



**Australian Government**  
**Australian Industrial Registry**

Level 8, Terrace Towers  
80 William Street, East Sydney, NSW 2011  
Telephone: (02) 8374 6666  
Fax: (02) 9360 6990

**Ref: FR2005/209-[128V-CPTW]**

Mr Paul W Kelly  
Branch Secretary  
CEPU Communications Division  
WA Postal & Telecommunications Branch  
196 Lord Street  
PERTH WA 6000

Dear Mr Kelly

**Financial Return - year ending 31 March, 2005**

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

**New legislation**

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

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

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

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

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

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

## Reporting Unit

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

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

## Industrial Registrar’s Guidelines

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

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

## Timeline Planner and Checklist

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

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

## Three Reports

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

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

Financial Statements containing:

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

Notes to the Financial Statements containing:

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

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

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

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

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

### **First Meeting (Committee of Management)**

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

### **The Auditor**

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

### **Informing Your Members**

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

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

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

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

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

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

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

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

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

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

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

### **Lodge full report within 14 days of meeting**

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at [www.airc.gov.au](http://www.airc.gov.au)). When lodging the financial return please quote: **FR2005/209**.

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

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

### **Complying with time limits**

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

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

### **Extensions of Time**

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

## Reduced Reporting Requirements

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

## Contact the Registry


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

## Information on AIRC Website

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

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

Yours sincerely



Belinda Penna  
for Deputy Industrial Registrar  
11 April, 2005



Documents Checklist

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

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

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

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

## Committee Of Management Statement

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

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

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

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

Title of Office held:

Signature:

Date:

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

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



**Certificate of Secretary or other Authorised Officer**<sup>1</sup>

s268 of Schedule 1B *Workplace Relations Act 1996*

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

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

Signature

Date:

<sup>1</sup>RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:

(a) the secretary; or

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

<sup>2</sup>Only applicable where a concise report is provided to members

<sup>3</sup>Insert whichever is applicable

# COMMUNICATIONS DIVISION

Postal and Telecommunications Branch

Western Australia

196 Lord Street PERTH WA 6000



## CEPU

COMMUNICATIONS  
ELECTRICAL  
PLUMBING  
UNION

BRANCH SECRETARY:  
PAUL KELLY

PWK/PD 10 August 2005  
Our Ref: 5.3/229

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

Dear Ms Penna

I, Paul William Kelly, being the Branch Secretary of the CEPU Communications Division, Postal and Telecommunications Branch, Western Australia hereby certify that the documents being lodged are copies of the documents presented to the meetings of the Branch Committee of Management held on 7 June 2005 and 1 August 2005.

The 2005 Annual Financial Returns were prepared by Auditor's Horwath Perth Partnership following the close of our financial year on 31 March 2004. The financial documents were presented to and endorsed by the Branch Committee of Management at its meeting on 7 June 2005, a Concise Financial Report, Operating Report and Statement by the Auditor were circulated to Branch financial members at their home addresses on 7 July 2005 and ratified at the Branch Committee of Management meeting on 1 August 2005.

The motions which were carried are printed for your information :-

**Meeting dated 7 June 2005: - Operating Report**

**Motion 1.**

Moved Lyle Dickinson and seconded Barry McVee "That the Operating Report for the year ended 31 March 2005 as prepared by Paul Kelly as the designated Officer of the Branch be approved and be signed by Bryan Watkins and by Anthony Lee on behalf of the Committee of Management"



**Meeting dated 7 June 2005: - Committee of Management's Statement in Respect of the financial report for the year ended 31 March 2005**

**Motion 2. (1)**

Moved Bryan Watkins and seconded Anthony Lee "That in the opinion of the Committee of Management:

- (a) the Financial Report complies with the Australian Accounting Standards;
- (b) the Financial Report complies with the reporting guidelines of the Industrial Registrar;
- (c) the Financial Report gives a true and fair view of the financial performance, financial position and cash flows of the Branch for the Financial Year ended 31 March 2005;
- (d) there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable: and
- (e) during the Financial Year ended 31 March 2005 and since the end of the Financial Year:
  - (i) meetings of the Committee of management were held in accordance with the Rules of the Organisation and the Rules of the Branch; and
  - (ii) the financial affairs of the Branch have been managed in accordance with the Rules of the Organisation and the Rules of the Branch; and
  - (iii) the financial records of the Branch have been kept and maintained in accordance with Schedule 1B to the Workplace Relations Act 1996 and the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003; and
  - (iv) the financial records of the Branch have been kept, as far as practicable, in a consistent manner to each of the other Branches and National Council of the Organisation; and
  - (v) the information sought in any request of a Member of the Branch or a Registrar duly made under Section 272 of Schedule 1B to the Workplace Relations Act 1996 has been furnished to the Member or Registrar; and
  - (vi) there has been compliance with any order for inspection of the financial records made by the Commission under Section 273 of Schedule 1B to the Workplace Relations Act 1996.

**Motion 2. (2)**

Moved Lyle Dickinson and Seconded Barry McVee "That Mr Bryan Watkins and Mr Anthony Lee as designated Officers of the Branch be authorised to sign the Committee of Management's Statement containing the above declarations of the Committee of Management."

**Meeting dated 7 June 2005: - Concise Financial Report for the year ended  
31 March 2005**

**Motion 3.**

Moved Gaynor Smith and seconded Patricia Hargrave "That the Concise Financial Report, Operating Report, and Statement by Auditor for the year ended 31 March 2005 be distributed to Members at their home address."

**Meeting dated 1 August 2005: - Ratification of Financial Statements**

Moved Barry McVee and seconded Paul Kelly "That the Branch Committee of Management accepts and endorses the 2005 Annual Report and Financial Statements, Concise Report and Operating Report which has been forwarded to the home address of all financial members of the CEPU Communications Division, Postal and Telecommunications Branch, Western Australia."

No Loans, Grants or Donations were made during the financial year ended 31 March 2005.

Regards

  
.....  
P W KELLY  
BRANCH SECRETARY

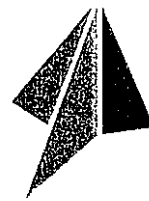
# COMMUNICATIONS DIVISION

*Postal and Telecommunications Branch*

*Western Australia*

196 Lord Street PERTH WA 6000

PWK/PD 4 July 2005



## CEPU

COMMUNICATIONS  
ELECTRICAL  
PLUMBING  
UNION

BRANCH SECRETARY:  
PAUL KELLY

### **ANNUAL REPORT AND BALANCE SHEET TO BE PRESENTED TO THE BRANCH COMMITTEE OF MANAGEMENT AND QUARTERLY GENERAL MEETING TO BE HELD ON MONDAY 1 AUGUST 2005**

Enclosed with this Report is a Concise Financial Report and the Operating Report for the year ended 31 March 2005.

The last year has been very important on a number of fronts. First of all, the CEPU was successful in negotiating another EBA with Australia Post. This EBA delivered a favorable outcome for all Postal Workers, particularly taking into account the attempts by Australia Post to introduce changes like dedicated outdoor delivery, the attempts to franchise out numerous retail outlets and increased attempts to use more contract and casual staff. All of which have not happened as a result of agreements in the EBA.

At the time of writing this Report, we have just finished negotiating an EBA with Telstra. Although this EBA will still need a vote of the Membership before it is accepted, it delivers a pay rise at the lower end of our expectations. However, on the plus side it does not include any trade-offs and puts in place safeguards regarding Long Service Leave and Maternity Leave should Telstra be sold off during the next three years.

The Federal Government is planning on selling Telstra over the next three years. If that occurs a number of questions arise regarding the employment conditions of Telstra employees who would no longer be classified as Government employees. We are also experiencing many problems on the ground in Telstra resulting from the Company cutting costs in an attempt to increase the share price ahead of the proposed sale. The major problem is increased pressure on individuals to do more work and the decrease in staff to do that work.

The Howard Government as of 1 July 2005 has absolute power of both houses of Parliament. As a result it plans to implement the most radical changes to the Industrial Relations system that this Country has seen in over 100 years. The Union Movement, including the CEPU, has embarked on a campaign to prevent these changes occurring. The campaign will include public awareness in the form of radio and television advertisements, demonstrations (already started), political activism and if possible legal recourse.

I would like to thank Branch Assistant Secretary Bryan Watkins, Admin Staff Pam Donaldson and Colleen Noonan, Branch President Anthony Lee and all members of the Branch Committee of Management for their support and assistance during the past twelve months. Also, I would like to take this opportunity to thank the Telecommunications & Services Branch, in particular Gary Carson and Jean McQuilkin for their support.

