

**CEPU**

**COMMUNICATIONS  
ELECTRICAL  
PLUMBING  
UNION**

COMMUNICATIONS DIVISION  
Postal & Telecommunications  
SA/NT Branch

ABN: 47 901 289 504

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Adelaide  
South Australia 5000  
Australia

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

13th June 2002

Ms Belinda Penna  
Statutory Services Branch  
Australian Industrial Registry  
Level 8 Terrace Towers  
80 William Street  
East Sydney  
NSW 2011

Dear Ms Penna,

Reference your letter of the 22nd April 2002 concerning our responsibilities under the Workplace Relations Act for Financial Reporting.

Please find enclosed a copy of our financial report for the year ended 31st March 2002, the report was presented to and accepted at a general meeting of our members held on Wednesday the 12th June 2002.

If there is any further information you require please do not hesitate to contact this office.

Yours Sincerely

Noel Paul  
Branch Secretary  
CEPU  
Postal and Telecommunications Branch



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COMMUNICATIONS ELECTRICAL  
PLUMBING UNION  
COMMUNICATIONS DIVISION  
SOUTH AUSTRALIAN & NORTHERN  
TERRITORY POSTAL AND  
TELECOMMUNICATIONS BRANCH

FINANCIAL REPORT  
FOR THE YEAR ENDED  
31 MARCH 2002

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## INDEPENDENT AUDIT REPORT

To the Members of the Communications Electrical Plumbing Union Communications Division South Australian and Northern Territory Postal and Telecommunications Branch.

### Scope

We have audited the financial statements of the Communications Electrical Plumbing Union Communications Division South Australian & Northern Territory Postal and Telecommunications Branch for the year ended 31 March 2002 as set out on pages 4 to 13.

The accounting officer is responsible for the preparation and presentation of the financial report and the information contained therein. We have conducted an independent audit of the financial report in order to express an opinion on it to the members.

Our audit has been in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedure included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and 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 Australian Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and the Workplace Relations Act 1996 so as to present a view of the entity which is consistent with our understanding of its financial position and the results of its operations.

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

### Qualification

As indicated in Note 1(b) to the accounts depreciation is not being provided on buildings as required by Australian Accounting Standard, "Depreciation of Non-Current Assets" which requires buildings to be depreciated over their estimated useful lives.

In addition, the cost of land and buildings has not been apportioned between the land and the buildings erected on the land.

### Qualified Audit Opinion

Except for the financial effect of the foregoing departure, in our opinion:

- (a) (i) the Communications Electrical Plumbing Union Communications Division South Australian & Northern Territory Postal and Telecommunications Branch kept satisfactory accounting records during the financial period, including:
  - (a) records of the sources and nature of the organisations income (including income from members);
  - (b) records of the nature and purposes of the organisations expenditure; and

- (ii) the accounts and statements are prepared in accordance with section 273 of the Workplace Relations Act 1996 so as to give a true and fair view of:
  - (a) the financial affairs of the organisation as at the end of the year; and
  - (b) the income and expenditure, and any surplus or deficit, of the organisation for the financial period; and
- (b) all the information and explanations that, under subsection 276(2) of the Workplace Relations Act 1996, officers or employees of the organisation were required to provide were provided;
- (c) the financial reports were prepared in accordance with applicable Accounting Standards and other mandatory reporting requirements.

