



27 November 2014

Mr Graham Lorrain
Branch Secretary
Communications Workers Union
South Australia and Northern Territory Branch
30-40 Hurtle Square
Adelaide SA 5000

via e-mail: graham.lorrain@cwu-sant.asn.au

Dear Mr Lorrain

**Communications Workers Union
South Australia and Northern Territory Branch
Financial Report for the year ended 31 March 2014 - FR2014/66**

I acknowledge receipt of the financial report for the year ended 31 March 2014 for the Communications Workers Union, South Australia and Northern Territory Branch. The amended financial report was lodged with the Fair Work Commission (FWC) on 27 November 2014.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

Changes to the reporting guidelines and model financial statement

A fourth edition of the General Manager's s.253 Reporting Guidelines was gazetted on 13 June 2014. These guidelines will apply to all financial reports that end on or after 30 June 2014. A model set of financial statements for the 2013-2014 financial year is also available on the FWC website. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards.

The Reporting Guidelines and Model Financial Statements are available on the FWC website:
<https://www.fwc.gov.au/registered-organisations/compliance-governance/financial-reporting>

If you have any queries regarding this letter, please contact me on (03) 8661 7675 or via email at ken.morgan@fwc.gov.au

Yours sincerely

A handwritten signature in black ink, appearing to read 'K. Morgan', with a stylized flourish at the end.

Ken Morgan
Financial Reporting Advisor
Regulatory Compliance Branch



COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)
ABN: 11 273 875 514

FINANCIAL REPORT
AS At 31 March 2014

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**FINANCIAL REPORT
AS At 31 March 2014**

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INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF THE COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU) COMMUNICATIONS DIVISION BRANCH (SA/NT)

Report on the Financial Report

I have audited the accompanying financial report of the Communications Electrical Plumbing Union, Communication Division Branch (SA/NT), which comprises the Statement of Financial Position as at 31 March 2014, the statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by Members of the Committee.

Committees' Responsibility for the Financial Report

The Committee of Management of the Union are responsible for the preparation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Fair Work (Registered Organisations) Act 2009 and the financial requirements of the Union's rules. The responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances. In Note 2, the committee also states, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply with Australian Accounting Standards.

Auditor's Responsibility

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

I am an approved auditor (ASIC Audit Registration 5667), a Fellow of the Institute of Chartered Accountants and I hold a current Public Practice Certificate.

Independence

In conducting my audit, I have complied with the independence requirements of Australian professional ethical pronouncements and the Fair Work (Registered Organisations) Act 2009.

In my opinion:

The financial report of the Communications Electrical Plumbing Union, Communications Division Branch (SA/NT) is in accordance with:

(a) Fair Work (Registered Organisations) Act 2009, including:

(i) giving a true and fair view of the Branch's financial position as at 31st March, 2014 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Union's rules;

(iii) complying with any other requirements imposed by the Reporting Guidelines of the Fair Work (Registered Organisations) Act 2009

(b) other mandatory professional reporting requirements in Australia.

(c) The General Purpose Financial Report is presented fairly in accordance with Australian Accounting Standards, and the following:

INDEPENDENT AUDIT REPORT (cont.)

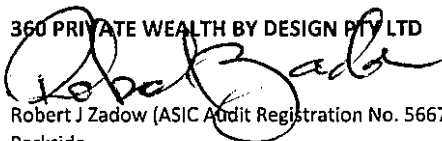
- a. In relation to any recovery of wages activity:
that the scope of the audit encompassed recovery of wages activity
that the Union do not involve in any recovery of wages activity.

- b. any other requirements imposed by these Reporting Guidelines

(d) I conclude that managements' use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate.

360 PWB

360 PRIVATE WEALTH BY DESIGN PTY LTD



Robert J Zadow (ASIC Audit Registration No. 5667) FCA, CPA
Parkside
South Australia

Dated 27 November 2014

COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)
S.268 Fair Work (Registered Organisations) Act 2009

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER
Certificate for the period ended 31 March 2014

I Graham Lorrain being the Branch Secretary of the Communications Electrical Plumbing Union, Communication Division Branch (SA/NT) certify:

· that the documents lodged herewith are copies of the full report for the Communications Electrical Plumbing Union, Communication Division Branch (SA/NT) for the period ended 31 March 2014 referred to in S.268 of the Fair Work (Registered Organisations) Act 2009; and

· that the full report was provided to members of the reporting unit on 27th Nov. 2014 2014; and

· that the full report was presented to a meeting of the committee of management of the reporting unit on 19th November 2014 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer G Lorrain

Name of prescribed designated officer Graham Lorrain

Title of prescribed designated officer Branch Secretary

Dated 19/11/2014

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**OPERATING REPORT
FOR THE YEAR ENDED 31 MARCH 2014**

The committee presents its report on the reporting unit for the financial year ended 31 March 2014

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

The principal activity of the Union is to uphold the rights of organisation of labour and to improve, protect and foster the best interests of its members and to subscribe to and/or co-operate with policy of improving the cultural and living standards of its members. The Union maintains living standards of our members through enterprise bargaining and Industrial representation on behalf of our members when needed. There were no significant changes to the activities of the Union during the year.

Significant changes in financial affairs

There were no significant changes to the financial affairs of the union.

Right of members to resign

All Branch members have the right to resign from the Union in accordance with Rule 32 of the Communications Division Rules (and Fair Work (R.O.) Act 2009), namely by providing written notice addressed and delivered to the Branch Secretary via Post, Facsimile, e-mail or in person.

Officers & employees who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee

To the best of our knowledge and belief no other Officer or Employee of the Branch is, by virtue of their Office on the Branch Committee of Management of the SA - NT Branch :-

- (i) a Trustee of a superannuation entity or exempt public sector superannuation scheme;
- (ii) a Director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and
- (iii) where a criterion for the office of a Trustee or Director is that the Office is an Officer of a registered

Number of members

There were 1,945 members of the Branch as at 31st March 2014.

Number of employees

As at 31st March 2014 the Branch employed 3 elected officials & 1 permanent part time clerical employee

Names of Committee of Management members and period positions held during the financial year

The following persons were a member of the Committee of Management of the Branch, namely the Branch Executive, during the year ending 31st March 2014;

| <u>Name</u> | <u>Position</u> | <u>Period</u> |
|--------------------|----------------------------|-------------------------|
| Steven BUTTERWORTH | Branch President | 01/04/2013 – 31/03/2014 |
| Graham LORRAIN | Branch Secretary | 01/04/2013 – 31/03/2014 |
| Nicholas TOWNSEND | Branch Assistant Secretary | 01/04/2013 – 31/03/2014 |
| Helen MACMULLEN | Branch Vice President | 01/04/2013 – 31/03/2014 |
| Anthony MOSS | Branch Vice President | 01/04/2013 – 31/03/2014 |
| Gary GILSON | Committee of Management | 01/04/2013 – 31/03/2014 |
| Frank QUAIAT | Committee of Management | 01/04/2013 – 31/03/2014 |
| Gregory DOMEIKA | Committee of Management | 01/04/2013 – 31/03/2014 |
| Lisa BAHLS | Committee of Management | 01/04/2013 – 31/03/2014 |
| Mark FINLAY | Committee of Management | 01/04/2013 – 31/03/2014 |
| Denis CAREY | Committee of Management | 01/04/2013 – 31/03/2014 |
| Steve PORTNOFF | Committee of Management | 01/04/2013 – 31/03/2014 |
| Doug BARNWELL | Committee of Management | 01/04/2013 – 31/03/2014 |
| Rasma FITCH | Committee of Management | 01/04/2013 – 31/03/2014 |
| Paul GRIFFIN | Committee of Management | 01/04/2013 – 31/03/2014 |

COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)

OPERATING REPORT
FOR THE YEAR ENDED 31 MARCH 2014

Names of Committee of Management members and period positions held during the financial year (cont.)

| <u>Name</u> | <u>Position</u> | <u>Period</u> |
|-----------------|-------------------------|-------------------------|
| Glen McDONALD | Committee of Management | 01/04/2013 – 31/03/2014 |
| Peter LAWRENCE | Committee of Management | 01/04/2013 – 31/03/2014 |
| BLAYNE LAGRUTTA | Committee of Management | 01/04/2013 – 31/03/2014 |

Signature of designated officer G. Lorrain
Name and title of designated officer Graham Lorrain
Dated 19/11/2014 Branch Secretary

COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)

COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 31 MARCH 2014

On the 19th November the Committee of Management of the Communications Electrical Plumbing Union, Communications Division Branch (SA/NT) passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 March 2014:

The Committee of Management declares 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 General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period

This declaration is made in accordance with a resolution of the Committee of Management.

Signature of designated officer

Name and title of designated officer Graham Lorrain
Branch Secretary

Dated 19/11/2014

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2014**

| | Notes | 2014 \$ | 2013 \$ |
|-------------------------------|-------|------------------|------------------|
| Revenue | | | |
| Membership subscription | 3A | 681,227 | 713,550 |
| Capitation fees | 3B | - | - |
| Levies | 3C | - | - |
| Interest | 3D | 29,306 | 49,764 |
| Rental revenue | 3E | 43,270 | 45,818 |
| Other revenue | 3F | 12,472 | 13,906 |
| Total revenue | | 766,275 | 823,038 |
| Other income | | | |
| Grants and donations | 3G | - | 13,266 |
| Net gains from sale of assets | | - | (209) |
| Total income | | 766,275 | 836,095 |
| Expenses | | | |
| Employee expenses | 4A | 585,395 | 574,452 |
| Capitation fees | 4B | 153,392 | 226,170 |
| Affiliation fees | 4C | 11,430 | 11,923 |
| Administration expenses | 4D | 208,482 | 212,549 |
| Grants or donations | 4E | 6,380 | 480 |
| Depreciation | 4F | 34,087 | 35,355 |
| Legal costs | 4H | 4,074 | 5,895 |
| Audit fees | 11 | 26,500 | 8,830 |
| Other expenses | 4I | - | - |
| Total expenses | | 1,029,741 | 1,075,653 |
| Deficit for the year | | (263,466) | (239,558) |

The above statement of comprehensive income should be read in conjunction with the accompanying notes

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2014**

| | Notes | 2014 \$ | 2013 \$ |
|--------------------------------------|-------|------------------|------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 5A | 678,312 | 831,396 |
| Trade debtors and other receivables | 5B | 15,814 | 24,112 |
| Held-to-maturity | 5C | 8,745 | 8,744 |
| Other current assets | 5D | 17,193 | 28,972 |
| Total current assets | | 720,064 | 893,224 |
| Non-Current Assets | | | |
| Property and equipment | 6A | 1,757,924 | 1,775,861 |
| Total non-current assets | | 1,757,924 | 1,775,861 |
| Total assets | | 2,477,988 | 2,669,085 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade creditors and payables | 7A | 70,998 | 24,374 |
| Other payables | 7B | 11,293 | 12,897 |
| Employee provisions | 8A | 235,911 | 214,507 |
| Total current liabilities | | 318,202 | 251,778 |
| Non-Current Liabilities | | | |
| Employee provisions | 8A | 37,720 | 31,776 |
| Total non-current liabilities | | 37,720 | 31,776 |
| Total liabilities | | 355,922 | 283,554 |
| Net assets | | 2,122,066 | 2,385,531 |
| EQUITY | | | |
| Reserves | | 1,096,667 | 1,096,667 |
| Retained earnings | | 1,025,399 | 1,288,864 |
| Total equity | | 2,122,066 | 2,385,531 |

The above statement of financial position should be read in conjunction with the accompanying notes

