



**Australian Government**  
**Australian Industrial Registry**

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

**Ref: FR2007/205-[128V-CPTQ]**

Mr Cameron Thiele  
Branch Secretary  
CEPU Communications Division  
Queensland Postal & Telecommunications Branch  
PO Box 3203  
SOUTH BRISBANE QLD 4101

Dear Mr Thiele

**Financial Return - year ending 31 March, 2007**

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

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

**Information on AIRC Website**

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

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

**Reporting Unit**

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

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

## Industrial Registrar's Guidelines

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

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

### Timeline Planner and Checklist

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

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

### Three Reports

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

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

(a) Financial Statements containing:

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

(b) Notes to the Financial Statements containing:

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

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

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

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

3. an **Auditor's Report**

## **First Meeting (Committee of Management)**

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

## **The Auditor**

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

## **Informing Your Members**

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

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

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

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

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

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

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

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

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

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

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

## **Lodge full report within 14 days of meeting**

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

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

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

### **Complying with time limits**

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

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

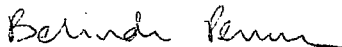
### **Extensions of Time**

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

### **Contact the Registry**

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

Yours sincerely



Belinda Penna  
For Deputy Industrial Registrar  
2 April, 2007



**Documents Checklist**

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

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

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

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

**Committee Of Management Statement**

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

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

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

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

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

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

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

Title of Office held:

Signature:

Date:

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

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



**Certificate of Secretary or other Authorised Officer<sup>1</sup>**

s268 of Schedule 1B *Workplace Relations Act 1996*

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

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

Signature

Date:

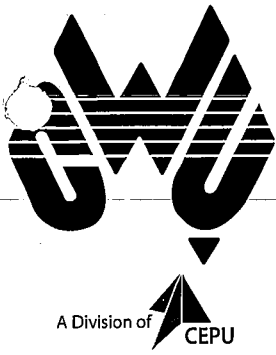
<sup>1</sup>*RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:*

(a) the secretary; or

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

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

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



## COMMUNICATIONS DIVISION

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2007/07/98

31 July 2007

Australian Industrial Registry  
Level 8  
Terrace Towers  
80 William Street  
EAST SYDNEY NSW 2011

Dear Sir/Madam

**Re YEAR 2007 REPORT ON FINANCIAL STATEMENTS**

Enclosed are the audited Financial Statements for the Queensland Branch of the Communications Electrical Plumbing Union, Postal & Telecommunications Branch Qld for the financial year ending 31<sup>st</sup> March 2007. These reports was sent out to members via a mail out on the 28<sup>th</sup> June 2007.

Yours faithfully

Cameron Thiele  
BRANCH SECRETARY



**Year 2007 REPORT ON FINANCIAL STATEMENTS & ACCOUNTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007**

BRANCH SECRETARY'S CERTIFICATE AS REQUIRED BY  
S268 OF SCHEDULE 1B WORKPLACE RELATIONS ACT 1996

"I Cameron Thiele being the State Secretary of the Communications Electrical Plumbing Union, Postal and Telecommunications Branch Queensland certify

- that the documents lodged herewith are copies of the full auditor's report referred to in s268 of the RAO Schedule; and
- that the full auditors report was provided to members on 28<sup>th</sup> June 2007 and
- that the full report was presented to a meeting of the Branch Committee of Management held on 24<sup>th</sup> June 2007.

  
Cameron Thiele  
Branch Secretary

31<sup>st</sup> July 2007



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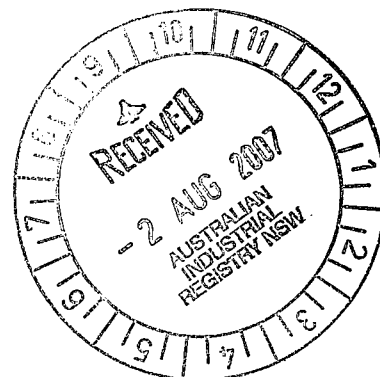
# **STEPHEN BEEBE & Co.**

CHARTERED ACCOUNTANT

## **CEPU COMMUNICATIONS DIVISION**

### **POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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



**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

**OPERATING REPORT**

The Committee of Management present their operating report for the financial year ended 31 March 2007.

**Committee Members**

The names of members of the Committee of Management at any time during the financial year are:

Cameron Thiele (Branch Secretary)	Richard Wright
Dave Callaghan (President)	Steve Douglas
Keith Mellis (Assistant Secretary)	Jean Rance
Phil Hughes (Organiser)	Russell Daveson
Debbie Harris (Organiser) ✓	Kevin Hogan
Rod Steer (Vice President)	Patricia Kirton
Trevor Eller (Vice President)	Russel Knudsen
Paul Hernes	Michael Cosgrove
Peter McDermott	Kevin Nugent
Roy Nilsen	

Members served on the Committee from the start of the financial year to the end of the financial year unless otherwise stated.