**GRANT THORNTON**  
CHARTERED ACCOUNTANTS



**DL MARSH**  
Partner

Registered Company Auditor  
No. 5/A/7681

Signed at **ADELAIDE** this **8TH** day of **MAY** 2002


**COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
SOUTH AUSTRALIAN & NORTHERN TERRITORY  
POSTAL AND TELECOMMUNICATIONS BRANCH**


**COMMITTEE OF MANAGEMENT'S CERTIFICATE**

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We, GRAHAM DONALD LORRAIN and NOEL RAYMOND PAUL being two members of the Committee of Management of the COMMUNICATIONS ELECTRICAL PLUMBING UNION COMMUNICATIONS DIVISION SOUTH AUSTRALIAN & NORTHERN TERRITORY POSTAL AND TELECOMMUNICATIONS BRANCH, do state on behalf of the Committee and in accordance with a resolution passed by the Committee, that:

- (i) in the opinion of the Committee of Management, the attached accounts show a true and fair view of the financial affairs of the branch as at 31 March 2002;
- (ii) in the opinion of the Committee of Management, meetings of the Committee were held during the year ended 31 March 2002, in accordance with the rules of the organisation;
- (iii) to the knowledge of any member of the Committee, there have been no instances where records of the organisation or other documents (not being documents containing information made available to a member of the organisation under sub-section 274(2) of the Workplace Relations Act 1996), or copies of those records or documents, or copies of the rules of the organisation, have not been furnished, or made available, to members in accordance with the requirements of the Workplace Relations Act 1996, the Regulations thereto, or the rules of the organisation; and
- (iv) the branch has complied with sub-sections 279(1) and (6) of the Act in relation to the financial accounts in respect of the year ended 31 March 2001.

  
.....  
**GRAHAM DONALD LORRAIN**

  
.....  
**NOEL RAYMOND PAUL**

Dated this                      7<sup>TH</sup>                      day of                      MAY                      2002

**COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
SOUTH AUSTRALIAN & NORTHERN TERRITORY  
POSTAL AND TELECOMMUNICATIONS BRANCH**

**ACCOUNTING OFFICER'S CERTIFICATE**

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I, NOEL RAYMOND PAUL, being the Officer responsible for keeping the accounting records of the COMMUNICATIONS ELECTRICAL PLUMBING UNION COMMUNICATIONS DIVISION SOUTH AUSTRALIAN & NORTHERN TERRITORY POSTAL AND TELECOMMUNICATIONS BRANCH, certify that as at 31 March 2002 the number of members of the branch was 2674.

In my opinion:

- (i) the attached accounts show a true and fair view of the financial affairs of the branch as at 31 March 2002;
- (ii) a record has been kept of all moneys paid by, or collected from, members and all moneys so paid or collected have been credited to the bank account to which those moneys are to be credited, in accordance with the rules of the organisation;
- (iii) before any expenditure was incurred approval of the incurring of the expenditure was obtained in accordance with the rules of the organisation;
- (iv) with regard to funds of the organisation raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated;
- (v) No loans or other financial benefits other than remuneration in respect of their full-time employment with the organisation, were made to persons holding office in the organisation;
- (vi) the register of members of the branch was maintained in accordance with the Act.

  
.....  
**NOEL RAYMOND PAUL**

Dated this 7<sup>th</sup> day of MAY 2002

COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
SOUTH AUSTRALIAN & NORTHERN TERRITORY  
POSTAL AND TELECOMMUNICATIONS BRANCH

STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 MARCH 2002

	Notes	2002 \$	2001 \$
Revenues from ordinary activities	3	712,554	782,659
Employee expenses		382,621	370,618
Depreciation and amortisation expenses		31,074	27,669
Head Office dues		164,290	176,358
Other expenses from ordinary activities		<u>158,508</u>	<u>132,023</u>
Surplus/(deficit) from ordinary activities		<u>(23,939)</u>	<u>75,991</u>
Transfers to Reserves	10	(1,050)	(1,901)
Surplus/(deficit) from ordinary activities attributable to the members of the union		<u>(24,989)</u>	<u>74,090</u>

The accompanying notes form part of the audited financial statements.

**COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
SOUTH AUSTRALIAN & NORTHERN TERRITORY  
POSTAL AND TELECOMMUNICATIONS BRANCH**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2002**

	Notes	2002 \$	2001 \$
<b>CURRENT ASSETS</b>			
Cash assets	4	195,286	132,975
Receivables	5	30,512	30,092
<b>TOTAL CURRENT ASSETS</b>		<u>225,798</u>	<u>163,067</u>
<b>NON-CURRENT ASSETS</b>			
Other financial assets	6	781,143	897,880
Property, plant and equipment	7	617,876	648,950
<b>TOTAL NON-CURRENT ASSETS</b>		<u>1,399,019</u>	<u>1,546,830</u>
<b>TOTAL ASSETS</b>		<u>1,624,817</u>	<u>1,709,897</u>
<b>CURRENT LIABILITIES</b>			
Payables	8	71,255	52,704
Provisions	9	273,790	353,482
<b>TOTAL CURRENT LIABILITIES</b>		<u>345,045</u>	<u>406,186</u>
<b>TOTAL LIABILITIES</b>		<u>345,045</u>	<u>406,186</u>
<b>NET ASSETS</b>		<u>1,279,772</u>	<u>1,303,711</u>
<b>MEMBER FUNDS</b>			
Reserves	10	45,664	44,614
Accumulated funds	11	1,234,108	1,259,097
		<u>1,279,772</u>	<u>1,303,711</u>

The accompanying notes form part of the audited financial statements.



COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
SOUTH AUSTRALIAN & NORTHERN TERRITORY  
POSTAL AND TELECOMMUNICATIONS BRANCH

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2002

	Notes	2002 Inflows/ (Outflows) \$	2001 Inflows/ (Outflows) \$
<b>Cash flow from Operating Activities</b>			
Members contributions		660,121	696,571
Payments to suppliers and employees		(771,086)	(608,320)
Interest received		56,539	56,526
Other		-	332
Net cash provided by/(used in) operating activities	13	<u>(54,426)</u>	<u>145,109</u>
<b>Cash flow from Investing Activities</b>			
Transfer from investment		171,500	-
Transfer to investments		(54,763)	(53,052)
Payments for plant and equipment		-	(62,400)
Net cash provided by/(used in) investing activities		<u>116,737</u>	<u>(115,452)</u>
Net increase in cash held		62,311	29,657
Cash at the beginning of the financial year		<u>132,975</u>	<u>103,318</u>
Cash at the end of financial year	12	<u><u>195,286</u></u>	<u><u>132,975</u></u>

The accompanying notes form part of the audited financial statements.

COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
SOUTH AUSTRALIAN & NORTHERN TERRITORY  
POSTAL AND TELECOMMUNICATIONS BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2002

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**NOTE 1 - STATEMENT OF ACCOUNTING POLICIES**

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

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

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

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

Property is measured on a fair value and plant and equipment on the cost basis.

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

**(b) Depreciation**

Depreciation, where applicable, has been charged in the accounts so as to write off each asset over the estimated useful life of the asset concerned. The diminishing value method is used, as considered appropriate.

The value of land and buildings has not been apportioned between the land and the buildings erected on the land.

As such buildings have not been depreciated as required by the Australian Accounting Standard "Depreciation of Non-Current Assets".

(i) Depreciation rates used for each class of depreciable asset are:

<u>Class of fixed asset</u>	<u>Depreciation rate</u>
Buildings	0%
Plant & equipment	7.5% - 40%
Motor vehicles	22.50%

**(c) Employee Entitlements**

**(i) Wages and Salaries, Annual Leave and Sick Leave**

Liabilities for wages and salaries, annual leave and sick leave are recognised, and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

**(ii) Long Service Leave**

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

**COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
SOUTH AUSTRALIAN & NORTHERN TERRITORY  
POSTAL AND TELECOMMUNICATIONS BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2002**

**NOTE 1 - STATEMENT OF ACCOUNTING POLICIES (CONT)**

**(d) Income Tax**

The Union is exempt from income tax under Section 50-5 of the Income Tax Assessment Act.

**(e) Revenue**

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

Members fees received are brought to account in the year the fee is earned.