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**STATEMENT OF CHANGES IN EQUITY
AS AT 31 MARCH 2014**

| | Asset Revaluation Reserve | Special Fund | Death Benefit Reserve | Retained earnings | Total equity |
|---|---------------------------------|-----------------|-----------------------------|----------------------|--------------|
| | \$ | \$ | \$ | \$ | \$ |
| Balance as at 1 April 2012 | 750,822 | 304,998 | 40,847 | 1,528,423 | 2,625,090 |
| Deficit for the year 2012-13 | - | - | - | (239,558) | (239,558) |
| Any other income or transfer from retained earnings | - | - | - | - | - |
| Balance as at 31 Mar 2013 | 750,822 | 304,998 | 40,847 | 1,288,864 | 2,385,531 |
| Deficit for the year 2013-14 | - | - | - | (263,466) | (263,466) |
| Any other income or transfer from retained earnings | - | - | - | - | - |
| Balance as at 31 March 2014 | 750,822 | 304,998 | 40,847 | 1,025,399 | 2,122,066 |

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 MARCH 2014**

| | Notes | 2014 \$ | 2013 \$ |
|---|-------|------------------|--------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Cash received | | | |
| Receipts from members | | 675,689 | 711,699 |
| Interest | | 33,247 | 48,299 |
| Receipts from other reporting entities | 9B | - | - |
| Other | | 112,000 | 69,328 |
| | | <u>820,936</u> | <u>829,326</u> |
| Cash used | | | |
| Employees | | (578,246) | (567,093) |
| Suppliers | | (264,877) | (228,437) |
| Payments to other reporting entities | 9B | (114,747) | (226,170) |
| | | <u>(957,870)</u> | <u>(1,021,700)</u> |
| Net cash used by operating activities | 9A | <u>(136,934)</u> | <u>(192,374)</u> |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Cash used | | | |
| Purchase of property and equipment | | (16,150) | (17,770) |
| Net cash used by investing activities | | <u>(16,150)</u> | <u>(17,770)</u> |
| CASH FLOW FROM FINANCING ACTIVITIES | | | |
| | | - | - |
| NET DECREASE IN CASH HELD DURING THE PERIOD | | <u>(153,084)</u> | <u>(210,144)</u> |
| Cash & cash equivalents at the beginning of the reporting period | | 831,396 | 1,050,284 |
| CASH & CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD | 5A | <u>678,312</u> | <u>831,396</u> |

The above statement of cash flows should be read in conjunction with the accompanying notes.

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**RECOVERY OF WAGES ACTIVITY
FOR THE YEAR ENDED 31 MARCH 2014**

| | 2014 \$ | 2013 \$ |
|---|------------|------------|
| Cash assets in respect of recovered money at beginning of year | - | - |
| Receipts | | |
| Amounts recovered from employers in respect of wages etc. | - | - |
| Interest received on recovered money | - | - |
| Total receipts | - | - |
| Payments | | |
| Deductions of amounts due in respect of membership for: | | |
| 12 months or less | - | - |
| Greater than 12 months | - | - |
| Deductions of donations or other contributions to The reporting unit: | | |
| name of account | - | - |
| name of fund | - | - |
| Name of other reporting unit of the organisation: | | |
| name of account | - | - |
| name of fund | - | - |
| Name of other entity: | | |
| name of account | - | - |
| name of fund | - | - |
| Deductions of fees or reimbursement of expenses | - | - |
| Payments to workers in respect of recovered money | - | - |
| Total payments | - | - |
| Cash asset's in respect of recovered money at end of year | - | - |
| Number of workers to which the monies recovered | - | - |
| Aggregate payables to workers attributable to recovered monies but not yet distributed | | |
| Payable balance | - | - |
| Number of workers the payable relates to | - | - |
| Fund or account operated for recovery of wages | | |
| None | - | - |

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

Note 1. Union Information

The CEPU - Communications Division Branch (SA/NT) is the Communications Division of the Communications Electrical Plumbing Union (CEPU). The CEPU - Communications Division Branch (SA/NT) is a non-profit entity, incorporated and domiciled in Australia. The divisional officials and executive are directly elected by the membership of all state branches, which belong to the Communication Division nationally.

CEPU - Communications Division Branch (SA/NT) represents all workers in the telecommunications, information technology and postal industries. The Communication Division is represented on the overall National Council of the CEPU.

The nature of operations and principal activities of the CEPU - Communications Division Branch (SA/NT) are described in detail in the Directors' Report.

Note 2 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009.

For the purpose of preparing the general purpose financial statements, CEPU - Communications Division Branch (SA/NT) is a not-for-profit entity. As a result, CEPU-Communications Division Branch (SA/NT) is exempt from applying the following accounting standards:

- AASB 8 - Operating Segments
- AASB 120 - Accounting for Government Grants and Disclosure of Government Assistance

AASB 13 Fair Value Measurement

AASB 13 "Fair Value Measurement" provides a single source of guidance for determining the fair value of assets and liabilities measured at fair value. The scope of AASB 13 is broad and it applies for both financial and non-financial items for which other Australian Accounting Standards require or permit fair value measurements or disclosures about fair value measurements except in certain circumstances which are governed by other accounting standards.

Please refer to 2.19 and note 13 for more details

Historical Cost Convention

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for the following:

- Land and building are measured at fair value less accumulated depreciation on building and any impairment losses

Cost is based on the fair values of the consideration given in exchange for assets.

2.2 Reporting currency

The financial statements are presented in Australian dollars which is the union's functional and presentation currency.

2.3 Comparative amounts

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

2.4 Significant accounting judgements and estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

Note 2 Summary of significant accounting policies (cont.)

2.5 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date stated in the standard. The accounting policies adopted are consistent with those of the previous financial year.

Future Australian Accounting Standards Requirements

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that might have a future financial impact on CEPU - Communications Division Branch (SA/NT).

2.5 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

Receivables for goods and services are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Interest revenue is recognised on an accrual basis using the effective interest method.

2.6 Government Grants

Government grants are not recognised until there is reasonable assurance that the Communications Electrical Plumbing Union, Communication Division Branch (SA/NT) will comply with the conditions attaching to them and that the grants will be received.

2.7 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular category they have been allocated to activities on a basis consistent with use of the resources.

Management and administration costs are those incurred in connection with administration of the union and compliance with constitutional and statutory requirements.

2.8 Capitation fees and levies

Capitation fees and levies are to be recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

2.9 Employee benefits

A provision is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Provision for short-term employee benefits (as defined in AASB 119 Employee Benefits) which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

Note 2 Summary of significant accounting policies (cont.)

2.10 Cash and cash equivalent

Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

CEPU-Communications Division Branch (SA/NT) maintains various bank accounts and short term investment plans to cater for their own needs.

2.11 Financial instruments

Financial assets and financial liabilities are recognised when the CEPU - Communications Division Branch (SA/NT) becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.12 Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

Available-for-sale

Listed shares and listed redeemable notes held by the reporting unit that are traded in an active market are classified as available-for-sale and are stated at fair value. The reporting unit also has investments in unlisted shares that are not traded in an active market but that are also classified as available-for-sale financial assets and stated at fair value.

Loan and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

Note 2 Summary of significant accounting policies (cont.)

2.12 Financial assets (cont.)

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

Derecognition of financial assets

The reporting unit derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

2.13 Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Derecognition of financial liabilities

The reporting unit derecognises financial liabilities when, and only when, the reporting units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.14 Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

2.15 Trade receivables and other receivables

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. Normal terms of settlement vary from seven to 90 days. The carrying amount of the receivable is deemed to reflect fair value.

An allowance for doubtful debts is made when there is objective evidence that the CEPU-Communications Division Branch (SA/NT) will not be able to collect the debts. Bad debts are written off when identified.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

Note 2 Summary of significant accounting policies (cont.)

2.16 Trade Creditors and other payables

Trade payables and other payables represent liabilities at the end of the financial year that are unpaid. These amounts are usually settled in 30 days. The carrying amount of the creditors and payables is deemed to reflect fair value.

2.17 Property and equipment

Bases of measurement of carrying amount

Property and equipment is initially recognized at cost less accumulated depreciation and any accumulated impairment losses. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Revaluations—land and buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Fair value is the amount that 'would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date'. Fair values are confirmed by independent valuations which are obtained with sufficient regularity to ensure that the carrying amounts do not differ materially from the assets' fair values at the reporting date.

Depreciation

Depreciable property and equipment assets are written-off to their estimated residual values over their estimated useful life commencing from the time the asset is held ready for use. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation is calculated on a straight line basis over the expected useful economic lives of the assets as follows:

| | 2014 | 2013 |
|---------------------|------------|------------|
| Building | 2.50% | 2.50% |
| Motor vehicles | 25% | 25% |
| Office equipment | 10% to 50% | 10% to 50% |
| Furniture & fixture | 13.25% | 13.25% |

Impairment

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

Derecognition and disposal

An item of Property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

2.18 Taxation

Income tax

The CEPU-Communications Division Branch (SA/NT) is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of GST except:

- Where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- For receivables and payables which are inclusive of GST

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

Note 2 Summary of significant accounting policies (cont.)

2.18 Taxation (cont.)

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

2.19 Fair value measurement

The CEPU - Communications Division Branch (SA/NT) measures financial instruments and non-financial assets such as land and buildings at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the CEPU - Communications Division Branch (SA/NT). The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The CEPU - Communications Division Branch (SA/NT) uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the CEPU - Communications Division Branch (SA/NT) determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each

External valuers are involved for valuation of significant assets such as land and buildings etc. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the CEPU-Communications Division Branch (SA/NT) has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

2.20 Going concern

The CEPU-Communications Division Branch (SA/NT) is reliant on the agreed financial support of its members to continue on a going concern basis. This agreed financial support is to continue until they cease to be a member.

2.21 Events after the reporting period

There were no events that occurred after 31 March 2014, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the CEPU-Communications Division Branch (SA/NT).

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

| | | |
|----------------------|------|------|
| Note 3 Income | 2014 | 2013 |
| | \$ | \$ |

Note 3A: Membership subscription

Membership subscription comprises of contributions from members of CEPU - Communications Division Branch (SA/NT) during 2013-14 giving an average of \$350 per annum from each member

Note 3B: Capitation fees

| | | |
|------------------------------|---|---|
| None | - | - |
| Total capitation fees | - | - |

Note 3C: Levies

| | | |
|---------------------|---|---|
| None | - | - |
| Total levies | - | - |

Note 3D: Interest

| | | |
|-----------------------|--------|--------|
| Interest income | 29,306 | 49,764 |
| Total interest | 29,306 | 49,764 |

Note 3E: Rental income

| | | |
|-------------------------------|--------|--------|
| Rental income from properties | 43,270 | 45,818 |
| Total rental revenue | 43,270 | 45,818 |

Note 3F: Other revenue

| | | |
|----------------------------|--------|--------|
| Fees/Reimbursements | 12,472 | 13,906 |
| Total other revenue | 12,472 | 13,906 |

Note 3G: Grants and donations

| | | |
|-----------------------------------|---|--------|
| Grants | - | 13,266 |
| Donations | - | - |
| Total grants and donations | - | 13,266 |

Note 4 Expenses

Note 4A: Employee expenses

Holders of office:

| | | |
|------------------------------|---------|---------|
| Wages and salaries | 292,034 | 282,907 |
| Superannuation | 64,049 | 55,282 |
| Leave and other entitlements | 27,348 | 44,853 |
| | 383,431 | 383,042 |

Other employee expenses

| | | |
|------------------------|--------|--------|
| Payroll Tax | 24,440 | 24,554 |
| Fringe Benefits Tax | 6,572 | 9,309 |
| Workcover | 6,970 | 5,236 |
| Motor Vehicle Expenses | 20,920 | 20,836 |
| Travel | 30,419 | 20,557 |
| | 89,322 | 80,492 |

| | | |
|---|---------|---------|
| Subtotal employee expenses holders of office | 472,753 | 463,534 |
|---|---------|---------|

