



CEPU

**COMMUNICATIONS
ELECTRICAL
PLUMBING
UNION**

COMMUNICATIONS DIVISION
Postal & Telecommunications
SA/NT Branch

ABN: 47 901 289 504

30 - 40 Hurtle Square
Adelaide
South Australia 5000
Australia

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

OUR REF: 16/-/-

13th June, 2003

Ms Belinda Penna
Statutory Services Branch
Australian Industrial Registry
Level 8, Terrace Towers
80 William Street
EAST SYDNEY NSW 2011

Dear Ms Penna,

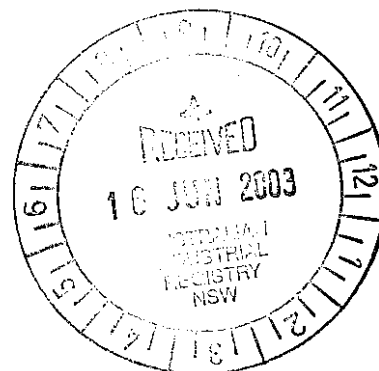
Further to previous correspondence concerning our responsibilities under the Workplace Relations Act for Financial Reporting.

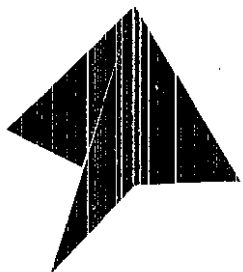
Please find enclosed a copy of our Financial Report for the year ended the 31st March, 2003. Copies of our Financial Report were circulated to our members as per the requirement and the Report was presented to, and adopted by our Members at the Annual General Meeting on Wednesday the 11th June, 2003.

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

Yours sincerely

Noel Paul
Branch Secretary





CEPU - COMMUNICATIONS DIVISION
POSTAL AND TELECOMMUNICATIONS
SOUTH AUSTRALIA & NORTHERN TERRITORY BRANCH
30-40 HURTLE SQUARE, ADELAIDE SA 5000
PHONE: (08) 82325166 FAX: (08) 82325590
EMAIL: cdsant@cepu.asn.au

FINANCIAL STATEMENT AND ANNUAL REPORT

As presented to Members at the
Annual General Meeting
to be held in the Board Room
30-40 Hurtle Square, Adelaide

WEDNESDAY, 11TH JUNE, 2003
AT 7.00PM

BRANCH PRESIDENT/INDUSTRIAL OFFICER G LORRAIN

VICE PRESIDENTS B DOBSON

..... M MARRETT

BRANCH SECRETARY N PAUL

GROUP REPRESENTATIVES ON BRANCH COMMITTEE OF MANAGEMENT

TELSTRA A LANG, P MCDONALD, A RAMSAY, S BUTTERWORTH

POSTAL D CAREY, N TOWNSEND, R FOSTER, R MILLAR

ANNUAL REPORT 2002/2003

MEMBERSHIP

The 2002/2003 financial year has seen another decline in membership for the SA/NT Branch. This is due to a dramatic shredding of employees in both Telstra and Australia Post. However, we have seen a growth in membership in the Communications and Postal Industries, outside of the main areas.

	1998/99	1999/00	2000/01	2001/02	2002/03
Postal	2275	2080	2000	1901	1893
Telstra	1091	998	904	773	668
TOTAL	3366	3078	2904	2674	2561

BRANCH COMMITTEE OF MANAGEMENT

The BCOM has met on 11 occasions during the financial year. We have continued to hold our meetings as joint meetings with the Telecommunications and Services Branch. Attendance at these meetings is as follows:

N Paul – 9 G Lorrain – 10 M Marrett – 5 B Dobson – 7
B Foster – 8 D Carey – 7 T Lang – 6 S McDonald – 10
A Ramsay – 8 S Butterworth – 3 R Millar – 3 N Townsend – 8.

During the financial year we saw the appointment of Steve Butterworth (Telecommunications) following the retirement of Steve Lato late in the last financial year.

ADMINISTRATIVE STAFF

Thanks must be given to our administrative staff – Renee Bensen and Christine Tonkin. Their service to the office and to the members throughout the year is much appreciated.

FULL-TIME OFFICIALS

Graham Lorrain has again worked tirelessly for both the Postal and the Telecommunications Industries over the past 12 months. Graham's efforts are appreciated and I thank him for his help and support throughout the year.

THE FUTURE

Unfortunately Australia is still controlled by a very dangerous and conservative Government who believes that there is no equality in this Country, only the rich and the workers. Legislation introduced into the Federal Parliament in the last 12 months has taken this country back to the 1800's in its attitude to Industrial Relations and this has been reflected in Management tactics, especially in Telstra.

UNION FUTURE

Integration of the P&T and T&S Branches in this State is a necessity. However, the attitude of a number of T&S Officials (by use of the veto rule) at the last Annual Conference has stopped integration at this stage. We hope that at the forthcoming Election, those who are against integration will be removed from the Union and therefore ensuring the survival of the CEPU with full integration taking place. This will bring about not only cost savings to both Branches but a much better service to the members.

