

27 October 2017

Mr Chris Enright
Executive Director
Registered Organisations Commission
GPO Box 2983
MELBOURNE VIC 3001

By email: regorgs@roc.gov.au

Dear Mr Enright

**CEPU Communications Division – VIC Postal & Telecommunications Branch
Operating Reports as at 31 March 2010 to 31 March 2012
– Reporting of Membership Numbers**

I refer to the above and enclose by way of lodging:

- Declaration correcting the membership figures reported in the operating reports for the reporting periods ending 31 March 2010 to 31 March 2012.

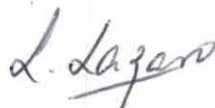
As you are aware, the CEPU instigated independent audits of the membership figures reported in the branch annual committee of management operating reports for the past 7 years.

As a consequence of the independent audits, the Branch Committee of Management, in a meeting held on 26 October 2017, authorised the submission of a declaration to the Registered Organisations Commission (ROC) to correct the figures reported in the branch operating reports for the total members for the reporting periods ending 31 March 2010 to 31 March 2012. During these 3 years we failed to report the nonfinancial members.

These amended figures have now been published to our website for the information of members.

Please do not hesitate to contact me should you wish to discuss this matter.

Yours faithfully



Leroy Lazaro
Branch Secretary



Postal & Telecommunications
Branch of Victoria
Division of the CEPU

PO Box 14
Brunswick West
Victoria 3055

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Fair Work (Registered Organisations) Act 2009

**DECLARATION - CORRECTING REPORT TO
CEPU Communications Division – Victorian Postal & Telecommunications Branch
OPERATING REPORTS**
lodged pursuant to s.268

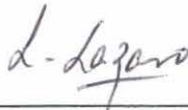
I, Leroy Lazaro, of 75 Melville Road, Brunswick West, in the state of Victoria 3055, declare:

- I am the Branch Secretary of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division – Victorian Postal and Telecommunications Branch (the branch), a branch of an organisation registered under the *Fair Work (Registered Organisations) Act 2009* (the Act).
- Pursuant to s.268 of the Act, for the periods ended 31 March 2010 to 31 March 2012, the full financial reports, including the operating reports, of the branch were lodged with the Fair Work Commission (FWC) in FR2010/2514, FR2011/2513 and FR2012/211 respectively.
- An independent audit into the membership figures reported in the branch annual committee of management operating reports for the reporting periods 31 March 2010 to 31 March 2012, found the following variances with the reported figures:

As at 31 Mar	2010	2011	2012
Reported	5078	4939	4844
Audited	5311	5191	5095
Variance	233	252	251

- On 26 October 2017, in response to the audit findings, the Branch Committee of Management authorised the Branch Secretary to amend the Branch Committee of Management operating reports for the years ended 31 March 2010 to 31 March 2012 to reflect the membership figures resulting from the audit.

Signed:



Name:

Mr Leroy Lazaro

Date:



FAIR WORK
AUSTRALIA

5 September 2012

Ms Joan Doyle
Secretary/Treasurer, Victorian Postal and Telecommunications Branch
CEPU
PO Box 1052
NORTH MELBOURNE VIC 3051



Dear Ms Doyle

Re: Lodgement of Financial Statements and Accounts – Victorian Postal & Telecommunications Branch – for year ending 31 March 2012 (FR2012/211)

Thank you for lodging the above financial return which was received by Fair Work Australia on 2 August 2012.

The documents have been filed.

Yours sincerely,

Stephen Kellett

Senior Adviser, Organisations, Research and Advice Branch

FR2012/211

**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 2012

msi RAGG WEIR
Chartered Accountants

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108 Power Street
Hawthorn Victoria
Australia

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E info@raggweir.com.au

Postal Address: PO Box 325 Hawthorn Victoria 3122

Sample Designated Officer's Certificate or other Authorised Officer¹

s268 Fair Work (Registered Organisations) Act 2009

I, Joan Doyle, being the Branch Secretary / Treasurer of the CEPU Victorian Postal and Telecommunications Branch certify:

- that the documents lodged herewith are copies of the full report, and the concise report, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the concise report was provided to members on 6 July 2012 and
- that the full report was presented to a general meeting of members on 28 July 2012 and a meeting of the committee of management of the reporting unit on 27 June 2012 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature: *Joan V Doyle*

Date: *28 July 2012*



¹The relevant regulations prescribe the designated officer for the purpose of s268 of the *Fair Work (Registered Organisations) Act 2009* 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.

²Only applicable where a concise report is provided to members

³Insert whichever is applicable

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

In accordance with Section 254 of the Fair Work (Registered Organisations) Act 2009 ("Act") 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) ("the Union"), the relevant Reporting Unit for the financial year ended 31 March 2012.

Principal Activities

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

- Promoting the industrial, political and social interests of workers in the Postal and Telecommunications industries.
- Election, training and development of officials, organisers, shop-stewards, health and safety representatives.
- Implementation of the Union's recruitment, organising and industrial campaigns.
- Provision of assistance to individual members.
- Participation in and implementation of decisions of the Branch Committee of Management, Divisional Executive, Divisional Conference and National Council.
- Administration of the Union, including management of the Union's financial and membership systems.

Operating Result

The operating profit of the Union for the financial year was \$102,393 (2011: \$101,005). No provision for tax was necessary as the Union is exempt from income tax.

Significant change

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

Rights of Members

Pursuant to the Reporting Unit rules and Section 174 of the Fair Work (Registered Organisations) Act 2009, members have the right to resign from membership by providing written notice addressed to and delivered to the Secretary of the Reporting Unit.

A notice of resignation from membership of the Union takes effect:

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

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.

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OPERATING REPORT continued

Other Prescribed Information

In accordance with Regulation 159 of the Fair Work (Registered Organisations) Regulations 2009 ("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 Act and who are taken to be members of the Union under section 244 of the Act was 4,844.(2011: 4,939)
- (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 9 (2011: 10).
- (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	Branch Secretary / Treasurer (re-elected 1 August 2011)
Ray Gorman	Branch President (elected 1 August 2011)
	Branch Committee of Management Member (term expired 31 July 2011)
Ray Zimmer	Branch Vice – President (elected 1 August 2011)
	Branch Committee of Management Member (term expired 31 July 2011)
Peter Shead	Branch Vice – President (elected 1 August 2011)
Brendan Henley	Branch Organiser (re-elected 1 August 2011)
Leroy Lazaro	Branch Organiser (elected 1 August 2011)
Cindy Shelley	Branch Organiser (elected 1 August 2011)
Samantha Richardson	Branch Committee of Management Member (re-elected 1 August 2011)
Gary Price	Branch Committee of Management Member (elected 1 August 2011)
	Branch Vice-President (term expired 31 July 2011)
Val Butler	Branch Committee of Management Member (re-elected 1 August 2011)
Glenn Anson	Branch Committee of Management Member (re-elected 1 August 2011)
Chris Punshon	Branch Committee of Management Member (re-elected 1 August 2011)
Louise Whitefield	Branch Committee of Management Member (re-elected 1 August 2011)
Meredith San Jose	Branch Committee of Management Member (elected 1 August 2011)
Laural Mc Glashan	Branch Committee of Management Member (elected 1 August 2011)
Timothy Gaunt	Branch Committee of Management Member (elected 1 August 2011)
Wayne Redenbach	Branch Committee of Management Member (elected 1 August 2011)
Angelo Ozella	Branch Committee of Management Member (elected 1 August 2011)
Len Barry	Branch President (term expired 31 July 2011)
Leslie Brown	Branch Vice-President (term expired 31 July 2011)
John Hogg	Branch Assistant Secretary (term expired 31 July 2011)
Sithy Marikar	Branch Organiser (term expired 31 July 2011)
Carmel Griffiths	Branch Committee of Management Member (term expired 31 July 2011)
Martin O'Nea	Branch Committee of Management Member (term expired 31 July 2011)


