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Communication Workers' Union

22 July 2003

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

P&T Branch (Vic)
ABN 30 490 675 447

John Brown
Branch Secretary/Treasurer

67 Cromwell St
Collingwood
Victoria 3066
Australia

Ph: 03 9419 9400
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E-mail: cdptvic@cepu.asn.au

Dear Ms Penna

Re: Financial Statements for Year ending 31 March 2003

I hereby formally advise that pursuant to the subsection 279(3) of the Act the attached Annual Report contains a copy of the Auditor's Report, Accounts and Statements of the CEPU Communications Division P&T Branch (Victoria) for the period of 1 April 2002 to 31 March 2003. Copies of the same were provided to the members of the CEPU P&T Victorian Branch in accordance with Section 289(1) by post on 8 July 2003.

In accordance with requirements, the General Meeting was held Monday 21 July 2003, the financial statements were presented and carried at this meeting.

If you have any queries in relation to the above please do not hesitate to contact me on (03) 9419 9400.

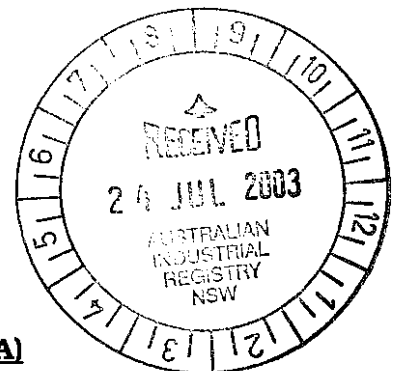
Yours sincerely

A handwritten signature in black ink, appearing to be 'John Brown', written over a horizontal line.

John Brown, Victorian Branch Secretary for
CEPU: COMMUNICATIONS DIVISION-P&T BRANCH (VICTORIA)

Encl:

Please ensure that our reference (at the top of the page) is noted on any correspondence returned to our office.



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

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY,
INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES
UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)
ABN 30 490 675 447
FINANCIAL REPORT
FOR THE YEAR ENDED 31ST MARCH, 2003**



**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)**

ABN 30 490 675 447

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST MARCH, 2003**

	NOTE	2003 \$	2002 \$
Revenues from ordinary activities	3	1,672,544	1,684,263
Administration expenses		(208,214)	(257,912)
Affiliation and capitation fees		(442,680)	(479,411)
Communication expenses		(57,479)	(60,161)
Depreciation expenses	4	(41,464)	(38,434)
Employee benefits expense		(780,495)	(1,009,957)
Occupancy expenses		(37,865)	(35,176)
Other expenses from ordinary activities		<u>(60,673)</u>	<u>(64,100)</u>
Profit / (Loss) from ordinary activities before income tax expenses	4	43,674	(260,888)
Income tax expense	1(a)	<u>-</u>	<u>-</u>
Net profit / (loss)		<u>43,674</u>	<u>(260,888)</u>
Total changes in equity	16	\$ <u>43,674</u>	\$ <u>(260,888)</u>

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)**

ABN 30 490 675 447

STATEMENT OF FINANCIAL POSITION

AS AT 31ST MARCH, 2003

	NOTE	2003 \$	2002 \$
CURRENT ASSETS			
Cash asset	6	229,763	143,835
Receivables	7	33,069	48,079
Other	8	<u>15,864</u>	<u>14,765</u>
TOTAL CURRENT ASSETS		<u>278,696</u>	<u>206,679</u>
NON CURRENT ASSETS			
Property, plant & equipment	9	1,278,724	1,245,699
Other financial assets	10	<u>1,000</u>	<u>1,000</u>
TOTAL NON CURRENT ASSETS		<u>1,279,724</u>	<u>1,246,699</u>
TOTAL ASSETS		<u>1,558,420</u>	<u>1,453,378</u>
CURRENT LIABILITIES			
Payables	11	140,512	152,464
Interest bearing liabilities	12	35,767	35,558
Provisions	13	<u>473,000</u>	<u>399,889</u>
TOTAL CURRENT LIABILITIES		<u>649,279</u>	<u>587,911</u>
TOTAL LIABILITIES		<u>649,279</u>	<u>587,911</u>
NET ASSETS		<u>\$ 909,141</u>	<u>\$ 865,467</u>
EQUITY			
Retained profits	16	<u>909,141</u>	<u>865,467</u>
TOTAL EQUITY		<u>\$ 909,141</u>	<u>\$ 865,467</u>

The accompanying notes form part of this financial report.

