



Australian Government
Australian Industrial Registry

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Ref: FR2005/208-[128V-CPTV]

Ms Joan Doyle
Branch Secretary
CEPU Communications Division
Victorian Postal & Telecommunications Branch
PO Box 105
ABBOTTSFORD VIC 3067

Dear Ms Doyle

Financial Return - year ending 31 March, 2005

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

New legislation

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

The legislation has changed since your last return. In May 2003 the Industrial Registrar wrote to all organisations forwarding a number of facts sheets outlining the major changes made by Schedule 1B of the Workplace Relations Act 1996 ('RAO'¹). While the immediate changes affected the rules and elections in organisations, the changes affecting financial returns involve a longer lead time.

The key differences under the new legislation affecting financial returns are:

- a reduced financial reporting cycle (now maximum periods of 5 or 6 months depending on internal arrangements of organisation)
- a greater emphasis given to Australian Accounting Standards
- the introduction of a new report, known as an Operating Report (broadly similar in concept to a Director's Report under the corporations legislation)
- extensions of time are limited to one month
- restructured penalty provisions involving more extensive use of Civil Penalties
- the introduction of the Industrial Registrar's Reporting Guidelines
- organisations and their branches to report according to their financial structures, known as 'reporting units'.

We recommend you discuss the new requirements with your accountant or auditor.

¹ Registration and Accountability of Organisations Schedule (RAO) (Schedule 1B to the *Workplace Relations Act 1996*)

Reporting Unit

One of the new concepts of the RAO legislation is that reporting entities are known as "*reporting units*". Where an organisation is **not** divided into branches the reporting unit is the whole of the organisation. Where an organisation **is** divided into branches each branch will be a reporting unit unless the Industrial Registrar has determined a division of the organisation into reporting units on an alternative basis. We can discuss this with you if you need more information.

For simplicity, we will refer to your organisation as a reporting unit in this letter.

Industrial Registrar's Guidelines

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

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

Timeline Planner and Checklist

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

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

Three Reports

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

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

Financial Statements containing:

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

Notes to the Financial Statements containing:

- notes required by the Australian Accounting Standards; and
- information required by the Industrial Registrar's *Reporting Guidelines* under section 255); and

Committee of Management Statement as required by the Registrar's Reporting Guidelines (a sample certificate for illustrative purposes is at Attachment C)

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

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

3. an **Auditor's Report**.

First Meeting (Committee of Management)

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

The Auditor

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

Informing Your Members

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

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

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

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

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

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

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

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

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

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

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

Lodge full report within 14 days of meeting

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at www.airc.gov.au). When lodging the financial return please quote: **FR2005/208**.

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

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

Complying with time limits

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

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

Extensions of Time

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

Reduced Reporting Requirements

If your reporting unit meets certain conditions, some of these reporting requirements can be reduced. Such conditions might be where the annual income of the reporting unit (where the reporting unit is the whole of the organisation) is less than \$100,000, or where the reporting unit has no financial affairs in the financial year, or where the financial affairs of the reporting unit are encompassed by the financial affairs of its counterpart State industrial association.

Contact the Registry

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

Information on AIRC Website

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

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

Yours sincerely



Belinda Penna
for Deputy Industrial Registrar
11 April, 2005

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
FIRST MEETING: Prepare General Purpose Financial Report (including Committee of Management Statement in accordance with C of M resolution) and Operating Report - s253(1), s254(1)	/ /	as soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	within a reasonable time of having received the GPFR
Provide full report free of charge to members. (a) if the report is to be presented before a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting, or (b) in any other case including where the report is presented to a Committee of Management meeting, the report must be provided to members within 5 months of end of financial year. <i>(obligation to provide full report may be discharged by provision of a concise report s265(1))</i>	/ /	
SECOND MEETING: Present full report to: (a) General Meeting of Members - s266 (1),(2), or (b) where rules of organisation allow, a Committee of Management meeting - s266 (3)	/ /	within 6 months of end of financial year
	/ /	within 6 months of end of financial year
Lodge full report (including any concise report) in the Industrial Registry together with secretary's certificate (or other officer authorised by the rules of the organisation) - s268	/ /	within 14 days of meeting

Note: The legislation makes limited provision for extensions of time concerning the provision of the full report to members and the presentation of the full report to a general meeting etc however the maximum extra time allowed can be no more than one month.