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

| Note 4A: Employee expenses (cont.) | Notes | 2014 \$ | 2013 \$ |
|---|--------------|--------------------|--------------------|
| Employees other than office holders: | | | |
| Wages and salaries | | 105,580 | 99,682 |
| Superannuation | | 7,063 | 11,236 |
| Subtotal employees other than office holders | | 112,643 | 110,918 |
| Total employee expenses | | 585,395 | 574,452 |
| Note 4B: Capitation fees | | | |
| CEPU- National Office | | 153,392 | 226,170 |
| Total capitation fees | | 153,392 | 226,170 |
| Note 4C: Affiliation fees | | | |
| Australian Labour Party | | 7,755 | 9,203 |
| United Trades & Labor Council | | 2,725 | 2,720 |
| SA May Day Collective | | 350 | - |
| SA Unions | | 600 | - |
| Total affiliation fees | | 11,430 | 11,923 |
| Note 4D: Administration expenses | | | |
| Consideration to employers for payroll deductions | | - | - |
| Compulsory levies | | - | - |
| Fees/allowances - meeting and conferences | | - | - |
| Conference and meeting expenses | | - | - |
| Property expenses | 4D (i) | 77,156 | 73,540 |
| Office expenses | | 55,766 | 60,445 |
| Insurance | 4D (ii) | 44,318 | 34,781 |
| Information communications technology | | 20,627 | 20,242 |
| Other | | 10,615 | 23,541 |
| Total administration expense | | 208,482 | 212,549 |
| 4D (i) This includes repair & maintenance, power expenses, land and council taxes. | | | |
| 4D (ii) This includes business insurance, personal accident and death disability insurance. | | | |
| Note 4E: Grants and donations | | | |
| Grants: | | | |
| Total paid that were \$1,000 or less | | - | - |
| Total paid that exceeded \$1,000 | | - | - |
| Donations: | | | |
| Total paid that were \$1,000 or less | | - | 480 |
| Total paid that exceeded \$1,000 | | 6,380 | - |
| Total grants and donations | | 6,380 | 480 |
| Note 4F: Depreciation | | | |
| Depreciation | | | |
| Land & buildings | | 12,375 | 15,565 |
| Property, plant and equipment | | 21,712 | 19,790 |
| Total depreciation | | 34,087 | 35,355 |
| Note 4H: Legal costs | | | |
| Litigation | | | |
| Other legal matters | | 4,074 | 5,895 |
| Total legal costs | | 4,074 | 5,895 |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

| Notes | 2014 \$ | 2013 \$ |
|--|------------|------------|
| Note 4I: Other expenses | | |
| Penalties - via RO Act or RO Regulations | - | - |
| Total other expenses | <u>-</u> | <u>-</u> |

Note 5 Current Assets

Note 5A: Cash and cash equivalents

| | | | |
|--|---------|----------------|----------------|
| Cash at bank | 5A (i) | 234,258 | 282,617 |
| Cash on hand | | 449 | 500 |
| Short term deposits | 5A (ii) | 443,605 | 548,279 |
| Total cash and cash equivalents | | <u>678,312</u> | <u>831,396</u> |

5A (i) Cash at bank earns interest at floating rates based on daily deposit rates.

5A (ii) Short term deposits are made for varying periods of between one month to three months and earns interest from 3.75% to 5.45% per anum.

Note 5B: Held to maturity

| | | | |
|---|--------|--------------|--------------|
| Term deposit - maturing not later than 1 year | 5B (i) | <u>8,745</u> | <u>8,744</u> |
|---|--------|--------------|--------------|

5B (i) This deposit earns interest at 4.5% per anum and is renewable annually.

Note 5C: Trade debtors and other receivables

Receivables from other reporting unit

| | | |
|--|----------|----------|
| CEPU - National | - | - |
| Electrical Trade Union (ETU) | - | - |
| Total receivables from other reporting unit | <u>-</u> | <u>-</u> |

Less provision for doubtful debts

| | |
|---|---|
| - | - |
|---|---|

Receivable from other reporting unit(s) (net)

| | |
|---|---|
| - | - |
|---|---|

Other receivables:

| | | |
|--|---------------|---------------|
| GST receivable from the Australian Taxation Office | - | - |
| Other trade receivables | 15,814 | 24,112 |
| Total trade and other receivables (net) | <u>15,814</u> | <u>24,112</u> |

Note 5D: Other current assets

| | | |
|-----------------------------------|---------------|---------------|
| Accrued Interest | 7,867 | 11,808 |
| GST refundable | - | 7,660 |
| Prepayments | 9,326 | 9,504 |
| Total other current assets | <u>17,193</u> | <u>28,972</u> |

Note 6 Non-current assets

Note 6A: Property & equipment

| | | | |
|---------------------|----------|------------------|------------------|
| Land and building | 6A (i) | 1,698,750 | 1,711,125 |
| Motor vehicles | 6A (ii) | 35,680 | 47,571 |
| Office equipment | 6A (iii) | 22,408 | 15,911 |
| Furniture & fixture | 6A (iv) | 1,086 | 1,254 |
| | | <u>1,757,924</u> | <u>1,775,861</u> |

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

| | Notes | 2014 \$ | 2013 \$ |
|--|------------|------------------|------------------|
| Note 6A: Property & equipment (cont.) | | | |
| Note 6A (i): Land and buildings | | | |
| Land and buildings: | | | |
| fair value | 6A (i) (a) | 1,773,000 | 1,773,000 |
| accumulated depreciation | | (74,250) | (61,875) |
| Total land and buildings | | 1,698,750 | 1,711,125 |

6A (i) (a) This property was valued in year 2011 by - Heron Todd White (SA) Pty Ltd - Certified Practising Valuer and related gain/loss on revaluation was recognized in 'Asset Revaluation Reserve' in said year. The title of this property is currently in the name of "Australian Telecommunications Employees Association" and is in process of being changed to CEPU - Communication Division Branch (SA/NT). This title will be transferred in couple of weeks.

Reconciliation of the opening and closing balances of land and buildings

| | | | |
|---|--|------------------|------------------|
| As at 1 April 2013 | | | |
| Fair value | | 1,773,000 | 1,773,000 |
| Accumulated depreciation | | (61,875) | (49,500) |
| Net book as at 1 April 2013 | | 1,711,125 | 1,723,500 |
| Depreciation for the period | | (12,375) | (12,375) |
| Net book value as at 31 March 2014 | | 1,698,750 | 1,711,125 |

Note 6A (ii): Motor Vehicles

| | | | |
|-----------------------------|--|---------------|---------------|
| Motor Vehicles | | | |
| at cost | | 108,805 | 108,805 |
| accumulated depreciation | | (73,125) | (61,234) |
| Total motor vehicles | | 35,680 | 47,571 |

Reconciliation of the opening and closing balances of motor vehicle

| | | | |
|---|--|---------------|---------------|
| As at 1 April 2013 | | | |
| Gross book value | | 108,805 | 108,805 |
| Accumulated depreciation | | (61,234) | (45,391) |
| Net book as at 1 April 2013 | | 47,571 | 63,414 |
| Depreciation for the period | | (11,880) | (15,843) |
| Net book value as at 31 Mar 2014 | | 35,691 | 47,571 |

Note 6A (iii): Office Equipment

| | | | |
|-------------------------------|--|---------------|---------------|
| Office Equipment | | | |
| at cost | | 106,843 | 90,693 |
| accumulated depreciation | | (84,435) | (74,782) |
| Total office equipment | | 22,408 | 15,911 |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

| Notes | 2014 \$ | 2013 \$ |
|--|-------------------|-------------------|
| Note 6A: Property & equipment (cont.) | | |
| Note 6A (iii): Office Equipment (cont.) | | |
| Reconciliation of the opening and closing balances of office equipment | | |
| As at 1 April 2013 | | |
| Gross book value | 90,693 | 73,122 |
| Accumulated depreciation | (74,782) | (67,855) |
| Net book as at 1 April 2013 | <u>15,911</u> | <u>5,267</u> |
| Purchases | 16,150 | 17,770 |
| Disposals | - | (209) |
| Depreciation for the period | (9,653) | (6,917) |
| Net book value as at 31 Mar 2014 | <u>22,408</u> | <u>15,911</u> |
| Note 6A (iv): Furniture & Fixture | | |
| Furniture & Fittings | | |
| at cost | 27,651 | 27,651 |
| accumulated depreciation | (26,565) | (26,397) |
| Total furniture & fixture | <u>1,086</u> | <u>1,254</u> |
| Reconciliation of the opening and closing balances of furniture & fixture | | |
| As at 1 April 2013 | | |
| Gross book value | 27,651 | 27,651 |
| Accumulated depreciation | (26,397) | (26,189) |
| Net book as at 1 April 2013 | <u>1,254</u> | <u>1,462</u> |
| Depreciation for the period | (168) | (208) |
| Net book value as at 31 Mar 2014 | <u>1,086</u> | <u>1,254</u> |
| Note 7 Current Liabilities | | |
| Note 7A: Trade creditors | | |
| Trade creditors | 16,636 | 12,521 |
| Payables to other reporting unit | | |
| CEPU - National office | 54,362 | 11,853 |
| Total trade creditors | <u>70,998</u> | <u>24,374</u> |
| Note 7B: Other payables | | |
| Wages and salaries | 7,149 | 7,359 |
| GST payable | 4,144 | - |
| Consideration to employers for payroll deductions | - | - |
| Legal costs | - | - |
| Other | - | 5,538 |
| Total other payables | <u>11,293</u> | <u>12,897</u> |

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

| | Notes | 2014 \$ | 2013 \$ |
|---|---------------|----------------|----------------|
| Note 8 Provisions | | | |
| Note 8A: Employee provisions | | | |
| Office Holders: | | | |
| Annual leave | | 126,750 | 102,620 |
| Sick leave | | 53,075 | 51,550 |
| Separations and redundancies | | - | - |
| Long service leave | | 88,975 | 78,447 |
| Subtotal—office holders | | 268,800 | 232,617 |
| Employees other than office holders: | | | |
| Annual leave | | 4,831 | 6,955 |
| Separations and redundancies | | - | - |
| Long service leave | | - | 6,711 |
| Subtotal—employees other than office holders | | 4,831 | 13,666 |
| Total employee provisions | 8A (i) | 273,631 | 246,283 |

8A (i) Classification into Current and Non-current

| | | |
|----------------------------------|----------------|----------------|
| Current | 235,911 | 214,507 |
| Non Current | 37,720 | 31,776 |
| Total employee provisions | 273,631 | 246,283 |

Note 9 Cash flow

Note 9A: Cash flow reconciliation

**Reconciliation of Cash and Cash Equivalents from Operations with
deficit from Ordinary Activities after Income Tax:**

| | | |
|--|------------------|------------------|
| Deficit for the year | (263,466) | (239,558) |
| Adjustments for non-cash items | | |
| Depreciation | 34,087 | 35,355 |
| Loss on disposal of assets | - | 209 |
| | (229,379) | (203,994) |
| Changes in assets/liabilities | | |
| (Increase)/decrease in Receivables | 8,298 | (8,379) |
| (Increase)/decrease in Current Assets | 11,779 | (18,629) |
| Increase/(decrease) in Payables | 45,021 | (6,225) |
| Increase/(decrease) in Provisions | 27,348 | 44,853 |
| Net cash used by Operating Activities | (136,933) | (192,374) |

Note 9B: Cash flow information

| | | |
|--|----------------|----------------|
| Cash inflows | - | - |
| Total cash inflows | - | - |
| Cash outflows | | |
| Capitation Fees - CEPU National Office | 114,747 | 226,170 |
| Total cash outflows | 114,747 | 226,170 |

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

| | 2014 | 2013 |
|--|------|------|
| | \$ | \$ |

Note 10 Related parties and related party transactions

Note 10A: Related party transactions for the reporting period

The union does not have any related party transactions as organisation structure has not changed because of either acquisition or merger.