**Principal Activities**

The principal activity of the Branch during the course of the financial year was the advancement and protection of the interests of members.

There were no significant changes in the nature of the principal activities of the Branch during the financial year.

**Results Of Those Activities**

The operating result of the Branch for the financial year was a loss of \$75 289.

**Financial Affairs**

There were no significant changes to the financial affairs of the Branch during the financial year.

**After Balance Date Events**

On 1 April 2007, the Branch amalgamated with the CEPU Communications Division, Telecommunications and Services Branch Queensland to form a single reporting unit. The name of the amalgamated reporting unit is the CEPU Communications Workers Union Queensland.

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

**OPERATING REPORT**

**Resignation From Membership**

A member of the Branch may resign from membership by written notice addressed and delivered to the Branch Secretary. The notice of resignation can be given electronically.

A notice of resignation from membership takes effect:

- (a) where the member ceases to be eligible to become a member of the Branch:
- (i) on the day on which the notice is received by the organisation; or
  - (ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member;
- whichever is later;
- (b) in any other case:
- (i) at the end of two weeks, or such shorter period as is specified in the rules of the organisation, after the notice is received by the organisation; or
  - (ii) on the day specified in the notice;

whichever is later.

**Superannuation Fund Trustees**

No official or member of the Branch is:

- (i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and

where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of the Branch.

**Other Information**

The activities of the Branch during the financial year produced many positive outcomes for members, including the following highlights:

- Your Rights at Work Campaign;
- Major sponsor Day In Park For Longman. Community campaigns in all marginal seats;
- EBA7 Postal meeting in all major Queensland centres for members' feedback;
- Successfully building Industry Councils to represent membership streams;
- Successful amalgamation of P & T and T & S Branches.

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

**OPERATING REPORT**

**Branch Members**

The number of members of the branch at the end of the financial year was 3 819.

**Branch Employees**

The number of employees of the Branch at the end of the financial year was 9.

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



---

C.G Thiele

Dated this *27<sup>th</sup>* day of *JUNE*, 2007.

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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

	Note	2007 \$	2006 \$
Revenue	2	1 367 701	1 328 318
Employee benefits expense		( 718 880)	( 699 066)
Depreciation and amortisation expenses		( 62 664)	( 55 355)
Operating lease expense	3	( 17 178)	( 5 726)
Finance costs expense	3	( 12 548)	( 7 940)
Bad and doubtful debt expenses	3	( 17 119)	( 18 654)
ACTU organising		( 5 954)	( 55 655)
Affiliation expenses		( 42 282)	( 38 647)
CEPU National Office dues		( 269 037)	( 272 719)
Commission for payroll deductions		( 12 315)	( 14 845)
Motor vehicle expenses		( 10 706)	( 21 995)
Office expenses		( 86 014)	( 76 493)
Organisation and travelling expenses		( 43 049)	( 38 764)
Telecommunications expenses		( 29 018)	( 37 339)
Other expenses from ordinary activities		<u>( 116 226)</u>	<u>( 88 413)</u>
Profit/(loss) from operations		<u>( 75 289)</u>	<u>(103 293)</u>



**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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

	2007	2006
	\$	\$
<b>REVENUE</b>		
Members' contributions	1 216 733	1 237 682
Your Rights at Work levy	56 197	-
Interest	41 039	38 357
Sundry income	<u>53 732</u>	<u>52 279</u>
	<u>1 367 701</u>	<u>1 328 318</u>
<b>EXPENDITURE</b>		
ACTU Organising	5 954	55 655
Affiliation dues	42 282	38 647
Audit and accountancy fees	16 256	13 164
Bad debts	16 678	19 536
Bank charges	9 368	8 576
Building expenses	15 726	19 369
Campaigns	60 542	18 219
Cleaning	4 658	7 949
Commission for payroll deductions	12 315	14 845
Computer support	3 277	2 818
Consultative meetings	444	( 517)
Depreciation	62 664	55 355
Donations	450	2 595
Doubtful debts	441	( 882)
Fringe benefits tax	11 455	12 015
General expenses	25 146	20 040
Insurance	1 227	861
Legal and medical expenses	10 405	7 377
Loss on disposal of fixed assets	1 210	7 877
Members assistance	4 250	-
Motor vehicle expenses	23 254	29 935
National Council Fund – Communication Electrical Plumbing Union	2 044	2 130
National Executive dues – Communication Electrical Plumbing Union	269 037	272 719
Organisation and travel	43 049	38 764
Payroll tax	36 872	29 986
Photocopier expenses	14 628	12 944
Postage	24 551	17 181
Printing and stationery	19 033	10 859
Provision for staff leave	45 565	11 744
Publications, books and awards	863	1 296
Repairs and maintenance	93	156

Carried forward.....