Regards

  
Paul Kelly  
Branch Secretary

# COMMUNICATIONS DIVISION

Postal and Telecommunications Branch

Western Australia

196 Lord Street PERTH WA 6000



## CEPU

COMMUNICATIONS  
ELECTRICAL  
PLUMBING  
UNION

PWK/PD 4 July 2005

Our Ref: 5.3/251

BRANCH SECRETARY:

PAUL KELLY

## CEPU (P&T Branch) MEMBERS INCOME TAX INFORMATION 2005

### UNION DUES:

For the information of Members completing Tax Returns, Union dues paid for the 2004-2005 Tax year (for Members who have paid for the full financial year) are as follows :-

FULL TIME RATE (full time employees 25 hours per week or more)	\$338.00
PART TIME RATE (part time employees 15 up to 25 hours per week)	\$169.00
PART TIME RATE (part time employees up to 15 hours per week)	\$ 84.50

### DRY CLEANING/LAUNDERING: MEAL AND TRAVEL ALLOWANCES ETC:

As has been the case for a number of years now, the Taxation Department does not give a set figure for dry cleaning/laundry. Briefly, the substantiation provisions which apply include the following aspects :-

1. Generally an expense will only be regarded as substantiated where a taxpayer is able to produce a receipt, invoice or other documentary evidence that shows the date, amount and essential character of the expense.
2. Exclusions from the substantiation requirements will apply to claims within the limits of reasonable overtime meal allowance and of reasonable allowance which are made specifically to an employee for accommodation and meals whilst on a work trip away from home but within Australia. The rates Members receive as meal allowances and travelling allowances meet the above criteria.

The Taxation Department provides further information on this matter in the Tax Pack which, this year, is only delivered to the home address of people who have used it in the past, and is available from news agents, free of charge, for any one who wants one.

Regards

Paul Kelly  
Branch Secretary

**Independent Audit Report to the members of  
Communications Electrical Plumbing Union,  
Communications Division,  
Postal and Telecommunications Branch**

### Scope

We have audited the concise financial report of Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch, for the year ended 31 March 2005 as set out on pages 3 to 8 in order to express an opinion on it to the members of Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch. The union's committee of management and accounting officer are responsible for the concise financial report.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance 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 Plumbing Union, Communications Division, Postal and Telecommunications Branch for the year ended 31 March 2005. Our audit report was signed on the 7<sup>th</sup> June 2005 and was not subject to any qualification.

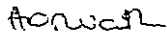
Our procedures in respect of the audit of the concise financial report included testing that information in the concise financial report is consistent with the full financial report, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which 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 presented fairly in accordance with Accounting Standard AASB 1019: Concise Financial Reports and the requirements of the Workplace Relations Act 1996.

### Audit Opinion

In our opinion the concise financial report of the Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch complies with Accounting Standard AASB 1019: Concise Financial Reports and the requirements of the Workplace Relations Act 1996.

Signed at Perth this 7<sup>th</sup> day of June 2005.

**HORWATH**  
Audit (WA) Pty Ltd

  
**A G BEVAN**  
Director

Directors: Glyn O'Brien CA Anthony Bevan CA

*Horwath Audit (WA) Pty Ltd conducts its practice independently of all other firms of chartered accountants who are members of Horwath International in Australia*

**COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
POSTAL AND TELECOMMUNICATIONS BRANCH**

**CONCISE FINANCIAL REPORT  
FOR THE YEAR ENDED  
31 MARCH 2005**

The financial accounts of the Union have been audited in accordance with the provisions of the Workplace Relations Act, 1996 and the following concise financial report is provided for members in accordance with Section 272 (5) of the Workplace Relations Act, 1996 and prepared in accordance with Section 265 of the Workplace Relations Act, 1996.

A copy of the Auditor's Report, Accounts and Statements will be supplied free of charge to members on request.

Certificates required to be given under the Acts by the Accounting Officer and the Committee of Management have been completed in accordance with the provisions of the Acts and contain no qualifications.

### Information to be provided to Members or Registrar

In accordance with the requirements of Section 272(5) of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of Sections 272(1) to Section 272(3) of the Act, which reads as, follows:

- (1) A member of the branch, or a Registrar, may apply to the branch for specified prescribed information in relation to the branch to be made available to the person making the application.
- (2) The application must be writing and must 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 branch.
- (3) The branch must comply with an application made under subsection (1)

COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
POSTAL AND TELECOMMUNICATIONS BRANCH

DISCUSSION AND ANALYSIS  
OF THE FINANCIAL STATEMENTS

INFORMATION ON COMMUNICATIONS ELECTRICAL PLUMBING UNION,  
COMMUNICATIONS DIVISION, POSTAL AND TELECOMMUNICATIONS BRANCH  
CONCISE FINANCIAL REPORT

The financial statements and disclosures in the concise financial report have been derived from the year ended 31 March 2005 Financial Report of the Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch.

A copy of the full financial report and auditors report will be sent to any member, free of charge, upon request.

The discussion and analysis is provided to assist members in understanding the concise financial report. The discussion and analysis is based on the Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch's financial statements and the information contained in the concise financial report has been derived from the full 2005 Financial Report of the Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch.

STATEMENT OF FINANCIAL PERFORMANCE:

Key points to note are:

- Membership numbers have decreased slightly over the year, however membership contribution income has risen due to increased membership fees.
- Other expenses from ordinary activities decreased due to a conscious effort over the past twelve months to reduce costs in an aim to improve the financial performance of the union.
- Overall the Branch reported an improved surplus (profit) for the year, mainly attributable to the above-mentioned factors.
- The union has continued to operate in the state of Western Australia throughout the whole of the 2004/05 financial year.

STATEMENT OF FINANCIAL POSITION:

Assets

- Cash at bank increased largely as a result of the operating surplus generated.
- The decrease in the plant and equipment balance is mostly attributable to depreciation, no assets were sold during the year.

Liabilities

- The provisions, both current and non-current have risen slightly due to staff members accumulating further long service leave and annual leave balances at year end in comparison to the prior year balance.



COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
POSTAL AND TELECOMMUNICATIONS BRANCH

DISCUSSION AND ANALYSIS  
OF THE FINANCIAL STATEMENTS (Continued)

STATEMENT OF FINANCIAL POSITION (Continued):

Liabilities

- Current payables have risen as the final instalment of Head Office Fees was not paid prior to year-end.

Equity

- No significant movement in equity has occurred in the financial year ended 31 March 2005.

STATEMENT OF CASH FLOWS:

Cash flows from operating activities:

- The net cash flow from operating activities has increased significantly compared to the prior year, mainly attributable to the profit recorded in the current year and the reasons discussed earlier.

Cash flows from investing activities:

- This reflects the purchase of some minor assets.

STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED  
31 MARCH 2005

	Notes	2005 \$	2004 \$
Revenue from ordinary activities	2	634,627	599,666
Employee expenses		(280,850)	(282,643)
Depreciation and amortisation expense		(23,293)	(18,408)
Divisional Office portion of contributions		(130,249)	(144,925)
Other expenses from ordinary activities		<u>(138,250)</u>	<u>(144,557)</u>
Profit/(loss) from ordinary activities		61,985	9,133

COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
POSTAL AND TELECOMMUNICATIONS BRANCH  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2005

	2005	2004
	\$	\$
Current assets		
Cash assets	744,140	625,533
Receivables	4,721	9,804
Inventory	774	500
Other	4,841	5,348
Total current assets	<u>754,476</u>	<u>641,185</u>
Non-current assets		
Property, plant and equipment	<u>206,893</u>	<u>223,190</u>
Total non-current assets	<u>206,893</u>	<u>223,190</u>
Total assets	961,369	864,375
Current liabilities		
Payables	31,470	20,606
Provisions	<u>152,864</u>	<u>144,249</u>
Total current liabilities	<u>184,334</u>	<u>164,855</u>
Non-current liabilities		
Provisions	<u>169,999</u>	<u>154,470</u>
Total non-current liabilities	<u>169,999</u>	<u>154,470</u>
Total liabilities	354,333	319,324
Net assets	<u>607,036</u>	<u>545,051</u>
Accumulated funds		
Opening accumulated funds	545,051	535,918
Net profit/(loss) for the year	<u>61,985</u>	<u>9,133</u>
Total accumulated funds	<u>607,036</u>	<u>545,051</u>

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED  
31 MARCH 2005

Cash flows from operating activities		
Receipts from members	646,570	572,264
Payments to suppliers and employees	(580,897)	(560,614)
Interest received	45,663	22,605
Other receipts	14,429	8,526
Net cash provided by/(used in) operating activities	<u>125,765</u>	<u>42,781</u>
Cash flows from investing activities		
Payments for property, plant and equipment	<u>(7,158)</u>	<u>(1,029)</u>
Net cash provided by/(used in) investing activities	<u>(7,158)</u>	<u>(1,029)</u>
Net increase/(decrease) in cash held	118,607	41,752
Cash at the beginning of the financial year	625,533	583,781
Cash at the end of the financial year	<u>744,140</u>	<u>625,533</u>

COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
POSTAL AND TELECOMMUNICATIONS BRANCH

NOTES TO THE CONCISE FINANCIAL REPORT  
FOR THE YEAR ENDED  
31 MARCH 2005

**NOTE 1. BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT**

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

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full financial report of the Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch for the year ended 31 March 2005. The concise financial report cannot be expected to provide as detailed understanding of the financial performance, financial position and financing and investing activities of Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch as the full financial report.