Documents Checklist

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

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

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

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

Committee Of Management Statement

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

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

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

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

Title of Office held:

Signature:

Date:

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

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

Certificate of Secretary or other Authorised Officer¹

s268 of Schedule 1B *Workplace Relations Act 1996*

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

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

Signature

Date:

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

(a) the secretary; or

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

²*Only applicable where a concise report is provided to members*

³*Insert whichever is applicable*

Certificate of Secretary or other Authorised Officer
s268 of Schedule 1B *Workplace Relations Act 1996*

I, Joan Doyle, being Secretary of the CEPU Postal and Telecommunications Branch Victoria certify:

- that the documents lodged herewith are copies of the full report and the concise report referred to in s268 of the RAO Schedule; and
- that the concise report was provided to members on 1 August 2005, and
- that the full report was represented to a general meeting of members held on 24 August 2005 and a meeting of the Committee of Management of the reporting unit on 29 July 2005 in accordance with section 266 of the RAO Schedule.

Joan V Doyle

Joan Doyle
Branch Secretary
Communication Workers Union
Postal & Telecommunications Branch



Date: 26 / 8 / 05

**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 31 MARCH 2005**



**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**

OPERATING REPORT

In accordance with Section 254 of the Workplace Relations Act 1996, the Committee of Management present their Operating Report on the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Postal and Telecommunications Branch (Victoria), ("Reporting Unit") for the financial year ended 31 March 2005.

Principal Activities

The principal activities of the Union during the past year fell into the following categories:

- Promoting the interests of Postal and Telecommunications workers.
- Implementing the decisions of the Divisional Branch Committee of Management, Divisional Executive, Divisional Conference and National Council.
- Implementing the union's organising & industrial agenda, including direct assistance and strategic advice to members, assistance to members on planning and resourcing campaigns, bargaining, training and development of shop stewards and officials.
- Support and representation of individual member grievances, advice on legal and legislative matters.
- Lobbying and negotiations with different levels of Government and key industry organisations around issues of importance to Australia Post and Telstra workers.
- Management of the Unions financial and membership systems.

Operating Result

The operating profit of the Union for the financial year was \$42,067. No provision for tax was necessary as the Union is exempt from income tax.

Significant Changes

No significant changes in the Union's state of affairs occurred during the financial year.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, the results of those operations, or the state of affairs of the Union in future financial years.

Rights of Members

Subject to the Rule 11 of the Union's rules and Section 194 of the Workplace Relations Act 1996, members of the Union have the right to resign from membership by providing written notice addressed to and delivered to the Secretary of the Union.

Superannuation Officeholders

No officer or member of the reporting unit:

- (a) is a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (b) is a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

Other Prescribed Information

In accordance with Regulation 159 of the Workplace Relations (Registration and Accountability of Organisations) Regulations:

- (a) the number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for Section 230 of the RAO Schedule and who are taken to be members of the Union under section 244 of the RAO Schedule was 5833.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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OPERATING REPORT continued

Other Prescribed Information continued

- (b) the number of persons who were, at the end of the financial year to which the report relates, employees of the Union, where the number of employees includes both full-time and part-time employees, measured on a full-time equivalent basis was 14.
- (c) the names of each person who have been a member of the Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position were;

Name

Joan Doyle
Gail Cholosznecki
Norm Eccles
Leslie Brown
Adrian Zelesco
Russell Brown
Brendan Henley
Sithy Marikar
Anthony Brown
An Hong
Nigel Jansen
Martin O'Nea
Gary Price
Neil Reid
Joseph Stramand
Dale Chatterton
David Dawson
Mark Hall
Dave McKinney
Dennis Mills
Stephen O'Neil
Gary Riddle

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

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

For Committee of Management: Joan Veronica Doyle
Title of Office held: Branch Secretary



Signature

Melbourne: 4 August 2005

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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ABN 30 490 675 447**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2005**

	Note	2005 \$	2004 \$
Revenues from ordinary activities	3	1,727,074	1,620,596
Administration expense		(228,282)	(225,259)
Affiliation and capitation fees		(405,553)	(420,074)
Communication expense		(40,591)	(45,229)
Depreciation expense	4	(40,166)	(42,036)
Employee benefits expense		(868,713)	(811,333)
Occupancy expense		(35,938)	(37,758)
Other expenses from ordinary activities		<u>(65,764)</u>	<u>(83,169)</u>
Profit/(loss) from ordinary activities before income tax expense	4	42,067	(44,262)
Income tax expense relating to ordinary activities	1(a)	<u>-</u>	<u>-</u>
Net profit/(loss) from ordinary activities after income tax expense		<u>42,067</u>	<u>(44,262)</u>
Total changes in equity	12	<u>42,067</u>	<u>(44,262)</u>