Note 10B: Key management personnel remuneration for the reporting period

Short-term employee benefits

| | | |
|---|----------------|----------------|
| Salary (including annual leave taken) | 292,034 | 282,907 |
| Annual leave accrued | 126,750 | 102,620 |
| Performance bonus | - | - |
| Total short-term employee benefits | 418,784 | 385,527 |

Post-employment benefits:

| | | |
|---------------------------------------|---------------|---------------|
| Superannuation | 64,049 | 55,282 |
| Total post-employment benefits | 64,049 | 55,282 |

Other long-term benefits:

| | | |
|---------------------------------------|---------------|---------------|
| Long-service leave | 88,975 | 85,158 |
| Total other long-term benefits | 88,975 | 85,158 |

Termination benefits

| | | |
|--------------|----------------|----------------|
| Total | 571,808 | 525,967 |
|--------------|----------------|----------------|

Note 10C: Transactions with key management personnel, their close family members and director related entities

Loans to/from key management personnel

| | | |
|------|---|---|
| None | - | - |
|------|---|---|

Other transactions with key management personnel

| | | |
|------|---|---|
| None | - | - |
|------|---|---|

Note 11 Audit fees

| | | | |
|---------------------------------------|------|---------------|--------------|
| Audit fees | 11.1 | 26,500 | 8,830 |
| Non-audit fees | | - | - |
| Total remuneration of auditors | | 26,500 | 8,830 |

11.1 Audit fee for year 2014 includes portion of last year's audit fee which was not accrued in that year.

Note 12 Financial Support to or from another reporting entity

The CEPU-Communications Division Branch (SA/NT) is able to continue as a going concern without the financial support of another reporting unit. It also doesn't provide any financial support to any other reporting unit.

Note 13 Fair value disclosure

The CEPU-Communications Division Branch (SA/NT) carries the following assets at fair value:

- Land and building \$1.698 m

Fair value hierarchy

The valuation for land and building is considered to be a level 3 value in the hierarchy, i.e. based on unobservable inputs. There have been no transfers between levels of the hierarchy during the year.

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

Note 13 Fair value disclosure (cont.)

Fair value hierarchy (cont.)

Reconciliation of level 3 assets

| | | |
|--|------------------|------------------|
| The reconciliation from the opening balances to the closing balances is shown below: | 2014 | 2013 |
| | \$ | \$ |
| Balance at 1 April | 1,711,125 | 1,723,500 |
| Addition | - | - |
| Fair value movement recognized during the year | - | - |
| Depreciation | (12,375) | (12,375) |
| Balance at 31 Mar | 1,698,750 | 1,711,125 |

Note 14 Contingent liabilities, assets and commitments

Note 14A: Commitments and contingencies

Operating lease commitments—as lessee

None

Operating lease commitments—as lessor

The union has a property rental agreements for less than one year and future minimum rentals receivable as at 31 Mar are as follows:

| | | |
|---|---------------|---------------|
| Within one year | 27,624 | 25,115 |
| After one year but not more than five years | - | - |
| After five years | - | - |
| | <u>27,624</u> | <u>25,115</u> |

Note 14B: Capital commitments

At 31 Mar 2014 the union does not have any commitments. - -

Finance lease commitments—as lessee

None - -

Finance leases—lessor

None - -

Note 15 Financial Instruments

Note 15A - Financial Risk Management - objectives and policies

The union's financial instruments comprise cash and cash equivalents, held to maturity financial investments and liabilities. In addition, the union also has amounts receivable and amounts payable to trade and other creditors.

The main risks arising from the union's financial instruments are credit risk and market price risk and no liquidity risk. The union does not use derivative instruments to manage risks associated with its financial instruments.

The members of committee have overall responsibility for risk management, including risks associated with financial instruments. Risk management policies are established to identify and analyse the risks associated with the union's financial instruments, to set appropriate risk limits and controls and to monitor the risks and adherence to limits. The Board's audit and finance committee is responsible for monitoring the effectiveness of the union's risk management policies and processes and to regularly review risk management policies and systems, taking into account changes in market conditions and the union's activities. The committee is also responsible for developing and monitoring investment policies.

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

| | Notes | 2014 \$ | 2013 \$ |
|--|-------|------------|------------|
| Note 15 Financial Instruments (cont.) | | | |
| Note 15B: Categories of financial instruments | | | |
| Financial assets | | | |
| <u>Held-to-maturity</u> | | | |
| Term deposit | 5B | 8,745 | 8,744 |
| <u>Loans and receivables:</u> | | | |
| Trade and other receivables | 5C | 15,814 | 24,112 |
| Other current assets | 5D | 7,867 | 19,468 |
| Total | | 23,681 | 43,580 |
| Financial liabilities | | | |
| Trade creditors and payable | 7A | 70,998 | 24,374 |
| Other payables | 7B | 11,293 | 7,359 |
| Total | | 82,291 | 31,733 |

Note 15C: Net income and expense from financial assets

Held-to-maturity

| | | |
|---|--------|--------|
| Interest revenue | 29,306 | 49,764 |
| Exchange gains/(loss) | - | - |
| Impairment | - | - |
| Gain/loss on disposal | - | - |
| Net gain/(loss) held-to-maturity | - | - |

Note 15D: Credit Risk

Credit risk is the risk of financial loss to the union if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The carrying amount of the union's financial assets best represents its maximum credit risk exposure. The union's maximum exposure to credit risk at the reporting date was:

| | | | |
|-------------------------------------|----|---------|---------|
| Cash & cash equivalents | 5A | 678,312 | 831,396 |
| Trade debtors and other receivables | 5B | 15,814 | 24,112 |
| Held to Maturity | 5C | 8,745 | 8,744 |
| Other current assets | 5D | 7,867 | 19,468 |
| | | 710,738 | 883,720 |

Trade debtors and other receivables primarily comprises of property rental income and other current assets predominantly includes accrued interest income.

| | 2014 | | 2013 | |
|-------------------------------|-------------|------------------|-------------|------------------|
| | Gross \$ | Impairment \$ | Gross \$ | Impairment \$ |
| Not past due | - | - | - | - |
| Past due 0-30 days | - | - | - | - |
| Past due 31-120 days | 15,814 | - | 24,112 | - |
| Past due 121 days to one year | 7,867 | - | 19,468 | - |
| Past due more than 1 year | - | - | - | - |
| | 23,681 | - | 43,580 | - |

Note 15E - Liquidity risk

Liquidity risk is the risk that the union will not be able to fund its obligations as they fall due.

The following are the contractual maturities of financial assets and liabilities including estimated interest payments:

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (5A/NT)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

Note 15 Financial Instruments (cont.)

Note 15E - Liquidity risk (cont.)

At 31 Mar 2014

| | Carrying amount | < 1 year \$ | 1– 2 years \$ | 2– 5 years \$ | > 5 years \$ | Total \$ |
|---|--------------------|----------------|------------------|------------------|-----------------|---------------|
| Trade creditors & payable | 16,636 | 16,636 | - | - | - | 16,636 |
| Employee related | 7,149 | 7,149 | - | - | - | 7,149 |
| Payable to CEPU - National | 54,362 | | 54,362 | - | - | 54,362 |
| Other payables | 4,144 | 4,144 | - | - | - | 4,144 |
| Maturities for financial liabilities | 82,291 | 27,929 | 54,362 | - | - | 82,291 |

At 31 Mar 2013

| | Carrying amount | < 1 year \$ | 1– 2 years \$ | 2– 5 years \$ | > 5 years \$ | Total \$ |
|---|--------------------|----------------|------------------|------------------|-----------------|---------------|
| Trade creditors & payable | 12,521 | 12,521 | - | - | - | 12,521 |
| Employee related | 7,359 | 7,359 | - | - | - | 7,359 |
| Payable to CEPU | 11,853 | - | 11,853 | - | - | 11,853 |
| Other payables | 5,538 | 5,538 | - | - | - | 5,538 |
| Maturities for financial liabilities | 37,271 | 25,418 | 11,853 | - | - | 37,271 |

Note 15F - Market price risk

Market price risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the union's income or the value of its holdings of financial instruments. The union is exposed to two sources of market price risk – fluctuations in interest rates and fluctuations in the value of its Held to Maturity investments.

Interest rate risk

Interest rate risk refers to the risk that the value of financial instruments or cash flow associated with the instrument will fluctuate due to changes in market interest rates.

The union is exposed to interest rate fluctuations on its cash at bank and cash on deposits. The union actively monitors interest rates for cash at bank and on deposit to maximise interest income.

The following table summarises the interest rate profile of the union's interest bearing financial instruments.

Fixed rate instrument

| | | | |
|---------------------------|----|----------------|----------------|
| Fixed interest securities | 5C | 8,745 | 8,744 |
| Short term deposits | 5A | 443,605 | 548,279 |
| | | 452,350 | 557,023 |

Variable-rate instruments

| | | | |
|--------------|----|----------------|----------------|
| Cash at bank | 5A | 234,258 | 282,617 |
| | | 686,608 | 839,640 |

Sensitivity analysis

The union is not exposed much to variable rate instruments resulting into minimal variation in this regard.

Note 16 Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or General Manager:

(1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

**COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION BRANCH (SA/NT)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

Note 16 Section 272 Fair Work (Registered Organisations) Act 2009 (cont.)

(2) The application must be in 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 reporting unit.

(3) A reporting unit must comply with an application made under subsection (1).

Note 17 Business combination

The union has not entered into any business combination during the current reporting period. There is no change to the existing reporting structure of the union.

Note 18 Additional information

The registered office of the union and its principal place of business is:
30 - 40 Hurtle Square
ADELAIDE SA 5000



20 August 2014

Graham Lorrain
Branch Secretary
Communications Workers Union
South Australia and Northern Territory Branch
30-40 Hurtle Square
Adelaide SA 5000

via e-mail: graham.lorrain@sant.cepu.asn.au

Dear Mr Lorrain

**Communications Workers Union
South Australia and Northern Territory Branch
Financial Report for the year ended 31 March 2014 - FR2014/66**

I acknowledge receipt of the financial report for the year ended 31 March 2014 for the Communications Workers Union, South Australia and Northern Territory Branch (CWU-CSANT). The financial report was lodged with the Fair Work Commission (FWC) on 7 August 2014.

The financial report has not been filed. I have examined the report and identified a number of matters, the details of which are set out below, that you are required to address before the report can be filed.

The General Purpose Financial Report (GPFR), Auditor's Statement and Concise Financial Report will require amendments. The amended report will need to be presented to a Committee of Management meeting, republished on the CWU-CSANT website and lodged with FWC.

The matters identified should be read in conjunction with the *Fair Work (Registered Organisations) Act 2009* (the RO Act), *Fair Work (Registered Organisations) Regulations 2009* (the RO Regs), Reporting Guidelines (RG) made under section 255 of the RO Act and Australian Accounting Standards. A 'Model financial statements' is also available on the FWC website to assist organisations in preparing returns.

1. Timescale requirements

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. Information about these timeline requirements can be found on the Fair Work Commission website. In particular, I draw your attention to 'Financial reporting process and timelines' which explains the timeline requirements, and 'Summary of financial reporting timelines' which sets out the timeline requirements in diagrammatical form.

I note that the following timescale requirements were not met:

Documents must be lodged with the Fair Work Commission within 14 days of Committee of Management Meeting

Section 268 of the RO Act, states that the full report, concise report and Designated Officer's Certificate are required to be lodged with the Fair Work Commission within 14 days of the

| | |
|----------------------|---|
| 11 Exhibition Street | Telephone: (03) 8661 7777 |
| Melbourne VIC 3000 | International: (613) 8661 7777 |
| GPO Box 1994 | Facsimile: (03) 9655 0401 |
| Melbourne VIC 3001 | Email: orgs@fwc.gov.au |

Committee of Management meeting. The Designated Officer's Certificate indicates that this meeting occurred on 16 July 2014. If this is correct the full report should have been lodged with the Fair Work Commission by 30 July 2014.

The full report was lodged on 7 August 2014.

Please note that in future financial years a written request for an extension of time must be made prior to required date of lodgement.