The accounting policies have been consistently applied by the branch and are consistent with those of the previous financial year.

**International Financial Reporting Standards**

The Communication Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch is currently in the process of transitioning its accounting policies and financial report from the current Australian Accounting Standards (AGAAP) to the Australian equivalents of the International Financial Reporting Standards (AIFRS) which will be applicable for the financial year ended 31 March 2006. The Union's transition date will be the 1 April 2005, therefore the Committee of Management is currently considering and quantifying the impact of the changes and any adjustments that will need to be made to the opening balance sheet.

The Committee is currently of the opinion that under the new AIFRS's that the Union will be required to adopt, there will not be a material effect on the opening balance sheet and no adjustments will be required to be made.

**NOTE 2. REVENUE**

The main source of revenue of the branch is attributable to members contributions.

	2005	2004
	\$	\$
<b>Operating activities</b>		
Membership subscriptions	578,918	570,848
Other income	14,429	897
<b>Total revenue from operating activities</b>	<u>593,347</u>	<u>571,745</u>
<b>Non-operating activities</b>		
Interest received	41,280	27,921
<b>Total revenue from non-operating activities</b>	<u>41,280</u>	<u>27,921</u>
<b>Total revenue</b>	<u>634,627</u>	<u>599,666</u>

COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
POSTAL AND TELECOMMUNICATIONS BRANCH

NOTES TO THE CONCISE FINANCIAL REPORT  
FOR THE YEAR ENDED  
31 MARCH 2005  
(Continued)

NOTE 3. SEGMENT REPORTING

The Union operates predominantly in one business and geographical segment, in its capacity to provide services to members of the Union throughout Western Australia.

NOTE 4. CAPITAL COMMITMENTS

At the date of signing this report there are no known outstanding capital commitments.

NOTE 5. CONTINGENT LIABILITIES

At the date of signing this report there are no known contingent liabilities that would have a material effect on the presentation of the annual financial statements.

NOTE 6. GEOGRAPHICAL LOCATIONS

The Union operates from 196 Lord Street, Perth in the State of Western Australia.

STATEMENT OF THE COMMITTEE OF MANAGEMENT

The committee of management declare that in their opinion the concise financial report of the Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch for the year ended 31 March 2005 as set out on pages 2 to 9 complies with Australian Accounting Standard AASB 1039: *Concise Financial Reports* and the requirements of the Workplace Relations Act 1996.

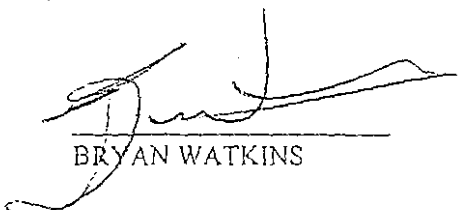
The financial statements and specific disclosures included in this concise financial report have been derived from the full financial report for the year ended 31 March 2005.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the branch as the full financial report, which as indicated on page 1 is available on request.

Signed on behalf of the Committee of Management

Signed At Perth this 7<sup>th</sup> day of June 2005.

  
\_\_\_\_\_  
ANTHONY LEE

  
\_\_\_\_\_  
BRYAN WATKINS

**COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION**

**POSTAL AND TELECOMMUNICATIONS BRANCH  
WESTERN AUSTRALIA**

**OPERATING REPORT  
FOR THE YEAR ENDED 31 MARCH 2005**

The principal activity of the CEPU Communications Division, Postal and Telecommunications Branch, Western Australia, remains that of a Trade Union.

- Membership numbers decreased slightly, however increased contribution rates have resulted in increased contribution income.
- Expenses from ordinary activities decreased due to a conscious effort over the past financial year to reduce costs. The percentage of contribution income from membership fees paid to Divisional Office was decreased this year, also there has been a reduction in the amount paid in Fringe Benefits Tax.
- The improved surplus this year is mainly due to the above factors.
- The union has continued to operate in the State of Western Australia throughout the whole of year 2004/05.

**Assets**

- Cash at bank increased mainly as a result of the operating surplus
- Decrease in plant and equipment balance is mainly due to depreciation. No assets were sold during the year.

**Liabilities**

- Provisions, both current and non-current have risen slightly, this is due to mainly to staff members accumulating further long service leave and annual leave balances at the end of the financial year compared to the prior year balance.
- Current payables have risen as the final instalment of Head Office Dues was not paid prior to the end of the financial year.

**Equity**

- No significant movement in equity has occurred in the financial year ended 31 March 2005

**Resignation of Membership**

As per section 174 of the Workplace Relations Act 1996 a member of the union may resign from membership by written notice or by electronic message to the Branch to which the member is attached. Resignation from membership of the union takes effect:

- on the day on which the notice is received by the union
- on the day specified in the notice
- at the end of two (2) weeks after the notice is received by the union whichever is later.

The Executive of the union is also the committee of management. As at the 31<sup>st</sup> March 2005 the members of the committee of management were:

Branch President	-	Anthony Lee
Branch Vice Presidents	-	Gaynor Smith Position Vacant
Branch Secretary	-	Paul Kelly
Branch Assistant Secretary		Bryan Watkins
Postal Divisional Section		Pam Bullin Patricia Hargrave Peter Lumme Cornelius Hofstee Barry McVee
Lines & General Divisional Section		Lyle Dickinson Paul Loughheed Andrew Nosow Position Vacant Position Vacant

Signed on behalf of the Committee of Management

Signed at Peach this 7<sup>th</sup> day of June 2005

Lee

[Signature]

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**Communications Electrical Plumbing Union  
Communications Division  
Postal and Telecommunications Branch**

**Financial Report  
31 March 2005**

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**Communications Electrical Plumbing Union  
Communications Division  
Postal and Telecommunications  
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# Horwath

**Independent audit report to members of  
Communications Electrical Plumbing Union,  
Communications Division,  
Postal and Telecommunications Branch.**

**Horwath Audit (WA) Pty Ltd**

ABN 79 112 284 787

Chartered Accountants

A member of Horwath International

128 Hay Street Subiaco WA 6008

PO Box 700 West Perth WA 6872

Email horwath@perth.horwath.com.au

Telephone (08) 9380 8400

Facsimile (08) 9380 8499

## Scope

### *The financial report and committee members' responsibility*

The financial report comprises the statement of financial performance, statement of financial position, statement of cash flows, accompanying notes to the financial statements, and branch committee of managements' statement for Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch ("the union"), for the year ended 31 March 2005.

The union's committee of management and the accounting officer of the union are responsible for the preparation and true and fair presentation of the financial report. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

### *Audit approach*

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

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

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

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

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



**Horwath**

**Independence**

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

**Audit Opinion**

In our opinion the financial report presents fairly, in accordance with applicable Accounting Standards, the Workplace Relations Act 1996 and other mandatory financial reporting requirements in Australia, the financial position of the Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch as at 31 March 2005 and the results of its operations and its cash flows for the year then ended.

Dated at Perth the 7<sup>th</sup> day of June 2005

**HORWATH**  
Audit (WA) Pty Ltd

*Horwath*

**A G BEVAN**  
Director

**Communications Electrical Plumbing Union  
Communications Division  
Postal and Telecommunications  
Accounting Officer's Statement  
Workplace Relations Act 1996**

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I, Paul William Kelly, being the officer responsible for keeping the accounting records of the Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch, Western Australia, certify that as at 31 March 2005 the number of financial members of the organisation was 2,039 (2004: 2,121).

In my opinion,

1. The attached accounts show a true and fair view of the financial affairs of the organisation as at 31 March 2005 and the result of operations for the period then ended;
2. A register of members has, during the immediately preceding calendar year, been kept and maintained as required by section 230(1)(a) and section 230(2) of the Workplace Relations Act 1996;
3. A copy of the records required to be kept under sections of 230(1)(b), (c) and (d) of the Workplace relations Act 1996, have been provided to the Industrial Registry as required by section 233 of the Workplace Relations Act 1996.



\_\_\_\_\_  
P W Kelly  
WA Branch Secretary

Dated at Perth this 7<sup>th</sup> day of June 2005.