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

**NOTE 2 - INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR**

In accordance with the requirements of the Workplace Relations Act 1996 the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of section 274, which reads as follows:

- (1) "A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or a Registrar, in such manner, and within such time, as is prescribed. Penalty \$1000.
- (3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide a member information received because of an application made at the request of the member."

<b>NOTE 3 - REVENUE</b>	<b>2002</b>	<b>2001</b>
	<b>\$</b>	<b>\$</b>
Members contributions	661,783	712,710
Other revenue		
Interest received/receivable	50,771	59,470
Insurance recoveries	-	7,835
Profit on disposal of Motor Vehicles	-	2,312
Other	-	332
	<u>712,554</u>	<u>782,659</u>

**NOTE 4 - CASH**

Commonwealth Bank - general account	195,017	103,069
Cash on hand	269	249
	<u>195,286</u>	<u>103,318</u>
Total cash	<u>195,286</u>	<u>103,318</u>

**COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
SOUTH AUSTRALIAN & NORTHERN TERRITORY  
POSTAL AND TELECOMMUNICATIONS BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2002**

	2002	2001
	\$	\$
<b>NOTE 5 - RECEIVABLES</b>		
Contributions in arrears	20,358	18,264
Less: provision for doubtful debts	<u>(4,072)</u>	<u>(3,640)</u>
	16,286	14,624
Interest receivable	3,044	8,812
Prepayments	<u>11,182</u>	<u>6,656</u>
Total current receivables	<u><u>30,512</u></u>	<u><u>30,092</u></u>
<b>NOTE 6 - INVESTMENTS</b>		
<b>General Fund</b>		
CPS Savings & Loans Society Ltd shares	2	2
Term deposit I22 - 22397226	<u>116,256</u>	<u>110,220</u>
	<u>116,258</u>	<u>110,222</u>
<b>Death Benefit Fund</b>		
CPS Savings & Loans Society Ltd		
Savings account S1 - 22006693	5,661	4,611
Term deposit 140 - 22006693	<u>40,000</u>	<u>40,001</u>
	<u>45,661</u>	<u>44,612</u>
<b>Welfare Fund</b>		
Term deposit 140 - 22283679	<u>14,229</u>	<u>13,410</u>
<b>Car Replacement Fund</b>		
CPS Savings & Loans Society Ltd		
Savings account S1 - 22216585	126	126
Term deposit 140 - 22216585	<u>106,995</u>	<u>100,843</u>
	<u>107,121</u>	<u>100,969</u>
<b>Building Fund</b>		
CPS Savings & Loans Society Ltd		
Savings Account S1 - 22239540	839	839
Term deposit I20 - 22239540	89,874	84,581
Term deposit I40 - 22239540	<u>118,539</u>	<u>111,558</u>
	<u>209,252</u>	<u>196,978</u>
<b>Leave Fund</b>		
CPS Savings & Loans Society Ltd		
Savings account S1 - 22006708	772	771
Term deposit 140 - 22006708	<u>287,850</u>	<u>430,918</u>
	<u>288,622</u>	<u>431,689</u>
<b>Total investments</b>	<u><u>781,143</u></u>	<u><u>897,880</u></u>

**COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
SOUTH AUSTRALIAN & NORTHERN TERRITORY  
POSTAL AND TELECOMMUNICATIONS BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2002**

	2002 \$	2001 \$
<b>NOTE 7 - PROPERTY, PLANT AND EQUIPMENT</b>		
Land and buildings - Hurtle Square at independent valuation - May 1998	520,000	520,000
Plant and equipment - at cost	232,233	232,233
Less: accumulated depreciation	209,431	200,153
	<u>22,802</u>	<u>32,080</u>
Motor vehicles - at cost	109,148	109,148
Less: accumulated depreciation	34,074	12,278
	<u>75,074</u>	<u>96,870</u>
Total property, plant and equipment	<u>617,876</u>	<u>648,950</u>