Yours sincerely



N R Paul

Branch Secretary

FINANCIAL REPORT

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 2003 as set out on pages 3 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


S J GRAY
Partner

Registered Company Auditor
No. 165351

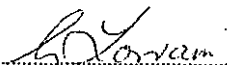
Signed at Adelaide this 6 day of May 2003

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

COMMITTEE OF MANAGEMENT'S CERTIFICATE

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 2003;
- (ii) in the opinion of the Committee of Management, meetings of the Committee were held during the year ended 31 March 2003, 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 2002.


.....
GRAHAM DONALD LORRAIN


.....
NOEL RAYMOND PAUL

Dated this 6 day of May 2003

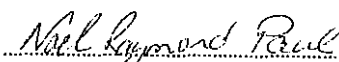
COMMUNICATIONS ELECTRICAL PLUMBING UNION
COMMUNICATIONS DIVISION
SOUTH AUSTRALIAN & NORTHERN TERRITORY
POSTAL AND TELECOMMUNICATIONS BRANCH

ACCOUNTING OFFICER'S CERTIFICATE

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 2003 the number of members of the branch was 2561.

In my opinion:

- (i) the attached accounts show a true and fair view of the financial affairs of the branch as at 31 March 2003;
- (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 6 day of May 2003

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

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2003

	Notes	2003 \$	2002 \$
Revenues from ordinary activities	3	699,577	712,554
Employee expenses		239,421	382,621
Depreciation and amortisation expenses		22,945	31,074
Head Office dues		172,591	164,290
Insurance		14,037	14,052
FBT Motor Vehicles		12,114	3,944
ALP Sustentation Fees		9,961	5,675
Contributions Commission		12,224	11,963
Motor vehicle expenses		8,322	8,661
Organisation Expenses		10,680	7,439
Legal Fees		8,750	11,549
Rates and taxes		10,276	4,249
Telephone Expenses		9,631	11,504
Trades and labour council expenses		8,396	-
Travel Expenses		9,792	5,920
Accounting and audit fees		5,352	7,550
Revaluation decrement		45,000	-
Other expenses from ordinary activities		45,670	79,963
Surplus/(deficit) from ordinary activities		54,414	(24,989)
Surplus/(deficit) from ordinary activities attributable to the members of the branch		54,414	(24,989)

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 2003

	Notes	2003 \$	2002 \$
CURRENT ASSETS			
Cash assets	4	170,202	195,286
Receivables	5	17,015	30,512
TOTAL CURRENT ASSETS		187,217	225,798
NON-CURRENT ASSETS			
Other financial assets	6	910,097	781,143
Property, plant and equipment	7	549,931	617,876
TOTAL NON-CURRENT ASSETS		1,460,028	1,399,019
TOTAL ASSETS		1,647,245	1,624,817
CURRENT LIABILITIES			
Payables	8	29,021	71,255
Provisions	9	284,086	273,790
TOTAL CURRENT LIABILITIES		313,107	345,045
TOTAL LIABILITIES		313,107	345,045
NET ASSETS		1,334,138	1,279,772
MEMBER FUNDS			
Reserves	10	45,616	45,664
Accumulated funds	11	1,288,522	1,234,108
		1,334,138	1,279,772

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 2003

	Notes	2003 Inflows/ (Outflows) \$	2002 Inflows/ (Outflows) \$
Cash flow from Operating Activities			
Members contributions		684,504	660,121
Payments to suppliers and employees		(609,202)	(771,086)
Interest received		28,569	56,539
Net cash provided by/(used in) operating activities	12(b)	103,871	(54,426)
Cash flow from Investing Activities			
Transfer from investment		-	171,500
Transfer to investments		(128,955)	(54,763)
Net cash provided by/(used in) investing activities		(128,955)	116,737
Net increase in cash held		(25,084)	62,311
Cash at the beginning of the financial year		195,286	132,975
Cash at the end of financial year	12(a)	170,202	195,286

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 2003

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 2003

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."

NOTE 3 - REVENUE	2003 \$	2002 \$
Members contributions	671,007	661,783
Other revenue		
Interest received/receivable	28,457	50,771
Other	113	-
	<u>699,577</u>	<u>712,554</u>

NOTE 4 - CASH

Commonwealth Bank - general account	169,933	195,017
Cash on hand	269	269
Total cash	<u>170,202</u>	<u>195,286</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 2003

NOTE 5 - RECEIVABLES	2003 \$	2002 \$
Contributions in arrears	8,129	20,358
Less: provision for doubtful debts	(4,072)	(4,072)
	<u>4,057</u>	<u>16,286</u>
Interest receivable	-	3,044
Prepayments	9,383	11,182
Other debtors	3,575	-
Total current receivables	<u>17,015</u>	<u>30,512</u>

NOTE 6 - INVESTMENTS

General Fund

CPS Savings & Loans Society Ltd shares	2	2
Term deposit I22 - 22397226	118,892	116,256
	<u>118,894</u>	<u>116,258</u>