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OPERATING REPORT continued

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: 27 June 2012

**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 COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2012**

	Note	2012 \$	2011 \$
Revenue	3	1,814,846	1,772,749
Administration expense	4	(298,211)	(213,005)
Affiliation and capitation fees	4	(413,851)	(436,550)
Communication expense		(27,666)	(26,534)
Depreciation and amortisation expenses	4	(27,593)	(22,419)
Employee benefits expense	4	(905,886)	(881,844)
Occupancy expense		(39,514)	(56,928)
Other (expenses)/income		268	(34,464)
		<hr/>	<hr/>
Profit/ (loss) before income tax expense		102,393	101,005
Income tax expense	1(a)	-	-
		<hr/>	<hr/>
Net profit/ (loss) attributable to members		102,393	101,005
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive income		102,393	101,005

The accompanying notes form part of these financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2012**

	Note	2012 \$	2011 \$
CURRENT ASSETS			
Cash and cash equivalents	5	2,085,362	2,060,307
Trade and other receivables	6	13,360	7,057
Stock on hand		1,994	411
Loans	8	38,347	-
Other current assets	7	7,188	6,901
TOTAL CURRENT ASSETS		2,146,251	2,074,676
NON-CURRENT ASSETS			
Property, plant and equipment	9	105,772	83,994
Financial assets		1,000	1,000
TOTAL NON-CURRENT ASSETS		106,772	84,994
TOTAL ASSETS		2,253,023	2,159,670
CURRENT LIABILITIES			
Trade and other payables	10	149,271	153,419
Loans	11	38,347	-
Provisions	12	153,094	196,333
TOTAL CURRENT LIABILITIES		340,712	349,752
TOTAL LIABILITIES		340,712	349,752
NET ASSETS		1,912,311	1,809,918
EQUITY			
Retained profits		1,912,311	1,809,918
TOTAL EQUITY		1,912,311	1,809,918

The accompanying notes form part of these financial statements.

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2012

	Retained Profits General fund \$	Retained Profits Welfare fund \$	Total \$
Balance at 1 April 2010	1,708,913	-	1,708,913
Profit attributable to members	101,005	-	101,005
Balance at 31 March 2011	1,809,918	-	1,809,918
Profit attributable to members	139,950	(37,557)	102,393
Balance at 31 March 2012	1,949,868	(37,557)	1,912,311

The accompanying notes form part of these financial statements.

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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2012**

	Note	2012 \$	2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Membership contributions		1,763,912	1,764,178
Interest received		117,559	111,379
Other receipts		93,514	75,945
Payments to Divisional Conference		(361,090)	(347,263)
Payments to suppliers and employees		<u>(1,539,361)</u>	<u>(1,430,740)</u>
Net cash provided by (used in) operating activities	18b	<u>74,534</u>	<u>173,499</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment		<u>(49,479)</u>	<u>(51,344)</u>
Net cash provided by (used in) investing activities		<u>(49,479)</u>	<u>(51,344)</u>
Net increase/(decrease) in cash held		25,055	122,155
Cash at beginning of year		<u>2,060,307</u>	<u>1,938,152</u>
Cash at end of year	18a	<u>2,085,362</u>	<u>2,060,307</u>

The accompanying notes form part of these financial statements.

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**STATEMENT OF RECEIPTS AND PAYMENTS FOR RECOVERY OF WAGES ACTIVITY
CASH BASIS - FOR THE YEAR ENDED 31 MARCH 2012**

	Note	2012 \$	2011 \$
Cash assets in respect of recovered money at beginning of year		-	-
Receipts			
Amounts recovered from employers in respect of wages etc		-	-
Interest received on recovered money		-	-
Total receipts		-	-
Payments			
Deductions of amounts due in respect of membership for:-			
- 12 months or less		-	-
- greater than 12 months		-	-
Deductions of donations or other contributions to accounts or funds of:-			
- the Union		-	-
- other entity		-	-
Deductions of fees or reimbursements of expenses		-	-
Payments to workers in respect of recovered money		-	-
Total payments		-	-
Cash assets in respect of recovered money at end of year		-	-

The accompanying notes form part of these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements include the financial statements and notes of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Postal and Telecommunications Branch (Victoria).

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the Fair Work (Registered Organisations) Act 2009.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

- 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 less, where applicable any accumulated depreciation.

The carrying amount of property, leasehold improvements and 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 been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets are depreciated on a reducing balance basis over the useful lives of the assets to the entity 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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

b. Property, Plant and Equipment continued

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

Class of Fixed Assets	Depreciation Rate
Office furniture and equipment	7.5% - 30% (Straight line and reducing balance)
Motor vehicles	22.5% (Reducing balance)
Computer equipment	20.0% - 40% (Straight line)

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 Benefits

Provision is made for the entity'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 RDO 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 entity to an employee superannuation fund and are charged as expenses when incurred.

e. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the entity commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified at fair value through profit or loss in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, or amortised cost using the effective method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

e. Financial Instruments continued

Amortised cost is calculated as:

- i) the amount at which the financial asset or financial liability is measured at initial recognition
- ii) less principal repayments
- iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- iv) less any reduction for impairment

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where an entity of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

e. **Financial Instruments continued**

iii) **Held-to-maturity investments continued**

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period, which will be classified as current assets.

If during the period the entity sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire category of held-to-maturity investments would be tainted and would be reclassified as available-for-sale.

iv) **Available-for-sale financial assets**

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period, which will be classified as current assets.

v) **Financial liabilities**

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of comprehensive income.

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

f. **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand and at call deposits with banks or financial institutions.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

g. **Revenue**

Grant revenue is recognised on a proportional basis over the period that the grant relates to where the grant monies are controlled or conditions for recognition have been met. Where there are conditions attached to grant revenue received in advance relating to the use of those grants for specific purposes it is recognised in the statement of financial position as a liability until such conditions are met or services are provided.

Revenue from membership subscriptions is recognised on an accruals 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).

h. **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.

i. **Comparative Figures**

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

j. **Impairment of Assets**

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

There are no critical judgements that have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities.

k. **Critical Accounting Estimates and Judgements**

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

Key Estimates

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

k. **Critical Accounting Estimates and Judgements continued**

Key Judgments

No key judgments have been used in the preparation of this financial report.

l. **New Accounting Standards for Application in Future Periods**

The Australian Accounting Standards Board has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the entity has decided not to early adopt. A discussion of those future requirements and their impact on the entity is as follows:

AASB 9: Financial Instruments [December 2010] (applicable for annual reporting periods commencing on or after 1 January 2013).