(a) Property, plant and equipment is reconciled as follows:

	Land & Buildings \$	Office Equipment \$	Motor Vehicles \$	Total \$
Balance at the beginning of year	520,000	32,080	96,870	648,950
Additions	-	-	-	-
Depreciation expense	-	(9,278)	(21,796)	(31,074)
Carrying amount at the end of year	<u>520,000</u>	<u>22,802</u>	<u>75,074</u>	<u>617,876</u>

**NOTE 8 - PAYABLES**

Contributions paid in advance	7,079	8,179
Creditors and accruals	64,176	44,525
Total Accounts Payable	<u>71,255</u>	<u>52,704</u>

**NOTE 9 - PROVISIONS**

Provision for sick leave	126,463	157,661
Provision for furlough	103,338	127,377
Provision for recreation leave	43,989	68,444
Total provisions	<u>273,790</u>	<u>353,482</u>
Number of employees at the end of the year	<u>4</u>	<u>5</u>

**COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
SOUTH AUSTRALIAN & NORTHERN TERRITORY  
POSTAL AND TELECOMMUNICATIONS BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2002**

	2002 \$	2001 \$
<b>NOTE 10 - RESERVES</b>		
Death benefits fund	45,664	44,614
Total reserves	<u>45,664</u>	<u>44,614</u>
<b>Death Benefits fund</b>		
Balance 1 April	44,614	42,713
Transfer from the reserve	(1,500)	-
Transfer to the reserve	2,550	1,901
Balance 31 March	<u>45,664</u>	<u>44,614</u>

**NOTE 11 - ACCUMULATED FUNDS**

Accumulated funds at the beginning of the year	1,259,097	1,185,007
Surplus/(deficit) attributable to members	(24,989)	74,090
Accumulated funds at the end of the year	<u>1,234,108</u>	<u>1,259,097</u>

**NOTE 12 - RECONCILIATION OF CASH**

For the purpose of statement of cash flows, cash includes cash on hand and in banks and investments in money market institutions, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash	- General cheque account	195,017	132,706
	- On hand	269	269
		<u>195,286</u>	<u>132,975</u>

**NOTE 13 - SEGMENT REPORTING**

The Association operates as a workers union and provides employee support to members within Australia.

**NOTE 14 - RECONCILIATION OF NET CASH PROVIDED  
BY OPERATING ACTIVITIES TO OPERATING RESULTS**

Operating results	(23,939)	74,090
Depreciation	31,074	27,669
Profit on disposal of motor vehicles	-	(2,312)
Increase/(Decrease) in Provisions		
- furlough	(24,039)	27,383
- recreation	(24,455)	8,563
- sick leave	(31,198)	17,921
Decrease/(Increase) in prepayments	(4,526)	(1,116)
Increase/(Decrease) in accounts payable	19,651	5,074
Decrease/(Increase) in accounts receivable	5,768	(6,834)
Increase/(Decrease) in contributions in advance	(1,100)	5,806
Decrease/(Increase) in contributions in arrears	(2,094)	(13,902)
Increase/(Decrease) in Provision for doubtful debts	432	2,767
Net cash provided used in/by operating activities	<u>(54,426)</u>	<u>145,109</u>

**COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
SOUTH AUSTRALIAN & NORTHERN TERRITORY  
POSTAL AND TELECOMMUNICATIONS BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2002**

**NOTE 15 - RELATED PARTIES**

The names of persons who were members of the Branch Committee of Management at any time during the financial year were:

G D Lorrain	(President)	M Lato
B D Dobson	(Vice President)	D M Carey
M J Marrett	(Vice President)	J Sellwood - Resigned April 01
N R Paul	(Secretary)	J W Haines - Resigned July 01
G C Thomas	(Assistant Secretary)	R Foster
	- retired March 02	P S McDonald
A Ramsay		R Miller - Appointed August 01
A J Lang		N Townsend - Appointed August 01

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

Remuneration of committee members during the year was \$272,255 (2001 \$195,573). This includes salary for any committee members who work full-time/part-time for the branch.