**Communications Electrical Plumbing Union  
Communications Division  
Postal and Telecommunications  
Branch Committee of Management Statement  
Workplace Relations Act 1996**

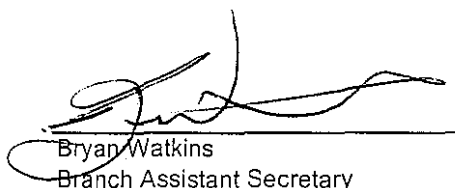
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We, Anthony Lee and Bryan Watkins, being two members of the Branch Committee of Management of the Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch, Western Australia, do state on behalf of the Branch Committee of Management and in accordance with a resolution passed by the Branch Committee of Management, that:

1. The accompanying financial statements and notes comply with the Australian Accounting Standards;
2. The financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
3. The financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the branch for the financial year to which they relate;
4. There are reasonable grounds to believe that the branch will be able to pay its debts as and when they become due and payable; and
5. During the financial year to which the general purpose financial report relates and since the end of that year:
  - (a) Meetings of the committee of management were held in accordance with the rules of the organisation including the rules of the branch concerned; and,
  - (b) The financial affairs of the branch have been managed in accordance with the rules of the organisation including the rules of the branch concerned; and,
  - (c) The financial records of the branch have been kept and maintained in accordance with Schedule 1B of the workplace Relations Act 1996 (The RAO Schedule) and the Workplace Relations Regulation 2003 (The RAO Regulations); and,
  - (d) The information sought in any request of a member of the branch or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and,
  - (e) There has been compliance with any order for inspections of financial records made by the commission under section 273 of the RAO schedule.



Anthony Lee  
Branch President



Bryan Watkins  
Branch Assistant Secretary

Dated at Perth this 7th day of JUNE 2005.

**Communications Electrical Plumbing Union**  
**Communications Division**  
**Postal and Telecommunications**  
**Statement of Financial Performance**  
**For the year ended 31 March 2005**

---

	Notes	2005 \$	2004 \$
Revenue from ordinary activities	3	634,627	599,666
Employee expenses		(280,850)	(282,643)
Depreciation and amortisation expense	4	(23,293)	(18,408)
Divisional Office portion of contributions	14	(130,249)	(144,925)
Other expenses from ordinary activities		(138,250)	(144,557)
<b>Profit/(loss) from ordinary activities</b>		<u>61,985</u>	<u>9,133</u>

*The accompanying notes form part of these financial statements.*

**Communications Electrical Plumbing Union**  
**Communications Division**  
**Postal and Telecommunications**  
**Statement of Financial Position**  
**As at 31 March 2005**

	Notes	2005 \$	2004 \$
<b>Current assets</b>			
Cash assets	5	744,140	625,533
Receivables	6	4,721	9,804
Inventory	7	774	500
Other	8	4,841	5,348
<b>Total current assets</b>		<u>754,476</u>	<u>641,185</u>
<b>Non-current assets</b>			
Property, plant and equipment	9	206,893	223,190
<b>Total non-current assets</b>		<u>206,893</u>	<u>223,190</u>
<b>Total assets</b>		<u>961,369</u>	<u>864,375</u>
<b>Current liabilities</b>			
Payables	10	31,470	20,606
Provisions	11	152,864	144,249
<b>Total current liabilities</b>		<u>184,334</u>	<u>164,855</u>
<b>Non-current liabilities</b>			
Provisions	11	169,999	154,470
<b>Total non-current liabilities</b>		<u>169,999</u>	<u>154,470</u>
<b>Total liabilities</b>		<u>354,333</u>	<u>319,324</u>
<b>Net assets</b>		<u>607,036</u>	<u>545,051</u>
<b>Accumulated funds</b>			
Opening accumulated funds		545,051	535,918
Net profit/(loss) for the year		61,985	9,133
<b>Total accumulated funds</b>		<u>607,036</u>	<u>545,051</u>

*The accompanying notes form part of these financial statements.*

**Communications Electrical Plumbing Union**  
**Communications Division**  
**Postal and Telecommunications**  
**Statement of Cash Flows**  
**For the year ended 31 March 2005**

---

	Notes	2005 \$	2004 \$
<b>Cash flows from operating activities</b>			
Receipts from members		646,570	572,264
Payments to suppliers and employees		(580,897)	(560,614)
Interest received		45,663	22,605
Other receipts		14,429	8,526
<b>Net cash provided by/(used in) operating activities</b>	<b>12(b)</b>	<u>125,765</u>	<u>42,781</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		<u>(7,158)</u>	<u>(1,029)</u>
<b>Net cash provided by/(used in) investing activities</b>		<u>(7,158)</u>	<u>(1,029)</u>
<b>Net increase/(decrease) in cash held</b>		118,607	41,752
<b>Cash at the beginning of the financial year</b>		625,533	583,781
<b>Cash at the end of the financial year</b>	<b>12(a)</b>	<u>744,140</u>	<u>625,533</u>

*The accompanying notes form part of these financial statements.*

**Communications Electrical Plumbing Union  
Communications Division  
Postal and Telecommunications  
Notes to the Financial Statements  
For the year ended 31 March 2005**

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**Note 1: Statement of significant accounting policies**

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

The financial report covers Communications Electrical Plumbing Union Communications Division Postal and Telecommunications as an individual entity. The organisation is a member of a federally registered union domiciled in Australia.

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

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

**a) Members dues and subscriptions**

Members dues and subscriptions are accounted for on an accruals basis.

**b) Revenue**

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

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

**c) 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*.

**d) Cash**

For the purposes of the statement of cash flows, the organisation considers cash to include cash on hand, at banks or financial institutions and on deposit, net of any outstanding overdrafts.

**e) Property, plant and equipment**

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

Plant and equipment

Plant and equipment are measured on the cost basis.

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



**Communications Electrical Plumbing Union  
Communications Division  
Postal and Telecommunications  
Notes to the Financial Statements  
For the year ended 31 March 2005**

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**Note 1: Statement of significant accounting policies (continued)**

**Depreciation**

The depreciation amount of all fixed assets is calculated using the straight line basis over the estimated useful lives of the assets to the organisation commencing from the time the asset is ready for use.

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

<u>Class of asset</u>	<u>Depreciation rate</u>
Plant and equipment	15 - 30%

**f) Employee entitlements**

A provision is made for the organisation's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries and annual leave which will be settled after one year have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

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

**g) Interest rate risk**

The organisation's exposure to interest rate risk, which is the risk that financial instruments value will fluctuate as a result of changes in market interest rates, is considered negligible.

**h) Credit risk**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognise financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements. The organisation does not have any material credit risk exposure to any single debtor or group of debtors under the financial instruments entered into by the organisation.

**i) Net fair values**

The net fair values of assets and liabilities approximate their carrying values. No financial assets and financial liabilities are readily traded on organised markets in standardised form. The aggregate net fair value and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

**j) Comparative figures**

Where required, comparative figures have been adjusted to conform with changes in presentation for the current year.

**Communications Electrical Plumbing Union  
Communications Division  
Postal and Telecommunications  
Notes to the Financial Statements  
For the year ended 31 March 2005**

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**k) International Financial Reporting Standards**

The Communication Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch is currently in the process of transitioning its accounting policies and financial report from the current Australian Accounting Standards (AGAAP) to the Australian equivalents of the International Financial Reporting Standards (AIFRS) which will be applicable for the financial year ended 31 March 2006. The Union's transition date will be the 1 April 2005, therefore the Committee of Management is currently considering and quantifying the impact of the changes and any adjustments that will need to be made to the opening balance sheet.

The Committee is currently of the opinion that under the new AIFR's that the Union will be required to adopt, there will not be a material effect on the opening balance sheet and no adjustments will be required to be made.

**Note 2: Information to be provided to Members or Registrar**

In accordance with the requirements of Sections 272(5) of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of Sections 272(1) to Section 272 (2) of the Act, which reads as, follows:

- (1) A member of the branch, or a Registrar, may apply to the branch for specified prescribed information in relation to the branch to be made available to the person making the application.
- (2) The application must be in writing and must specify the periods 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 branch.
- (3) The branch must comply with an application made under subsection (1).