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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

	2007	2006
	\$	\$
EXPENDITURE (continued)		
Salaries - officials	409 537	426 488
Salaries - employees	119 411	121 538
Staff training	-	-
State conferences	150	150
State Executive attendance fees	685	1 810
State Executive other expenses	232	5 597
Superannuation contributions	93 840	95 204
Telecommunications	29 018	37 339
Union training	4 180	10 181
Workers' compensation	<u>2 200</u>	<u>2 091</u>
	<u>1 442 990</u>	<u>1 431 611</u>
Profit/(loss) from operations	<u>( 75 289)</u>	<u>( 103 293)</u>

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

**BALANCE SHEET  
AS AT 31 MARCH 2007**

	Note	2007 \$	2006 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	37 982	13 438
Trade and other receivables	6	24 420	7 752
Other current assets	7	<u>36 073</u>	<u>26 486</u>
<b>Total Current Assets</b>		<u>98 475</u>	<u>47 676</u>
<b>NON CURRENT ASSETS</b>			
Trade and other receivables	6	1 426	1 259
Financial assets	8	657 191	684 412
Property, plant and equipment	9	<u>1 276 698</u>	<u>1 288 330</u>
<b>Total Non Current Assets</b>		<u>1 935 315</u>	<u>1 974 001</u>
<b>TOTAL ASSETS</b>		<u>2 033 790</u>	<u>2 021 677</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	85 077	65 819
Short term borrowings	11	42 176	23 266
Short term provisions	12	<u>43 876</u>	<u>-</u>
<b>Total Current Liabilities</b>		<u>171 129</u>	<u>89 085</u>
<b>NON CURRENT LIABILITIES</b>			
Long term borrowings	11	15 617	13 834
Long term provisions	12	<u>557 498</u>	<u>555 809</u>
<b>Total Non Current Liabilities</b>		<u>573 115</u>	<u>569 643</u>
<b>Total Liabilities</b>		<u>744 244</u>	<u>658 728</u>
<b>NET ASSETS</b>		<u>1 289 546</u>	<u>1 362 949</u>
<b>EQUITY</b>			
Reserves	13	584 279	582 393
Retained profits		<u>705 267</u>	<u>780 556</u>
<b>TOTAL EQUITY</b>		<u>1 289 546</u>	<u>1 362 949</u>

The balance sheet is to be read in conjunction with the notes to the financial statements set out on pages 10 to 26.

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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

	Note	2007 \$	2006 \$
<b>Retained Earnings</b>			
Balance at 1 April 2006		780 556	827 176
Profit attributable to the Branch		( 75 289)	( 103 293)
Transfers from / (to) Members Assistance		-	56 673
		705 267	780 556
Balance at 31 March 2007		<u>705 267</u>	<u>780 556</u>

The statement of changes in equity is to be read in conjunction with the notes to the financial statements set out on pages 10 to 26.

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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

	Note	2007 \$	2006 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members		1 262 924	1 248 348
Other receipts		55 618	52 279
Payments to suppliers and employees		(1 049 146)	(1 103 287)
Payments for National Executives dues			
- Communication Electrical Plumbing Union		( 269 015)	( 274 904)
Interest received		41 039	38 670
Interest paid		( 12 548)	( 7 940)
Net cash flows by operating activities	19(b)	<u>28 872</u>	<u>( 46 834)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		13 107	16 589
Purchases of property, plant and equipment		( 7 027)	( 10 293)
Payments received from CEPU Plumbers Division		<u>-</u>	<u>191</u>
Net cash flows provided/(used) by investing activities		<u>6 080</u>	<u>6 487</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		-	-
Repayment of borrowings		( 37 629)	( 44 333)
Net cash flows from financing activities		<u>( 37 629)</u>	<u>( 44 333)</u>
Net increase (decrease) in cash held		( 2 677)	( 84 680)
Cash at the beginning of the financial year		<u>697 850</u>	<u>782 530</u>
Cash at the end of the financial year	19(a)	<u>695 173</u>	<u>697 850</u>

The statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 10 to 26.

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

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

The financial report covers the CEPU Communications Division, Postal & Telecommunications Branch Queensland as an individual entity. The CEPU Communications Division, Postal & Telecommunications Branch Queensland is a branch of an Industrial Union pursuant to the Workplace Relations Act 1996.