The aggregate amount of retirement benefits paid on behalf of committee members to superannuation plans was \$33,566 (2001 \$25,142).

**NOTE 16 - FINANCIAL INSTRUMENTS**

(a)

**Interest Rate Risk**

The branch 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 financial liabilities, is as follows:

	Weighted Average Effective Interest		Floating Interest		Fixed Interest Rate Maturing Within 1 Year	
	Rate		Rate		2002	2001
	2002	2001	2002	2001		
	%	%	\$	\$	\$	\$
FINANCIAL ASSETS						
Cash	0.2	0.8	195,017	132,975		-
Short term deposits	4.35	6.14	-	-	761,371	897,880
TOTAL FINANCIAL ASSETS			195,017	132,975	761,371	897,880

(b) **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 doubtful debts, 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 debtor or group of debtors under financial instruments entered into by the branch.

**NOTE 17 - UNION DETAILS**

The principal operating location of the Union is 30 - 40 Hurtle Square Adelaide SA 5000

**COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
SOUTH AUSTRALIAN & NORTHERN TERRITORY  
POSTAL AND TELECOMMUNICATIONS BRANCH**

**DETAILED STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 MARCH 2002**

	2002	2001
	\$	\$
<b>INCOME</b>		
Members' contributions	661,783	712,710
Interest received	50,771	59,470
Profit on disposal of Motor Vehicle	-	2,312
Insurance Recoveries	-	7,835
Other	-	332
<b>Total Income</b>	<u>712,554</u>	<u>782,659</u>
<b>Less</b>		
<b>EXPENSES</b>		
Audit	6,800	6,800
Australian Labour Party election expenses	12,957	-
Australian Labour Party sustentation fees	5,675	9,939
Australian Labour Party miscellaneous expenses	-	55
State Executive and Delegates Allowance	2,524	2,533
Bad debts	432	3,640
Bank charges	3,908	3,511
Cleaning	269	226
Commissions and collections	367	175
Computer consumables	460	3,945
Contributions Commission	11,963	12,344
Death benefit fund payment	2,550	500
Depreciation	31,074	27,669
Fringe benefits tax	3,944	6,810
General expenses	3,528	3,437
Head office dues	164,290	176,358
Insurance	14,052	10,750
Legal expenses	11,549	6,000
Light and power	5,473	5,835
Minor software items	-	112
National council formation	1,539	-
Office expenses	3,066	4,304
Organising and motor vehicle expenses	26,530	30,890
Postage	5,828	3,429
Printing and stationery	5,688	8,204
Professional fees	750	3,390
Provision for furlough	12,873	27,383
Provision for recreation leave	(198)	8,560
Provision for sick leave	16,109	17,921
Rates and taxes	4,249	7,124
Refund overpaid subs	2,646	2,574
Repairs, maintenance and security fees	1,821	2,586



COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
SOUTH AUSTRALIAN & NORTHERN TERRITORY  
POSTAL AND TELECOMMUNICATIONS BRANCH

DETAILED STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 MARCH 2002

	2002	2001
	\$	\$
<b>Less Expenses (Cont...)</b>		
Salaries and wages - elected officials	268,957	192,011
Salaries and wages - employees	50,772	57,153
Staff amenities	349	642
State executive and delegates allowance	1,042	1,146
Superannuation contributions	29,576	33,458
Telephone and facsimiles	11,504	14,062
Trades and labour council	8,105	8,956
Workcover	4,522	4,137
	<u>737,543</u>	<u>708,569</u>
<b>Total Expenses</b>		
	<u>(24,989)</u>	<u>74,090</u>
<b>SURPLUS/(DEFICIT)</b>		

COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
SOUTH AUSTRALIA & NORTHERN TERRITORY  
POSTAL AND TELECOMMUNICATIONS BRANCH