This Standard is applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments. The entity has not yet determined any potential impact on the financial statements.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and
- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in the other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

The entity has not yet been able to reasonably estimate the impact of these pronouncements on its financial statements

NOTES TO THE FINANCIAL STATEMENTS
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NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

I. New Accounting Standards for Application in Future Periods continued

AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013).

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.

Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

Since the entity is a not-for-profit private sector entity, the entity may qualify for the reduced disclosure requirements for Tier 2 entities. It is anticipated that the entity may take advantage of Tier 2 reporting at a later date.

AASB 2010-6: Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7] (applicable for annual reporting periods beginning on or after 1 July 2011).

This Standard adds and amends disclosure requirements about transfers of financial assets, especially those in respect of the nature of the financial assets involved and the risks associated with them. Accordingly, this Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards, and AASB 7: Financial Instruments: Disclosures, establishing additional disclosure requirements in relation to transfers of financial assets.

This Standard will affect certain disclosures only relating to financial instruments and is therefore not expected to significantly impact the entity.

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NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

I. New Accounting Standards for Application in Future Periods continued

AASB 2010-8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112] (applies to periods beginning on or after 1 January 2012).

This Standard makes amendments to AASB 112: Income Taxes and incorporates Interpretation 121 into AASB 112.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The amendments brought in by this Standard also incorporate Interpretation 121 into AASB 112.

The amendments are not expected to significantly impact the entity.

AASB 1054: Australian Additional Disclosures and AASB 2011-1: Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, AASB 5, AASB 101, AASB 107, AASB 108, AASB 121, AASB 128, AASB 132 & AASB 134 and Interpretations 2, 112 & 113] (applicable for annual reporting periods commencing on or after 1 July 2011).

AASB 1054 sets out the Australian-specific disclosures that are additional to IFRS disclosure requirements.

The disclosure requirements in AASB 1054 were previously located in other Australian Accounting Standards.

These Standards are not expected to significantly impact the entity.

AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interests in Other Entities, AASB 127: Separate Financial Statements (August 2011), AASB 128: Investments in Associates and Joint Ventures (August 2011) and AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17] (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 10 replaces parts of AASB 127: Consolidated and Separate Financial Statements (March 2008, as amended) and Interpretation 112: Consolidation – Special Purpose Entities. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. The amendments are not expected to impact the entity.

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NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

I. New Accounting Standards for Application in Future Periods continued

AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either "joint operations" (whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or "joint ventures" (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed).

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a "structured entity", replacing the "special purpose entity" concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only and is not expected to significantly impact the entity.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. These Standards are not expected to significantly impact the entity.

AASB 13: Fair Value Measurement and AASB 2011–8: Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009–11, 2010–7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132] (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurements.

AASB 13 requires:

- inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) measured at fair value.

These Standards are not expected to significantly impact the entity.

AASB 2011–9: Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] (applicable for annual reporting periods commencing on or after 1 July 2012).

The main change arising from this Standard is the requirement for entities to entity items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

This Standard affects presentation only and is therefore not expected to significantly impact the entity.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

I. New Accounting Standards for Application in Future Periods continued

AASB 119: Employee Benefits (September 2011) and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 [AASB 1, AASB 8, AASB 101, AASB 124, AASB 134, AASB 1049 & AASB 2011-8 and Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The entity does not have any defined benefit plans and so is not impacted by the amendment.

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The entity does not have any defined benefit plans and so is not impacted by the amendment.

- (i) for an offer that may be withdrawn – when the employee accepts;
- (ii) for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and
- (iii) where the termination is associated with a restructuring of activities under AASB 137: Provisions, Contingent Liabilities and Contingent Assets, and if earlier than the first two conditions – when the related restructuring costs are recognised.

The entity has not yet been able to reasonably estimate the impact of these changes to AASB 119.

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NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR FAIR WORK AUSTRALIA

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272 of the Act which read as follows: -

1. A member of the entity, or Fair Work Australia, may apply to the entity for specified prescribed information in relation to the entity 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 entity.
3. An entity must comply with an application made under subsection (1).

	2012	2011
	\$	\$
NOTE 3: REVENUE		
Operating activities		
Membership subscriptions	1,599,689	1,585,426
Interest received	117,559	111,379
Reimbursement of expenses	50,340	71,966
Welfare fund donations	44,035	-
Sundry	3,223	3,978
	1,814,846	1,772,749
Total revenue	1,814,846	1,772,749

NOTE 4: PROFIT FOR YEAR

Profit before income tax expense has been determined after:

EXPENSES

Administration expenses

Allowances – delegates	4,479	2,872
Bank charges	15,241	14,316
Campaign expenses	555	356
Commission on contributions received	11,659	12,014
Computer maintenance	11,186	8,468
Death benefit scheme	6,000	1,350
Equipment purchases	690	-
Insurance	13,253	11,120
Loss on disposal of fixed assets	108	-
Loss of wages	1,046	613
Motor vehicle expense	51,344	34,616
Office purchases	588	-
Postage	24,667	26,627
Printing, stationary & publications	37,184	39,353

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

2012 **2011**
\$ \$

NOTE 4: PROFIT FOR YEAR continued

Administration expenses continued

Professional services:

- Accountancy and audit fees	14,314	14,511
- Legal fees	10,225	23,501
Staff amenities	1,104	935
Staff & delegate training, seminars & procurement	2,547	7,031
Travel expenses	10,429	15,322
Welfare fund expenses	81,592	-
	298,211	213,005

Affiliation fees, capitation fees and compulsory levies

Affiliation fees:

- Australian Labor Party	23,020	20,794
- Ballarat Trades Hall Council	750	688
- Bendigo Trades Hall Council	540	663
- Geelong Trades Hall Council	2,317	2,233
- Goulburn AV	398	398
- North East	440	440
- South West	412	600
- Union Shopper	2,450	2,405
- Victorian Trades Hall Council	2,094	2,501
Capitation fees:		
- CEPU Divisional Conference	344,127	347,801
Compulsory Levies:		
- CEPU National Council	2,308	4,568
- CEPU National Journal	-	18,196
- Journey cover	34,995	35,263
	413,851	436,550

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**NOTES TO THE FINANCIAL STATEMENTS
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	2012 \$	2011 \$
NOTE 4: PROFIT FOR YEAR continued		
Depreciation expense		
Depreciation of property, plant and equipment	27,593	22,419
Employee benefits expense		
Salaries and allowances		
- elected officials	435,315	352,529
- employees	257,870	267,846
- other temporary staff	40,485	18,740
- compensation wages	60,552	60,857
Superannuation contributions		
- elected officials	58,335	50,444
- employees	36,274	35,090
Provision for annual leave		
- elected officials	(21,695)	25,020
- employees	3,026	(5,119)
Provision for long service leave		
- elected officials	(11,858)	43,900
- employees	(1,285)	(24,422)
Provision for sick leave		
- elected officials	-	-
- employees	(11,427)	(5,309)
Other		
- fringe benefit tax	7,210	2,647
- payroll tax	43,332	40,768
- superannuation insurance	2,553	8,676
- Work cover levy	7,199	10,177
	905,886	881,844

NOTE 5: CASH AND CASH EQUIVALENTS

Cash on hand	55	550
Cash at bank		
- General fund	584,517	559,757
- Term deposit	1,500,000	1,500,000
Welfare fund	790	-
	2,085,362	2,060,307

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**NOTES TO THE FINANCIAL STATEMENTS
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2012 2011
\$ \$

NOTE 6: TRADE AND OTHER RECEIVABLES

CURRENT

Contribution in arrears	38,916	54,168
Less provision for impairment of receivables	(34,692)	(53,747)
Sundry debtors	9,136	6,636
	13,360	7,057

(i) Provision for Impairment of Receivables

Current trade receivables are generally on 30-day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts have been included in other expense items.