The financial report of CEPU Communications Division, Postal & Telecommunications Branch Queensland as an individual entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the Branch in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**(a) Income Tax**

No provision for income tax is made in the financial statements as the Branch is exempt from income tax.

**(b) Property, Plant and Equipment**

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

***Property***

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic valuations by external independent valuers, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

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

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

***Plant and Equipment***

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

***Depreciation***

The depreciable amount of all fixed assets including buildings, but excluding freehold land, are depreciated on the straight line and diminishing value bases over the useful lives of the assets to the Branch commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable asset are:

<i>Class of Fixed Asset</i>	<i>Depreciation Rate and Basis</i>
Buildings	2.50% straight line
Motor Vehicles	22.50% diminishing value
Leased Motor Vehicles	22.50% diminishing value
Plant and equipment	11.25% to 40.00% diminishing value

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

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

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

**(c) Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Branch, are classified as finance leases. Finance leases are capitalised recording an asset and a liability at the lower of the amount equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a diminishing value basis over their estimated useful lives where it is likely that the Branch will obtain ownership of the asset or over the term of the lease.

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

**(d) Financial Instruments**

*Recognition*

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

*Financial assets at fair value through profit and loss*

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Statements. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

*Held-to-maturity investments*

These investments have fixed maturities, and it is the Branch's intention to hold these investments to maturity. Any held-to-maturity investments held by the Branch are stated at amortised cost using the effective interest rate method.



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

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

*Financial liabilities*

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

*Impairment*

At each operating date, the Branch assesses whether there is objective evidence that a financial instrument has been impaired.

**(e) Impairment of Assets**

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

Where it is not possible to estimate the recoverable amount of an individual asset, the Branch estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**(f) Employee Benefits**

Provision is made for the Branch's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are 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. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

**(g) Provisions**

Provisions are recognised when the Branch has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

**(h) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts.

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

**(i) Revenue**

Revenue from member contributions is recognised upon the member contributions becoming payable.

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

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

**(j) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cashflows are presented in the Cash Flows Statement on a gross basis, except for the GST component of investing and financial activities, which are disclosed as operating cash flows.

**(k) Comparative Amounts**

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

**(l) Critical Accounting Estimates and Judgements**

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

*Key Estimates – Impairment*

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

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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

	2007 \$	2006 \$
<b>2. REVENUE</b>		
Operating activities		
- members' contributions	1 216 733	1 237 682
- Your Rights at Work levy	56 197	-
- interest received	41 039	38 357
- other revenue	53 732	43 911
	<u>1 367 701</u>	<u>1 319 950</u>
Non operating activities		
- transfer from Telecommunications Officers Association	-	8 368
	<u>-</u>	<u>8 368</u>
Total Revenue	<u><u>1 367 701</u></u>	<u><u>1 328 318</u></u>
<b>3. PROFIT</b>		
(a) Expenses:		
Finance costs - external	12 548	7 940
Bad and doubtful debts		
- trade receivables	17 119	18 654
Rental expense on operating leases		
- Minimum lease payments on office equipment	17 178	5 726
Net loss on disposal of property, plant and equipment	1 210	7 877
<b>4. AUDITOR'S REMUNERATION</b>		
Remuneration of the Auditor of the Branch for:		
- auditing or reviewing the financial report	9 820	8 150
- other services	<u>6 436</u>	<u>5 014</u>
	<u><u>16 256</u></u>	<u><u>13 164</u></u>

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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

	2007	2006
	\$	\$
<b>5. CASH AND CASH EQUIVALENTS</b>		
Petty cash	400	400
General account	35 020	12 366
Disaster relief fund	<u>2 562</u>	<u>672</u>
	<u>37 982</u>	<u>13 438</u>
 <b>6. TRADE AND OTHER RECEIVABLES</b>		
Current		
Contributions in arrears	20 988	10 982
Provision for doubtful debts	<u>( 6 926)</u>	<u>( 6 485)</u>
	14 062	4 497
Receivable - CEPU National Office	5 025	-
Receivable - CEPU Electrical Division	-	926
Other receivables	<u>5 333</u>	<u>2 329</u>
	<u>24 420</u>	<u>7 752</u>
Non Current		
Other receivables	<u>1 426</u>	<u>1 259</u>
 <b>7. OTHER CURRENT ASSETS</b>		
Prepayments	<u>36 073</u>	<u>26 486</u>
 <b>8. FINANCIAL ASSETS</b>		
Members Equity	<u>657 191</u>	<u>684 412</u>

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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