The accompanying notes form part of these financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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ABN 30 490 675 447**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2005**

	Note	2005 \$	2004 \$
CURRENT ASSETS			
Cash assets	5	87,897	89,618
Receivables	6	54,953	38,115
Other	7	8,004	6,632
TOTAL CURRENT ASSETS		<u>150,854</u>	<u>134,365</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	1,204,376	1,237,547
Other financial assets	9	1,000	1,000
TOTAL NON-CURRENT ASSETS		<u>1,205,376</u>	<u>1,238,547</u>
TOTAL ASSETS		<u>1,356,230</u>	<u>1,372,912</u>
CURRENT LIABILITIES			
Payables	10	203,411	277,678
Provisions	11	245,873	230,355
TOTAL CURRENT LIABILITIES		<u>449,284</u>	<u>508,033</u>
TOTAL LIABILITIES		<u>449,284</u>	<u>508,033</u>
NET ASSETS/(LIABILITIES)		<u>906,946</u>	<u>864,879</u>
EQUITY			
Retained profits	12	<u>906,946</u>	<u>864,879</u>
TOTAL EQUITY		<u>906,946</u>	<u>864,879</u>

The accompanying notes form part of these financial statements.

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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2005**

	Note	2005 \$	2004 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Membership contributions		1,630,250	1,564,424
Interest received		862	2,844
Other receipts		83,971	27,455
Payments to Divisional Conference		(499,176)	(347,741)
Payments to suppliers & employees		<u>(1,210,633)</u>	<u>(1,350,501)</u>
Net cash provided by (used in) operating activities	15b	<u>5,274</u>	<u>(103,519)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment		<u>(6,995)</u>	<u>(859)</u>
Net cash provided by (used in) investing activities		<u>(6,995)</u>	<u>(859)</u>
Net increase/(decrease) in cash held		(1,721)	(104,378)
Cash at beginning of year		<u>89,618</u>	<u>193,996</u>
Cash at end of year	15a	<u>87,897</u>	<u>89,618</u>

The accompanying notes form part of these financial statements.

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ABN 30 490 675 447**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and 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. 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 is carried at cost or fair value less, where applicable, any accumulated depreciation.

Property

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is the policy of the Union to have an independent valuation every three years, with annual appraisals being made by the committee of management.

The revaluation of freehold land and buildings has not taken account of the potential capital gains tax on assets acquired after the introduction of capital gains tax.

Plant and equipment

Plant and equipment is measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the committee of management to ensure it is not in excess of the recoverable amount from 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 including buildings, but excluding freehold land, is depreciated on a straight line or a reducing balance basis over their estimated useful lives to the Union commencing from the time the asset is held ready for use.

The depreciation rates used for each class of assets are:

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

c. Leases

Lease payments for 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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

d. Employee Benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Union to an employee superannuation fund and are charged as expenses when incurred.

e. Cash

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions.

f. Revenue

Revenue from membership subscriptions is recognised on an accrued 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.

h. Going Concern

The continuing operations of the Union and the ability to pay its debts in the normal course is dependent upon the financial support of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Divisional Conference.

The Divisional Conference has confirmed that it will provide to the branch the financial assistance necessary to ensure that the branch is able to pay its debts as and when they fall due and enable the branch to continue as a going concern. The Divisional Conference agrees that they will be responsible for all past liabilities at the 31 March 2005 and future liabilities of the branch. This financial assistance is subject to the total branch expenditure being limited to \$1,700,000 for the 2005/2006 financial year, unless the Divisional Conference approves expenditure above this figure.

If the Union is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from those stated in the financial report.

i. Comparative Figures

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

j. Adoption of Australian Equivalent to International Financial Reporting Standards

Australia is currently preparing for the introduction of the International Financial Reporting Standards (IFRS) effective for the financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the beginning of the next financial year.

The committee of management, along with its auditors, are assessing the significance of these changes and preparing for their implementation.

The committee of management are of the opinion that there will be no significant material differences in the Union's accounting policies which will arise from the adoption of IFRS.

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.

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.