	2005	2004
	\$	\$
<b>Note 3: Revenue</b>		
<b>Operating activities</b>		
Membership subscriptions	578,918	570,848
Other income	14,429	897
<b>Total revenue from operating activities</b>	593,347	571,745
<b>Non-operating activities</b>		
Interest received	41,280	27,921
<b>Total revenue from non-operating activities</b>	41,280	27,921
<b>Total revenue</b>	634,627	599,666

**Communications Electrical Plumbing Union**  
**Communications Division**  
**Postal and Telecommunications**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2005**

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	2005	2004
	\$	\$
<b>Note 4: Profit from ordinary activities</b>		
Profit from ordinary activities has been determined after the following expenses:		
Depreciation of property, plant and equipment	23,293	18,408
Bad and doubtful debts	959	1,347
Remuneration of auditor	6,764	6,783
<b>Note 5: Cash assets</b>		
Cash at bank	56,306	85,696
Cash on hand	170	170
Term deposits and savings investment accounts	687,664	539,667
	<u>744,140</u>	<u>625,533</u>
<b>Note 6: Receivables</b>		
Membership contributions in arrears	5,913	5,654
Less: provision for doubtful debts	(4,334)	(3,375)
Other	3,142	7,525
	<u>4,721</u>	<u>9,804</u>
<b>Note 7: Inventory</b>		
Stationery	<u>774</u>	<u>500</u>
<b>Note 8: Other Current Assets</b>		
Prepayments	<u>4,841</u>	<u>5,348</u>
<b>Note 9: Property, plant and equipment</b>		
Land and buildings - at cost	222,550	222,550
Less: accumulated depreciation	<u>(47,785)</u>	<u>(45,103)</u>
	174,765	177,447
Motor vehicles - at cost	49,623	49,623
Less: accumulated depreciation	<u>(32,048)</u>	<u>(19,642)</u>
	17,575	29,981

**Communications Electrical Plumbing Union**  
**Communications Division**  
**Postal and Telecommunications**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2005**

	2005	2004
	\$	\$
<b>Note 9: Property, plant and equipment (continued)</b>		
Property, plant and equipment at cost	70,341	63,392
Less accumulated depreciation	<u>(55,788)</u>	<u>(47,629)</u>
	<u>14,553</u>	<u>15,763</u>
 Total property, plant and equipment	 <u>206,893</u>	 <u>223,190</u>

**a) Movement in carrying amounts**

	Land & buildings	Motor vehicles	Plant and equipment	Total
Balance at the beginning of the year	177,446	29,981	15,763	223,190
Additions	-	-	7,158	7,158
Disposals	-	-	(208)	(208)
Depreciation expense	(2,682)	(12,406)	(8,159)	(23,247)
Carrying amount at the end of the year	<u>174,764</u>	<u>17,575</u>	<u>14,554</u>	<u>206,893</u>

**Note 10: Payables**

Trade creditors	1,925	2,745
Audit fee	6,000	5,900
Employee entitlements	(2,700)	(227)
GST and PAYG liability	8,549	5,849
Membership in advance	7,249	6,339
Amounts owing to Head Office	10,447	-
	<u>31,470</u>	<u>20,606</u>

**Note 11: Provisions**

<b>Current</b>		
Employee entitlements	<u>152,864</u>	<u>144,249</u>
<b>Non-current</b>		
Employee entitlements	<u>169,999</u>	<u>154,470</u>

Number of employees at year end	3	4
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**Communications Electrical Plumbing Union**  
**Communications Division**  
**Postal and Telecommunications**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2005**

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2005  
 \$

2004  
 \$

**Note 12: 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 at bank	56,306	85,696
Cash on hand	170	170
Term deposits and savings investment accounts	687,664	539,667
	<u>744,140</u>	<u>625,533</u>

**b) Reconciliation of cash flows from operating activities to profit/(loss)**

Operating profit/(loss)	61,985	9,133
Depreciation	23,293	18,408
(Profit)/loss on sale of plant and equipment	162	-
<i>Changes in assets and liabilities</i>		
(Increase)/decrease in receivables	7,245	(4,295)
(Increase)/decrease in prepayments	507	374
(Increase)/decrease in inventories	(274)	-
Increase/(decrease) in creditors and accruals	8,702	(12,527)
Increase/(decrease) in payables and provisions	24,145	31,688
Net cash provided by/(used in) operating activities	<u>125,765</u>	<u>42,781</u>

**Note 13: Remuneration and retirement benefits**

**Remuneration of officers**

Remuneration received or receivable by all officers of the committee of management:

From the organisation or any related party in connection with the management of the organisation

	<u>950</u>	<u>1,440</u>
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**Note 14: Related party disclosure**

**Transactions with Divisional Office**

During the year the Branch paid 22.5% (2004: 25%) of gross member contributions received to Divisional Office  
 Amount owed to Divisional Office at year end

119,802	144,925
10,447	-
<u>130,249</u>	<u>144,925</u>

**Communications Electrical Plumbing Union  
Communications Division  
Postal and Telecommunications  
Notes to the Financial Statements  
For the year ended 31 March 2005**

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**Note 15: Segment information**

The Branch provides union membership services throughout the region of Western Australia to all of its members.

**Note 16: Subsequent events**

At the date of the Statement by the Committee, no matter or circumstance not otherwise dealt with in the financial statements has significantly or may significantly affect the operations of the Branch, the results of those operations or the state of affairs of the Branch in subsequent financial years.

**Note 17: Capital Commitments**

At the date of signing this report there are no known outstanding capital commitments.

**Note 18: Contingent Liabilities**

At the date of signing this report there are no known contingent liabilities that would have a material effect

**Note 19: Geographical Location**

The Union operates from 196 Lord Street, Perth in the State of Western Australia.



# Horwath

## **Horwath Audit (WA) Pty Ltd**

ABN 79 112 284 787

*Chartered Accountants*

A member of Horwath International

128 Hay Street Subiaco WA 6008

PO Box 700 West Perth WA 6872

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Telephone (08) 9380 8400

Facsimile (08) 9380 8499

### **Communications Electrical Plumbing Union Communications Division Postal and Telecommunications Branch Disclaimer**

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The additional financial report data presented on pages 17 - 18 is in accordance with the books and records which have been subjected to the auditing procedures applied in our statutory audit for the year ended 31 March 2005. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty or accuracy of reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Communications Electrical Plumbing Union Communications Division Postal and Telecommunications Branch), in respect of such data, including any errors or omissions therein however caused.

Dated this 7th day of June 2005.

**HORWATH**  
Audit (WA) Pty Ltd

**A G BEVAN**  
Director

**Communications Electrical Plumbing Union**  
**Communications Division**  
**Postal and Telecommunications**  
**Income and Expenditure Statement**  
**For the year ended 31 March 2005**

	2005	2004
	\$	\$
<b>Income</b>		
Members contributions	582,087	570,848
<i>Less:</i>		
Divisional Office portion of contributions	(130,249)	(144,925)
Discount on contributions	(1,856)	(1,424)
Dishonoured contributions	(1,313)	(1,091)
Members' contributions attributable to WA Branch	<u>448,669</u>	<u>423,407</u>
Reimbursements	14,039	5,149
Interest	41,280	27,921
Other income	390	(1,736)
<b>Total income</b>	<u>504,378</u>	<u>454,741</u>
<b>Expenditure</b>		
Affiliation fees	12,523	13,658
Annual leave	3,686	(1,262)
Audit fees	6,764	6,783
Bank charges	4,164	4,276
Committee of management	950	1,440
Computer expenses	326	472
Death benefit fund	500	2,000
Depreciation	23,293	18,408
Doubtful debts	959	1,347
Fringe benefits tax	6,064	13,265
General	4,068	3,225
General insurance	10,448	9,335
Hardship due to illness	1,000	1,000
Legal costs	1,000	3,803
Long service leave	8,113	15,956
Loss on asset disposal	162	-
Memberships/subscriptions/dues	2,902	3,087
Motor vehicle	6,833	8,611
Payroll tax	16,671	16,907
Payroll commissions	7,450	7,617
Petty cash	2,745	1,941
Postage and delivery	8,965	7,693
Printing and stationery	7,682	5,979
Rates and electricity	4,327	3,424
Redundancy expense	284	1,049
Refund expense	1,831	731
Repairs and maintenance	2,575	5,404
Reversal fees	164	618



**Communications Electrical Plumbing Union**  
**Communications Division**  
**Postal and Telecommunications**  
**Income and Expenditure Statement**  
**For the year ended 31 March 2005**

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	2005	2004
	\$	\$
<b>Expenditure (continued)</b>		
Salaries - officials	157,087	150,780
Salaries - administration	72,571	72,024
Security	467	406
Sick leave	12,061	15,945
Superannuation	27,047	28,151
Telephone and fax	18,486	16,596
Travel	8,225	4,942
	<u>442,393</u>	<u>445,608</u>
<b>Net profit/(loss)</b>	<u>61,985</u>	<u>9,133</u>

**COMMUNICATIONS ELECTRICAL PLUMBING UNION**  
**COMMUNICATIONS DIVISION**  
**POSTAL AND TELECOMMUNICATIONS BRANCH**

**CONCISE FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**31 MARCH 2005**

COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
POSTAL AND TELECOMMUNICATIONS BRANCH

CONCISE FINANCIAL REPORT  
FOR THE YEAR ENDED  
31 MARCH 2005

The financial accounts of the Union have been audited in accordance with the provisions of the Workplace Relations Act, 1996 and the following concise financial report is provided for members in accordance with Section 272 (5) of the Workplace Relations Act, 1996 and prepared in accordance with Section 265 of the Workplace Relations Act, 1996.

A copy of the Auditor's Report, Accounts and Statements will be supplied free of charge to members on request.

Certificates required to be given under the Acts by the Accounting Officer and the Committee of Management have been completed in accordance with the provisions of the Acts and contain no qualifications.