Death Benefit Fund

CPS Savings & Loans Society Ltd		
Savings account S1 - 22006693	5,613	5,661
Term deposit 140 - 22006693	40,000	40,000
	<u>45,613</u>	<u>45,661</u>

Welfare Fund

Term deposit 140 - 22283679	14,848	14,229
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Car Replacement Fund

CPS Savings & Loans Society Ltd		
Savings account S1 - 22216585	126	126
Term deposit 140 - 22216585	111,649	106,995
	<u>111,775</u>	<u>107,121</u>

Building Fund

CPS Savings & Loans Society Ltd		
Savings Account S1 - 22239540	841	839
Term deposit I20 - 22239540	93,780	89,874
Term deposit I40 - 22239540	122,571	118,539
	<u>217,192</u>	<u>209,252</u>

Leave Fund

CPS Savings & Loans Society Ltd		
Savings account S1 - 22006708	773	772
Term deposit 140 - 22006708	297,896	287,850
Fixed Term - 252	103,107	-
	<u>401,776</u>	<u>288,622</u>

Total Investments

	<u>910,097</u>	<u>781,143</u>
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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 2003

	2003 \$	2002 \$
NOTE 7 - PROPERTY, PLANT AND EQUIPMENT		
Land and buildings - Hurtle Square at independent valuation - June 2002	475,000	520,000
Plant and equipment - at cost	232,233	232,233
Less: accumulated depreciation	215,484	209,431
	16,749	22,802
Motor vehicles - at cost	109,148	109,148
Less: accumulated depreciation	50,966	34,074
	58,182	75,074
Total property, plant and equipment	549,931	617,876

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

	Land & Buildings \$	Office Equipment \$	Motor Vehicles \$	Total \$
Balance at the beginning of year	520,000	22,802	75,074	617,876
Revaluation adjustment	(45,000)			
Additions	-	-	-	
Depreciation expense	-	(6,053)	(16,892)	(22,945)
Carrying amount at the end of year	475,000	16,749	58,182	599,931

Valuation of Land and Buildings

The basis of valuation of land and buildings is fair value, being the amounts for which the assets would be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition.

The 2002 revaluation was made by the committee members and was based on an independent assessment by A J Waters, a member of the Australian Property Institute. The valuation was conducted on 11 June 2002.

NOTE 8 - PAYABLES

Contributions paid in advance	5,305	7,079
Creditors and accruals	23,716	64,176
Total Accounts Payable	29,021	71,255

NOTE 9 - PROVISIONS

Provision for sick leave	132,568	126,463
Provision for Furlough leave	104,484	103,338
Provision for recreation leave	47,034	43,989
Total provisions	284,086	273,790
Number of employees at the end of the year	4	4

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 2003

	2003 \$	2002 \$
NOTE 10 - RESERVES		
Death benefits fund	45,616	45,664
Total reserves	45,616	45,664
Death Benefits fund		
Balance 1 April	45,664	44,614
Transfer from the reserve	(1,500)	(1,500)
Transfer to the reserve	1,452	2,550
Balance 31 March	45,616	45,664

NOTE 11 - ACCUMULATED FUNDS

Accumulated funds at the beginning of the year	1,234,108	1,259,097
Surplus/(deficit) attributable to members	54,414	(24,989)
Accumulated funds at the end of the year	1,288,522	1,234,108

NOTE 12 - CASH FLOW INFORMATION

a) Reconciliation of Cash

Cash at bank	169,933	195,017
Cash on hand	269	269
	170,202	195,286

b) Reconciliation of Net Cash provided by Operating Activities to Profit from Ordinary Activities

Operating results	54,414	(23,939)
Depreciation	22,945	31,074
Revaluation decrement	45,000	-
Increase/(Decrease) in Provisions		
- furlough	1,146	(24,039)
- recreation	3,045	(24,455)
- sick leave	6,104	(31,198)
Decrease/(Increase) in prepayments	1,800	(4,526)
Increase/(Decrease) in accounts payable	(40,507)	19,651
Decrease/(Increase) in accounts receivable	(531)	5,768
Increase/(Decrease) in contributions in advance	(1,775)	(1,100)
Decrease/(Increase) in contributions in arrears	12,229	(2,094)
Increase/(Decrease) in Provision for doubtful debts	-	432
Net cash provided used in/by operating activities	103,871	(54,426)

c) The union has no credit stand-by or financing facilities in place.

d) There were no non-cash financing or investing activities during the period.

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 2003

NOTE 13 - SEGMENT REPORTING

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

NOTE 14 - 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 (resigned July 2002)
B D Dobson (Vice President)	D M Carey
M J Marrett (Vice President)	R Foster
N R Paul (Secretary)	P S McDonald
T Mullins (guest member, appointed Oct 2002)	S Butterworth (appointed Oct 2002)
A Ramsay	R Miller
A J Lang	N Townsend

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 \$115,177 (2002: \$272,255). 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 \$17,567 (2002: \$33,566).