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POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)**

ABN 30 490 675 447

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH, 2003

	NOTE	INFLOW (OUTFLOW) 2003 \$	INFLOW (OUTFLOW) 2002 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Membership contributions		1,692,159	1,792,748
Interest received		7,674	12,316
Other receipts		73	-
Payments to suppliers & employees		<u>(1,537,912)</u>	<u>(2,253,733)</u>
CASH FLOWS PROVIDED/(USED) BY OPERATING ACTIVITIES	18(b)	<u>161,994</u>	<u>(448,669)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds on sale of fixed assets		36,000	22,100
Purchase of property, plant & equipment		<u>(112,275)</u>	<u>(34,910)</u>
CASH FLOWS PROVIDED/(USED) BY INVESTING ACTIVITIES		<u>(76,275)</u>	<u>(12,810)</u>
NET INCREASE/(DECREASE) IN CASH HELD		85,719	(461,479)
Cash at beginning of reporting period		<u>108,277</u>	<u>569,756</u>
CASH AT END OF REPORTING PERIOD	18(a)	<u>\$ 193,996</u>	<u>\$ 108,277</u>

The accompanying notes form part of this financial report.

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PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)
ABN 30 490 675 447
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2003**

Note 1 – Statement of Significant 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 requirement of the Workplace Relations Act 1996.

The financial report has been prepared on an accruals basis and is based on historical cost 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) *Income Tax*

No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 50 – 15 of the Income Tax Assessment Act 1997.

(b) *Property, Plant and Equipment*

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

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the Union 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.

Depreciation

The depreciable amount of all fixed assets are depreciated on a straight line or a reducing balance basis over the useful lives of the assets to the Union commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Assets	Depreciation Rate
Office equipment, furniture and fittings	7.5% - 30%
Motor vehicles	22.5%
Computer equipment	20.0% - 40%

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)**

ABN 30 490 675 447

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2003**

Note 1 – Summary of Significant Accounting Policies (cont.)

(c) *Leases*

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

(d) *Employee Entitlements*

Provision is made for the Union's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave which will be settled after one year, have been measured at their nominal amount.

Annual leave has been calculated for all employees and officials on the basis of their terms of employment.

(e) *Cash*

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

(f) *Revenue*

Revenue from membership subscriptions is recognised on an accrual basis.

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

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

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

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of 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 read as follows:-

(1) *Application for Information*

A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)**

ABN 30 490 675 447

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2003 (Cont.)**

Note 2 – Information To Be Provided To Members Or Registrar (cont.)

(2) *Provision of Information*

An organisation shall, on application made under sub-section (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.

(3) *Function of Registrar*

A Registrar may only make an application under sub-section (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

Penalty : \$1,000

	2003	2002
	\$	\$
Note 3 – Revenue		
Revenues from operating activities		
Membership subscriptions	1,665,886	1,669,193
Interest received	5,902	12,551
Other	<u>73</u>	<u>200</u>
	<u>1,671,861</u>	<u>1,681,944</u>
Revenues from outside the operating activities		
Profit on sale of fixed assets	<u>683</u>	<u>2,319</u>
Revenue from ordinary activities	<u>\$ 1,672,544</u>	<u>\$ 1,684,263</u>

Note 4 – Profit from ordinary activities

Net gain and expenses

Profit from ordinary activities before income tax expense includes the following specific net gains and expenses:

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POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)**

ABN 30 490 675 447

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2003 (Cont.)

	2003 \$	2002 \$
Note 4 – Profit from ordinary activities (cont.)		
Expenses		
Depreciation of property, plant and equipment	41,464	38,434
Remuneration of auditor:		
– audit services	11,300	11,000
– other services	2,225	6,880
Rental expense on operating lease	-	6,788

Note 5 - Donations

ALP	3,000	-
Andrew Adams Memorial Trust	-	300
Anti Cancer Council	-	50
Canteen for Kids	-	50
TLC for Kids	-	75
	<u>3,000</u>	<u>475</u>
	\$ <u>3,000</u>	\$ <u>475</u>

Note 6 – Current Assets - Cash Assets

Cash on hand	1,050	1,050
Cash at bank		
- Joint fund	53	11,493
- Training fund	-	306
Cash on deposit		
- General account	<u>228,660</u>	<u>130,986</u>
	\$ <u>229,763</u>	\$ <u>143,835</u>

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POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)**