Movement in the provision for impairment of receivables is as follows:

Provision for impairment as at 31 March 2010	\$ 49,365
- Charge for the year	4,382
- Written off	-
Provision for impairment as at 31 March 2011	53,747
- Charge for the year	-
- Written off	(19,055)
Provision for impairment as at 31 March 2012	34,692

(ii) Credit Risk – Trade and Other Receivables

The entity does not have any material credit risk exposure to any single receivable or group of receivables.

The entity's trade and other receivables that remain within initial trade terms (as detailed in the table below) are considered to be of high credit quality.

	Gross amount \$	Past due and impaired \$	Past due but not impaired (days overdue)				Within normal trade terms \$
			< 30 \$	31 - 60 \$	61-90 \$	>90 \$	
2012							
Trade receivables	38,916	34,692					4,224
Other receivables	9,136	-					9,136
Total	48,052	34,692					13,360
2011							
Trade receivables	54,168	53,747					421
Other receivables	6,636	-					6,636
Total	60,804	53,747					7,057

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**NOTES TO THE FINANCIAL STATEMENTS
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	2012	2011
	\$	\$
NOTE 7: OTHER CURRENT ASSETS		
Prepayments	7,188	6,901
NOTE 8: LOANS		
Loan from General Fund to Welfare Fund	38,347	-
NOTE 9: PROPERTY, PLANT AND EQUIPMENT		
Computer equipment – at cost	44,158	115,019
Less: accumulated depreciation	(38,871)	(104,814)
	5,287	10,205
Motor vehicles – at cost	228,229	180,050
Less: accumulated depreciation	(137,445)	(115,770)
	90,784	64,280
Office furniture and equipment – at cost	69,135	78,135
Less: accumulated depreciation	(59,434)	(68,626)
	9,701	9,509
TOTAL PROPERTY, PLANT AND EQUIPMENT	105,772	83,994

a. Movements in carrying amounts

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

	Computer equipment	Motor Vehicles	Office furniture and equipment	Total
	\$	\$	\$	\$
Balance at the beginning of year	10,205	64,280	9,509	83,994
Additions	-	48,179	1,300	49,479
Written off	-	-	(108)	(108)
Depreciation expense	(4,918)	(21,675)	(1,000)	(27,593)
Carrying amount at the end of year	5,287	90,784	9,701	105,772

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**NOTES TO THE FINANCIAL STATEMENTS
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	2012 \$	2011 \$
NOTE 10: TRADE AND OTHER PAYABLES		
CURRENT		
Contributions paid in advance	39,335	50,720
Owing to Divisional Conference:	63,705	62,076
Sundry creditors	46,231	40,623
	149,271	153,419
NOTE 11: LOANS		
Loan from General Fund to Welfare Fund	38,347	-
NOTE 12: PROVISIONS		
Analysis of Total Provisions		
Employee entitlements		
Provision for annual leave		
- elected officials	38,757	60,452
- employees	17,864	14,838
	56,621	75,290
Provision for long service leave		
- elected officials	63,806	75,664
- employees	20,175	21,459
	83,981	97,123
Provision for sick leave		
- elected officials	-	-
- employees	12,492	23,920
	12,492	23,920
Total employee entitlements	153,094	196,333
Number of employees at year end	9	10

	Annual Leave \$	Long service leave \$	Sick leave \$	Total \$
Balance at 31 March 2011	75,290	97,123	23,920	196,333
Additional provisions raised during the year	49,747	10,607	82	60,436
Amounts used	(68,416)	(23,749)	(11,510)	(103,675)
Balance at 31 March 2012	56,621	83,981	12,492	153,094

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**NOTES TO THE FINANCIAL STATEMENTS
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NOTE 13: CONTINGENT LIABILITIES

There are no contingent liabilities at the date of this report.

**NOTE 14: KEY MANAGEMENT PERSONNEL COMPENSATION AND RELATED PARTY
TRANSACTIONS**

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

Name	
Joan Doyle	Branch Secretary / Treasurer (re-elected 1 August 2011)
Ray Gorman	Branch President (elected 1 August 2011)
	Branch Committee of Management Member (term expired 31 July 2011)
Ray Zimmer	Branch Vice – President (elected 1 August 2011)
	Branch Committee of Management Member (term expired 31 July 2011)
Peter Shead	Branch Vice – President (elected 1 August 2011)
Brendan Henley	Branch Organiser (re-elected 1 August 2011)
Leroy Lazaro	Branch Organiser (elected 1 August 2011)
Cindy Shelley	Branch Organiser (elected 1 August 2011)
Samantha Richardson	Branch Committee of Management Member (re-elected 1 August 2011)
Gary Price	Branch Committee of Management Member (elected 1 August 2011)
	Branch Vice-President (term expired 31 July 2011)
Val Butler	Branch Committee of Management Member (re-elected 1 August 2011)
Glenn Anson	Branch Committee of Management Member (re-elected 1 August 2011)
Chris Punshon	Branch Committee of Management Member (re-elected 1 August 2011)
Louise Whitefield	Branch Committee of Management Member (re-elected 1 August 2011)
Meredith San Jose	Branch Committee of Management Member (elected 1 August 2011)
Laural Mc Glashan	Branch Committee of Management Member (elected 1 August 2011)
Timothy Gaunt	Branch Committee of Management Member (elected 1 August 2011)
Wayne Redenbach	Branch Committee of Management Member (elected 1 August 2011)
Angelo Ozella	Branch Committee of Management Member (elected 1 August 2011)
Len Barry	Branch President (term expired 31 July 2011)
Leslie Brown	Branch Vice-President (term expired 31 July 2011)
John Hogg	Branch Assistant Secretary (term expired 31 July 2011)
Sithy Marikar	Branch Organiser (term expired 31 July 2011)
Carmel Griffiths	Branch Committee of Management Member (term expired 31 July 2011)
Martin O'Nea	Branch Committee of Management Member (term expired 31 July 2011)

- a. The aggregate amount of remuneration paid to elected officials during the financial year for salaries was \$435,315 (2011: \$352,529).

The aggregate amount paid during the financial year to a superannuation plan in connection with the retirement of elected officials was \$58,335 (2011: \$50,444).

- b. The aggregate amount of remuneration paid to other persons on the Committee of Management was \$2,366 (2011: \$1,210)

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**NOTES TO THE FINANCIAL STATEMENTS
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**NOTE 14: KEY MANAGEMENT PERSONNEL COMPENSATION AND RELATED PARTY
TRANSACTIONS continued**

c. Apart from the above, there were no other transactions between the officers of the entity other than those relating to their membership of the entity and reimbursement by the entity 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 15: SEGMENT REPORTING

The entity 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.