NOTE 15 - 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		Rate	
	2003	2002	2003	2002	2003	2002
	%	%	\$	\$	\$	\$
FINANCIAL ASSETS						
Cash	0	0.2	169,933	195,017	-	-
Short term deposits	4.35	4.35	-	-	910,097	781,143
TOTAL FINANCIAL ASSETS			169,933	195,017	910,097	781,143

(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 16 - 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 2003

	2003	2002
	\$	\$
INCOME		
Members' contributions	671,007	661,783
Interest received	28,457	50,771
Other	113	-
Total Income	699,577	712,554
Less		
EXPENSES		
Accounting and audit fees	5,352	6,800
Australian Labour Party election expenses	-	12,957
Australian Labour Party sustentation fees	9,961	5,675
State Executive and Delegates Allowance	1,662	2,524
Bad debts	-	432
Bank charges	3,670	3,908
Car rental	1,709	1,011
Christmas function	560	629
Cleaning	384	269
Commissions and collections	755	367
Computer consumables	57	460
Contributions Commission	12,224	11,963
Death benefit fund payment	1,500	2,550
Depreciation	22,945	31,074
Fringe benefits tax	12,114	3,944
General expenses	2,959	3,528
Head office dues	172,591	164,290
Insurance	14,037	14,052
Legal expenses	8,750	11,549
Light and power	5,527	5,473
Motor vehicle expenses	8,322	8,661
National council formation	-	1,539
National council funding	1,452	-
Office expenses	2,687	3,066
Organising and motor vehicle expenses	10,680	8,588
Petty cash disbursement	856	1,094
Postage	4,493	5,828
Printing and stationery	6,998	5,688
Professional fees	625	750
Provision for furlough	1,146	12,873
Provision for recreation leave	3,045	(198)
Provision for sick leave	6,105	16,109
Rates and taxes	10,276	4,249
Refund overpaid subs	3,487	2,646
Repairs, maintenance and security fees	3,900	1,821

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 2003

	2003 \$	2002 \$
Less Expenses (Cont.)		
Salaries and wages - elected officials	146,854	268,957
Salaries and wages - employees	54,761	50,772
Staff amenities	280	349
State executive and delegates allowance	288	1,042
Sub-Branch President's Allowance	750	-
Superannuation contributions	24,023	29,576
Telephone and facsimiles	9,631	11,504
Trades and labour council	8,396	8,105
Travel costs	9,792	5,920
TUTA School Expenses	1,040	-
Union shopper expenses	619	627
Workcover	2,900	4,522
Total Expenses	600,163	737,543
OPERATING SURPLUS/(DEFICIT)	99,414	(24,989)
Less: Revaluation adjustment	45,000	-
SURPLUS/(DEFICIT)	54,414	(24,989)

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

AUDITORS CERTIFICATE - HEAD OFFICE DUES
FOR THE YEAR ENDED 31 MARCH 2003

	2003 \$	2002 \$
We report that the total amount of members' fees received is	671,007	661,783
Add: Subs allowance	12,837	10,488
GROSS SA BRANCH FEES	683,844	672,271
Head office dues payable (.@ 25%)	170,961	168,068
Head Office Dues Paid During Year	172,591	164,290
Amount to be paid/(received) in April 2003	(1,630)	3,778

GRANT THORNTON
Chartered Accountants


S.J. GRAY
Partner

Financial Reports for the Year Ended 31 March 2003
For Communications Electrical Plumbing Union
Communications Division
South Australia & Northern Territory
Postal and Telecommunications Branch

Grant Thornton 

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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 2003 as set out on pages 3 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

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- (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



S J GRAY
Partner

Registered Company Auditor
No. 165351


Signed at *Auckland* this *6* day of *May* 2003

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

COMMITTEE OF MANAGEMENT'S CERTIFICATE

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 2003;
- (ii) in the opinion of the Committee of Management, meetings of the Committee were held during the year ended 31 March 2003, 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 2002.


.....
GRAHAM DONALD LORRAIN


.....
NOEL RAYMOND PAUL

Dated this 6 day of May 2003

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

ACCOUNTING OFFICER'S CERTIFICATE

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 2003 the number of members of the branch was 2561.

In my opinion:

- (i) the attached accounts show a true and fair view of the financial affairs of the branch as at 31 March 2003;
- (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 6th day of May 2003

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

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2003

	Notes	2003 \$	2002 \$
Revenues from ordinary activities	3	699,577	712,554
Employee expenses		239,421	382,621
Depreciation and amortisation expenses		22,945	31,074
Head Office dues		172,591	164,290
Insurance		14,037	14,052
FBT Motor Vehicles		12,114	3,944
ALP Sustentation Fees		9,961	5,675
Contributions Commission		12,224	11,963
Motor vehicle expenses		8,322	8,661
Organisation Expenses		10,680	7,439
Legal Fees		8,750	11,549
Rates and taxes		10,276	4,249
Telephone Expenses		9,631	11,504
Trades and labour council expenses		8,396	-
Travel Expenses		9,792	5,920
Accounting and audit fees		5,352	7,550
Revaluation decrement		45,000	-
Other expenses from ordinary activities		45,670	79,963
Surplus/(deficit) from ordinary activities		54,414	(24,989)
Surplus/(deficit) from ordinary activities attributable to the members of the branch		54,414	(24,989)