	2007	2006
	\$	\$
<b>9. PROPERTY, PLANT AND EQUIPMENT</b>		
Freehold land, at:		
- independent valuation 2005	<u>462 175</u>	<u>462 175</u>
	<u>462 175</u>	<u>462 175</u>
Buildings, at:		
- independent valuation 2005	726 275	726 275
Less: accumulated depreciation	<u>35 860</u>	<u>18 157</u>
	<u>690 415</u>	<u>708 118</u>
Plant and equipment, at cost	91 583	99 621
Less: accumulated depreciation	<u>74 615</u>	<u>74 703</u>
	<u>16 968</u>	<u>24 918</u>
Motor vehicles, at cost	121 428	113 582
Less: accumulated depreciation	<u>67 019</u>	<u>50 637</u>
	<u>54 409</u>	<u>62 945</u>
Leased motor vehicles, at cost	84 593	56 994
Less: accumulated amortisation	<u>31 862</u>	<u>26 820</u>
	<u>52 731</u>	<u>30 174</u>
	<u>1 276 698</u>	<u>1 288 330</u>

The freehold land and buildings are in respect of the Branch's 26.41% interest in the building at 41 Peel Street, South Brisbane.

The Branch's land and buildings were revalued at 31 March 2005 by independent valuers. Valuations were based on an assessment of the properties' market value. The revaluation surplus was credited to an asset revaluation reserve in equity.

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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

**9. PROPERTY, PLANT AND EQUIPMENT** *(continued)*

(a) Movement in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

	Freehold Land \$	Buildings \$	Plant and Equipment \$	Motor Vehicles \$	Leased Motor Vehicles \$	Total \$
Balance at the beginning of the year	462 175	708 118	24 918	62 945	30 174	1 288 330
Additions	-	-	777	6 250	58 322	65 349
Disposals	-	-	( 1 394)	( 12 923)	-	( 14 317)
Transfers	-	-	-	13 631	( 13 631)	-
Depreciation expense	-	( 17 703)	( 7 333)	( 15 494)	( 22 134)	( 62 664)
Carrying amount at the end of the year	462 175	690 415	16 968	54 409	52 731	1 276 698

**10. TRADE AND OTHER PAYABLES**

Unsecured liabilities

	2007 \$	2006 \$
Trade creditors and accruals	39 776	19 964
Contributions received in advance	7 714	7 722
Payroll liabilities	10 156	12 669
GST liabilities	1 916	2 015
Amount payable to CEPU National Office	<u>25 515</u>	<u>23 449</u>
	<u>85 077</u>	<u>65 819</u>

Trade creditors and accruals include \$Nil (2006: \$1 540) in respect of legal costs and other expenses related to litigation or other legal matters.

**11. BORROWINGS**

Current

Lease liability	<u>42 176</u>	<u>23 266</u>
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Non Current

Lease liability	<u>15 617</u>	<u>13 834</u>
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Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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

	2007	2006
	\$	\$
<b>12. PROVISIONS</b>		
<i>Employee Entitlements</i>		
Opening balance at 1 April 2006	555 809	544 065
Additional provisions raised during year	45 565	11 744
Amounts used	<u>-</u>	<u>-</u>
Balance at 31 March 2007	<u>601 374</u>	<u>555 809</u>
<i>Analysis of Provisions</i>		
Current	43 876	-
Non-current	<u>557 498</u>	<u>555 809</u>
	<u>601 374</u>	<u>555 809</u>
<i>Employee Entitlements Liability</i>		
- officials	528 127	511 986
- employee benefits other than officials	<u>73 247</u>	<u>42 823</u>
Aggregate employee benefits liability	<u>601 374</u>	<u>554 809</u>
<i>Provision for Employee Entitlements</i>		
<p>A provision has been recognised for employee entitlements relating to annual, long service leave and sick leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits has been included in Note 1.</p>		
<b>13. RESERVES</b>		
<b>(a) Members Assistance Fund</b>		
<p>The Members Assistance Fund reserve records funds set aside for death benefits for dependents of deceased members and loans for members in extreme financial difficulties.</p>		
<p>Movement in Members' Assistance Fund during the year:</p>		
Opening balance	-	56 360
Transfers from / (to) general fund	-	( 56 673)
Interest received	<u>-</u>	<u>313</u>
Closing balance	<u>-</u>	<u>-</u>

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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

	2007	2006
	\$	\$
<b>13. RESERVES</b>		
<b>(b) Asset Revaluation Reserve</b>		
The Asset Revaluation Reserve records revaluations of non-current assets.		
Movement in Asset Revaluation during the year:		
Opening balance	581 731	581 731
Revaluation increment arising on revaluing freehold land and buildings to fair value	<u>-</u>	<u>-</u>
Closing balance	<u>581 731</u>	<u>581 731</u>
<b>(c) Disaster Relief Reserve</b>		
The Disaster Relief Reserve records funds set aside for disaster relief for members.		
Movement in Disaster Relief Reserve during the year:		
Opening balance	662	-
Donations	1 886	3 667
Expenditure	<u>-</u>	<u>( 3 005)</u>
Closing balance	<u>2 548</u>	<u>662</u>
<b>Total Reserves</b>	<u>584 279</u>	<u>582 393</u>