2. General Purpose Financial Report

Basis for preparation and for-profit or not-for profit entity

Australian Accounting Standard *AASB 1054 Australian Additional Disclosures* paragraph 8 requires that the entity disclose in the notes:

- (a) the statutory basis or other reporting framework, if any, under which the financial statements are prepared (i.e. the RO Act); and
- (b) whether, for the purposes of preparing the financial statements, it is a for-profit or not-for-profit entity.

This information has not been provided.

Accounting judgments and estimates

Australian Accounting Standard *AASB 101 Presentation of Financial Statements* paragraph 122 requires that the notes to the financial statements include a discussion on the significant accounting judgments and estimates applied.

This information has not been provided.

New and Future Australian Accounting Standards

Australian Accounting Standard *AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors* paragraphs 14 and 28 require that the entity disclose:

- Australian Accounting Standards adopted during the period; and
- Australian Accounting Standards issued but not yet effective with an assessment of the future impact of the standard on the entity.

This information has not been provided.

Key management personnel

Australian Accounting Standard *AASB 124 Related Party Disclosures* paragraph 17 requires the General Purpose Financial Report to disclose within the statements or the notes compensation paid to key management personnel.

This normally includes a listing of the key management personnel for the organisation, the total amount of compensation paid to all key management personnel, and then totals for each of the following categories:

- Short term employee benefits
- Post employment benefits
- Other long term employee benefits
- Termination benefits
- Any share based payments.

The definition for these categories can be found within accounting standard *AASB 119: Employee Benefits*.

Related party transactions

The report does not disclose any related party transactions. Related party transactions are required to be disclosed under Australian Accounting Standard *AASB124 Related Party Disclosures* paragraph 18.

A separate note is required to detail all related party transactions which at a minimum should include the CWU National Office.

Financial instruments disclosures

Australian Accounting Standard *AASB 7 Financial Instruments: Disclosures* details the reporting disclosures required by an entity in relation to financial instruments.

This information has not been provided.

Disclosure of audit fees

Australian Accounting Standard *AASB 1054 Australian Additional Disclosures* paragraph 10 requires the financial statements to separately disclose amounts paid to the auditor for audit fees and for non-audit services.

This information has not been provided.

Property, plant and equipment disclosures

Australian Accounting Standard *AASB 116 Property, Plant and Equipment* paragraph 73 requires specific disclosures for each class of property, plant and equipment.

This information has not been provided.

Materiality

Australian Accounting Standard *AASB 101 Presentation of Financial Statements* paragraph 97 requires material items to be presented separately. The Income Statement reports 'Revenues from Ordinary Activities' \$681,227, which is a material amount. This item is required to be further divided to ensure that any material items within revenue are separately disclosed.

Disclosure of employee expenses/provisions for office holders and other employees

Employee expenses are to disclose 'Separation and redundancies' separately for officer holders and employees.

Employee provisions are to disclose 'Separation and redundancies' separately for office holders and employees.

Refer to Reporting Guidelines items 17(f), 17(g), 21(c) and 21(d).

Statement of Changes in Equity

The financial statements include a 'Statement of Changes in Funds. However, as referred to in the Audit Report the financial statements are expected to include a 'Statement of Changes in Equity' which equals the Net Assets figure in the Balance Sheet.

The financial statements should be updated to include a 'Statement of Changes in Equity'.

Ownership of Land and Buildings

Note 7 of the financial statements reports Land and buildings at Hurtle Square at independent valuation of \$1,773,000 less accumulated depreciation of \$74,250 for a written down value of \$1,698,750. However, Note 7 states, '1. At 31/03/14 the Land and Buildings are in the name of "Australian Telecommunications Employees Association Australian Postal and Telecommunications Union..... of Level 9, 365 Queen Street, Melbourne VIC 3000".' The financial statements will need to provide a clear explanation as to why an asset owned by another reporting entity is included in the Balance Sheet for the CWU-SANT.

Activities under Reporting Guidelines not disclosed

Items 14, 16, 18, 20, 22 and 26 of the RG state that if the activities identified in items 10, 11, 13, 15, 17, 19, 21 and 25 respectively have not occurred in the reporting period, a statement to this effect must be included in the notes to the GPFR. I note that for the following items no such disclosure has been made:

- 10 - going concern financial support received from another reporting unit
- 11 - going concern financial support provided to another reporting unit
- 13 - business combinations
- 15(a) - periodic or membership subscriptions
- 15(c) - compulsory levies raised
- 15(e) - financial support received from another reporting unit
- 17(a) - fees incurred as consideration for employers making payroll deductions of membership subscriptions
- 17(d) - compulsory levies imposed
- 17(e)(i) - the total amount paid in grants
- 17(h) - fees or allowances paid to persons to attend a conferences or other meeting as a representative of the reporting unit
- 17(i) - expenses incurred with holding meeting of members or any conferences or meeting of councils, committees, panels or other bodies
- 17(k) - penalties imposed under the RO Act.
- 19 - receivable or payable with another reporting unit
- 21(a) - payables to employers as consideration for the employers making payroll deductions of membership subscriptions
- 21(b) - payables in respect of legal costs and other expenses related to litigation or other legal matters
- 25 - cash flows to/from other reporting units and/or controlled entity to be reported in Cash Flow Statement or in the notes to the GPFR

3. Auditor's Statement

Should be addressed to members

The Auditor's Statement was not addressed to the members of the reporting unit. Item 26 of ASA700 states '*...the Auditor's Statement on a General Purpose Financial Report is ordinarily addressed to those for whom the report is prepared..*'. Could you arrange for the auditor to amend the Auditor's Statement so it is addressed to the members of the branch and reissue the report to the Members and FWC.

Should refer to Committee of Management Statement

The scope of the Auditor's Statement on the full financial report should include the Committee of Management Statement (RO Act section 253(2)(c) and item 43 of the Reporting Guidelines). Please have the auditor confirm, in a written statement, that the Committee of Management Statement was included in the audit scope and subsequently audited.

Declaration relating to going concern basis of accounting

Item 45 of the Reporting Guidelines requires that the Auditor's Statement include a declaration, that as part of the audit of the financial statements, they have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statement is appropriate. No such declaration is contained in the Auditor's Statement.

Please discuss this with your auditor. The Auditor's Statement should provide a view on whether management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statement is appropriate.

Please arrange for the auditor to issue an amended statement.

4. Concise Financial Report

The concise financial report does not currently address Australian Accounting Standard *AASB 1039 Concise Financial Reports* paragraph 33 which requires the first page of the concise report to prominently display information specified in 33(a) to 33(d).

The concise financial report will need to be updated.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7675 or by email at ken.morgan@fwc.gov.au

Yours sincerely

A handwritten signature in black ink, appearing to read 'K. Morgan', with a stylized flourish at the end.

Ken Morgan
Financial Reporting Advisor
Regulatory Compliance Branch



C.E.P.U. - COMMUNICATIONS DIVISION

COMMUNICATIONS, ELECTRICAL AND PLUMBING UNION

S.A. – N.T. BRANCH

CONCISE FINANCIAL REPORT

2013 / 2014

COPY

COMMUNICATIONS, ELECTRICAL & PLUMBING UNION
COMMUNICATIONS DIVISION

SA – NT BRANCH

BRANCH COMMITTEE CERTIFICATE

CONCISE FINANCIAL REPORT

BRANCH COMMITTEE OF MANAGEMENT OPERATING REPORT

Branch Committee of Management Report in accordance with the Fair Work (R.O.) Act 2009, for the year ended 31st March 2014.

1. PRINCIPAL ACTIVITIES OF THE BRANCH COMMITTEE OF MANAGEMENT :

The principal activities of the Branch Committee of Management during the preceding year fell into the following categories :-

- Implementation of National, Divisional and Branch decisions;
- Industrial support, including representation of individual members grievances, advice on legal and legislative matters, initiating Union elections as provided for in the Rules of the Union, and responding to the needs of members as provided for within the Rules of the Union, within the scope of any statutory or legal obligations;
- The administration of Awards, the certification of Industrial Agreements and the variation of Awards;
- The administration of the Branch's financial affairs;
- The administration of the Branch Membership;
- Monthly Newsletters and other communications to members, the media, and the broader community.

No significant changes have occurred to these activities during the year.

2. OPERATING RESULT

The operating (deficit) for the South Australian Branch for the financial year was (\$263,466). In 2013 a deficit of (\$239,558).

3. RIGHT OF MEMBERS TO RESIGN :

All Branch members have the right to resign from the Union in accordance with Rule 32 of the Communications Division Rules (and Fair Work (R.O.) Act 2009), namely by providing written notice addressed and delivered to the Branch Secretary via Post, Facsimile, e-mail or in person.

4. DIRECTORSHIPS OF SUPERANNUATION FUNDS :

To the best of our knowledge and belief no other Officer or Employee of the Branch is, by virtue of their Office on the Branch Committee of Management of the SA - NT Branch :-

- (i) a Trustee of a superannuation entity or exempt public sector superannuation scheme;
- (ii) a Director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and
- (iii) where a criterion for the office of a Trustee or Director is that the Office is an Officer of a registered organisation.

5. MEMBERSHIP OF THE BRANCH :

As at the 31st March, 2014, the membership of the SA – NT Branch was 1,945.

6. EMPLOYEES OF THE BRANCH :

As at the 31st March 2014, the SA - NT Branch employed :-

Three (3) Full Time employees,

One (1) Part Time employee.

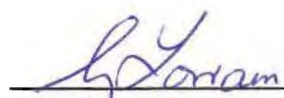
7. BRANCH COMMITTEE OF MANAGEMENT :

The following persons were members of the SA – NT Branch Committee of Management for the year ended 31/03/2014

| | | |
|--------------------|----------------------------|-------------------------|
| Steven BUTTERWORTH | Branch President | 01/04/2013 – 31/03/2014 |
| Graham LORRAIN | Branch Secretary | 01/04/2013 – 31/03/2014 |
| Nicholas TOWNSEND | Branch Assistant Secretary | 01/04/2013 – 31/03/2014 |
| Helen MACMULLEN | Branch Vice President | 01/04/2013 – 31/03/2014 |
| Anthony MOSS | Branch Vice President | 01/04/2013 – 31/03/2014 |
| Gary GILSON | Committee of Management | 01/04/2013 – 31/03/2014 |
| Frank QUAIAT | Committee of Management | 01/04/2013 – 31/03/2014 |
| Gregory DOMEIKA | Committee of Management | 01/04/2013 – 31/03/2014 |
| Lisa BAHLS | Committee of Management | 01/04/2013 – 31/03/2014 |
| Mark FINLAY | Committee of Management | 01/04/2013 – 31/03/2014 |
| Denis CAREY | Committee of Management | 01/04/2013 – 31/03/2014 |
| Steve PORTNOFF | Committee of Management | 01/04/2013 – 31/03/2014 |
| Doug BARNWELL | Committee of Management | 01/04/2013 – 31/03/2014 |
| Rasma FITCH | Committee of Management | 01/04/2013 – 31/03/2014 |
| Paul GRIFFIN | Committee of Management | 01/04/2013 – 31/03/2014 |
| Glen McDONALD | Committee of Management | 01/04/2013 – 31/03/2014 |
| Peter LAWRENCE | Committee of Management | 01/04/2013 – 31/03/2014 |
| BLAYNE LAGRUTTA | Committee of Management | 01/04/2013 – 31/03/2014 |

Signed in accordance with the resolution of the Communications Division SA / NT Branch.

dated 11th June 2014


BRANCH SECRETARY
G. Lorrain

11, 6 / 2014
DATED

COMMUNICATIONS, ELECTRICAL & PLUMBING UNION
COMMUNICATIONS DIVISION

SA – NT BRANCH

BRANCH COMMITTEE CERTIFICATE

CONCISE FINANCIAL REPORT

On the 11th June 2014 the Branch Committee of Management of the Communications, Electrical & Plumbing Union, Communications Division, SA-NT Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 31st March 2014. The Branch Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial report and notes comply with the Australian Accounting & Reporting Standards;
- (b) the financial report and notes comply with the reporting guidelines of the Fair Work Commission;
- (c) the financial report 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;
- (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 to which the general purpose financial report relates and since the end of that year:
 - (i) meetings of the Branch Committee were held in accordance with the rules of the organisation including the rules of the Branch; and
 - (ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation including the rules of the Branch; and
 - (iii) the financial records of the Branch have been kept and maintained in accordance with Fair Work (R.O.) Act 2009; and
 - (iv) the financial records of the reporting units 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 the Fair Work Commission duly made under the Act, has been furnished to the member or the Fair Work Commission; and
 - (vi) there has been compliance with any order for inspection of financial records made by the Commission under the Fair Work (R.O.) Act 2009.
- (f) the Branch did not participate in any recovery of wages activity for the financial year.

