;
- c In preparing the financial report management has 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 2015 complies with Accounting Standard AASB 1039 Concise Financial Reports.

Report on the recovery of wages activity

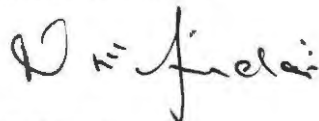
The Committee of Management are responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with section 253(2)(c) of the Fair Work Act 2009 (Registered Organisations). Our responsibility is to express an opinion on the recovery of wages activity 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, 15 July 2015