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 2003

	Notes	2003 \$	2002 \$
CURRENT ASSETS			
Cash assets	4	170,202	195,286
Receivables	5	17,015	30,512
TOTAL CURRENT ASSETS		<u>187,217</u>	<u>225,798</u>
NON-CURRENT ASSETS			
Other financial assets	6	910,097	781,143
Property, plant and equipment	7	549,931	617,876
TOTAL NON-CURRENT ASSETS		<u>1,460,028</u>	<u>1,399,019</u>
TOTAL ASSETS		<u>1,647,245</u>	<u>1,624,817</u>
CURRENT LIABILITIES			
Payables	8	29,021	71,255
Provisions	9	284,086	273,790
TOTAL CURRENT LIABILITIES		<u>313,107</u>	<u>345,045</u>
TOTAL LIABILITIES		<u>313,107</u>	<u>345,045</u>
NET ASSETS		<u>1,334,138</u>	<u>1,279,772</u>
MEMBER FUNDS			
Reserves	10	45,616	45,664
Accumulated funds	11	1,288,522	1,234,108
		<u>1,334,138</u>	<u>1,279,772</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 2003

	Notes	2003 Inflows/ (Outflows) \$	2002 Inflows/ (Outflows) \$
Cash flow from Operating Activities			
Members contributions		684,504	660,121
Payments to suppliers and employees		(609,202)	(771,086)
Interest received		28,569	56,539
Net cash provided by/(used in) operating activities	12(b)	103,871	(54,426)
Cash flow from Investing Activities			
Transfer from investment		-	171,500
Transfer to investments		(128,955)	(54,763)
Net cash provided by/(used in) investing activities		(128,955)	116,737
Net increase in cash held		(25,084)	62,311
Cash at the beginning of the financial year		195,286	132,975
Cash at the end of financial year	12(a)	170,202	195,286

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 2003

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 2003

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."

	2003	2002
	\$	\$
NOTE 3 - REVENUE		
Members contributions	671,007	661,783
Other revenue		
Interest received/receivable	28,457	50,771
Other	113	-
	<u>699,577</u>	<u>712,554</u>

NOTE 4 - CASH

Commonwealth Bank - general account	169,933	195,017
Cash on hand	269	269
	<u>170,202</u>	<u>195,286</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 2003

	2003 \$	2002 \$
NOTE 5 - RECEIVABLES		
Contributions in arrears	8,129	20,358
Less: provision for doubtful debts	(4,072)	(4,072)
	<u>4,057</u>	<u>16,286</u>
Interest receivable	-	3,044
Prepayments	9,383	11,182
Other debtors	3,575	-
	<u>17,015</u>	<u>30,512</u>
NOTE 6 - INVESTMENTS		
General Fund		
CPS Savings & Loans Society Ltd shares	2	2
Term deposit I22 - 22397226	118,892	116,256
	<u>118,894</u>	<u>116,258</u>
Death Benefit Fund		
CPS Savings & Loans Society Ltd		
Savings account S1 - 22006693	5,613	5,661
Term deposit 140 - 22006693	40,000	40,000
	<u>45,613</u>	<u>45,661</u>
Welfare Fund		
Term deposit 140 - 22283679	14,848	14,229
	<u>14,848</u>	<u>14,229</u>
Car Replacement Fund		
CPS Savings & Loans Society Ltd		
Savings account S1 - 22216585	126	126
Term deposit 140 - 22216585	111,649	106,995
	<u>111,775</u>	<u>107,121</u>
Building Fund		
CPS Savings & Loans Society Ltd		
Savings Account S1 - 22239540	841	839
Term deposit I20 - 22239540	93,780	89,874
Term deposit I40 - 22239540	122,571	118,539
	<u>217,192</u>	<u>209,252</u>
Leave Fund		
CPS Savings & Loans Society Ltd		
Savings account S1 - 22006708	773	772
Term deposit 140 - 22006708	297,896	287,850
Fixed Term - 252	103,107	-
	<u>401,776</u>	<u>288,622</u>
Total Investments	<u>910,097</u>	<u>781,143</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 2003

	2003 \$	2002 \$
NOTE 7 - PROPERTY, PLANT AND EQUIPMENT		
Land and buildings - Hurtle Square at independent valuation - June 2002	475,000	520,000
Plant and equipment - at cost	232,233	232,233
Less: accumulated depreciation	215,484	209,431
	16,749	22,802
Motor vehicles - at cost	109,148	109,148
Less: accumulated depreciation	50,966	34,074
	58,182	75,074
Total property, plant and equipment	549,931	617,876

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

	Land & Buildings \$	Office Equipment \$	Motor Vehicles \$	Total \$
Balance at the beginning of year	520,000	22,802	75,074	617,876
Revaluation adjustment	(45,000)			
Additions	-	-	-	-
Depreciation expense	-	(6,053)	(16,892)	(22,945)
Carrying amount at the end of year	475,000	16,749	58,182	594,931

Valuation of Land and Buildings

The basis of valuation of land and buildings is fair value, being the amounts for which the assets would be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition.