NOTE 3: REVENUE

Operating activities

	2005 \$	2004 \$
Membership subscriptions	1,640,166	1,590,517
Interest received	862	2,624
Reimbursement of expenses	84,776	12,064
Sundry	1,270	15,391
Total revenue	1,727,074	1,620,596

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005**

	2005	2004
	\$	\$
NOTE 4: PROFIT FROM ORDINARY ACTIVITIES		
Profit from ordinary activities before income tax expense has been determined after:		
Expenses		
Affiliation fees, capitation fees and compulsory levies		
Affiliation fees:		
- Australian Labour Party	26,187	25,175
- Trades and Labour Councils		
- Ballarat Trades Hall Council	888	198
- Bendigo Trades Hall Council	552	540
- Geelong Trades Hall Council	840	840
- Goulburn AV	388	364
- North East	400	150
- South West	200	400
- Miscellaneous	3,519	424
- Victorian Trades Hall Council	6,892	1,706
Capitation fees:		
- CEPU Divisional Conference	362,719	387,116
Compulsory Levies:		
- CEPU National Council	2,968	3,161
Depreciation expense		
Depreciation of property, plant and equipment	40,166	42,036
Employee benefits expense		
Salaries and allowances		
- elected officials	411,248	403,975
- employees	134,739	205,750
- temporary industrial staff	72,299	-
- temporary staff	17,203	-
- compensation wages	62,479	-
Superannuation contributions		
- elected officials	61,306	26,142
- employees	30,327	29,289
Provision for annual leave		
- elected officials	(577)	(62,476)
- employees	(576)	(1,155)
Provision for long service leave		
- elected officials	14,977	(62,536)
- employees	493	(4,230)
Provision for sick leave		
- elected officials	3,244	(104,366)
- employees	(2,043)	(7,882)
Termination payments		
- elected officials	-	263,034
- employees	-	55,106

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**NOTES TO THE FINANCIAL STATEMENTS
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	2005 \$	2004 \$
NOTE 4: PROFIT FROM ORDINARY ACTIVITIES continued		
Employee benefits expense continued		
Other		
- fringe benefit tax	13,972	12,536
- payroll tax	38,819	49,415
- superannuation insurance	3,827	1,626
- workcover levy	6,976	7,105
Included in administration / other expenses		
Professional services:		
Remuneration of auditor		
- audit	11,000	11,370
- other services	-	2,285
NOTE 5: CASH ASSETS		
Cash on hand	1,050	1,050
Cash at bank		
- General fund	85,706	90,447
- Joint fund	1,141	(1,879)
	87,897	89,618
NOTE 6: RECEIVABLES		
CURRENT		
Contributions in arrears	80,208	57,537
Less doubtful debt provision	(45,844)	(20,922)
Sundry debtors	20,589	1,500
	54,953	38,115
NOTE 7: OTHER		
Prepayments	8,004	6,632
NOTE 8: PROPERTY, PLANT AND EQUIPMENT		
Freehold Land – at committee of management 31 March 2004 valuation	885,706	885,706
Buildings – at committee of management 31 March 2004 valuation	205,000	
Less accumulated depreciation	(5,125)	-
	199,875	205,000
Total Land and Buildings	1,085,581	1,090,706

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005**

	2005 \$	2004 \$
NOTE 8: PROPERTY, PLANT AND EQUIPMENT continued		
Computer equipment -- at cost	232,645	225,650
Less accumulated depreciation	<u>(225,467)</u>	<u>(221,485)</u>
	<u>7,178</u>	<u>4,165</u>
Motor vehicles -- at cost	193,135	193,135
Less accumulated depreciation	<u>(103,596)</u>	<u>(77,601)</u>
	<u>89,539</u>	<u>115,534</u>
Office equipment, furniture and fittings -- at cost	324,824	324,824
Less accumulated depreciation	<u>(302,746)</u>	<u>(297,682)</u>
	<u>22,078</u>	<u>27,142</u>
Total property, plant and equipment	<u>1,204,376</u>	<u>1,237,547</u>

The amount disclosed on Freehold Land and Buildings totalling \$1,085,581 represents the Branch's half share of 58 - 60 and 67 - 71 Cromwell Street, Collingwood.