Signed In Accordance with a resolution passed by the Committee Dated: 11th June 2014

SIGNED: H. J. Macmuller
Branch President

SIGNED: OR M. M. M.
Branch Vice President

DATED: 11.6.2014

DATED: 11.6.2014

COMMUNICATIONS, ELECTRICAL & PLUMBING UNION
COMMUNICATIONS DIVISION

SA – NT BRANCH

CONCISE FINANCIAL ACCOUNTS

BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2014

| | 31 March 2014 | 31 March 2013 |
|--------------------------------------|------------------|------------------|
| CURRENT ASSETS | | |
| Cash & Cash equivalents | 129,584 | 87,000 |
| Trade & Other Receivables | 15,814 | 24,112 |
| Other Current Assets | 17,193 | 28,972 |
| TOTAL CURRENT ASSETS | <u>162,591</u> | <u>140,084</u> |
| NON-CURRENT ASSETS | | |
| Financial Assets | 557,473 | 753,140 |
| Property, Plant & Equipment | 1,757,924 | 1,775,861 |
| TOTAL NON-CURRENT ASSETS | <u>2,315,397</u> | <u>2,529,001</u> |
| TOTAL ASSETS | <u>2,477,988</u> | <u>2,669,085</u> |
| CURRENT LIABILITIES | | |
| Trade & Other Payables | 82,292 | 37,271 |
| Short Term Provisions | 235,911 | 214,507 |
| TOTAL CURRENT LIABILITIES | <u>318,203</u> | <u>251,779</u> |
| NON-CURRENT LIABILITIES | | |
| Long Term Provisions | 37,720 | 31,776 |
| TOTAL NON-CURRENT LIABILITIES | <u>37,720</u> | <u>31,776</u> |
| TOTAL LIABILITIES | <u>355,923</u> | <u>283,554</u> |
| NET ASSETS | <u>2,122,066</u> | <u>2,385,531</u> |
| ACCUMULATED FUNDS | | |
| Reserves | 1,096,668 | 1,096,667 |
| Retained Earnings | 1,025,398 | 1,288,864 |
| TOTAL FUNDS | <u>2,122,066</u> | <u>2,385,531</u> |

TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT

COMMUNICATIONS, ELECTRICAL & PLUMBING UNION
COMMUNICATIONS DIVISION

SA – NT BRANCH

CONCISE FINANCIAL ACCOUNTS

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2014

| | Year Ended 31 March 2014 \$ | Year Ended 31 March 2013 \$ |
|---|-----------------------------------|-----------------------------------|
| Revenues from Ordinary Activities | 681,227 | 713,550 |
| Other Income | 85,048 | 122,754 |
| Loss on Sale of Assets | - | (209) |
| TOTAL | 766,275 | 836,096 |
| <u>EXPENSES</u> | | |
| Advertising | 7,581 | - |
| Affiliation Fees | 11,430 | 11,923 |
| Audit Fees | 26,500 | 8,830 |
| Bank charges | 1,509 | 1,918 |
| Cleaning | 14,079 | 12,691 |
| Commission & Collection Expenses | 11,423 | 11,781 |
| Computer Expenses | 5,353 | 6,250 |
| Depreciation & Amortisation | 34,087 | 35,355 |
| Donations | 6,380 | 480 |
| Fringe Benefits Tax | 6,572 | 9,309 |
| Insurance (Inc Journey Ins) | 44,318 | 34,781 |
| Legal & Industrial | 4,074 | 5,895 |
| Light & Power | 21,886 | 22,490 |
| Motor Vehicle Expenses | 20,920 | 20,836 |
| National Office Capitation Fees | 153,392 | 226,170 |
| Payroll Tax | 24,440 | 24,554 |
| Postage | 6,194 | 6,711 |
| Printing & Stationery | 14,981 | 27,345 |
| Provision for Employee Leave | 27,348 | 44,853 |
| Rates & Taxes | 45,618 | 44,747 |
| Repairs & Maintenance | 9,652 | 6,303 |
| Salaries & Wages | 397,614 | 382,589 |
| Sundry Expenses | 10,615 | 23,541 |
| Superannuation | 71,112 | 66,518 |
| Telephone | 15,274 | 13,992 |
| Travel | 30,419 | 20,557 |
| Workcover | 6,970 | 5,236 |
| TOTAL | 1,029,741 | 1,075,653 |
| Deficit from Ordinary Activities attributable to members | (263,466) | (239,558) |

TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT

COMMUNICATIONS, ELECTRICAL & PLUMBING UNION
COMMUNICATIONS DIVISION

SA – NT BRANCH

CONCISE FINANCIAL ACCOUNTS

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 MARCH 2014

| | Year Ended 31 March 2014 \$ | Year Ended 31 March 2013 \$ |
|--|-----------------------------------|-----------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts from members | 675,690 | 711,699 |
| Operating Receipts | 112,000 | 69,328 |
| Payments to suppliers and employees | (957,870) | (1,021,700) |
| Interest received | 33,247 | 48,299 |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | (136,933) | (192,374) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Transfer from Investment Activities | 195,667 | 241,844 |
| Fixed asset purchases | (16,150) | (17,770) |
| Fixed Asset Sales | - | - |
| NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES | 179,517 | 224,074 |
| CASH FLOWS FROM FINANCING ACTIVITIES | - | - |
| NET CASH USED IN FINANCING ACTIVITIES | - | - |
| NET INCREASE (DECREASE) IN CASH HELD | 42,584 | 31,700 |
| CASH AT THE BEGINNING OF THE FINANCIAL YEAR | \$ 87,000 | 55,300 |
| CASH AT THE END OF THE FINANCIAL YEAR | \$ 129,584 | \$ 87,000 |

STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 31 MARCH 2014

| | 31 March 2014 | Surplus/Deficit | 31 March 2013 |
|----------------------------------|------------------|-----------------|------------------|
| RETAINED SURPLUS | | | |
| Balance | 1,025,398 | (263,466) | 1,288,864 |
| RESERVES | | | |
| ASSET REVALUATION RESERVE | | | |
| Balance | 750,822 | - | 750,822 |
| SPECIAL FUND | | | |
| Balance | 304,998 | - | 304,998 |
| DEATH BENEFIT RESERVE | | | |
| Balance | 40,847 | - | 40,847 |
| TOTAL RESERVES | 1,096,667 | - | 1,096,667 |

TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT

COMMUNICATIONS, ELECTRICAL & PLUMBING UNION
COMMUNICATIONS DIVISION

SA – NT BRANCH

CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31ST MARCH 2014

Relationship to the Financial Report.

- The Concise Financial Report is an extract from the Financial Report.
- This concise report cannot be expected to provide as full an understanding as the full report.
- A copy of the full audited accounts will be supplied free of charge to members who request them.

Independent Auditors Report to the Members

The accompanying concise financial report of Communications, Electrical & Plumbing Union, Communications Division, SA – NT Branch, comprises the Balance Sheet as at 31 March 2014, the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, derived from the audited financial report of Communications, Electrical & Plumbing Union of Australia, Communications Division, SA – NT Branch, for the year ended 31 March 2014. The Concise Financial Report does not contain all the disclosures required by the Australian Accounting Standards.

The Branch Committee is responsible for the preparation and presentation of the Concise Financial Report in accordance with Accounting Standard AASB 1039: Concise Financial Reports (including the Australian Accounting Interpretations), statutory and other requirements. The responsibility includes establishing and maintaining internal control relevant to the preparation of the Concise Financial Report; selecting and applying the appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors Responsibility

Our responsibility is to express an opinion on the Concise Financial Report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Communications, Electrical & Plumbing Union, Communications Division, SA –NT Branch, for the year ended 31 March 2014. Our audit report on the financial report for the year was signed and was not subject to any qualification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

Our procedures in respect of the Concise Financial Report included testing that the information in the Concise Financial Report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts, and other disclosures. These procedures have been undertaken to form an opinion whether, in all material respects, the Concise Financial Report complies with Accounting Standard AASB 1039: Concise Financial Reports.

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

COMMUNICATIONS, ELECTRICAL & PLUMBING UNION
COMMUNICATIONS DIVISION

SA – NT BRANCH

CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31ST MARCH 2014

Independence

In conducting our audit, we have complied with the independence requirements of the *Australian professional* ethical pronouncements. We confirm that the independence declaration provided to the Committee of the Communications, Electrical & Plumbing Union, Communications Division, SA - NT Branch, would be in the same terms if provided to the Committee as at the date of this audit report.

Auditors Opinion

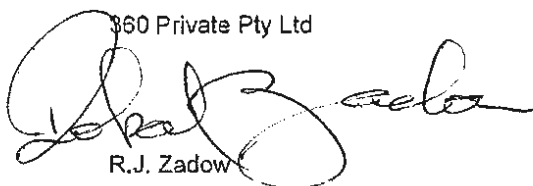
In our opinion, the Concise Financial Report of Communications, Electrical & Plumbing Union of Australia, Communications Division, SA – NT Branch, for the year ended 31 March 2014 complies with Accounting Standard AASB 1039: Concise Financial Reports. and the requirements of the Fair Work (R.O.) Act 2009.

Name of Firm:

360 Private Pty Ltd

Name of Principal

R.J. Zadow



Address:

LEVEL 1, 170 GREENHILL ROAD, PARKSIDE SA 5063

Dated this 18TH day of JUNE 2014

COMMUNICATIONS, ELECTRICAL & PLUMBING UNION
COMMUNICATIONS DIVISION

SA – NT BRANCH

CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31ST MARCH 2014

DISCUSSION AND ANALYSIS

The Deficit of \$263,466 has been funded in part by withdrawal of cash from the CPS Credit Union. Included in the deficit is the non cash item depreciation \$34,087.

The Union has continued to carry out a retirement and succession training programme of officials.

NOTES TO THE FINANCIAL REPORT

NOTE 1. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Fair Work (R.O.) 2009 the attention of members is drawn to the provisions of the Act, which read as follows:

- (1) a member of a reporting unit, or the Fair Work Commission, may apply to the reporting unit for specified prescribed information in relation to the reporting entity to be made available to the person making the application
- (2) the application must be in 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 reporting unit.
- (3) a reporting unit must comply with an application made under the Act.

Designated Officers Certificate or other Authorised Officer



I, Graham Lorrain, being the Branch Secretary of the CWU/CEPU Communications Division SA/NT certify;

- That the documents lodged herewith are copies of the full report, and concise report.
- That the full report was presented to a meeting of the Branch Committee of Management of the reporting unit on the 11th June 2014.
- That the concise report, was provided to members on the 20th June 2014, by post to the normal mailing list of work locations, depots plus posted on the Branch website at www.cepu-sant.com.au
- The following motion was carried at the Branch Committee of Management meeting held on the 16th July 2014 –

"The Branch Committee of Management confirms that the Branch Secretary did table signed copies of both the 'Concise Financial Report' and the 'Full Financial Report' for the 2013-2014 Financial year at its meeting held on the 16th July 2014"

Graham Lorrain
Branch Secretary
CWU SA/NT

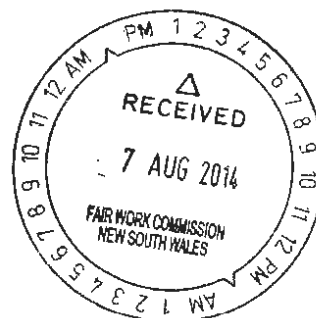
graham.lorrain@sant.cepu.asn.au

Date: 6th August 2014



CEPU

COMMUNICATIONS
ELECTRICAL
PLUMBING
UNION



C.E.P.U. - COMMUNICATIONS DIVISION

COMMUNICATIONS, ELECTRICAL AND PLUMBING UNION

S.A. – N.T. BRANCH

FINANCIAL REPORT

2013 / 2014

COPY

COMMUNICATIONS, ELECTRICAL & PLUMBING UNION
COMMUNICATIONS DIVISION

SA – NT BRANCH

BRANCH COMMITTEE OF MANAGEMENT

BRANCH COMMITTEE OF MANAGEMENT OPERATING REPORT

Branch Committee of Management Report in accordance with the Fair Work (R.O.) Act 2009, for the year ended 31st March 2014.