ABN 30 490 675 447

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2003**

	2003 \$	2002 \$
Note 7 – Current Assets - Receivables		
Contributions in arrears	33,474	52,267
Less doubtful debt provision	(6,086)	(10,453)
Sundry debtors	<u>5,681</u>	<u>6,265</u>
	<u>\$ 33,069</u>	<u>\$ 48,079</u>

Note 8 – Current Assets – Other

Prepayments	<u>\$ 15,864</u>	<u>\$ 14,765</u>
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**Note 9 – Non-current Assets – Property, Plant
and Equipment**

Land and buildings – at cost	<u>1,090,706</u>	<u>1,090,706</u>
Computer equipment – at cost	224,791	222,098
Less accumulated depreciation	<u>(218,501)</u>	<u>(214,710)</u>
	<u>6,290</u>	<u>7,388</u>
Motor vehicles – at cost	193,135	189,787
Less accumulated depreciation	<u>(44,059)</u>	<u>(80,979)</u>
	<u>149,076</u>	<u>108,808</u>
Office equipment, furniture and fittings – at cost	324,824	324,824
Less accumulated depreciation	<u>(292,172)</u>	<u>(286,027)</u>
	<u>32,652</u>	<u>38,797</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>\$ 1,278,724</u>	<u>\$ 1,245,699</u>

Movements in carrying amounts

	Land & Buildings \$	Computer equipment \$	Motor vehicles \$	Office equipment, furniture and fittings \$	Total \$
Balance at the beginning of year	1,090,706	7,388	108,808	38,797	1,245,699
Additions	-	2,694	109,582	-	112,276
Disposal	-	-	(37,785)	-	(37,785)
Depreciation expense	<u>-</u>	<u>(3,792)</u>	<u>(31,529)</u>	<u>(6,145)</u>	<u>(41,466)</u>
Carrying amount at the end of financial year	<u>\$ 1,090,706</u>	<u>\$ 6,290</u>	<u>\$ 149,076</u>	<u>\$ 32,652</u>	<u>\$ 1,278,724</u>

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)**

ABN 30 490 675 447

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2003 (Cont.)

	2003 \$	2002 \$
Note 10 – Non-Current Assets – Other Financial Assets		
New International Bookshop Co-Op	\$ <u>1,000</u>	\$ <u>1,000</u>
Amounts realisable within one year	1,000	1,000
Amounts not realisable within one year	<u>-</u>	<u>-</u>
	\$ <u>1,000</u>	\$ <u>1,000</u>

Note 11 – Current Liabilities – Payables

Contributions paid in advance	46,904	37,212
Sundry creditors	<u>93,608</u>	<u>115,252</u>
	\$ <u>140,512</u>	\$ <u>152,464</u>

**Note 12 – Current Liabilities –
Interest Bearing Liabilities**

Bank overdraft	\$ <u>35,767</u>	\$ <u>35,558</u>
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Note 13 – Current Liabilities – Provisions

Employee entitlements		
- Provision for annual leave	121,705	107,855
- Provision for long service leave	120,237	93,071
- Provision for sick leave	<u>231,058</u>	<u>198,963</u>
	\$ <u>473,000</u>	\$ <u>399,889</u>

Note 14 – Long Service Leave Fund

Opening balance	-	138,294
Add receipts:		
- interest	<u>-</u>	<u>1,987</u>
	<u>-</u>	<u>140,281</u>
Less expenses:		
- bank charges	-	244
- transfer to General Fund	<u>-</u>	<u>140,037</u>
	<u>-</u>	<u>140,281</u>
Closing balance	\$ <u>-</u>	\$ <u>-</u>

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)**

ABN 30 490 675 447

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2003 (Cont.)**

	2003 \$	2002 \$
Note 15 – Sick Leave Fund		
Opening balance	-	73,440
Add receipts:		
- interest	-	1,191
	-	74,631
Less expenses:		
- bank charges	-	147
- transfer to General Fund	-	74,484
	-	74,631
Closing balance	\$ -	\$ -

Note 16 – Equity

Total equity at the beginning of the financial year	865,467	1,126,355
Total changes in equity recognised in the statement of financial performance	43,674	(260,888)
Total equity at the end of the financial year	\$ 909,141	\$ 865,467

Note 17 – Segment Reporting

The Union operates predominantly in one industry, being the Communications sector covering Telstra and Australia Post. The business operates predominantly in one geographical area being Victoria, Australia.

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PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)**

ABN 30 490 675 447

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2003 (Cont.)