MOVEMENTS IN CARRYING AMOUNTS

	Land & Buildings \$	Computer equipment \$	Motor Vehicles \$	Office furniture and equipment \$	Total \$
Balance at the beginning of year	1,090,706	4,165	115,534	27,142	1,237,547
Additions	-	6,995	-	-	6,995
Disposals	-	-	-	-	-
Depreciation expense	<u>(5,125)</u>	<u>(3,982)</u>	<u>(25,995)</u>	<u>(5,064)</u>	<u>(40,166)</u>
Carrying amount at the end of financial year	<u>1,085,581</u>	<u>7,178</u>	<u>89,539</u>	<u>22,078</u>	<u>1,204,376</u>

	2005 \$	2004 \$
NOTE 9: OTHER FINANCIAL ASSETS		
New International Bookshop Co-Op	<u>1,000</u>	<u>1,000</u>
Amounts realisable within one year	-	-
Amounts not realisable within one year	<u>1,000</u>	<u>1,000</u>
	<u>1,000</u>	<u>1,000</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005**

	2005 \$	2004 \$
NOTE 10: PAYABLES		
Contributions paid in advance	53,447	40,692
Legal fees payable	8,150	-
Owing to Divisional Conference:		
- dues	43,209	91,982
- payroll tax	4,326	46,696
Sundry creditors	94,279	98,308
	<u>203,411</u>	<u>277,678</u>

NOTE 11: PROVISIONS

Employee entitlements:		
Provision for annual leave		
- elected officials	29,080	29,657
- employees	27,841	28,417
	<u>56,921</u>	<u>58,074</u>
Provision for long service leave		
- elected officials	37,882	22,905
- employees	31,059	30,566
	<u>68,941</u>	<u>53,471</u>
Provision for sick leave		
- elected officials	63,304	60,060
- employees	56,707	58,750
	<u>120,011</u>	<u>118,810</u>
Total Employee Entitlements	<u>245,873</u>	<u>230,355</u>
Number of employees at year end	14	11

NOTE 12: RETAINED PROFITS

Total retained profits at the beginning of the financial year	864,879	909,141
Total changes in retained profits recognised in the statement of financial performance	42,067	(44,262)
Total retained profits at the end of the financial year	<u>906,946</u>	<u>864,879</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005**

NOTE 13: RELATED PARTY TRANSACTIONS

The names of committee of management of the Reporting Unit who have held office during the financial year are:

Joan Doyle
Gail Cholosznecki
Norm Eccles
Leslie Brown
Adrian Zelesco
Russell Brown
Brendan Henley
Sithy Marikar
Anthony Brown
An Hong
Nigel Jansen
Martin O'Nea
Gary Price
Neil Reid
Joseph Stramand
Dale Chatterton
David Dawson
Mark Hall
Dave McKinney
Dennis Mills
Stephen O'Neil
Gary Riddle

- a. The aggregate amount of remuneration paid to elected officials during the financial year for salaries was \$411,248.

The aggregate amount paid during the financial year to a superannuation plan in connection with the retirement of elected officials was \$61,306.

- b. Remuneration paid to other persons on the committee of management was \$2,760.
- c. There were no transactions between the officers of the Reporting Unit other than those relating to their membership of the Reporting Unit and reimbursement by the Reporting Unit in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

NOTE 14: 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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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005**

	2005 \$	2004 \$
NOTE 15: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash on hand	1,050	1,050
Cash at bank/(overdraft)	86,847	88,568
	87,897	89,618
b. Reconciliation of Cash Flow from Operations with Profit / (Loss) from Ordinary Activities		
Net profit / (loss)	42,067	(44,262)
Depreciation	40,166	42,036
Provision for doubtful debts	24,922	14,836
Changes in assets and liabilities:		
(Increase)/decrease in contributions in arrears	(22,671)	(24,063)
(Increase)/decrease in prepayments	(1,372)	9,232
(Increase)/decrease in sundry debtors	(19,089)	4,181
Increase/(decrease) in sundry creditors	4,121	46,207
Increase/(decrease) in amount owing to Divisional Conference	(91,143)	97,171
Increase/(decrease) in contributions in advance	12,755	(6,212)
Increase/(decrease) in employee benefits	15,518	(242,645)
Cash flows from operations	5,274	(103,519)

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.