**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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

	2007	2006
	\$	\$
<b>14. CAPITAL AND LEASING COMMITMENTS</b>		
<b>(a) Finance Lease Commitments</b>		
Payable:		
▶ not later than twelve months	44 909	25 624
▶ between twelve months and five years	21 515	13 854
▶ greater than five years	<u>-</u>	<u>-</u>
Minimum lease payments	66 424	39 478
Less future finance charges	<u>8 631</u>	<u>2 378</u>
Present value of minimum lease payments	<u><u>57 793</u></u>	<u><u>37 100</u></u>
<b>(b) Operating lease commitments</b>		
Payable:		
▶ not later than twelve months	17 178	17 178
▶ between twelve months and five years	45 808	62 986
▶ greater than five years	<u>-</u>	<u>-</u>
	<u><u>62 986</u></u>	<u><u>80 164</u></u>

The office equipment leases are non cancellable leases with five year terms, with rental payable monthly in advance.

**15. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

The Committee of Management is not aware of any contingent liabilities or contingent assets.

**16. SEGMENT REPORTING**

The Branch operates as a Industrial Union providing services to members within Queensland.

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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

**17. EVENTS AFTER THE BALANCE SHEET DATE**

On 1 April 2007, the CEPU Communications Division, Postal and Telecommunications Branch Queensland amalgamated with the CEPU Communications Division, Telecommunications and Services Branch Queensland to form a single reporting unit pursuant to relevant provisions of the Workplace Relations Act 1996. The name of the amalgamated reporting unit is the CEPU Communications Workers Union Queensland.

On 1 April 2007, the CEPU Communications Workers Union became responsible for all of the assets and liabilities, members and employees of the former CEPU Communication Division, Postal and Telecommunications Branch Queensland.

Consequently, this financial report is the final financial report of the CEPU Communications Division, Postal and Telecommunications Branch Queensland.

**18. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR**

In accordance with the requirements of the Workplace Relations Act 1996, as amended, the attention of members is drawn to the provisions of subsections (1), (2) and (3) of section 272 of Schedule 1B which read as follows:

- “(1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).”

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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

	2007 \$	2006 \$
<b>19. CASH FLOWS INFORMATION</b>		
<b>(a) Reconciliation of cash</b>		
Cash and cash equivalents	37 982	13 438
Financial Assets	<u>657 191</u>	<u>684 412</u>
	<u>695 173</u>	<u>697 850</u>
 <b>(b) Reconciliation of net cash provided by operating activities to profit (loss) from ordinary activities</b>		
Profit (loss) from ordinary activities	( 75 289)	( 103 293)
Cash flows excluded from operating surplus attributable to member assistance		
Net receipts for member assistance fund	-	313
Net receipts for disaster relief fund	1 886	662
Non-cash flows in profit (loss) from ordinary activities		
Depreciation	62 664	55 355
Doubtful debts	441	( 882)
Net loss (gain) on disposal of plant and equipment	1 210	7 877
Changes in assets and liabilities during the financial year:		
(Increase)/decrease in receivables	( 7 270)	2 854
(Increase)/decrease in contribution received in arrears	( 10 006)	4 145
(Increase)/decrease in prepaid affiliation dues and expenses	( 9 587)	( 19)
(Decrease)/increase in payables	19 258	( 25 590)
(Decrease)/increase in provisions	<u>45 565</u>	<u>11 744</u>
Net Cash used in operating activities	<u>28 872</u>	<u>( 46 834)</u>

**(c) Credit Standby Arrangements**

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

**(d) Non-cash Financing and Investing Activities**

*Property, Plant and Equipment*

During the financial year, the Branch acquired plant and equipment with an aggregate value of \$58 322 (2006: \$Nil) by means of financial lease. These acquisitions are not reflected in the cash flow statement.

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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

**20. FINANCIAL INSTRUMENTS**

**(a) Financial Risk Management**

The Branch's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable.

The Branch does not have any derivative instruments at 31 March 2007.

*Financial Risks*

The main risks the Branch is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

*Interest Rate Risk*

The Branch does not have any borrowings which might give rise to an interest rate risk.

*Foreign Currency Risk*

The Branch is not exposed to fluctuations in foreign currencies.

*Liquidity Risk*

The association manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash reserves are maintained.

*Credit Risk*

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

The Branch does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Branch.

*Price Risk*

The Branch is not exposed to any material commodity price risk.