NOTE 16: ECONOMIC DEPENDENCE

The principle source of income for the entity is membership fees. The entity is economically dependent upon the membership levels and fees.

NOTE 17: EVENTS SUBSEQUENT TO REPORTING DATE

There are no events subsequent to the reporting date of this report which will have a material effect on the financial report for the year ended 31 March 2012.

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	2012 \$	2011 \$
NOTE 18: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash on hand	55	550
Cash at bank – General fund	584,517	559,757
Term Deposit	1,500,000	1,500,000
Welfare fund	790	-
	<u>2,085,362</u>	<u>2,060,307</u>
b. Reconciliation of Cash Flow from Operations with Net Profit attributable to members		
Net profit – general fund	139,950	101,005
Net profit/(loss) – welfare fund	(37,557)	-
Non-cash flows in profit:		
Depreciation	27,593	22,419
Net loss on asset written off	108	-
Changes in assets and liabilities:		
(Increase)/decrease in contribution in arrears	(3,802)	(421)
(Increase)/decrease in prepayments	(287)	3,526
(Increase)/decrease in other receivables	(2,500)	21,746
(Increase)/decrease in stock on hand	(1,583)	1,430
Increase/(decrease) in sundry creditors	5,607	784
Increase/(decrease) in amount owing to Divisional Conference	1,629	(25,853)
Increase/(decrease) in contributions in advance	(11,385)	14,793
Increase/(decrease) in employee benefits	(43,239)	34,070
	<u>74,534</u>	<u>173,499</u>
Cash flows from operations		
c. The entity has no credit stand-by or financing facilities in place other than disclosed in the financial report.		
d. There were no non-cash financing or investing activities during the period.		

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**NOTES TO THE FINANCIAL STATEMENTS
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NOTE 19: RESTATEMENT OF COMPARATIVES

The employee benefits expense and provisions for the year ended 31 March 2011 comparatives have been restated to more accurately disclose the classification of all staff between employees and elected officials. The restatement does not affect the net profit position for the year ended 31 March 2011.

	Reported 2011	Increase/ (Decrease) 2011	Restated 2011
	\$	\$	\$
PROFIT FOR YEAR (NOTE 4)			
Employee benefits expense			
Salaries and allowances			
-elected officials	236,640	115,889	352,529
-employees	111,522	156,324	267,846
-temporary industrial staff	272,213	(272,213)	-
-other temporary staff	18,740	-	18,740
-compensation wages	60,857	-	60,857
Superannuation contributions			
-elected officials	34,651	15,793	50,444
-employees	50,883	(15,793)	35,090
Provision for annual leave			
-elected officials	10,999	14,021	25,020
-employees	8,902	(14,021)	(5,119)
Provision for long service leave			
-elected officials	33,086	10,814	43,900
-employees	(13,608)	(10,814)	(24,422)
Provision for sick leave			
-elected officials	-	-	-
-employees	(5,309)	-	(5,309)
Other	62,268	-	62,268
	<u>881,844</u>	<u>-</u>	<u>881,844</u>
PROVISIONS (NOTE 12)			
Employee entitlements:			
Provision for annual leave			
-elected officials	46,431	14,021	60,452
-employees	28,859	(14,021)	14,838
	<u>75,290</u>	<u>-</u>	<u>75,290</u>
Provision for long service leave			
-elected officials	64,850	10,814	75,664
-employees	32,273	(10,814)	21,459
	<u>97,123</u>	<u>-</u>	<u>97,123</u>
Provision for sick leave			
-elected officials	-	-	-
-employees	23,920	-	23,920
	<u>23,920</u>	<u>-</u>	<u>23,920</u>
Total Employee Entitlements	<u>196,333</u>	<u>-</u>	<u>196,333</u>
Number of employees at year end	<u>10</u>	<u>-</u>	<u>10</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

NOTE 20: FINANCIAL RISK MANAGEMENT

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

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	2012 \$	2011 \$
Financial assets		
Cash and cash equivalents	2,085,362	2,060,307
Trade and other receivables	13,360	7,057
Stock on hand	1,994	411
Financial assets – investment	1,000	1,000
Total financial assets	<u>2,101,716</u>	<u>2,068,775</u>
Financial liabilities		
Trade and other payables	<u>149,271</u>	<u>153,419</u>
Total financial liabilities	<u>149,271</u>	<u>153,419</u>

Financial Risk Management Policies

The committee of management overall risk management strategy seeks to assist the entity in meeting its financial targets, while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the committee of members on a regular basis. These include the credit risk policies and future cash flow requirements

The main purpose of non-derivative financial instruments is to raise finance for entity operations. The entity does not have any derivative instruments at 31 March 2012.

The committee of management, meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The committee of management's overall risk management strategy seeks to assist the entity in meeting its financial targets, while minimising potential adverse effects on financial performance

The finance committee operates under policies approved by the committee of management. Risk management policies are approved and reviewed by the management on a regular basis. These include credit risk policies and future cash flow requirements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

NOTE 20: FINANCIAL RISK MANAGEMENT continued

Specific Financial Risk Exposures and Management

The main risks the entity is exposed to through its financial instruments are credit risk, liquidity risk, and market risk.

a. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the entity.

Credit risk is managed through maintaining procedures (such as the utilisation of systems for the approval, granting and removal of credit limits, regular monitoring of exposure against such limits and monitoring of the financial stability of significant customers and counterparties) ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the committee has otherwise cleared as being financially sound.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

There is no collateral held by the entity securing trade and other receivables.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 6.

The entity has no significant concentration of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of trade and other receivables are provided in Note 6.

b. Liquidity risk

Liquidity risk arises from the possibility that the entity might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The entity manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- only investing surplus cash with major financial institutions; and
- proactively monitoring the recovery of unpaid subscriptions.

Financial assets pledged as collateral

No financial assets have been pledged as security for any financial liability.

The table that follows reflects an undiscounted contractual maturity analysis for financial assets and liabilities. Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

NOTE 20: FINANCIAL RISK MANAGEMENT continued

b. Liquidity risk continued

	Within 1 Year \$	1 to 5 Years \$	Over 5 Years \$	Total \$
2012				
Financial Assets				
Cash on deposit	1,500,000	-	-	1,500,000
Cash at bank	585,307	-	-	585,307
Receivables	13,360	-	-	13,360
Other financial assets	-	1,000	-	1,000
Total anticipated inflows	<u>2,098,667</u>	<u>1,000</u>	<u>-</u>	<u>2,099,667</u>
Financial Liabilities				
Trade and other payables	149,271	-	-	149,271
Total expected outflows	<u>149,271</u>	<u>-</u>	<u>-</u>	<u>149,271</u>
Net inflow/(outflow) on financial instruments	<u>1,949,396</u>	<u>1,000</u>	<u>-</u>	<u>1,950,396</u>
2011				
Financial Assets				
Cash on deposit	1,500,000	-	-	1,500,000
Cash at bank	559,757	-	-	559,757
Receivables	7,057	-	-	7,057
Other financial assets	-	1,000	-	1,000
Total anticipated inflows	<u>2,066,814</u>	<u>1,000</u>	<u>-</u>	<u>2,067,814</u>
Financial Liabilities				
Trade and other payables	153,419	-	-	153,419
Total expected outflows	<u>153,419</u>	<u>-</u>	<u>-</u>	<u>153,419</u>
Net inflow/(outflow) on financial instruments	<u>1,913,395</u>	<u>1,000</u>	<u>-</u>	<u>1,914,395</u>

c. Market risk

(i) *Interest rate risk*

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows.