NOTE 16: FINANCIAL INSTRUMENTS

a. Interest Rate Risk

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 those financial assets and financial liabilities, is as follows:

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005**

NOTE 16: FINANCIAL INSTRUMENTS continued

2005	Note	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	Fixed Interest Rate Maturing			TOTAL \$
				Within 1 Year \$	1 to 5 Years \$	Non- interest bearing \$	
Financial Assets							
Cash at bank	5	5.50	42,858	-	-	45,039	87,897
Receivables	6	-	-	-	-	54,953	54,953
Other Financial Assets	9	-	-	-	-	1,000	1,000
Total Financial Assets			<u>42,858</u>	<u>-</u>	<u>-</u>	<u>100,992</u>	<u>143,850</u>
Financial Liabilities							
Payables	10	-	-	-	-	203,411	203,411
Total Financial Liabilities			<u>-</u>	<u>-</u>	<u>-</u>	<u>203,411</u>	<u>203,411</u>
Net Financial Assets/ (Liabilities)			<u>42,858</u>	<u>-</u>	<u>-</u>	<u>(102,419)</u>	<u>(59,561)</u>
2004	Note	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	Fixed Interest Rate Maturing			TOTAL \$
				Within 1 Year \$	1 to 5 Years \$	Non- interest bearing \$	
Financial Assets							
Cash	5	-	-	-	-	89,618	89,618
Receivables	6	-	-	-	-	38,115	38,115
Other financial assets	9	-	-	-	-	1,000	1,000
Total Financial Assets			<u>-</u>	<u>-</u>	<u>-</u>	<u>128,733</u>	<u>128,733</u>
Financial Liabilities							
Payables	10	-	-	-	-	277,678	277,678
Total Financial Liabilities			<u>-</u>	<u>-</u>	<u>-</u>	<u>277,678</u>	<u>277,678</u>
Net Financial Assets/(Liabilities)			<u>-</u>	<u>-</u>	<u>-</u>	<u>(148,945)</u>	<u>(148,945)</u>
						2005	2004
						\$	\$

a. Reconciliation of Net Financial Assets to Net Assets

Net Financial assets as above		(59,561)	(148,945)
Non-Financial assets and liabilities:			
Prepayments	7	8,004	6,632
Property plant and equipment	8	1,204,376	1,237,547
Employee entitlements	11	(245,873)	(230,355)
Net assets per statement of financial position		<u>906,946</u>	<u>864,879</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005**

NOTE 16: FINANCIAL INSTRUMENTS continued

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 of those assets, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes 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

For all financial assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying amount exceeds net fair values have not been written down as the Union intends to hold these assets to maturity.

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

NOTE 17: ENTITY DETAILS

The registered office is:

67 Cromwell Street
COLLINGWOOD VIC 3066

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COMMITTEE OF MANAGEMENT CERTIFICATE

On 29 July 2005 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) passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 March 2005:

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the financial records for each of the other reporting units within the organisation are, as far as practicable kept in a manner consistent with this reporting unit; and
 - (v) no information has been sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (vi) no orders have been requested for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: Joan Veronica Doyle
Title of Office held: Branch Secretary

Signature: 

Melbourne: 4 August 2005

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,
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Scope

The financial report and committee's responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and committee of management certificate of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Postal and Telecommunications Branch (Victoria) ("Reporting Unit") for the year ended 31 March 2005.

The reporting unit's committee of management is responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the reporting unit. Our audit was conducted in accordance with Australian Auditing Standards and Workplace Relations Act 1996, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Workplace Relations Act 1996, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the reporting unit's financial position, and its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- Examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- Assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the financial report of the Reporting Unit presents a true and fair view in accordance with the provisions of the Workplace Relations Act 1996 and applicable Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of the Reporting Unit as at 31 March 2005 and the results of its operations and its cash flows for the year then ended.

MSI Ragg Weir

MSI RAGG WEIR
CHARTERED ACCOUNTANTS

L S Wong

L S WONG
PARTNER

Melbourne: 4 August 2005

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC,
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**CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2005**



**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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OPERATING REPORT

In accordance with Section 254 of the Workplace Relations Act 1996, the Committee of Management present their Operating Report on the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Postal and Telecommunications Branch (Victoria), ("Reporting Unit") for the financial year ended 31 March 2005.

Principal Activities

The principal activities of the Union during the past year fell into the following categories:

- Promoting the interests of Postal and Telecommunications workers.
- Implementing the decisions of the Divisional Branch Committee of Management, Divisional Executive, Divisional Conference and National Council.
- Implementing the union's organising & industrial agenda, including direct assistance and strategic advice to members, assistance to members on planning and resourcing campaigns, bargaining, training and development of shop stewards and officials.
- Support and representation of individual member grievances, advice on legal and legislative matters.
- Lobbying and negotiations with different levels of Government and key industry organisations around issues of importance to Australia Post and Telstra workers.
- Management of the Unions financial and membership systems.