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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

**20. FINANCIAL INSTRUMENTS  
(b) 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 rate for each class of financial assets and financial liabilities is set out below.

	Effective Weighted Average Interest Rate %	Fixed Interest Rate			Non-Interest Bearing \$	Total \$
		Floating Interest Rate \$	Maturing 1 year or less \$	1 to 5 years \$		
<b>2007</b>						
<b>Financial Assets</b>						
Cash and Cash equivalents	0.2	37 582	-	-	400	37 982
Non current financial assets	5.9	657 191	-	-	-	657 191
<b>Total Financial Assets</b>		<u>694 773</u>	<u>-</u>	<u>-</u>	<u>400</u>	<u>695 173</u>
<b>Financial Liabilities</b>						
Lease liabilities	7.6	-	13 834	43 959	-	57 793
<b>Total Financial Liabilities</b>		<u>-</u>	<u>13 834</u>	<u>43 959</u>	<u>-</u>	<u>57 793</u>
<b>2006</b>						
<b>Financial Assets</b>						
Cash and cash equivalent	0.5	13 038	-	-	400	13 438
Non current financial assets	5.4	684 412	-	-	-	684 412
<b>Total Financial Assets</b>		<u>697 450</u>	<u>-</u>	<u>-</u>	<u>400</u>	<u>697 850</u>
<b>Financial Liabilities</b>						
Lease liabilities	7.4	-	14 871	22 229	-	37 100
<b>Total Financial Liabilities</b>		<u>-</u>	<u>14 871</u>	<u>22 229</u>	<u>-</u>	<u>37 100</u>

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

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

**20. FINANCIAL INSTRUMENTS** *(continued)*

**(c) Net Fair Values**

The net fair values of financial assets and financial liabilities approximate their carrying values. No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying amount exceeds net fair values have not been written down as the Branch intends to hold these assets to maturity.

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

**21. BRANCH DETAILS**

The principal place of business of the Branch is:

1<sup>st</sup> Floor  
41 Peel Street  
South Brisbane Qld 4101

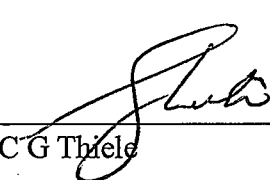
**CEPU COMMUNICATIONS DIVISION**  
**POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**  
**COMMITTEE OF MANAGEMENT STATEMENT**

The members of the Committee of Management declare that in their opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year ended on 31 March 2007;
- (d) there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the financial statements relate and since the end of that year:
  - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of the Branch; and
  - (ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation including the rules of the Branch; and
  - (iii) the financial records of the Branch have been kept and maintained in accordance with Schedule 1B to the Workplace Relations Act 1996 and the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003; and
  - (iv) the information sought in any request of a member of the Branch or a Registrar duly made under section 272 of Schedule 1B to the Workplace Relations Act 1996 has been furnished to the member or Registrar; and
  - (v) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of Schedule 1B to the Workplace Relations Act 1996.

Signed in accordance with a resolution of the Committee of Management passed on

*26<sup>th</sup> JUNE.* 2007.

  
\_\_\_\_\_  
C.G. Thiele

Dated this *27<sup>th</sup>* day of *JUNE*, 2007.

**CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
CEPU COMMUNICATIONS DIVISION  
POSTAL & TELECOMMUNICATIONS BRANCH QUEENSLAND**

**Scope**

I have audited the financial report of the Communications, Electrical, Electronic, Energy Information, Postal, Plumbing and Allied Services Union of Australia Communications Division Postal & Telecommunications Branch Queensland for the year ended 31 March 2007, as set out on pages 4 to 26. The Branch's Committee of Management is responsible for the financial report. I have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Branch.

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. The procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements, so as to present a view which is consistent with my understanding of the Branch's financial position and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

**Audit Opinion**

In my opinion, the financial report presents fairly the financial position of the CEPU Communications Division Postal & Telecommunications Branch Queensland as at 31 March 2007 and the results of its operations and its cash flows for the year then ended in accordance with:

- (a) applicable Accounting Standards and other mandatory professional reporting requirements in Australia; and
- (b) Section 253 of the Workplace Relations Act 1996 Schedule 1B as amended.

Level 5, 131 Leichhardt Street  
Spring Hill Qld 4000.

STEPHEN BEEBE & Co.  
Chartered Accountant

Brisbane

*12 July*

2007.

*Stephen Beebe*





**Australian Government**  
**Australian Industrial Registry**

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

Mr Cameron Thiele  
Secretary, Queensland Postal & Telecommunications Branch  
CEPU  
PO Box 3203  
SOUTH BRISBANE QLD 4101

Dear Mr Thiele

**Re: Lodgement of Financial Statements and Accounts – CEPU Communications  
Division, Queensland Postal & Telecommunications Branch – for year ending 31 March  
2007 (FR2007/205)**

I refer to the abovementioned financial statements and accounts which were lodged in the Registry on 2 August 2007.