	2003 \$	2002 \$
Note 18 – Cash Flow Information		
<i>(a) Reconciliation of Cash</i>		
Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the financial statements as follows:-		
Cash on hand	1,050	1,050
Cash at bank/(overdraft)	(35,714)	(23,759)
Term deposit	<u>228,660</u>	<u>130,986</u>
	<u>\$ 193,996</u>	<u>\$ 108,277</u>
<i>(b) Reconciliation of Net Cash Provided by Operating Activities to Net Surplus/(Deficit)</i>		
Net surplus/(deficit)	43,674	(260,888)
Depreciation	41,464	38,434
(Profit)/loss on sale of fixed assets	1,785	5,366
Provision for doubtful debts	(4,367)	(37,605)
Movement in assets and liabilities:		
- (Increase)/decrease in contributions in arrears	18,793	115,739
- (Increase)/decrease in prepayments	(1,099)	4,150
- (Increase)/decrease in sundry debtors	583	19,741
- Increase/(decrease) in creditors	(21,642)	(195,989)
- Increase/(decrease) in contributions in advance	9,692	2,950
- Increase/(decrease) in employee benefits	<u>73,111</u>	<u>(140,567)</u>
Cash Flows Provided/(Used) by Operations	<u>\$ 161,994</u>	<u>\$ (448,669)</u>
<i>(c) The Union has no credit stand-by or financing facilities in place.</i>		
<i>(d) There were no non-cash financing or investing activities during the period.</i>		

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POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)**

ABN 30 490 675 447

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2003 (Cont.)

2003
\$

2002
\$

Note 19 – Financial Instruments

(a) Interest Rate Risk Exposures

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

2003	Note	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate		Maturing Non-interest bearing	TOTAL
				Within 1 Year	Within 1 to 5 Years		
		2003 %	2003 \$	2003 \$	2003 \$	2003 \$	2003 \$
Financial Assets							
Cash	6	4.3	228,713	-	-	1,050	229,763
Receivables	7	-	-	-	-	33,069	33,069
Other financial assets	10	-	-	-	-	1,000	1,000
Total Financial Assets		-	228,713	-	-	35,119	263,832
Financial Liabilities							
Payables	11&12	-	-	-	-	176,279	176,279
Total Financial Liabilities		-	-	-	-	176,279	176,279
Net Financial Assets/(Liabilities)		-	228,713	-	-	(141,160)	87,553

2002	Note	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate		Maturing Non-interest bearing	TOTAL
				Within 1 Year	Within 1 to 5 Years		
		2002 %	2002 \$	2002 \$	2002 \$	2002 \$	2002 \$
Financial Assets							
Cash	6	4.3	142,785	-	-	1,050	143,835
Receivables	7	-	-	-	-	48,079	48,079
Other financial assets	10	-	-	-	-	1,000	1,000
Total Financial Assets		-	142,785	-	-	50,129	192,914
Financial Liabilities							
Payables	11&12	-	-	-	-	188,022	188,022
Total Financial Liabilities		-	-	-	-	188,022	188,022
Net Financial Assets/(Liabilities)		-	142,785	-	-	(137,893)	4,892

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PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)**

ABN 30 490 675 447

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2003 (Cont.)

		2003 \$	2002 \$
Note 19 – Financial Instruments (cont.)			
Reconciliation of Net Financial Assets to Net Assets			
Net Financial assets as above		87,553	4,892
Non-Financial assets and liabilities:			
Prepayments	8	15,864	14,765
Plant and equipment	9	1,278,724	1,245,699
Employee entitlements	13	<u>(473,000)</u>	<u>(399,889)</u>
Net assets per statement of financial position		<u>\$ 909,141</u>	<u>\$ 865,467</u>

(b) Credit Risk Exposures

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 statement of financial position and notes to the financial statements.

The Union does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Union.

(c) Net Fair Values of Financial Assets and Liabilities

For all financial assets and liabilities listed in Note 19(a) above, the net fair value approximates their carrying amounts. No financial assets and financial liabilities are readily traded on organised markets in standardised form. The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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ABN 30 490 675 447
ACCOUNTING OFFICER'S CERTIFICATE**

I, John William Anthony Brown, being the officer responsible for keeping the accounting records of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing And Allied Services Union Of Australia, Communications Division, Postal And Telecommunications Branch (Victoria) certify that as at 31st March, 2003, the number of members of the organisation was 6,554.