Operating Result

The operating profit of the Union for the financial year was \$42,067. No provision for tax was necessary as the Union is exempt from income tax.

Significant Changes

No significant changes in the Union's state of affairs occurred during the financial year.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, the results of those operations, or the state of affairs of the Union in future financial years.

Rights of Members

Subject to the Rule 11 of the Union's rules and Section 194 of the Workplace Relations Act 1996, members of the Union have the right to resign from membership by providing written notice addressed to and delivered to the Secretary of the Union.

Superannuation Officeholders

No officer or member of the reporting unit:

- (a) is a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (b) is a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

Other Prescribed Information

In accordance with Regulation 159 of the Workplace Relations (Registration and Accountability of Organisations) Regulations:

- (a) the number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for Section 230 of the RAO Schedule and who are taken to be members of the Union under section 244 of the RAO Schedule was 5833.

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OPERATING REPORT continued

Other Prescribed Information continued

- (b) the number of persons who were, at the end of the financial year to which the report relates, employees of the Union, where the number of employees includes both full-time and part-time employees, measured on a full-time equivalent basis was 14.
- (c) the names of each person who have been a member of the Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position were;

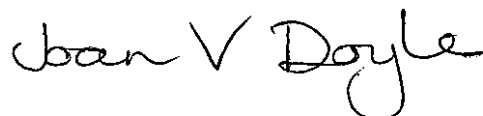
Name

Joan Doyle
Gail Cholosznecki
Norm Eccles
Leslie Brown
Adrian Zelesco
Russell Brown
Brendan Henley
Sithy Manikar
Anthony Brown
An Hong
Nigel Jansen
Martin O'Nea
Gary Price
Neil Reid
Joseph Stramand
Dale Chatterton
David Dawson
Mark Hall
Dave McKinney
Dennis Mills
Stephen O'Neil
Gary Riddle

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

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

For Committee of Management: Joan Veronica Doyle
Title of Office held: Branch Secretary



Signature

Melbourne: 4 August 2005

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**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2005**

	2005 \$	2004 \$
Revenues from ordinary activities	1,727,074	1,620,596
Administration expense	(228,282)	(225,259)
Affiliation and capitation fees	(405,553)	(420,074)
Communication expense	(40,591)	(45,229)
Depreciation expense	(40,166)	(42,036)
Employee benefits expense	(868,713)	(811,333)
Occupancy expense	(35,938)	(37,758)
Other expenses from ordinary activities	<u>(65,764)</u>	<u>(83,169)</u>
Profit/(loss) from ordinary activities before income tax expense	42,067	(44,262)
Income tax expense relating to ordinary activities	<u>-</u>	<u>-</u>
Net profit/(loss) from ordinary activities after income tax expense	<u>42,067</u>	<u>(44,262)</u>
Total changes in equity	<u>42,067</u>	<u>(44,262)</u>

Discussion and Analysis of Financial Performance

The operating result of the Union for the year was a net profit of \$42,067. The significant variations in 2005 from the previous year are higher income from members and a reduction in the percentage (from 25% to 22.5%) of capitation fees payable to Divisional Conference.

The accompanying notes form part of these financial statements.

**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 POSITION
AS AT 31 MARCH 2005**

	2005 \$	2004 \$
CURRENT ASSETS		
Cash assets	87,897	89,618
Receivables	54,953	38,115
Other	8,004	6,632
TOTAL CURRENT ASSETS	150,854	134,365
NON-CURRENT ASSETS		
Property, plant and equipment	1,204,376	1,237,547
Other financial assets	1,000	1,000
TOTAL NON-CURRENT ASSETS	1,205,376	1,238,547
TOTAL ASSETS	1,356,230	1,372,912
CURRENT LIABILITIES		
Payables	203,411	277,678
Provisions	245,873	230,355
TOTAL CURRENT LIABILITIES	449,284	508,033
TOTAL LIABILITIES	449,284	508,033
NET ASSETS/(LIABILITIES)	906,946	864,879
EQUITY		
Retained profits	906,946	864,879
TOTAL EQUITY	906,946	864,879

Discussion and Analysis of Financial Position

There is little significant change in the financial position for the year compared with the previous year, other than a slight increase in total equity due to the net profit of \$42,067 for the year. Cash assets have improved slightly and current liabilities have decreased this year.