Before the documents are filed, I seek your advice regarding the following matter.

**Date of presentation to second meeting**

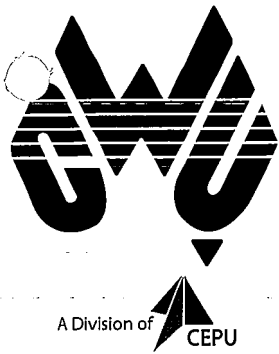
In your Secretary's Certificate you state that the full report was presented to a meeting of the Committee of Management on 24 June 2007. As this is a date prior to the signing and preparing of the Operating Report and Committee of Management Statement, and prior to the signing of the Auditor's report, it would appear that this is an error and not a reference to the meeting contemplated by s266 of the RAO Schedule. I would appreciate it if you could advise whether the full report was presented to a later meeting of either the members or the Committee of management.

Yours sincerely,

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

*SK*  
Stephen Kellett  
for Deputy Industrial Registrar

7 August 2007



## COMMUNICATIONS DIVISION

Telephone (07) 3255 0440

Fax (07) 3255 0020

PO Box 3203

South Brisbane QLD 4101

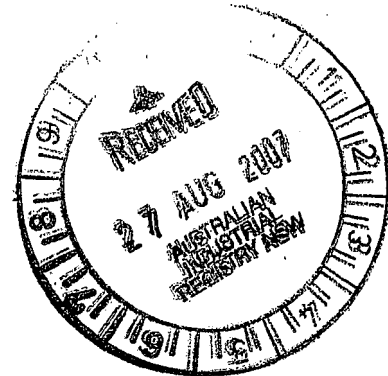
1st Floor, 41 Peel Street  
South Brisbane QLD 4101

[comms@cepuqld.asn.au](mailto:comms@cepuqld.asn.au)

2007/08/109

20 August 2007

Mr Stephen Kellett  
Australian Industrial Registry  
Level 8  
Terrace Towers  
80 William Street  
EAST SYDNEY NSW 2011



Dear Stephen,

In response to your letter 7<sup>th</sup> August 2007, under the rules of our organisation, and process followed. I as secretary need to present to the membership a signed copy of the Financial Report, to facilitate this and gain authorisation to sign the operating report and committee of management report, it was presented to a B.C.O.M. on the 24<sup>th</sup> June 2007, it was then posted to members, giving them 14 working days to pursue the Financial report.

A General Meeting of members was called for 24<sup>th</sup> July to present the Financial report, but due to a lack of a quorum on the night, the report was ratified by the Executive.

This is the process that has been followed by the P&T Qld Branch for as long as our Auditor and I can remember.

Should you require further information please contact the writer.

Yours faithfully,

Cameron Thiele  
BRANCH SECRETARY



**Australian Government**  
**Australian Industrial Registry**

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

Mr Cameron Thiele  
Branch Secretary  
CEPU Qld Communications Division Branch  
PO Box 3203  
SOUTH BRISBANE QLD 4101

Dear Mr Thiele

**Re: Lodgement of Financial Statements and Accounts – CEPU Queensland Postal & Telecommunications Branch for year ending 31 March 2007 (FR2007/205)**

Thank you for your letter dated 20 August 2007 advising the procedure followed for presenting the documents to a meeting in accordance with s266 of the RAO Schedule. I should draw your attention to the following matter for your reference and action in future years.

**Providing members with signed dated copies**

The copies of the Operating report and Committee of Management Statement lodged in the Registry were dated 27 June 2007, and the copy of the Auditor's report lodged was dated 12 July 2007. Since you have advised however that the documents were posted to members after the committee meeting of 24 June, it appears that the members would have received unsigned and undated copies of the respective documents.

The legislation does not go so far as to state explicitly that members should receive signed and dated copies of documents but the Registry's view is that it is conventionally understood that it is only when documents are signed that they may be relied upon and that it is implied by the legislation. For example, section 265 provides that members should receive the full report, including the operating and auditor's reports, and section 257(9) provides that the auditor must date and sign his report and give it to the reporting unit within a reasonable time. This implies that members will not get the auditor's report until after it is signed.

I hope I have not misinterpreted the dating of the documents or the sequence of events. If I have read them correctly however, I suggest that next year the members must not receive their copies of the full report until after the various documents have been signed and dated.

There is no further action to be taken in respect of this year's financial return. The documents have been filed.

Yours sincerely,

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

Stephen Kellett  
Statutory Services Branch

28 August 2007