1. PRINCIPAL ACTIVITIES OF THE BRANCH COMMITTEE OF MANAGEMENT :

The principal activities of the Branch Committee of Management during the preceding year fell into the following categories :-

- Implementation of National, Divisional and Branch decisions;
- Industrial support, including representation of individual members grievances, advice on legal and legislative matters, initiating Union elections as provided for in the Rules of the Union, and responding to the needs of members as provided for within the Rules of the Union, within the scope of any statutory or legal obligations;
- The administration of Awards, the certification of Industrial Agreements and the variation of Awards;
- The administration of the Branch's financial affairs;
- The administration of the Branch Membership;
- Monthly Newsletters and other communications to members, the media, and the broader community.

No significant changes have occurred to these activities during the year.

2. OPERATING RESULT

The operating (deficit) for the South Australian Branch for the financial year was (\$263,466). In 2013 a deficit of (\$239,558).

3. RIGHT OF MEMBERS TO RESIGN :

All Branch members have the right to resign from the Union in accordance with Rule 32 of the Communications Division Rules (and Fair Work (R.O.) Act 2009), namely by providing written notice addressed and delivered to the Branch Secretary via Post, Facsimile, e-mail or in person.

4. DIRECTORSHIPS OF SUPERANNUATION FUNDS :

To the best of our knowledge and belief no other Officer or Employee of the Branch is, by virtue of their Office on the Branch Committee of Management of the SA - NT Branch :-

- (i) a Trustee of a superannuation entity or exempt public sector superannuation scheme;
- (ii) a Director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and
- (iii) where a criterion for the office of a Trustee or Director is that the Office is an Officer of a registered organisation.

5. MEMBERSHIP OF THE BRANCH :

As at the 31st March, 2014, the membership of the SA – NT Branch was 1,945.

6. EMPLOYEES OF THE BRANCH :

As at the 31st March 2014, the SA - NT Branch employed :-

Three (3) Full Time employees,

One (1) Part Time employee.

7. BRANCH COMMITTEE OF MANAGEMENT :

The following persons were members of the SA – NT Branch Committee of Management for the year ended 31/03/2014

| | | |
|--------------------|----------------------------|-------------------------|
| Steven BUTTERWORTH | Branch President | 01/04/2013 – 31/03/2014 |
| Graham LORRAIN | Branch Secretary | 01/04/2013 – 31/03/2014 |
| Nicholas TOWNSEND | Branch Assistant Secretary | 01/04/2013 – 31/03/2014 |
| Helen MACMULLEN | Branch Vice President | 01/04/2013 – 31/03/2014 |
| Anthony MOSS | Branch Vice President | 01/04/2013 – 31/03/2014 |
| Gary GILSON | Committee of Management | 01/04/2013 – 31/03/2014 |
| Frank QUAIAT | Committee of Management | 01/04/2013 – 31/03/2014 |
| Gregory DOMEIKA | Committee of Management | 01/04/2013 – 31/03/2014 |
| Lisa BAHLS | Committee of Management | 01/04/2013 – 31/03/2014 |
| Mark FINLAY | Committee of Management | 01/04/2013 – 31/03/2014 |
| Denis CAREY | Committee of Management | 01/04/2013 – 31/03/2014 |
| Steve PORTNOFF | Committee of Management | 01/04/2013 – 31/03/2014 |
| Doug BARNWELL | Committee of Management | 01/04/2013 – 31/03/2014 |
| Rasma FITCH | Committee of Management | 01/04/2013 – 31/03/2014 |
| Paul GRIFFIN | Committee of Management | 01/04/2013 – 31/03/2014 |
| Glen McDONALD | Committee of Management | 01/04/2013 – 31/03/2014 |
| Peter LAWRENCE | Committee of Management | 01/04/2013 – 31/03/2014 |
| BLAYNE LAGRUTTA | Committee of Management | 01/04/2013 – 31/03/2014 |

Signed in accordance with the resolution of the Communications Division SA / NT Branch.

dated 11th June 2014


BRANCH SECRETARY
G. Lorrain

11.6 / 2014
DATED

COMMUNICATIONS, ELECTRICAL & PLUMBING UNION
COMMUNICATIONS DIVISION

SA – NT BRANCH

COMMITTEE OF MANAGEMENT CERTIFICATE

On the 11th June 2014 the Branch Committee of Management of the Communications, Electrical & Plumbing Union, Communications Division, SA-NT Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 31st March 2014. The Branch Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial report and notes comply with the Australian Accounting & Reporting Standards;
- (b) the financial report and notes comply with the reporting guidelines of the Fair Work Commission;
- (c) the financial report 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;
- (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 to which the general purpose financial report relates and since the end of that year:
 - (i) meetings of the Branch Committee were held in accordance with the rules of the organisation including the rules of the Branch; and
 - (ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation including the rules of the Branch; and
 - (iii) the financial records of the Branch have been kept and maintained in accordance with Fair Work (R.O.) Act 2009; and
 - (iv) the financial records of the reporting units 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 the Fair Work Commission duly made under the Act, has been furnished to the member or the Fair Work Commission; and
 - (vi) there has been compliance with any order for inspection of financial records made by the Commission under the Fair Work (R.O.) Act 2009.
- (f) the Branch did not participate in any recovery of wages activity for the financial year.

Signed In Accordance with a resolution passed by the Committee Dated: 11th June 2014

SIGNED: 
A/g Branch President

DATED: 11/6/2014

SIGNED: 
Branch Vice President

DATED: 11/6/2014

COMMUNICATIONS, ELECTRICAL & PLUMBING UNION
COMMUNICATIONS DIVISION

SA – NT BRANCH

BALANCE SHEET
AS AT 31 MARCH 2014

| | NOTE | 31 March 2014 | 31 March 2013 |
|--------------------------------------|------|------------------|------------------|
| CURRENT ASSETS | | | |
| Cash & Cash equivalents | 3 | 129,584 | 87,000 |
| Trade & Other Receivables | 4 | 15,814 | 24,112 |
| Other Current Assets | 5 | 17,193 | 28,972 |
| TOTAL CURRENT ASSETS | | <u>162,591</u> | <u>140,084</u> |
| NON-CURRENT ASSETS | | | |
| Financial Assets | 6 | 557,473 | 753,140 |
| Property, Plant & Equipment | 7 | 1,757,924 | 1,775,861 |
| TOTAL NON-CURRENT ASSETS | | <u>2,315,397</u> | <u>2,529,001</u> |
| TOTAL ASSETS | | <u>2,477,988</u> | <u>2,669,085</u> |
| CURRENT LIABILITIES | | | |
| Trade & Other Payables | 8 | 82,292 | 37,271 |
| Short Term Provisions | 9 | 235,911 | 214,507 |
| TOTAL CURRENT LIABILITIES | | <u>318,203</u> | <u>251,779</u> |
| NON-CURRENT LIABILITIES | | | |
| Long Term Provisions | 9 | 37,720 | 31,776 |
| TOTAL NON-CURRENT LIABILITIES | | <u>37,720</u> | <u>31,776</u> |
| TOTAL LIABILITIES | | <u>355,923</u> | <u>283,554</u> |
| NET ASSETS | | <u>2,122,066</u> | <u>2,385,531</u> |
| ACCUMULATED FUNDS | | | |
| Reserves | | 1,096,668 | 1,096,667 |
| Retained Earnings | | 1,025,398 | 1,288,864 |
| TOTAL FUNDS | | <u>2,122,066</u> | <u>2,385,531</u> |

TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT & NOTES TO THE A/Cs

COMMUNICATIONS, ELECTRICAL & PLUMBING UNION
COMMUNICATIONS DIVISION

SA – NT BRANCH

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2014

| | NOTE | Year Ended 31 March 2014 \$ | Year Ended 31 March 2013 \$ |
|---|------|-----------------------------------|-----------------------------------|
| Revenues from Ordinary Activities | | 681,227 | 713,550 |
| Other Income | 10 | 85,048 | 122,754 |
| Loss on Sale of Assets | | - | (209) |
| TOTAL | | 766,275 | 836,096 |
| <u>EXPENSES</u> | | | |
| Advertising | | 7,581 | - |
| Affiliation Fees | 11 | 11,430 | 11,923 |
| Audit Fees | | 26,500 | 8,830 |
| Bank charges | | 1,509 | 1,918 |
| Cleaning | | 14,079 | 12,691 |
| Commission & Collection Expenses | 12 | 11,423 | 11,781 |
| Computer Expenses | | 5,353 | 6,250 |
| Depreciation & Amortisation | | 34,087 | 35,355 |
| Donations | 13 | 6,380 | 480 |
| Fringe Benefits Tax | | 6,572 | 9,309 |
| Insurance (Inc Journey Ins) | | 44,318 | 34,781 |
| Legal & Industrial | | 4,074 | 5,895 |
| Light & Power | | 21,886 | 22,490 |
| Motor Vehicle Expenses | | 20,920 | 20,836 |
| National Office Capitation Fees | | 153,392 | 226,170 |
| Payroll Tax | | 24,440 | 24,554 |
| Postage | | 6,194 | 6,711 |
| Printing & Stationery | | 14,981 | 27,345 |
| Provision for Employee Leave | | 27,348 | 44,853 |
| Rates & Taxes | | 45,618 | 44,747 |
| Repairs & Maintenance | | 9,652 | 6,303 |
| Salaries & Wages | 14 | 397,614 | 382,589 |
| Sundry Expenses | | 10,615 | 23,541 |
| Superannuation | 14 | 71,112 | 66,518 |
| Telephone | | 15,274 | 13,992 |
| Travel | | 30,419 | 20,557 |
| Workcover | | 6,970 | 5,236 |
| TOTAL | | 1,029,741 | 1,075,653 |
| Deficit from Ordinary Activities attributable to members | | (263,466) | (239,558) |

TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT & NOTES TO THE A/CS

COMMUNICATIONS, ELECTRICAL & PLUMBING UNION
COMMUNICATIONS DIVISION

SA – NT BRANCH

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 MARCH 2014

| | Year Ended 31 March 2014 \$ | Year Ended 31 March 2013 \$ |
|--|-----------------------------------|-----------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts from members | 675,690 | 711,699 |
| Operating Receipts | 112,000 | 69,328 |
| Payments to suppliers and employees | (957,870) | (1,021,700) |
| Interest received | 33,247 | 48,299 |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 2(b) (136,933) | (192,374) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Transfer from Investment Activities | 195,667 | 241,844 |
| Fixed asset purchases | (16,150) | (17,770) |
| Fixed Asset Sales | - | - |
| NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES | 179,517 | 224,074 |
| CASH FLOWS FROM FINANCING ACTIVITIES | - | - |
| NET CASH USED IN FINANCING ACTIVITIES | - | - |
| NET INCREASE (DECREASE) IN CASH HELD | 42,584 | 31,700 |
| CASH AT THE BEGINNING OF THE FINANCIAL YEAR | \$ 87,000 | 55,300 |
| CASH AT THE END OF THE FINANCIAL YEAR | 2(a) \$ 129,584 | \$ 87,000 |

STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 31 MARCH 2014

| | 31 March 2014 | Surplus/Deficit | 31 March 2013 |
|----------------------------------|------------------|-----------------|------------------|
| RETAINED SURPLUS | | | |
| Balance | 1,025,398 | (263,466) | 1,288,864 |
| RESERVES | | | |
| ASSET REVALUATION RESERVE | | | |
| Balance | 750,822 | - | 750,822 |
| SPECIAL FUND | | | |
| Balance | 304,998 | - | 304,998 |
| DEATH BENEFIT RESERVE | | | |
| Balance | 40,847 | - | 40,847 |
| TOTAL RESERVES | 1,096,667 | - | 1,096,667 |

TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT & NOTES TO THE A/Cs

COMMUNICATIONS, ELECTRICAL & PLUMBING UNION
COMMUNICATIONS DIVISION

SA – NT BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2014

NOTE 1.1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncement of the Australian Accounting Standards Board and the Fair Work (R.O.) Act 2009.