The accompanying notes form part of these financial statements.

**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 CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2005**

	2005	2004
	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES		
Membership contributions	1,630,250	1,564,424
Interest received	862	2,844
Other receipts	83,971	27,455
Payments to Divisional Conference	(499,176)	(347,741)
Payments to suppliers & employees	<u>(1,210,633)</u>	<u>(1,350,501)</u>
Net cash provided by (used in) operating activities	<u>5,274</u>	<u>(103,519)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	<u>(6,995)</u>	<u>(859)</u>
Net cash provided by (used in) investing activities	<u>(6,995)</u>	<u>(859)</u>
Net increase/(decrease) in cash held	(1,721)	(104,378)
Cash at beginning of year	<u>89,618</u>	<u>193,996</u>
Cash at end of year	<u>87,897</u>	<u>89,618</u>

Discussion and Analysis of Statement of Cash Flow

There was a decrease in cash held for the year by the Union of \$1,271 which is a significant improvement on the previous years cash outflow of \$104,378. The reduction can be explained by an increase in membership contributions received and a decrease to payments to suppliers and employees.

The accompanying notes form part of these financial statements.

**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 31 MARCH 2005**

Note 1: Statement of Significant Accounting Policies

The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Report and the Workplace Relations Act 1996.

The financial statements, specific disclosure and other information included in the concise financial report are derived from and are consistent with the full financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Postal and Telecommunications Branch (Victoria). The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financial and investing activities of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Postal and Telecommunications Branch (Victoria) as the full financial report.

With the new legislation some changes in accounting policies have occurred as a result of the amendments to Schedule 1B of the Workplace Relations Act 1996 (RAO).

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

This subsection is a civil penalty provision under section 305.

Note 3: Financial Statements

The Union will provide a copy of the full financial report for the year ended 31 March 2005, free of charge to any member who requests it.

**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**


COMMITTEE OF MANAGEMENT CERTIFICATE

On 29 July 2005 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) passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 March 2005:

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the financial records for each of the other reporting units within the organisation are, as far as practicable kept in a manner consistent with this reporting unit; and
 - (v) no information has been sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (vi) no orders have been requested for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: Joan Veronica Doyle
Title of Office held: Branch Secretary


Signature:

Melbourne: 4 August 2005

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF 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**

Scope

We have audited the concise 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 31 March 2005, as set out on pages 1 to 7 in order to express an opinion on it to the members of the Union. The Union's Committee of Management is responsible for the concise financial report.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the concise financial report is free of material misstatement. We have also performed an independent audit of the full financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Postal and Telecommunications Branch (Victoria) for the year ended 31 March 2005. Our audit report on the full financial report was signed on 4 August 2005 and was not subject to any qualification.

Our procedures in respect of the audit of the concise financial report included testing that the information in the concise financial report is consistent with the full financial report, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the full financial report. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report is presented fairly in accordance with Accounting Standards and the Workplace Relations Act 1996.

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

Independence

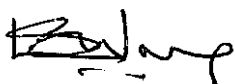
In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the concise financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Postal and Telecommunications Branch (Victoria) complies with Accounting Standard AASB 1039: Concise Financial Reports and the Workplace Relations Act 1996.



MSI RAGG WEIR
CHARTERED ACCOUNTANTS



L S WONG
PARTNER

Melbourne: 4 August 2005



Australian Government
Australian Industrial Registry

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

Ms Joan Doyle
Divisional Branch Secretary
CEPU Communications Division
Victorian P&T Branch
PO Box 105
ABBOTTSFORD VIC 3067

Dear Ms Doyle

Re: Lodgement of Financial Statements and Accounts for the CEPU Victorian Postal & Telecommunications Divisional Branch for the year ending 31 March 2005 (FR2005/208)

I refer to the abovementioned financial statements and accounts, which were lodged in the Registry on 31 August 2005.

The documents have been filed. Please note the following for your future reference.

Section 272 Notice

Both the full financial documents and the concise report make reference to section 274 of the Act. The relevant notice is now contained under section 272 of Schedule 1B - Registration and Accountability of Organisations Schedule (the "RAO Schedule").

The documents may be viewed on the internet at www.e-airc.gov.au/128vcptv/financial.

Yours sincerely,

A handwritten signature in cursive script that reads "Belinda Penna".

Belinda Penna
for Deputy Industrial Registrar

9 September 2005