AUDITORS' CERTIFICATE - HEAD OFFICE DUES  
FOR THE YEAR ENDED 31 MARCH 2002

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	2002	2001
	\$	\$
We report that the total amount of members' fees received is	661,783	712,710
Add Subs allowance	<u>10,488</u>	<u>12,569</u>
<b>GROSS SA BRANCH FEES</b>	<u><u>672,271</u></u>	<u><u>725,279</u></u>
Head office dues payable (@ 25%)	<u><u>168,068</u></u>	<u><u>181,320</u></u>
<b>Head Office Dues Paid During Year</b>	<u><u>164,290</u></u>	<u><u>176,358</u></u>
Amount to be paid in April 2001	<u><u>3,778</u></u>	<u><u>4,962</u></u>

**GRANT THORNTON**  
Chartered Accountants



**DL MARSH**  
Partner



## AUSTRALIAN INDUSTRIAL REGISTRY

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

Mr Noel Paul  
Secretary, SA/NT Postal & Telecommunications Branch  
CEPU  
30 - 40 Hurtle Square  
ADELAIDE SA 5000

Dear Mr Paul

**Re: Lodgement of Financial Statements of SA/NT Postal and  
Telecommunications Branch  
for year ending 31 March 2002 (FR2002/201)**

Receipt is acknowledged of the above financial statements which were lodged in the Industrial Registry on 18 June 2002.

Before the documents can be filed however, I must draw your attention to the following matters on which I seek your advice and clarification:

**Auditor's Qualification**

In examining the documents I have noted the qualification contained in the auditor's report that "depreciation is not being provided on buildings as required by Australian Accounting Standard "Depreciation of Non-Current Assets"...." and that "the cost of land and buildings has not been apportioned between the land and the buildings erected on the land".

A Registrar is required under section 280(2) of the *Workplace Relations Act 1996* ('the Act') to investigate any deficiency, failure or shortcoming set out in the report of an auditor. However, an investigation is not required if the Registrar is satisfied that the deficiency, failure or shortcoming is trivial or will be remedied in the following financial year.

Accordingly, I seek your comments in relation to the above qualification and your advice as to what actions the Branch intends to take in relation to the matter for future years.

**Date of supply to members**

Your covering letter did not indicate when the members were provided with their copy of the report and statements prior to the general meeting on 12 June 2002 in accordance with section 279(1) of the Act.

Section 279(6) goes on to provide that the meeting at which the statements and report are finally presented must not occur until at least seven days after the members were supplied with their copy.

The purpose of these provisions is to ensure that members have a reasonable opportunity to peruse the financial statements before their final endorsement by the branch, in the interests of the objects of accountability and democratic control.

I would greatly appreciate it therefore if you could advise the Registry as to the date or period when copies of the statements and report were distributed to members.

Thank you very much for your assistance in these matters. I look forward to your reply. In the meantime, if you have any queries regarding any of the above, please do not hesitate to contact me, or Robin Godfrey, on (02) 8374 6509.

Yours sincerely

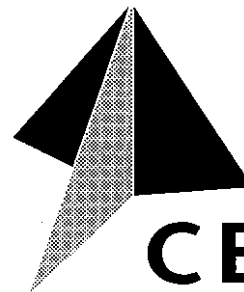
A handwritten signature in black ink, appearing to read 'Stephen Kellett', with a long horizontal line extending to the right.

Stephen Kellett  
for Deputy Industrial Registrar

20 June 2002

3<sup>rd</sup> July, 2002

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



**CEPU**

**COMMUNICATIONS  
ELECTRICAL  
PLUMBING  
UNION**

COMMUNICATIONS DIVISION  
Postal & Telecommunications  
SANT Branch

ABN: 47 901 289 504

30 - 40 Hurtle Square  
Adelaide  
South Australia 5000  
Australia

Ph: (08) 8232 5166  
Fax: (08) 8232 5590  
Email: ocsant@cepu.asn.au

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

Dear Mr Kellett,

**RE: LODGEMENT OF FINANCIAL STATEMENTS OF THE  
SA/NT POSTAL AND TELECOMMUNICATIONS BRANCH**

Further to your letter to this office, dated the 20<sup>th</sup> June and requesting further clarification in respect to the Auditors Qualification and Date of Supply to Members.