In my opinion:-

- (i) the attached accounts show a true and fair view of the financial affairs of the organisation as at 31st March, 2003;
- (ii) a record has been kept of all monies paid by, or collected from members, and all monies so paid or collected have been credited to the bank account to which those monies 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; and
- (vi) the register of members of the organisation was maintained in accordance with the Act.

.....
JOHN WILLIAM ANTHONY BROWN - SECRETARY

Melbourne: 13th May, 2003

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)
ABN 30 490 675 447
COMMITTEE OF MANAGEMENT CERTIFICATE**

We, Bernard Clarke and Joseph Gatto being two members of the Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing And Allied Services Union Of Australia, Communications Division, Postal And Telecommunications Branch (Victoria), 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 organisation as at 31st March, 2003;
- (ii) in the opinion of the Committee of Management, meetings of the Committee were held during the year ended 31st March, 2003, in accordance with the rules of the organisation;
- (iii) to the knowledge of any member of the Committee, there have been, during the financial year to which the accounts relate, 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 organisation has complied with sub sections 279 (1) and (6) of the Act in relation to the financial accounts in respect of the year ended 31st March 2002, and the Auditor's Report thereon.



BERNARD CLARKE



JOSEPH GATTO

Melbourne: 13th May, 2003

- 16 -

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)
ABN 30 490 675 447
INDEPENDENT AUDITOR'S REPORT**

*To The Members Of The Communications, Electrical, Electronic, Energy, Information, Postal,
Plumbing And Allied Services Union Of Australia, Communications Division, Postal And
Telecommunications Branch (Victoria):*

Scope

We have audited the financial report of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing And Allied Services Union Of Australia, Communications Division, Postal And Telecommunications Branch (Victoria) for the year ended 31st March, 2003, as set out on pages 1 to 15. The Union's Committee of Management and Accounting Officer is responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on them to the members of the Union.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly, in accordance with Accounting Standards, Workplace Relations Act 1996, other mandatory professional reporting requirements (Urgent Issues Group Consensus Views), and statutory requirements, so as to present a view which is consistent with our understanding of the Union's financial position and performance as represented by the results of its operations and its cash flows.

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

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)
ABN 30 490 675 447
INDEPENDENT AUDITOR'S REPORT (cont.)**

Audit Opinion

In our opinion:-

- (a) There were kept by the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing And Allied Services Union Of Australia, Communications Division, Postal And Telecommunications Branch (Victoria), in respect of the year ended 31st March, 2003, satisfactory accounting records, including:
 - (i) record of the sources and nature of the income of the organisation (including income from members); and
 - (ii) records of the nature and purpose of the expenditure of the organisation.
- (b) The attached accounts and statements are prepared in accordance with Section 273 of the Workplace Relations Act 1996, and are properly drawn up so as to give a true and fair view of:
 - (i) the financial position of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing And Allied Services Union Of Australia, Communications Division, Postal And Telecommunications Branch (Victoria) as at 31st March, 2003; and
 - (ii) the financial performance and surplus of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing And Allied Services Union Of Australia, Communications Division, Postal And Telecommunications Branch (Victoria) for the year ended on that date.
- (c) We have received all the information and explanation we requested for the purposes of our audit.
- (d) The financial report is drawn up in accordance with applicable Accounting Standards and other mandatory professional reporting requirements.

MSI Ragg Weir
MSI RAGG WEIR
CHARTERED ACCOUNTANTS

JAMES T. SMITH
PARTNER

Melbourne: 13th May, 2003

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)
ABN 30 490 675 447
COMPILATION REPORT
FOR THE YEAR ENDED 31ST MARCH, 2003**

*To Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing And Allied
Services Union Of Australia, Communications Division, Postal And Telecommunications Branch
(Victoria)*

Scope

On the basis of the information provided by the Committee of Management of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing And Allied Services Union Of Australia, Communications Division, Postal And Telecommunications Branch (Victoria) we have complied, in accordance with APS 9: Statement of Compilation of Financial Reports the special purpose financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing And Allied Services Union Of Australia, Communications Division, Postal And Telecommunications Branch (Victoria) for the year ended 31st March 2003 comprising the attached Statement of Income and Expenditure.

The specific purpose for which the special purpose financial report has been prepared is to provide financial information to the members. Accounting Standards and other mandatory professional reporting requirements have not been adopted in the preparation of the special purpose financial report.

The Committee of Management is solely responsible for the information contained in the special purpose financial report and has determined that the accounting policies used are consistent with the financial reporting requirements of the Union's Constitution and are appropriate to meet the needs of the Committee of Management for the purpose of complying with the Union's Constitution.