**Information to be provided to Members or Registrar**

In accordance with the requirements of Section 272(5) of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of Sections 272(1) to Section 272(3) of the Act, which reads as, follows:

- (1) A member of the branch, or a Registrar, may apply to the branch for specified prescribed information in relation to the branch to be made available to the person making the application.
- (2) The application must be writing and must 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 branch.
- (3) The branch must comply with an application made under subsection (1).

**COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
POSTAL AND TELECOMMUNICATIONS BRANCH**

**DISCUSSION AND ANALYSIS  
OF THE FINANCIAL STATEMENTS**

**INFORMATION ON COMMUNICATIONS ELECTRICAL PLUMBING UNION,  
COMMUNICATIONS DIVISION, POSTAL AND TELECOMMUNICATIONS BRANCH  
CONCISE FINANCIAL REPORT**

The financial statements and disclosures in the concise financial report have been derived from the year ended 31 March 2005 Financial Report of the Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch.

A copy of the full financial report and auditors report will be sent to any member, free of charge, upon request.

The discussion and analysis is provided to assist members in understanding the concise financial report. The discussion and analysis is based on the Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch's financial statements and the information contained in the concise financial report has been derived from the full 2005 Financial Report of the Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch.

**STATEMENT OF FINANCIAL PERFORMANCE:**

Key points to note are:

- Membership numbers have decreased slightly over the year, however membership contribution income has risen due to increased membership fees.
- Other expenses from ordinary activities decreased due to a conscious effort over the past twelve months to reduce costs in an aim to improve the financial performance of the union.
- Overall the Branch reported an improved surplus (profit) for the year, mainly attributable to the above-mentioned factors.
- The union has continued to operate in the state of Western Australia throughout the whole of the 2004/05 financial year.

**STATEMENT OF FINANCIAL POSITION:**

**Assets**

- Cash at bank increased largely as a result of the operating surplus generated.
- The decrease in the plant and equipment balance is mostly attributable to depreciation, no assets were sold during the year.

**Liabilities**

- The provisions, both current and non-current have risen slightly due to staff members accumulating further long service leave and annual leave balances at year end in comparison to the prior year balance.

COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
POSTAL AND TELECOMMUNICATIONS BRANCH

DISCUSSION AND ANALYSIS  
OF THE FINANCIAL STATEMENTS (Continued)

STATEMENT OF FINANCIAL POSITION (Continued):

Liabilities

- Current payables have risen as the final instalment of Head Office Fees was not paid prior to year-end.

Equity

- No significant movement in equity has occurred in the financial year ended 31 March 2005.

STATEMENT OF CASH FLOWS:

Cash flows from operating activities:

- The net cash flow from operating activities has increased significantly compared to the prior year, mainly attributable to the profit recorded in the current year and the reasons discussed earlier.

Cash flows from investing activities:

- This reflects the purchase of some minor assets.

COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
POSTAL AND TELECOMMUNICATIONS BRANCH

STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED  
31 MARCH 2005

	Notes	2005 \$	2004 \$
Revenue from ordinary activities	2	634,627	599,666
Employee expenses		(280,850)	(282,643)
Depreciation and amortisation expense		(23,293)	(18,408)
Divisional Office portion of contributions		(130,249)	(144,925)
Other expenses from ordinary activities		<u>(138,250)</u>	<u>(144,557)</u>
<b>Profit/(loss) from ordinary activities</b>		<b>61,985</b>	<b>9,133</b>

**COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
POSTAL AND TELECOMMUNICATIONS BRANCH**

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

	2005	2004
	\$	\$
<b>Current assets</b>		
Cash assets	744,140	625,533
Receivables	4,721	9,804
Inventory	774	500
Other	4,841	5,348
<b>Total current assets</b>	<u>754,476</u>	<u>641,185</u>
<b>Non-current assets</b>		
Property, plant and equipment	<u>206,893</u>	<u>223,190</u>
<b>Total non-current assets</b>	<u>206,893</u>	<u>223,190</u>
<b>Total assets</b>	961,369	864,375
<b>Current liabilities</b>		
Payables	31,470	20,606
Provisions	<u>152,864</u>	<u>144,249</u>
<b>Total current liabilities</b>	<u>184,334</u>	<u>164,855</u>
<b>Non-current liabilities</b>		
Provisions	<u>169,999</u>	<u>154,470</u>
<b>Total non-current liabilities</b>	<u>169,999</u>	<u>154,470</u>
<b>Total liabilities</b>	354,333	319,324
<b>Net assets</b>	<u>607,036</u>	<u>545,051</u>
<b>Accumulated funds</b>		
Opening accumulated funds	545,051	535,918
Net profit/(loss) for the year	<u>61,985</u>	<u>9,133</u>
<b>Total accumulated funds</b>	<u>607,036</u>	<u>545,051</u>

COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
POSTAL AND TELECOMMUNICATIONS BRANCH

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED  
31 MARCH 2005

	2005	2004
	\$	\$
<b>Cash flows from operating activities</b>		
Receipts from members	646,570	572,264
Payments to suppliers and employees	(580,897)	(560,614)
Interest received	45,663	22,605
Other receipts	14,429	8,526
<b>Net cash provided by/(used in) operating activities</b>	<u>125,765</u>	<u>42,781</u>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	<u>(7,158)</u>	<u>(1,029)</u>
<b>Net cash provided by/(used in) investing activities</b>	<u>(7,158)</u>	<u>(1,029)</u>
<b>Net increase/(decrease) in cash held</b>	118,607	41,752
<b>Cash at the beginning of the financial year</b>	625,533	583,781
<b>Cash at the end of the financial year</b>	<u><u>744,140</u></u>	<u><u>625,533</u></u>



**COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
POSTAL AND TELECOMMUNICATIONS BRANCH**

**NOTES TO THE CONCISE FINANCIAL REPORT  
FOR THE YEAR ENDED  
31 MARCH 2005**

**NOTE 1. BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT**

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

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full financial report of the Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch for the year ended 31 March 2005. The concise financial report cannot be expected to provide as detailed understanding of the financial performance, financial position and financing and investing activities of Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch as the full financial report.

The accounting policies have been consistently applied by the branch and are consistent with those of the previous financial year.

**International Financial Reporting Standards**

The Communication Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch is currently in the process of transitioning its accounting policies and financial report from the current Australian Accounting Standards (AGAAP) to the Australian equivalents of the International Financial Reporting Standards (AIFRS) which will be applicable for the financial year ended 31 March 2006. The Union's transitions date will be the 1 April 2005, therefore the Committee of Management is currently considering and quantifying the impact of the changes and any adjustments that will need to be made to the opening balance sheet.

The Committee is currently of the opinion that under the new AIFRS's that the Union will be required to adopt, there will not be a material effect on the opening balance sheet and no adjustments will be required to be made.

**NOTE 2. REVENUE**

The main source of revenue of the branch is attributable to members contributions.

	2005	2004
	\$	\$
<b>Operating activities</b>		
Membership subscriptions	578,918	570,848
Other income	14,429	897
<b>Total revenue from operating activities</b>	<u>593,347</u>	<u>571,745</u>
<b>Non-operating activities</b>		
Interest received	41,280	27,921
<b>Total revenue from non-operating activities</b>	<u>41,280</u>	<u>27,921</u>
<b>Total revenue</b>	<u>634,627</u>	<u>599,666</u>

COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
POSTAL AND TELECOMMUNICATIONS BRANCH

NOTES TO THE CONCISE FINANCIAL REPORT  
FOR THE YEAR ENDED  
31 MARCH 2005  
(Continued)

**NOTE 3. SEGMENT REPORTING**

The Union operates predominantly in one business and geographical segment, in its capacity to provide services to members of the Union throughout Western Australia.

**NOTE 4. CAPITAL COMMITMENTS**

At the date of signing this report there are no known outstanding capital commitments.

**NOTE 5. CONTINGENT LIABILITIES**

At the date of signing this report there are no known contingent liabilities that would have a material effect on the presentation of the annual financial statements.

**NOTE 6. GEOGRAPHICAL LOCATIONS**

The Union operates from 196 Lord Street, Perth in the State of Western Australia.

COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION  
POSTAL AND TELECOMMUNICATIONS BRANCH

STATEMENT OF THE COMMITTEE OF MANAGEMENT

The committee of management declare that in their opinion the concise financial report of the Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch for the year ended 31 March 2005 as set out on pages 2 to 9 complies with Australian Accounting Standard AASB 1039: *Concise Financial Reports* and the requirements of the Workplace Relations Act 1996.

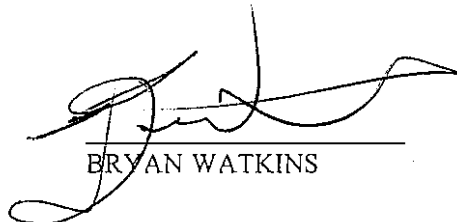
The financial statements and specific disclosures included in this concise financial report have been derived from the full financial report for the year ended 31 March 2005.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the branch as the full financial report, which as indicated on page 1 is available on request.