*Auditors Qualification*

As at the close of our Financial Year (31<sup>st</sup> March, 2002) the Branch Committee of Management's understanding of the previous valuation of the property was \$1,040,000 of which our holding stood at \$520,000 as we are co-owners of the property with the CEPU T&S SA/NT Branch. We have since had a valuation undertaken on the property, which indicates that the estimated current value of the property is \$950,000 of which our holding stands at \$475,000. This recent valuation will be incorporated into the Audit for the current financial year – 2002/2003.

*Date of Supply to Members*

Copies of the Financial Statement for the year ending 31<sup>st</sup> March, 2002 were posted to 182 work locations across South Australia and the Northern Territory, covering Telstra and Australia Post work sites on the 24<sup>th</sup> May, 2002. This complies with Section 27a(1) of the Act.

Please find enclosed the Summary Report, which was provided with the property valuation. If you require any further assistance with this matter please contact me at your convenience.

Yours sincerely

Graham Lorrain  
Acting Branch Secretary  
CEPU – Communications Division  
Postal & Telecommunications SA/NT Branch

enc.



## Valuation Summary

<b>Property</b>	<b>34-40 Hurtle Square, Adelaide SA 5000</b>
<b>Brief Description</b>	<p>The subject property comprises an office building of solid masonry construction, timber and concrete flooring with plasterboard lined walls. The property is disposed as nine partitioned offices, open office area, reception, male and female amenities, boardroom, conference room and garage/carpark to rear.</p> <p>Improvements appear to be constructed over the majority of the site with gross building area indicated as approximately 900m<sup>2</sup>.</p> <p>The site is prominently located at the corner of Hurtle Square and Halifax Street and also has access off Pope Street to its northern boundary. Total site area is indicated as approximately 1003m<sup>2</sup>.</p>
<b>Client</b>	Communications Electrical Plumbing Union
<b>Date of Inspection</b>	11 <sup>th</sup> June 2002
<b>Date of Valuation</b>	11 <sup>th</sup> June 2002
<b>Instructions</b>	Instructions were received from Jamie Guerra, Director – Agency, CB Richard Ellis to determine the current market value of the subject property for the Communications Electrical Plumbing Union.
<b>Valuation</b>	Subject to the overriding stipulations contained within the body of this report, we assess the current market value of the subject property as at the 11 <sup>th</sup> June 2002 as:

**Market Value – Vacant Possession** **\$950,000**

**(Nine Hundred & Fifty Thousand Dollars)**

*Valuer*

A handwritten signature in black ink, appearing to read 'A.J. Waters', written in a cursive style.

**A.J. Waters A.A.P.I.**  
Certified Practising Valuer



**AUSTRALIAN INDUSTRIAL REGISTRY**

Level 8, Terrace Towers  
80 William Street, East Sydney, NSW 2011  
Telephone: (02) 8374 6615  
Fax: (02) 9380 6990

Mr Graham Lorrain  
Acting Branch Secretary, P & T SA/NT Branch  
CEPU  
30-40 Hurtle Square  
ADELAIDE SA 5000

Dear Mr Lorrain

**re Lodgement of Financial Statements - for year ended 31 March 2002  
(FR2002/201)**

Thank you for your letter dated 3 July 2002 clarifying the background and the steps the organisation is taking in relation to the auditor's qualification, and providing the date the financial statements were posted to members.

The documents have now been filed.

Yours sincerely

Stephen Kellett  
Statutory Services Branch

5 July 2002