The 2002 revaluation was made by the committee members and was based on an independent assessment by A J Waters, a member of the Australian Property Institute. The valuation was conducted on 11 June 2002.

NOTE 8 - PAYABLES

Contributions paid in advance	5,305	7,079
Creditors and accruals	23,716	64,176
Total Accounts Payable	29,021	71,255

NOTE 9 - PROVISIONS

Provision for sick leave	132,568	126,463
Provision for Furlough leave	104,484	103,338
Provision for recreation leave	47,034	43,989
Total provisions	284,086	273,790
Number of employees at the end of the year	4	4

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 2003

NOTE 10 - RESERVES	2003 \$	2002 \$
Death benefits fund	45,616	45,664
Total reserves	45,616	45,664
Death Benefits fund		
Balance 1 April	45,664	44,614
Transfer from the reserve	(1,500)	(1,500)
Transfer to the reserve	1,452	2,550
Balance 31 March	45,616	45,664

NOTE 11 - ACCUMULATED FUNDS

Accumulated funds at the beginning of the year	1,234,108	1,259,097
Surplus/(deficit) attributable to members	54,414	(24,989)
Accumulated funds at the end of the year	1,288,522	1,234,108

NOTE 12 - CASH FLOW INFORMATION

a) Reconciliation of Cash

Cash at bank	169,933	195,017
Cash on hand	269	269
	170,202	195,286

b) Reconciliation of Net Cash provided by Operating Activities
to Profit from Ordinary Activities

Operating results	54,414	(23,939)
Depreciation	22,945	31,074
Revaluation decrement	45,000	-
Increase/(Decrease) in Provisions		
- furlough	1,146	(24,039)
- recreation	3,045	(24,455)
- sick leave	6,104	(31,198)
Decrease/(Increase) in prepayments	1,800	(4,526)
Increase/(Decrease) in accounts payable	(40,507)	19,651
Decrease/(Increase) in accounts receivable	(531)	5,768
Increase/(Decrease) in contributions in advance	(1,775)	(1,100)
Decrease/(Increase) in contributions in arrears	12,229	(2,094)
Increase/(Decrease) in Provision for doubtful debts	-	432
Net cash provided used in/by operating activities	103,871	(54,426)

c) The union has no credit stand-by or financing facilities in place.

d) There were no non-cash financing or investing activities during the period.

**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 2003**

NOTE 13 - SEGMENT REPORTING

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

NOTE 14 - 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 (resigned July 2002)
B D Dobson (Vice President)	D M Carey
M J Marrett (Vice President)	R Foster
N R Paul (Secretary)	P S McDonald
T Mullins (guest member, appointed Oct 2002)	S Butterworth (appointed Oct 2002)
A Ramsay	R Miller
A J Lang	N Townsend

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 \$115,177 (2002: \$272,255). 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 \$17,567 (2002: \$33,566).

NOTE 15 - 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			
	2003 %	2002 %	2003 \$	2002 \$	2003 \$	2002 \$
FINANCIAL ASSETS						
Cash	0	0.2	169,933	195,017	-	-
Short term deposits	4.35	4.35	-	-	910,097	781,143
TOTAL FINANCIAL ASSETS			169,933	195,017	910,097	781,143

(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 16 - 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 2003

	2003 \$	2002 \$
INCOME		
Members' contributions	671,007	661,783
Interest received	28,457	50,771
Other	113	-
Total Income	699,577	712,554
Less		
EXPENSES		
Accounting and audit fees	5,352	6,800
Australian Labour Party election expenses	-	12,957
Australian Labour Party sustentation fees	9,961	5,675
State Executive and Delegates Allowance	1,662	2,524
Bad debts	-	432
Bank charges	3,670	3,908
Car rental	1,709	1,011
Christmas function	560	629
Cleaning	384	269
Commissions and collections	755	367
Computer consumables	57	460
Contributions Commission	12,224	11,963
Death benefit fund payment	1,500	2,550
Depreciation	22,945	31,074
Fringe benefits tax	12,114	3,944
General expenses	2,959	3,528
Head office dues	172,591	164,290
Insurance	14,037	14,052
Legal expenses	8,750	11,549
Light and power	5,527	5,473
Motor vehicle expenses	8,322	8,661
National council formation	-	1,539
National council funding	1,452	-
Office expenses	2,687	3,066
Organising and motor vehicle expenses	10,680	8,588
Petty cash disbursement	856	1,094
Postage	4,493	5,828
Printing and stationery	6,998	5,688
Professional fees	625	750
Provision for furlough	1,146	12,873
Provision for recreation leave	3,045	(198)
Provision for sick leave	6,105	16,109
Rates and taxes	10,276	4,249
Refund overpaid subs	3,487	2,646
Repairs, maintenance and security fees	3,900	1,821