(ii) *Price risk*

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held.

The entity is exposed to securities price risk on available-for-sale investments.

The entity's investments are shares held in a Bookshop Co-op.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

NOTE 20: FINANCIAL RISK MANAGEMENT continued

c. Market risk continued

Sensitivity analysis

The following table illustrates sensitivities to the entity's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reporting at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit \$	Equity \$
Year ended 31 March 2012		
+/- 1% in interest rates basis points – cash and cash equivalents	<u>20,854</u>	<u>20,854</u>
Year ended 31 March 2011		
+/- 1% in interest rates basis points – cash and cash equivalents	<u>20,603</u>	<u>20,603</u>

NOTE 21: ENTITY DETAILS

The registered office and principal place of business is:
Level 2
139 Queensberry Street
CARLTON SOUTH VIC 3053

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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COMMITTEE OF MANAGEMENT CERTIFICATE

On 27 June 2012 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) ("Union/Reporting Unit") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 March 2012:

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 Fair Work Australia;
- (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; and
- (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 Act and the 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 Fair Work Australia duly made under section 272 of the Act has been furnished to the member or Fair Work Australia; and
 - (vi) there has been compliance with any order for inspection of financial reports made by Fair Work Australia under section 273 of the Act.

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ABN 30 490 675 447

COMMITTEE OF MANAGEMENT CERTIFICATE
continued

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

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: 

Dated: 27 June 2012

Melbourne

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)**

Report on the financial report

We have audited the accompanying financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Postal and Telecommunications Branch (Victoria), which comprises the statement of financial position as at 31 March 2012, and the statement of comprehensive income, statement of changes in equity and the statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the committee of management's declaration of the entity during the financial year.

Committee of management's responsibility for the financial report

The entity's committee of management is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009 and for such internal control as the committee of management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1 the committee of management also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee of management, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

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)

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

Basis for qualified opinion

Income

It has not been practicable for the Union to establish total control over welfare fund donation income prior to its entry in the accounting records. Accordingly, our audit relating to such income was limited to the amounts recorded in the accounts.

Qualified opinion

In our opinion, except for the possible effects of the matter described in the Basis for qualified opinion paragraph, the financial report of the entity:

- (a) is in accordance with the provisions of the Fair Work (Registered Organisations) Act 2009, other requirements imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the Act, including:
 - (i) presenting fairly the entity's financial position as at 31 March 2012 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and International Financial Reporting Standards as disclosed in Note 1.
- (b) properly and fairly report all information in relation to recovery of wages activity required by the reporting guidelines of Fair Work Australia, including:
 - (i) any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity; and
 - (ii) any donations or other contributions deducted from recovered money.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

L.S. Wong

L.S. WONG
Partner,
Member of the Institute of Chartered Accountants in Australia and
holder of a current public practice certificate

Melbourne 27 June 2012

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

Scope

We have compiled the accompanying special purpose financial statements of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Postal and Telecommunications Branch (Victoria) which comprises the attached detailed income and expenditure statement for the year ended 31 March 2012. The specific purposes for which the special purpose financial statements have been prepared is to provide information relating to the performance of the entity that satisfies the information needs of the committee of management.

The Responsibility of the Committee of Management

The committee of management is solely responsible for the information contained in the special purpose financial statement and has determined that the basis of accounting adopted is appropriate to meet the needs of the committee of management.

Our Responsibility

On the basis of information provided by the committee of management we have compiled the accompanying special purpose financial statement in accordance with the basis of accounting and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information which the committee members provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statement was compiled exclusively for the benefit of the committee of management. We do not accept responsibility to any other person for the contents of the special purpose financial report.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

Melbourne: *27 June 2012*

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

**DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012**

	2012 \$	2011 \$
INCOME		
Members' contributions	1,599,689	1,585,426
Interest received	117,559	111,379
Reimbursement of motor vehicle expenses	14,540	12,510
Reimbursement of Work cover	35,800	59,456
Welfare fund donations	44,035	-
Sundry income	3,223	3,978
TOTAL INCOME	<u>1,814,846</u>	<u>1,772,749</u>
EXPENDITURE		
Affiliation fees:		
- Australian Labor Party	23,020	20,794
- Other	2,450	2,405
- Trades and Labour Councils	4,857	5,021
- Victorian Trades Hall Council	2,094	2,501
Allowances – delegates	4,479	2,872
Ambulance service	12,266	924
Bad debts	(19,055)	4,382
Bank charges	15,241	14,316
Campaign expenses	555	356
Commission on contributions received	11,659	12,014
Computer maintenance	11,186	8,468
Donation	200	10,230
Death benefit scheme	6,000	1,350
Depreciation	27,593	22,419
Equipment purchases	690	-
Fringe benefits tax	7,210	2,647
Head office dues	344,127	347,801
Insurance	13,253	11,120
Journey cover	34,995	35,263
Light and power	-	418
Loss on disposal of fixed assets	108	-
Loss of wages	1,046	613
Medical loans fund	(500)	5,334
Medical report expenses	825	-
Motor Vehicle expenses	51,344	34,616
National council funding	2,308	4,568
National journal	-	18,196
Office cleaning & waste collection	11,363	11,880

This statement should be read in conjunction with the attached compilation report on page 37

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

**DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012 CONTINUED**

	2012	2011
	\$	\$
EXPENDITURE continued		
Office maintenance	27,137	-
Office purchases	588	-
Payroll tax	43,332	40,768
Postage	24,667	26,627
Printing, stationary & publications	37,184	39,353
Professional services:		
- Accountancy and audit fees	14,314	14,511
- Legal fees	10,225	23,501
Promotional materials	1,923	2,843
Provision for annual leave	(18,669)	19,901
Provision for long service leave	(13,143)	19,479
Provision for sick leave	(11,427)	(5,309)
Refund on Union dues	4,857	3,886
Rental of premises	1,014	44,630
Salaries and allowances:		
- elected officials	435,315	352,529
- employees	257,870	267,846
- compensation wages	60,552	60,857
Staff amenities	1,104	935
Staff & delegate training, seminars & procurement	2,547	7,031
Sundry expenses	(784)	6,865
Superannuation:		
- elected officials	58,335	50,444
- employees	36,274	35,090
- Insurance	2,553	8,676
Telephone, pagers and facsimile	27,666	26,534
Temporary staff	40,485	18,740
Travel expenses	10,429	15,322
Welfare fund expenses	81,592	-
Work cover	7,199	10,177
	1,712,453	1,671,744
TOTAL EXPENDITURE		
	102,393	101,005
NET PROFIT/(LOSS) FOR THE YEAR		

This statement should be read in conjunction with the attached compilation report on page 37

CERTIFIED FINANCIAL STATEMENT OF INCOME AND EXPENDITURE

The Audited Financial Statement of Income and Expenditure is a full financial report year of the Union's utilisation of the Funding Amount and must be examined and certified by an Approved Auditor (a person who is a Certified Practising Accountant, a Chartered Accountant or is a member of the National Institute of Accountants).