Signed on behalf of the Committee of Management

Signed At Perth this 7<sup>th</sup> day of June 2005.

  
\_\_\_\_\_  
ANTHONY LEE

  
\_\_\_\_\_  
BRYAN WATKINS

# Horwath

## Horwath Audit (WA) Pty Ltd

ABN 79 112 284 787

Chartered Accountants

A member of Horwath International

128 Hay Street Subiaco WA 6008

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### **Independent Audit Report to the members of Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch**

#### **Scope**

We have audited the concise financial report of Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch, for the year ended 31 March 2005 as set out on pages 3 to 8 in order to express and opinion on it to the members of Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch. The union's committee of management and accounting officer are responsible for the concise financial report.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance 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 Plumbing Union, Communications Division, Postal and Telecommunications Branch for the year ended 31 March 2005. Our audit report was signed on the 7<sup>th</sup> June 2005 and was not subject to any qualification.

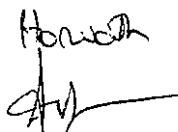
Our procedures in respect of the audit of the concise financial report included testing that information in the concise financial report is consistent with the full financial report, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which 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 presented fairly in accordance with Accounting Standard AASB 1019: Concise Financial Reports and the requirements of the Workplace Relations Act 1996.

#### **Audit Opinion**

In our opinion the concise financial report of the Communications Electrical Plumbing Union, Communications Division, Postal and Telecommunications Branch complies with Accounting Standard AASB 1019: Concise Financial Reports and the requirements of the Workplace Relations Act 1996.

Signed at Perth this 7<sup>th</sup> day of June 2005.

**HORWATH**  
Audit (WA) Pty Ltd



**A G BEVAN**  
Director

**COMMUNICATIONS ELECTRICAL PLUMBING UNION  
COMMUNICATIONS DIVISION**

**POSTAL AND TELECOMMUNICATIONS BRANCH  
WESTERN AUSTRALIA**

**OPERATING REPORT  
FOR THE YEAR ENDED 31 MARCH 2005**

The principal activity of the CEPU Communications Division, Postal and Telecommunications Branch, Western Australia, remains that of a Trade Union.

- Membership numbers decreased slightly, however increased contribution rates have resulted in increased contribution income.
- Expenses from ordinary activities decreased due to a conscious effort over the past financial year to reduce costs. The percentage of contribution income from membership fees paid to Divisional Office was decreased this year, also there has been a reduction in the amount paid in Fringe Benefits Tax.
- The improved surplus this year is mainly due to the above factors.
- The union has continued to operate in the State of Western Australia throughout the whole of year 2004/05.

**Assets**

- Cash at bank increased mainly as a result of the operating surplus
- Decrease in plant and equipment balance is mainly due to depreciation. No assets were sold during the year.

**Liabilities**

- Provisions, both current and non-current have risen slightly, this is due to mainly to staff members accumulating further long service leave and annual leave balances at the end of the financial year compared to the prior year balance.
- Current payables have risen as the final instalment of Head Office Dues was not paid prior to the end of the financial year.

**Equity**

- No significant movement in equity has occurred in the financial year ended 31 March 2005

**Resignation of Membership**

As per section 174 of the Workplace Relations Act 1996 a member of the union may resign from membership by written notice or by electronic message to the Branch to which the member is attached. Resignation from membership of the union takes effect:

- on the day on which the notice is received by the union
- on the day specified in the notice
- at the end of two (2) weeks after the notice is received by the union whichever is later.

The Executive of the union is also the committee of management. As at the 31<sup>st</sup> March 2005 the members of the committee of management were:

Branch President	-	Anthony Lee
Branch Vice Presidents	-	Gaynor Smith Position Vacant
Branch Secretary	-	Paul Kelly
Branch Assistant Secretary		Bryan Watkins
Postal Divisional Section		Pam Bullin Patricia Hargrave Peter Lumme Cornelus Hofstee Barry McVee
Lines & General Divisional Section		Lyle Dickinson Paul Lougheed Andrew Nosow Position Vacant Position Vacant

Signed on behalf of the Committee of Management

Signed at Perth this 7<sup>th</sup> day of June 2005

Lee

[Signature]

BRANCH COMMITTEE OF MANAGEMENT  
MOTIONS - MEETING 7 JUNE 2005

**Motion 1: Operating Report:**

Moved L. Newson Seconded B. McVee

That the Operating Report for the year ended 31 March 2005 as prepared by Paul Kelly as the designated Officer of the Branch be approved and be signed by Bryan Wain and by Auchen Lee on behalf of the Committee of Management.

CARRIG

**Motion 2: Committee of Management's Statement in respect of the Financial Report  
For the year ended 31 March 2005:**

(1)

Moved Bryan Wain Seconded Ray Lee

That in the opinion of the Committee Of management:

- (a) the Financial Report complies with the Australian Accounting Standards;
- (b) the Financial Report complies with the reporting guidelines of the Industrial Registrar;
- (c) the Financial Report gives a true and fair view of the financial performance, financial position and cash flows of the Branch for the Financial Year ended 31 march 2005;
- (d) there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable: and
- (e) during the Financial Year ended 31 March 2005 and since the end of the Financial Year:
  - (i) meetings of the Committee of management were held in accordance with the Rules of the Organisation and the Rules of the Branch; and
  - (ii) the financial affairs of ~~te~~ the Branch have been managed in accordance with the Rules of the Organisation and the Rules of the Branch; and
  - (iii) the financial records of the Branch have been kept and maintained in accordance with Schedule 1B to the Workplace Relations Act 1996 and the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003; and
  - (iv) the financial records of the Branch have been kept, as far as practicable, in a consistent manner to each of the other Branches and National Council of the Organisation; and
  - (v) the information sought in any request of a Member of the Branch or a Registrar duly made under Section 272 of Schedule 1B to the Workplace Relations Act 1996 has been furnished to the Member or Registrar; and
  - (vi) there has been compliance with any order for inspection of the financial records made by the Commission under Section 273 of Schedule 1B to the Workplace Relations Act 1996.

Carriga

BRANCH COMMITTEE OF MANAGEMENT  
MOTIONS - MEETING 7 JUNE 2005

<sup>32</sup>  
Motion 2: Committee of Management's Statement in respect of the Financial Report  
For the year ended 31 March 2005:

(2)

Moved L. Nicolson..... Seconded B. M. Lee.....

That Mr Bryan Watkins and Mr Anthony Lee as designated Officers of the Branch be authorised to sign the Committee of Management's Statement containing the above declarations of the Committee of Management.

CARRICK

<sup>4</sup>  
Motion 3: Concise Financial Report for the year ended 31 March 2005:

Moved G. Smith..... Seconded T. Hooper.....

That the Concise Financial Report, Operating Report, and Statement by Auditor for the year ended 31 March 2005 be distributed to Members at their home address.

CARRICK





Australian Government  
Australian Industrial Registry

Level 8, Terrace Towers  
80 William Street, East Sydney, NSW 2011  
Telephone: (02) 8374 6666  
Fax: (02) 9380 6990  
Email: sydney@air.gov.au

Mr P W Kelly  
Branch Secretary  
CEPU Communications Division  
WA Postal & Telecommunications Branch  
196 Lord St  
PERTH WA 6000

Dear Mr Kelly

**Branch Financial Return - year ending 31 March 2005 (FR2005/209)**

I refer to the financial documents of the Branch lodged in the Registry on 16 August 2005.

There appear to be some inconsistencies between the requirements of RAO Schedule<sup>1</sup> and the contents of some of the documents lodged. Depending on the rules of the Branch, it may also be necessary to present the full report to a general meeting of members.

Your comments are sought on the following matters:

Operating Report

The operating report omits required information prescribed by s254(2)(f):

- Number of persons at the end of financial year recorded in the register of members of the Branch – see RAO Regulation 159(a)
- number of employees at the end of financial year on a full time equivalent basis – see RAO Regulation 159(b)

Please ensure this information is included in future operating reports.

Please also note the following:

*Details of members right to resign (s254(2)(d))*

- reference to "section 174 of the Workplace Relations Act" – the correct reference is "section 174 of the Registration and Accountability of Organisations Schedule (Schedule 1B to the *Workplace Relations Act 1996*)". The RAO Schedule has its own number sequence separate from the main body of the Act.
- paraphrasing s174 risks giving members incorrect information about the effect of this section. For example, s174 contemplates different dates of the taking effect of a notice, depending on whether a member "ceases to be eligible" (s174(2)(a)) to become a member and "any other case" (s174(2)(b)). It is not therefore completely accurate to suggest that a notice can take effect on either of the times specified in the three bullet points in the operating report without specifying the circumstances attaching to the resignation.