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 2003

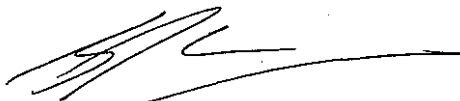
	2003 \$	2002 \$
Less Expenses (Cont.)		
Salaries and wages - elected officials	146,854	268,957
Salaries and wages - employees	54,761	50,772
Staff amenities	280	349
State executive and delegates allowance	288	1,042
Sub-Branch President's Allowance	750	-
Superannuation contributions	24,023	29,576
Telephone and facsimiles	9,631	11,504
Trades and labour council	8,396	8,105
Travel costs	9,792	5,920
TUTA School Expenses	1,040	-
Union shopper expenses	619	627
Workcover	2,900	4,522
Total Expenses	600,163	737,543
OPERATING SURPLUS/(DEFICIT)	99,414	(24,989)
Less: Revaluation adjustment	45,000	-
SURPLUS/(DEFICIT)	54,414	(24,989)

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

AUDITORS CERTIFICATE - HEAD OFFICE DUES
FOR THE YEAR ENDED 31 MARCH 2003

	2003 \$	2002 \$
We report that the total amount of members' fees received is	671,007	661,783
Add: Subs allowance	12,837	10,488
GROSS SA BRANCH FEES	<u>683,844</u>	<u>672,271</u>
Head office dues payable (@ 25%)	<u>170,961</u>	<u>168,068</u>
Head Office Dues Paid During Year	<u>172,591</u>	<u>164,290</u>
Amount to be paid/(received) in April 2003	<u>(1,630)</u>	<u>3,778</u>

GRANT THORNTON
Chartered Accountants


S.J. GRAY
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 R Paul
Branch Secretary, SA/NT Postal & Telecommunications Branch
CEPU Communications Division
30-40 Hurtle Square
ADELAIDE SA 5000

Dear Mr Paul

**Re: Lodgement of Financial Accounts and Statements for the CEPU Communications
Division SA/NT Postal & Telecommunications Branch for the year ending 31 March
2003 (FR2003/35)**

Receipt is acknowledged of the abovementioned financial documents which were lodged in the Registry on 16 June 2003.

However before the documents can be filed some clarification is required regarding the following matters:

Audit Qualification

The auditor has set out a qualification that *"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."*

This qualification is the same as that contained in the audit report for the previous financial year (31 March 2002). Last year Mr Graham Lorrain, Acting Branch Secretary, stated that the Branch was a co-owner of the property with the CEPU Communications Division SA/NT Telecommunications & Services Branch and that the valuation representing your holding would be incorporated into the Audit. I note that this was done but the wording of the auditor's qualification and of Note 1(b) in the accompanying notes still leaves open the question as to why the value of the buildings has not been indicated separately from the value of the land and why the buildings have not been depreciated.

Under the circumstances therefore I would ask for your comments on the reasons for the above departure from the AA Standard referred to by the auditor, and whether in future reports you can address this so that this qualification will not be necessary. 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 the auditor although 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.


Date of supply to members

Although your covering letter states that "*copies ofFinancial Report were circulated to our members as per the requirement....*" it is not strictly clear from this whether the necessary 7 day time lapse between such circulation and the meeting on 11 June 2003 was observed.

The Registry would prefer that the date of circulation be provided, for the record. I would appreciate therefore if you could advise this in your reply.

Thank you for attending to these matters. The financial documents should be able to be filed as soon as your response is lodged. If you have any enquiries regarding these matters please contact me on 02 8374 6509, or Belinda Penna on 02 8375 6618.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Stephen Kellett', followed by a horizontal line extending to the right.

Stephen Kellett
Assistant Manager, Statutory Services Branch

16 June 2003

8th July 2003

Mr. S Kellett
Australian Industrial Registry
Level 8, Terrace Towers
80 William Street
East Sydney NSW 2011

Dear Mr. Kellett,

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

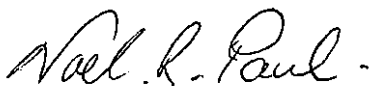
Reference your letter of the 16th June 2003 and our telephone conversation of the 7th of July 2003 concerning the Audit Qualification and the date of supply of the Annual Report to the Membership.

I have instructed our Auditor to make contact with yourself and if necessary provide written advice concerning the Audit Qualification, this I understand has been undertaken.

In respect to the supply of information to our members, they were posted to work locations on the 30th of May 2003. This complies with Section 27a(1) of the act.

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

Yours Sincerely



Noel Paul
Branch Secretary
Post and Telecommunications Branch



CEPU

**COMMUNICATIONS
ELECTRICAL
PLUMBING
UNION**

COMMUNICATIONS DIVISION
Postal & Telecommunications
SA/NT Branch

ABN: 47 901 289 504

30 - 40 Hurtle Square
Adelaide
South Australia 5000
Australia

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

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





AUSTRALIAN INDUSTRIAL REGISTRY

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

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

Dear Mr Paul

**re Lodgement of Financial Statements - SA/NT Postal & Telecommunications
Branch for year ended 31 March 2003 (FR2003/35)**

Thank you for your letter dated 8 July 2003 advising the date the financial statements were posted to members.