Excepting contributions, the financial report has been prepared on an accrual basis. It is based on historical costs and the revaluation of selected non-current assets.

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

(a) Income Tax

The Branch is exempt from Income Tax under S50-15 of the Income Tax Assessment Act 1997.

(b) Plant and Equipment

Motor Vehicles & plant and equipment are carried at cost or fair value less accumulated depreciation and impairment losses. The carrying account is reviewed annually to ensure it is not in excess of the recoverable amount from these assets.

(c) Contributions

Contributions are accounted for on a cash basis, except for contributions paid in advance.

(d) Employee Benefits

Provision for Employee Benefits in the form of Long Service Leave, Accrued Annual Leave etc, have been made at the amounts expected to be paid when the liability is settled, ie at base value.

NOTE 1.2

In accordance with the requirements of the Fair Work (R.O.) Act 2009 the attention of members is drawn to the provision which reads as follows:

- (1) a member of a reporting unit, or Fair Work Commission, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) the application must be in writing and 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 reporting unit.
- (3) a reporting unit must comply with an application made under the Act.

TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT

COMMUNICATIONS, ELECTRICAL & PLUMBING UNION
COMMUNICATIONS DIVISION

SA – NT BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS (Cont'd)
FOR THE YEAR ENDED 31 MARCH 2014

NOTE 2. 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:

| | 31 March 2014 | 31 March 2013 |
|--------------|----------------------|----------------------|
| | \$ | \$ |
| Cash on Hand | 449 | 500 |
| Cash at Bank | 129,135 | 86,500 |
| | <hr/> | <hr/> |
| 2(a) | 129,584 | 87,000 |
| | <hr/> | <hr/> |

(b) Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax

| | | |
|---|-----------------------|------------------|
| Profit (Loss) from Ordinary Activities | (263,466) | (239,558) |
| Profit on Special Fund | - | - |
| Deficit on Welfare Fund | - | - |
| Deficit on Death Benefit Fund | - | - |
| <i>Non-Cash flows in profit from ordinary activities:</i> | | |
| - Depreciation | 34,087 | 35,355 |
| - Loss on sale of fixed assets | - | 209 |
| | <hr/> | <hr/> |
| | (229,379) | (203,994) |
| <i>Change in Assets and Liabilities:</i> | | |
| Decrease/(Increase) in Receivables | 8,298 | (8,379) |
| Decrease/(Increase) in Other Assets | 11,779 | (18,629) |
| (Decrease)/Increase in Payables | 45,021 | (6,225) |
| Increase/(Decrease) in Provisions | 27,348 | 44,853 |
| | <hr/> | <hr/> |
| Cash Flows from Operations | 2(b) (136,933) | (192,374) |
| | <hr/> | <hr/> |

TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT

COMMUNICATIONS, ELECTRICAL & PLUMBING UNION
COMMUNICATIONS DIVISION

SA – NT BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2014

| | 31 March 2014 | 31 March 2013 |
|--|-----------------------|-----------------------|
| NOTE 3. CASH | | |
| Commonwealth Bank Cheque Accounts | 128,321 | 65,684 |
| People's Choice CU Account | 814 | 20,816 |
| Petty Cash | 449 | 500 |
| | <hr/> 129,584 <hr/> | <hr/> 87,000 <hr/> |
| NOTE 4. RECEIVABLES | | |
| Rent, Reimbursements & Fees | 15,814 | 24,112 |
| | <hr/> 15,814 <hr/> | <hr/> 24,112 <hr/> |
| NOTE 5. OTHER | | |
| Prepayments | 9,326 | 9,503 |
| GST Refundable | - | 7,660 |
| Accrued Interest | 7,867 | 11,808 |
| | <hr/> 17,193 <hr/> | <hr/> 28,971 <hr/> |
| NOTE 6. INVESTMENTS | | |
| Building Fund - Beyond Bank | 103,935 | 196,117 |
| Leave Fund - Beyond Bank | 207,519 | 324,298 |
| Car Replacement Fund - Beyond Bank | 60,176 | 57,767 |
| Death Benefits Fund - Beyond Bank | 8,745 | 8,744 |
| Distress Fund - People's Choice Credit Union | 1,070 | - |
| Distress Fund - Beyond Bank | 118 | - |
| Special Fund - People's Choice Credit Union | 175,910 | 166,214 |
| | <hr/> 557,473 <hr/> | <hr/> 753,140 <hr/> |
| NOTE 7. PROPERTY, PLANT & EQUIPMENT | | |
| Land & Building- Hurtle Square at Independent Valuation 24/8/11 (see below) | 1,773,000 | 1,773,000 |
| Deduct Accumulated Depreciation | <hr/> (74,250) <hr/> | <hr/> (61,875) <hr/> |
| | 1,698,750 | 1,711,125 |
| Office Furniture & Equipment | 116,924 | 100,774 |
| Deduct Accumulated Depreciation | <hr/> (93,430) <hr/> | <hr/> (83,610) <hr/> |
| | 23,494 | 17,164 |
| Motor Vehicles at Cost | 108,805 | 108,805 |
| Deduct Accumulated Depreciation | <hr/> (73,125) <hr/> | <hr/> (61,233) <hr/> |
| | 35,680 | 47,572 |
| | <hr/> 1,757,924 <hr/> | <hr/> 1,775,861 <hr/> |

TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT

COMMUNICATIONS, ELECTRICAL & PLUMBING UNION
COMMUNICATIONS DIVISION

SA – NT BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2014

LAND & BUILDINGS

1. At 31/03/14 the Land and Buildings are in the name of "Australian Telecommunications Employees Association Australian Postal and Telecommunications Union..... of Level 9, 365 Queen Street, Melbourne VIC 3000"
2. For Financial reporting purposes the Land & Buildings are shown as an asset of the SA - NT Branch.
3. **Valuation:** The Property was last valued on 24/8/11 by Heron Todd White (SA) Pty Ltd, Certified Practising Valuer

NOTE 8. CREDITORS & BORROWINGS

| | 31 March 2014 | 31 March 2013 |
|----------------------------|---------------|---------------|
| Unsecured Liabilities | | |
| Trade Creditors & Accruals | 16,637 | 12,522 |
| Payroll Liabilities | 7,149 | 7,359 |
| GST Liabilities | 4,144 | - |
| CEPU Divisional Office | 54,362 | 11,853 |
| Contributions in Advance | - | 5,538 |
| | <u>82,292</u> | <u>37,271</u> |

NOTE 9. PROVISIONS

SHORT TERM PROVISIONS

| | | |
|---|----------------|----------------|
| Provisions for Annual Leave - Officials | 126,750 | 102,620 |
| Provisions for Annual Leave - Other | 4,831 | 6,955 |
| Provisions for Sick Leave - Officials | 53,075 | 51,550 |
| Provisions for Long Service Leave - Officials | 51,255 | 46,671 |
| Provisions for Long Service Leave - Other | - | 6,711 |
| | <u>235,911</u> | <u>214,507</u> |

LONG TERM PROVISIONS

| | | |
|--|---------------|---------------|
| Provision for Long Service Leave - Officials | <u>37,720</u> | <u>31,776</u> |
|--|---------------|---------------|

NOTE 10. OTHER INCOME

| | | |
|---------------------|---------------|----------------|
| Interest | 29,306 | 49,764 |
| Rent | 43,270 | 45,818 |
| Fees/Reimbursements | 12,472 | 13,906 |
| Government Grants | - | 13,266 |
| | <u>85,048</u> | <u>122,754</u> |

NOTE 11. AFFILIATION FEES

| | | |
|---------------|---------------|---------------|
| ALP (SA & NT) | 7,755 | 9,203 |
| Unions SA | 3,675 | 2,720 |
| | <u>11,430</u> | <u>11,923</u> |

TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT

COMMUNICATIONS, ELECTRICAL & PLUMBING UNION
COMMUNICATIONS DIVISION

SA – NT BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2014

| | 31 March 2014 | 31 March 2013 |
|--|----------------|----------------|
| NOTE 12. COMMISSION & COLLECTION EXPENSES | | |
| Employers | 9,062 | 9,291 |
| Bank | 2,361 | 2,490 |
| | <u>11,423</u> | <u>11,781</u> |
| NOTE 13. DONATIONS | | |
| ALP - Kingston Campaign Fund | 3,000 | - |
| ALP - SA Light Campaign | 3,000 | |
| Other | 380 | 480 |
| | <u>6,380</u> | <u>480</u> |
| NOTE 14. EMPLOYEE BENEFITS | | |
| SALARY & WAGES | | |
| Officials | 292,034 | 282,907 |
| Other Staff | 105,580 | 99,682 |
| | <u>397,614</u> | <u>382,589</u> |
| SUPERANNUATION | | |
| Officials | 64,049 | 55,282 |
| Other Staff | 7,063 | 11,236 |
| | <u>71,112</u> | <u>66,518</u> |
| FRINGE BENEFITS | | |
| Officials | 27,181 | 38,498 |
| Other Staff | - | - |
| | <u>27,181</u> | <u>38,498</u> |

NOTE 15. SEGMENT REPORTING

The Branch operates as a trade union & provides employee support to members.

NOTE 16. LEVY

The Levy has been dispensed for the purpose for which it was raised during the year.

A Levy of the amount of increase in dues from 1/1/2007 received from 1/7/08 is to be invested in a Member Benefit Campaign Fund "to secure improve wages, conditions and benefits via enterprise bargaining campaigns".

TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT

COMMUNICATIONS, ELECTRICAL & PLUMBING UNION
COMMUNICATIONS DIVISION

SA – NT BRANCH

AUDIT REPORT

Report on the Financial Report

We have audited the accompanying Report being the Balance Sheet, Statement of Changes in Equity, Income Statement, Cash Flow Statement, and Notes to the Report of the Communications, Electrical & Plumbing Union, Communications Division, SA – NT Branch, for the year ended 31 March, 2014.

Branch Committee Responsibility for the Financial Report

The Branch Committee is responsible for the preparation and fair presentation of the financial report in accordance with Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (R.O.) Act 2009. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors Responsibility

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

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

Independence

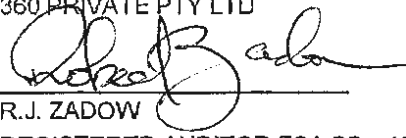
In conducting our audit, we have complied with the independence requirements of the professional ethical pronouncements to the date of this report.

Auditors Opinion

In our opinion the financial report of the Communications, Electrical & Plumbing Union, Communications Division, SA - NT Branch:

- Is properly drawn up so as to present fairly the financial position of the Branch as at 31 March 2014 and of the performance for the year ended on that date,
- The financial report is in accordance with the provisions of the Fair Work (R.O.) Act 2009 and Australian Accounting Standards (including mandatory professional reporting requirements).

360 PRIVATE PTY LTD



R.J. ZADOW

REGISTERED AUDITOR FCA BBus(Acc) FCA Dip Fin Plan FTIA CPA TEP

1/170 Greenhill Road, PARKSIDE

DATED 18 JUNE 2014