Welfare Fund

Statement of income and expenditure
Period 1 April 2011 to 31 March 2012

INCOME	
Welfare fund	\$44,035
EXPENDITURE	
Welfare fund payments	\$81,592
YEAR TO DATE FUND DEFICIT	\$37,557

CERTIFICATE OF AUTHORISED OFFICER

I certify that the details above are true and correct and that the Welfare Funds have been expended for the purpose Welfare Fund program.

Joan V Doyle
Branch Secretary
Joan Veronica Doyle

Melbourne: 27 June 2012

CERTIFICATE OF QUALIFIED INDEPENDENT AUDITOR

Basis for qualified opinion

It has not been practicable for the Union to establish total control over welfare fund donation income prior to its entry in the accounting records. Accordingly, our audit relating to such income was limited to the amounts recorded in the accounts.

Qualified opinion

I certify that, except for the possible effects of the matter described in the Basis for qualified opinion paragraph, this is a true and accurate statement of income and expenditure for the Welfare Fund program.

W B Ragg Weir

MSI RAGG WEIR
Chartered Accountants

L S Wong

L S WONG CA
Partner
Member of the Institute of Chartered Accountants in Australia and
holder of a current public practice certificate

Melbourne:

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

In accordance with Section 254 of the Fair Work (Registered Organisations) Act 2009 ("Act") 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) ("the Union"), the relevant Reporting Unit for the financial year ended 31 March 2012.

Principal Activities

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

- Promoting the industrial, political and social interests of workers in the Postal and Telecommunications industries.
- Election, training and development of officials, organisers, shop-stewards, health and safety representatives.
- Implementation of the Union's recruitment, organising and industrial campaigns.
- Provision of assistance to individual members.
- Participation in and implementation of decisions of the Branch Committee of Management, Divisional Executive, Divisional Conference and National Council.
- Administration of the Union, including management of the Union's financial and membership systems.

Operating Result

The operating profit of the Union for the financial year was \$102,393 (2011: \$101,005). No provision for tax was necessary as the Union is exempt from income tax.

Significant change

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

Rights of Members

Pursuant to the Reporting Unit rules and Section 174 of the Fair Work (Registered Organisations) Act 2009, members have the right to resign from membership by providing written notice addressed to and delivered to the Secretary of the Reporting Unit.

A notice of resignation from membership of the Union takes effect:

- (a) where the member ceases to be eligible to become a member of the Union
 - (i) on the day on which the notice is received by the Union
 - (ii) on the day specified in the notice which is a day not earlier than the day when the Member ceases to be eligible to become a member;whichever is the later, or
- (b) in any other case:
 - (i) at the end of two weeks after the notice is received by the Union, or
 - (ii) on the day specified in the noticewhichever is the later.

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

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ABN 30 490 675 447

OPERATING REPORT continued

Other Prescribed Information

In accordance with Regulation 159 of the Fair Work (Registered Organisations) Regulations 2009 ("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 Act and who are taken to be members of the Union under section 244 of the Act was 4,844 (2011: 4,939).
- (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 9 (2011: 10).
- (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	Branch Secretary / Treasurer (re-elected 1 August 2011)
Ray Gorman	Branch President (elected 1 August 2011)
	Branch Committee of Management Member (term expired 31 July 2011)
Ray Zimmer	Branch Vice – President (elected 1 August 2011)
	Branch Committee of Management Member (term expired 31 July 2011)
Peter Shead	Branch Vice – President (elected 1 August 2011)
Brendan Henley	Branch Organiser (re-elected 1 August 2011)
Leroy Lazaro	Branch Organiser (elected 1 August 2011)
Cindy Shelley	Branch Organiser (elected 1 August 2011)
Samantha	
Richardson	Branch Committee of Management Member (re-elected 1 August 2011)
Gary Price	Branch Committee of Management Member (elected 1 August 2011)
	Branch Vice – President (term expired 31 July 2011)
Val Butler	Branch Committee of Management Member (re-elected 1 August 2011)
Glenn Anson	Branch Committee of Management Member (re-elected 1 August 2011)
Chris Punshon	Branch Committee of Management Member (re-elected 1 August 2011)
Louise Whitefield	Branch Committee of Management Member (re-elected 1 August 2011)
Meredith San Jose	Branch Committee of Management Member (elected 1 August 2011)
Laural Mc Glashan	Branch Committee of Management Member (elected 1 August 2011)
Timothy Gaunt	Branch Committee of Management Member (elected 1 August 2011)
Wayne Redenbach	Branch Committee of Management Member (elected 1 August 2011)
Angelo Ozella	Branch Committee of Management Member (elected 1 August 2011)
Len Barry	Branch President (term expired 31 July 2011)
Leslie Brown	Branch Vice-President (term expired 31 July 2011)
John Hogg	Branch Asst Secretary (term expired 31 July 2011)
Sithy Marikar	Branch Organiser (term expired 31 July 2011)
Carmel Griffiths	Branch Committee of Management Member (term expired 31 July 2011)
Martin O'Nea	Branch Committee of Management Member (term expired 31 July 2011)

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 continued

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: 
Dated: 27 June 2012

Melbourne:

**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 COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2012**

	2012	2011
	\$	\$
Revenue	1,814,846	1,772,749
Administration expense	(298,211)	(213,005)
Affiliation and capitation fees	(413,851)	(436,550)
Communication expense	(27,666)	(26,534)
Depreciation and amortisation expenses	(27,593)	(22,419)
Employee benefits expense	(905,886)	(881,844)
Occupancy expense	(39,514)	(56,928)
Other (expenses)/income	<u>268</u>	<u>(34,464)</u>
Profit/ (loss) before income tax expense	102,393	101,005
Income tax expense	<u>-</u>	<u>-</u>
Net profit/ (loss) attributable to members	102,393	101,005
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income	<u>102,393</u>	<u>101,005</u>

Discussion and Analysis of Statement of Comprehensive Income:

The operating result of the Union for the year was a net profit of \$102,393 which was in line with last year. An increase in the profit for the General fund achieved via a reduction in operating expenses was offset by Welfare fund expenses exceeding Welfare fund donations by a similar amount.

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 2012**

	2012 \$	2011 \$
CURRENT ASSETS		
Cash and cash equivalents	2,085,362	2,060,307
Trade and other receivables	13,360	7,057
Stock on hand	1,994	411
Loans	38,347	-
Other current assets	7,188	6,901
	<hr/>	<hr/>
TOTAL CURRENT ASSETS	2,146,251	2,074,676
NON-CURRENT ASSETS		
Property, plant and equipment	105,772	83,994
Financial assets	1,000	1,000
	<hr/>	<hr/>
TOTAL NON-CURRENT ASSETS	106,772	84,994
	<hr/>	<hr/>
TOTAL ASSETS	2,253,023	2,159,670
CURRENT LIABILITIES		
Trade and other payables	149,271	153,419
Loans	38,347	-
Provisions	153,094	196,333
	<hr/>	<hr/>
TOTAL CURRENT LIABILITIES	340,712	349,752
	<hr/>	<hr/>
TOTAL LIABILITIES	340,712	349,752
	<hr/>	<hr/>
NET ASSETS	1,912,311	1,809,918
EQUITY		
Retained profits	1,912,311	1,809,918
	<hr/>	<hr/>
TOTAL EQUITY	1,912,311	1,809,918
	<hr/>	<hr/>

Discussion and Analysis of Statement of Financial Position

Net assets improved by \$102,393. The major changes in the balance sheet are attributed to an increase in cash and cash equivalents and property, plant and equipment along with a decrease in the provisions.