Our procedures use accounting expertise to collect, classify and summarise the financial information which the Committee of Management provided into a financial report. Our procedures do not include verification or validation of procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the Union, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared for the benefit of the Union and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.



MSI RAGG WEIR
CHARTERED ACCOUNTANTS

Melbourne: 13th May, 2003

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)**

ABN 30 490 675 447

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31ST MARCH, 2003**

	2003	2002
	\$	\$
OPERATING INCOME		
Members' contributions	1,665,886	1,669,193
Interest received	5,902	12,551
Sundry income	<u>73</u>	<u>200</u>
TOTAL OPERATING INCOME	<u>\$ 1,671,861</u>	<u>\$ 1,681,944</u>
 LESS OPERATING EXPENDITURE		
Affiliation fees:		
- Australian Labour Party	23,825	29,361
- Other	393	3,393
- Trades and Labour Councils	2,561	3,186
- Victorian Trades Hall Council	1,626	2,752
Allowances - delegates	14,837	12,821
Ambulance service	628	26,321
Bank charges	18,769	21,378
Commission on contributions received	26,168	23,344
Compulsory levies	3,478	3,343
Computer maintenance	3,087	1,373
Death benefit scheme	3,500	3,850
Debt collection expenses	6,366	7,954
Depreciation	41,464	38,434
Donations	3,000	475
Fringe benefits tax	11,406	12,570
Head office dues	414,275	440,719
Honorariums	25	(3,316)
Insurances	13,127	32,008
Light & power	7,525	7,181
Motor vehicle expenses	36,013	56,237
Office cleaning & waste collection	17,385	17,520
Office repairs & maintenance	15,668	11,713
Organisers expenses	6,006	7,917
Payroll delivery	-	948
Payroll tax	36,385	54,481
Postages	23,734	34,499
Printing, stationery & publications	55,397	49,379
Professional services:		
- Accountancy and audit fees	13,525	17,880
- Computer consultant	-	5,599
- Legal fees	3,111	11,398

This statement should be read in conjunction with the attached compilation report on page 18.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
POSTAL AND TELECOMMUNICATIONS BRANCH (VICTORIA)**

ABN 30 490 675 447

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31ST MARCH, 2003 (cont.)**

	2003 \$	2002 \$
OPERATING EXPENDITURE (cont.)		
Provident fund contribution:		
- employees	29,659	32,934
- officials	29,492	35,313
Provision for annual leave	13,851	(17,482)
Provision for doubtful debts	(4,367)	(37,605)
Provision for long service leave	27,166	(56,400)
Provision for sick leave	32,095	(66,685)
Purchase of souvenirs	9,880	-
Rates & taxes	12,954	10,475
Refund on union dues	4,581	5,423
Rental of office equipment	-	6,788
Salaries & allowances:		
- employees	194,682	304,366
- officials	405,760	416,977
Staff amenities	3,585	4,942
Staff training, seminars & procurement	2,014	3,263
Sundry expenses	4,287	4,086
Telephone, pagers & facsimile	57,479	60,161
Termination payments	-	293,883
Uniforms & windcheaters (net of sales)	<u>-</u>	<u>2,309</u>
TOTAL OPERATING EXPENDITURE	<u>1,626,402</u>	<u>1,937,466</u>
OPERATING SURPLUS / (DEFICIT)	45,459	(255,522)
ADD NON OPERATING INCOME/(EXPENDITURE)		
Profit/(loss) on sale - fixed assets	<u>(1,785)</u>	<u>(5,366)</u>
SURPLUS / (DEFICIT) FOR YEAR	<u>\$ 43,674</u>	<u>\$ (260,888)</u>

This statement should be read in conjunction with the attached compilation report on page 18.



AUSTRALIAN INDUSTRIAL REGISTRY

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

Mr John Brown
Branch Secretary, Postal and Telecommunications Branch (Victoria)
CEPU
67 Cromwell Street
COLLINGWOOD VIC 3066

Dear Mr Brown,

**Re: Financial Return for CEPU - Communications Division - Victorian Postal and
Telecommunications Branch for the year ended 31 March 2003 (FR2003/37)**

Receipt is acknowledged of the above financial statements which were lodged in the Registry
on 24 July 2003.

The documents have been filed.

Yours sincerely

Stephen Kellett
for Deputy Industrial Registrar

31 July 2003