To avoid doubt or the risk of giving incorrect information, it would be preferable to either set out s174 in full or to use a form of words such as "Rule xx of the rules of the Communications Division of the CEPU sets out members' right to resign from the Branch" This is acceptable as long as the correct rule number is cited and the correct Division's rulebook cited.

<sup>1</sup> The Registration and Accountability of Organisations Schedule (Schedule 1B to the *Workplace Relations Act 1996*) (the RAO Schedule) – unless otherwise indicated, all references are to the Schedule

### *Names of members of committee of management of Branch*

The names listed are stated as correct "as at 31 March 2005". Under regulation 159 of the RAO Regulations<sup>2</sup> the names of each person who has been a member at any time during the reporting period (that is during the Branch's financial year) must be listed and the period each held that position. Please note this for next year's operating report.

### Notice under s272(5) of the RAO Schedule

In Note 2, the reference to s272(5) of the Act should be to s272(5) of the RAO Schedule.

### Disclaimer by Auditor

The auditor has, on page 16 of the financial documents, given a disclaimer over the financial data presented on pages 17 and 18 and indicated the audit did not cover all details of the data and that no opinion is given on its accuracy. The financial data on pages 17 and 18 includes amounts which, under the reporting Guidelines of the Industrial Registrar must be disclosed either in the notes to the financial statements or on the face of the profit and loss statement (see paragraphs 10 and 11 of the Guidelines for the purposes of s253(2)(b)(ii)). These items include:

- affiliation fees (paragraph 11(d))
- employee benefits to employees (other than holders of offices) (paragraph 11(h)) – described as "salaries – administration" on page 17

From their description, it would appear that under the legislation, these items should appear on the face of the profit and loss statement or in the notes and be subject to audit as part of the general purpose financial report.

I invite your comments and any the auditor may wish to make on whether the absence of this information in the audited financial statements is consistent with the legislation.

### Committee of Management Statement

The reporting guidelines of the Industrial Registrar require the Branch committee to express its opinion on whether the "financial records of [the Branch] have been kept, as far as practicable, in a consistent manner to each of the other reporting units" of the CEPU. The Committee appears not to have expressed its opinion on this matter.

There are however, two versions of the Statement lodged in the Registry – one appears to be a record of the resolution extracted from the Branch minutes of 7 June 2005 which is on page 2 of your covering letter. In this version, the committee does express an opinion on this matter.

In the version on page 5 of the full Financial Report the Committee has omitted reference to this matter. Please ensure a complete signed and of Statement addressing all matters is prepared and included in next year's report.

### Concise Report

The documents lodged included a copy of what appears to be the concise report sent to members being a ten page photocopied document (version 1) and another copy (version 2) which appears to be the original prepared by the Branch accountants.

Version 1 includes, immediately after Note 6, a "Statement of the Committee of Management". This Statement is however, not the Statement referred to in s253(2)(c) required by the Reporting Guidelines and to which I have referred above. The Statement required by the Reporting

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<sup>2</sup> Workplace Relations (Registration and Accountability of Organisations) Regulations ("RAO Regulations")

Guidelines does not appear to be included in the concise report circulated to members. RAO Regulation 161(1)(d) requires any Statement mentioned in s253(2)(c) to be included in the concise report.

Version 2 does include a copy of the minutes of the Branch meeting recording the resolution in which the committee expresses its opinion but does not include the signed and dated Statement attached to the full Financial Report.

Please ensure a complete signed and dated Statement is included in any future concise reports.

Accounting Officer's Certificate

This certificate which appears on page 4 is not required under the RAO Schedule.

Presentation to Committee of Management Meeting – s266(3)

Your covering letter states that after the concise report was provided to members, the reports were presented to a Branch committee of management meeting on 1 August 2005.

Before the RAO Schedule applied to the Branch, it had the option of presenting its accounts to either a meeting of its committee of management or to a general meeting of members. Now, under RAO the full report must be presented to a general meeting of members (s266(1)) unless the rules of the Branch make provision for the matters set out in s266(3).

Under s266(3) the Branch can present the full report to its committee of management if its rules provide for "a specified percentage (not exceeding 5%) of members to be able to call a general meeting [of the Branch] for the purpose of considering [the full report]".

An examination of the rules of the Branch indicates that the rules may not make provision for the matters in s266(3). If so, the Branch must present its 2004 report to a general meeting of members.

If however, the Branch considers its rules do provide for these matters, could you please advise the relevant rule. It is of course also open to the Division to change its rules to provide for these matters and seek certification of the alterations by the Industrial Registrar.

I look forward to receiving your comments on these matters. If you have any questions, please contact me on the above number.

Yours sincerely,



Peter McKerrow  
for Deputy Industrial Registrar

31 August 2005



CEPU04/AUDIT 2005/AIRRESPONSE/RAP

7 September 2005

**Horwath Audit (WA) Pty Ltd**

ABN 79 112 284 787

Chartered Accountants

A member of Horwath International

128 Hay Street Subiaco WA 6008

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Telephone (08) 9380 8400

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Australian Government  
Australian Industrial Registry  
Level 8 Terrace Towers  
80 William Street  
EAST SYDNEY WA 2011

Attention: Peter McKerrow

Dear Mr McKerrow,

We write to you in response to a letter that you have written to the Branch Secretary of the CEPU Communications Division, WA Postal & Telecommunications Branch in relation to their Financial Return for the year ending 31 March 2005.

We would like to comment in relation to your note on the auditor's disclaimer. You are quite correct in that the disclosure requires for affiliation fees and total employee costs, broken down into holders of office and employees, should have been made in Note 4 of the notes to the financial statements. Please find attached reissued note with additional disclosure.

Please note that we will ensure that the required disclosures are included in the 2006 financial statements.

Should you have any queries in relation to the above, please do not hesitate to contact me.

Yours faithfully  
**HORWATH**  
Audit (WA) Pty Ltd

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

**A G BEVAN**  
Director



**Communications Electrical Plumbing Union  
Communications Division  
Postal and Telecommunications  
Notes to the Financial Statements  
For the year ended 31 March 2005**

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	2005 \$	2004 \$
<b>Note 4: Profit from ordinary activities</b>		
Profit from ordinary activities has been determined after the following expenses:		
Affiliation fees	12,523	13,658
Bad and doubtful debts	959	1,347
Depreciation of property, plant and equipment	23,293	18,408
Employee benefits to employees (other than holders of office)	72,571	72,024
Employee benefits to holders of office	157,087	150,780
Remuneration of auditor	6,764	6,783
<b>Note 5: Cash assets</b>		
Cash at bank	56,306	85,696
Cash on hand	170	170
Term deposits and savings investment accounts	687,664	539,667
	<u>744,140</u>	<u>625,533</u>
<b>Note 6: Receivables</b>		
Membership contributions in arrears	5,913	5,654
Less: provision for doubtful debts	(4,334)	(3,375)
Other	3,142	7,525
	<u>4,721</u>	<u>9,804</u>
<b>Note 7: Inventory</b>		
Stationery	<u>774</u>	<u>500</u>
<b>Note 8: Other Current Assets</b>		
Prepayments	<u>4,841</u>	<u>5,348</u>
<b>Note 9: Property, plant and equipment</b>		
Land and buildings - at cost	222,550	222,550
Less: accumulated depreciation	(47,785)	(45,103)
	<u>174,765</u>	<u>177,447</u>
Motor vehicles - at cost	49,623	49,623
Less: accumulated depreciation	(32,048)	(19,642)
	<u>17,575</u>	<u>29,981</u>



**Australian Government**  
**Australian Industrial Registry**

Level 8, Terrace Towers  
80 William Street, East Sydney, NSW 2011  
Telephone: (02) 8374 6666  
Fax: (02) 9380 6990  
Email: [sydney@air.gov.au](mailto:sydney@air.gov.au)

Mr P W Kelly  
Branch Secretary  
CEPU Communications Division  
WA Postal & Telecommunications Branch  
196 Lord Street  
PERTH WA 6000

Dear Mr Kelly

**Re: Financial Return for the WA Postal & Telecommunications Branch for the year ending  
31 March 2005 (FR2005/209)**

I am in receipt of a letter dated 7 September 2005 from Mr A Bevan of Horwath Audit (WA), in response to our letter dated 31 August 2005. The letter from the auditor provides further information regarding the disclaimer contained in the documents lodged in the Registry, and also provides details of affiliation fees and benefits to employees and officeholders of the branch, as requested.

I note that rule alterations to provide for the matters in section 266(3) have been lodged to enable presentation of documents to a Committee of Management meeting.

Following the receipt of this additional information, the documents have now been filed, and may be viewed on the internet at [www.e-airc.gov.au/128vcptw/financial](http://www.e-airc.gov.au/128vcptw/financial).

Yours sincerely,

A handwritten signature in black ink that reads 'Belinda Penna'.

Belinda Penna  
for Deputy Industrial Registrar

12 September 2005

Cc Mr A G Bevan  
Horwaths Audit (WA)