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 CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2012**

	Retained Profits General fund \$	Retained Profits Welfare fund \$	Total \$
Balance at 1 April 2010	1,708,913	-	1,708,913
Profit attributable to members	<u>101,005</u>	<u>-</u>	<u>101,005</u>
Balance at 31 March 2011	1,809,918	-	1,809,918
Profit attributable to members	<u>139,950</u>	<u>(37,557)</u>	<u>102,393</u>
Balance at 31 March 2012	<u>1,949,868</u>	<u>(37,557)</u>	<u>1,912,311</u>

Discussion and Analysis of Statement of Changes in Equity

The increase in retained earnings is explained in page 5 of this financial report.

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 2012**

	Note	2012 \$	2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Membership contributions		1,763,912	1,764,178
Interest received		117,559	111,379
Other receipts		93,514	75,945
Payments to Divisional Conference		(361,090)	(347,263)
Payments to suppliers & employees		<u>(1,539,361)</u>	<u>(1,430,740)</u>
Net cash provided by (used in) operating activities		<u>74,534</u>	<u>173,499</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment		<u>(49,479)</u>	<u>(51,344)</u>
Net cash provided by (used in) investing activities		<u>(49,479)</u>	<u>(51,344)</u>
Net increase/(decrease) in cash held		25,055	122,155
Cash at beginning of year		<u>2,060,307</u>	<u>1,938,152</u>
Cash at end of year		<u>2,085,362</u>	<u>2,060,307</u>

Discussion and Analysis of Statement of Cash Flows

There was an increase in cash held for the year by the Union of \$25,055 which is a reflection of the positive net profits of the Union.

The accompanying notes form part of these financial statements.

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

ABN 30 490 675 447

**STATEMENT OF RECEIPTS AND PAYMENTS FOR RECOVERY OF WAGES ACTIVITY
CASH BASIS - FOR THE YEAR ENDED 31 MARCH 2012**

	2012	2011
	\$	\$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc	-	-
Interest received on recovered money	-	-
	<hr/>	<hr/>
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:-		
- 12 months or less	-	-
- greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:-		
- the reporting unit	-	-
- other entity	-	-
Deductions of fees or reimbursements of expenses	-	-
Payments to workers in respect of recovered money	-	-
	<hr/>	<hr/>
Total payments	-	-
Cash assets in respect of recovered money at end of year	<hr/>	<hr/>

Discussion and Analysis of Statement of Receipts and Payments for Recovery of Wages Activity

The union did not collect any wages on behalf of members throughout the year ended 31 March 2012.

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 2012**

NOTE 1: Statement of Significant Accounting Policies

The concise financial report is an extract of the full financial report for the year ended 31 March 2012. The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Reports and the Fair Work (Registered Organisations) Act 2009.

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 the 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.

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) comply with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

NOTE 2: Information to Be Provided To Members Of Fair Work Australia

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272 of the Act, which read as follows:-

- (1) A member of a reporting unit, or Fair Work Australia, 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).

NOTE 3: Financial Statements

The Union will provide a copy of the full financial report for the year ended 31 March 2012, free of charge to any member who requests it.

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

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COMMITTEE OF MANAGEMENT CERTIFICATE

On 27 June 2012 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) ("Union") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 March 2012:

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 Fair Work Australia;
- (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; and
- (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 Act and the 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 Fair Work Australia duly made under section 272 of the Act has been furnished to the member or Fair Work Australia; and
 - (vi) there has been compliance with any order for inspection of financial reports made by Fair Work Australia under section 273 of the Act.

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
continued

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

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: 

Dated: 27 June 2012

Melbourne

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 accompanying financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Postal and Telecommunications Branch (Victoria), which comprises the statement of financial position as at 31 March 2012, and the statement of comprehensive income, statement of changes in equity and the statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the committee of management's declaration of the entity during the financial year.

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 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 31 March 2012. Our audit report on the full financial report was signed on 27 June 2012 and was subject to 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 Fair Work (Registered Organisations) Act 2009.

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.

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

Basis for qualified opinion

Income

It has not been practicable for the Union to establish total control over welfare fund donation income prior to its entry in the accounting records. Accordingly, our audit relating to such income was limited to the amounts recorded in the accounts.

Qualified opinion

In our opinion, except for the possible effects of the matter described in the Basis for qualified opinion paragraph, the concise financial report of the 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 Fair Work (Registered Organisations) Act 2009.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

L S Wong CA

L S WONG CA
Partner,
Member of the Institute of Chartered Accountants in Australia and
holder of a current public practice certificate

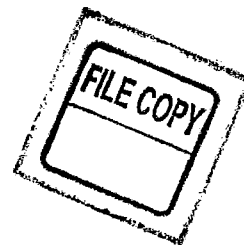
Melbourne: *27 June* 2012



FAIR WORK
AUSTRALIA

26 June 2012

Ms Joan Doyle
Secretary, Victorian Postal and Telecommunications Branch
CEPU
Level 1, 139 Queensberry Street
CARLTON SOUTH VIC 3053



Dear Ms Doyle,

Re: Lodgement of Financial Statements and Accounts – Victorian Postal and Telecommunications Branch, CEPU – for year ending 31 March 2012 (FR2012/211)

The financial year of the Victorian Postal and Telecommunications Branch of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia ended on 31 March 2012. This is a courtesy letter to remind you of the obligation to prepare the reporting unit's financial documents and to lodge audited financial accounts and statements with Fair Work Australia within the prescribed time frame unless a 1 month extension is applied for and granted.

The documents you must lodge include:

- (i) A general purpose financial report; (ii) A Committee of Management statement (iii) An operating report in accordance with section 254 and regulation 159; (iv) An auditor's report; and (v) A certificate in accordance with section 268.

The financial accounts and statements must disclose balances for the items prescribed by the General Manager's Reporting Guidelines.

I draw your particular attention to

- (a) s237 which requires you to prepare and lodge a separate statement providing the prescribed particulars of any loan, grant or donation made during the year which exceeds \$1,000;
- (b) s265(5) which requires you to publish or otherwise provide your members with completed/signed copies of the audited accounts, report and statements before final presentation and lodgment; and
- (c) s266 which requires you to present the completed documents to an eligible meeting(s) (either of the members or of the committee of management).

You should be aware that failures to comply with relevant provisions may expose reporting units to the risk of civil penalties.

Relevant references may be found at
<http://www.fwa.gov.au/index.cfm?pagename=regorgsfrguidelines> and
<http://www.fwa.gov.au/index.cfm?pagename=legislationfwoact>.

Please do not hesitate to contact me on (02) 6723 7097 if you have any queries in relation to the financial reporting requirements.

Yours sincerely,

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

Stephen Kellett

Organisations, Research and Advice Branch