I have been contacted by the Auditor who has undertaken to provide appropriate written advice concerning the Audit qualification. As soon as this is received the documents will be filed.

Yours sincerely

Stephen Kellett
Assistant Manager, Statutory Services Branch

10 July 2003



AUSTRALIAN INDUSTRIAL REGISTRY

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

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

Dear Mr Paul

**re Lodgement of Financial Statements - SA/NT Postal & Telecommunications
Branch for year ended 31 March 2003 (FR2003/35)**

I refer to my letter dated 10 July 2003 in which I advised that the above financial statements would be filed upon receipt of written advice in relation to the Audit qualification from the Auditor, who had given an undertaking to do so.

To date the Registry has not received any such advice. I would appreciate any information you can provide on the progress of the matter. As soon as this is received the documents will be filed.

Yours sincerely

Stephen Kellett
Statutory Services Branch

26 September 2003

Chartered Accountants and Business Advisers

Grant Thornton 

DLM/CSDocument3

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FACSIMILE

TO	DATE
Mr S Kellett	2 October 2003
COMPANY	FAX NUMBER
Australian Industrial Registry	02 9380 6990
FROM	NUMBER OF PAGES
Dean Marsh	(including this page)
	3
MATTER	

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MESSAGE

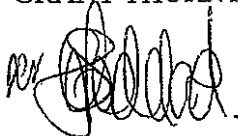
Mr Kellett

Please find following a copy of a letter dated 9 July 2003. I have also arranged for a copy To be posted to you this evening.

If you have any queries, please do not hesitate to contact me.

Yours sincerely

GRANT THORNTON SERVICES (SA) PTY LTD

**D L MARSH**

Director

enc

email: dmarsh@gtsa.com.au



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Our ref: DLM/LRM
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STRICTLY PRIVATE AND CONFIDENTIAL

Mr S Kellett
Assistant Manager, Statutory Services Branch
Australian Industrial Registry
Level 8, Terrace Towers
80 William Street
EAST SYDNEY NSW 2011

9 July 2003

Dear Mr Kellett

**CEPU COMMUNICATIONS DIVISION SA
YEAR ENDED 31 MARCH 2003**

We refer to your letter to Mr Noel Paul dated 16 June 2003 and to our recent telephone conversation.

We advise that the qualification as noted in your letter regarding the depreciation of non current assets does not in our view create a material impact on the financial statements of the branch for the year. During the year, an independent valuation of the land and buildings owned by the branch was obtained and a market value (vacant possession) of \$475,000 was advised for the property at 34 – 40 Hurtle Square, Adelaide. The property is described in the valuation as the office building, the improvements constructed thereon and the site itself. The valuation did not detail separate valuations for the land itself, or the buildings and improvements.

You will note in the statement of financial performance an amount of \$45,000 described as revaluation decrement which relates to the reduction in the carrying amount of the asset from \$520,000 to \$475,000. If depreciation had been charged on the buildings during the year, an equivalent amount which would have shown as depreciation in the income and expenditure statement would have been offset against the \$45,000 revaluation decrement, and accordingly the net surplus of \$54,414 would not have changed.

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Grant Thornton 

We trust this clarifies the position in relation to the audit qualification and the impact on the financial statements of the branch, however should you have any further queries please contact me at this office.

Yours sincerely

GRANT THORNTON SERVICES (SA) PTY LTD



D L MARSH
Director

enc

email: dmarsh@gtsa.com.au

cc: Mr Noel Paul
Branch Secretary, SA Branch
CEPU Communications Division
30 – 40 Hurtle Square
ADELAIDE SA 5000



AUSTRALIAN INDUSTRIAL REGISTRY

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

Mr Dean Marsh
Director, Grant Thornton Services (SA) Pty Ltd
GPO Box 1270
ADELAIDE SA 5001

Dear Mr Marsh

**re Lodgement of Financial Statements - SA/NT Postal & Telecommunications
Branch for year ended 31 March 2003 (FR2003/35)**

Thank you for your letter dated 9 July 2003 received by facsimile transmission today.
The letter has been placed on the file for the record and the above financial statements
have been filed.

Yours sincerely

Stephen Kellett
Statutory Services Branch

2 October 2003



AUSTRALIAN INDUSTRIAL REGISTRY

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

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

Dear Mr Paul

**re Lodgement of Financial Statements - SA/NT Postal & Telecommunications
Branch for year ended 31 March 2003 (FR2003/35)**

I refer to previous correspondence in relation to the above financial statements. The Registry has received a letter from the Auditor providing advice in relation to the qualification contained in the Auditor's report. Accordingly, the documents have been filed.

Yours sincerely

Stephen Kellett
Statutory Services Branch

2 October 2003