



Australian Government
Australian Industrial Registry

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

Ref: FR2006/214 [128V-CTSN]

Mr Ian McCarthy
Branch Secretary
CEPU Communications Division
NSW Telecommunications & Services Branch
2nd Floor, 741 George Street
SYDNEY NSW 2000

Dear Mr McCarthy

Financial Return - year ending 31 March 2006

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

New legislation

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

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

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

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

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

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

Reporting Unit

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

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

Industrial Registrar's Guidelines

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

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

Timeline Planner and Checklist

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

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

Three Reports

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

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

Financial Statements containing:

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

Notes to the Financial Statements containing:

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

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

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

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

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

First Meeting (Committee of Management)

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

The Auditor

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

Informing Your Members

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

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

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

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

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

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

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

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

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

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

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

Lodge full report within 14 days of meeting

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at www.airc.gov.au).

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

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

Complying with time limits

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

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

Extensions of Time

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

Reduced Reporting Requirements

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

Contact the Registry

We encourage you to contact the Registry on (02) 8374 6666 as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedure but we cannot give you legal or accounting advice.

Information on AIRC Website

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

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

Yours sincerely



For Deputy Industrial Registrar
4 April 2006

Documents Checklist

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

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

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

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

Committee Of Management Statement

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

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

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

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

Title of Office held:

Signature:

Date:

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

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

Certificate of Secretary or other Authorised Officer¹

s268 of Schedule 1B *Workplace Relations Act 1996*

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

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

Signature

Date:

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

(a) the secretary; or

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

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

³*Insert whichever is applicable*



Ref: FR2006/214 -[128V-CTSN]

Mr Ian McCarthy
Branch Secretary
CEPU Communications Division
NSW Telecommunications and Services Branch
2nd Floor
741 George Street
SYDNEY NSW 2000

Dear Mr McCarthy

Re: Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia-Communications Division - New South Wales Telecommunications and Services Branch - Outstanding Financial Documents - *Workplace Relations Act 1996*

The Accounts and Audit Part of Schedule 1 of the *Workplace Relations Act 1996* requires, as a general rule, that the audited financial statements of a reporting unit of a registered organisation, be lodged in the Industrial Registry within 6 months and 14 days from the end of its financial year.

To date, the Registry has no record of lodgement of the financial reports of the above named reporting unit for the year ended 31 March, 2006. For details of these provisions and organisations' financial reporting obligations please refer to the Registry's earlier correspondence.

In particular there is no record of lodgement of copies of:

- the general purpose financial report;
- the auditor's report; or
- the operating report.

These three reports are referred to as the "full report".

Section 268 of the RAO Schedule¹ requires that a copy of the full report be lodged in the Registry within 14 days (or such longer period a Registrar allows) after the full report is presented to a general meeting of members (or to a committee of management meeting if the rules make provision consistent with s266(3)).

Section 266 (1) requires that the full report be presented to the meeting within 6 months of the end of the financial year. Therefore, lodgement of the documents in the Registry was required by **15 October, 2006.**

Section 305(2)(ze) of the RAO Schedule is a civil penalty provision. It provides that a failure to meet the requirements of s268 is a contravention of that civil penalty provision. The Federal Court may on application of the Industrial Registrar impose a pecuniary penalty on the person or organisation whose conduct contravened the civil penalty provision.

I also draw your attention to the provisions of Part 1 of Chapter 9 of the RAO Schedule which set out the general duties of officers and employees of organisations and their branches in relation to financial management.

¹ Schedule 1B of the Workplace Relations Act 1996

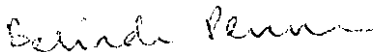
In the absence of lodgement of a copy of the full report, I request you state in writing by **8 November, 2006**:

- whether the auditor has audited the general purpose financial report and if so, the date on which the auditor signed the audit report
- whether the committee of management has prepared the operating report
- whether the full report has been provided to members, and if so, when
- whether the full report provided to the members has been presented to a general or committee of management meeting, and if so, when
- when a copy of the full report will be lodged in the Industrial Registry.

The full report when lodged must be accompanied by a certificate of the secretary or other authorised officer that the documents lodged are copies of the documents provided to members and presented to the general or committee of management meeting in accordance with s266.

If you wish to discuss this letter, please contact me on (02) 8374 6618. In reply please quote: **FR2006/214**.

Yours sincerely



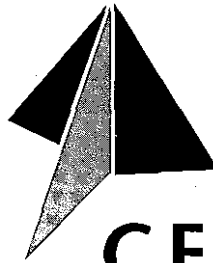
Belinda Penna

E-mail: belinda.penna@air.gov.au

18 October, 2006

CEPU Communications Division
**NSW TELECOMMUNICATIONS
& SERVICES BRANCH**

2nd Floor, 741 George Street, Sydney NSW 2000
Phone (02) 9281-2811
Fax (02) 9281-9494
www.ceputelserv.asn.au
ABN 69 143 175 060



CEPU

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

Deputy Industrial Registrar
Level 8, Terrace Towers
80 William Street
EAST SYDNEY NSW 2011

Attention: Ms Belinda Penna

**Branch Financial Documents
(your ref: FR2006/214)**

Dear Ms Penna,

Please find attached for your records a copy of the following documents:

- Financial Report for the year ended 31 March 2006 for the Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services Union of Australia, Communications Division, New South Wales Telecommunications and Services Branch.
- Concise Financial Report for the year ended 31 March 2006 for the Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services Union of Australia, Communications Division, New South Wales Telecommunications and Services Branch.
- Certificate of the Secretary that the documents presented for lodgment are copies of the documents provided to members and presented to the committee of management meeting in accordance with s266.

If you have any questions please contact the undersigned on (02) 9281 9142.

Yours faithfully

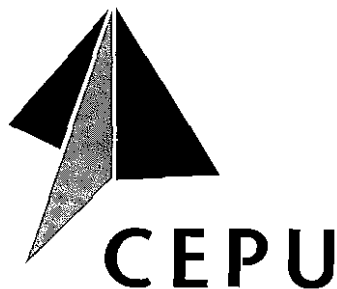
A handwritten signature in black ink, appearing to read 'Ian McCarthy', written over a circular stamp.

Ian McCarthy
Branch Secretary
30 October 2006



CEPU Communications Division
**NSW TELECOMMUNICATIONS
& SERVICES BRANCH**

2nd Floor, 741 George Street, Sydney NSW 2000
Phone (02) 9281-2811
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Communications
Electrical Electronic
Energy Information
Postal Plumbing
and Allied Services
Union of Australia

Certificate of Branch Secretary

S268 of Schedule 1B Workplace Relations Act 1996

I, Ian Stuart McCarthy being the Branch Secretary of the Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services Union of Australia, Communications Division, New South Wales Telecommunications and Services Branch certify:

- That the documents lodged herewith are copies of the full report, and the concise report, referred to in s268 of the RAO Schedule; and
- That the full report and concise report were provided to members on 6 September, 2006 through our branch website (www.ceputelserv.asn.au)
- That the full report was presented to a general meeting of members on 27 September 2006. This meeting failed due to lack of a quorum and the full report was then presented to a meeting of the Committee of Management on 29 September 2006; in accordance with section 266 of the RAO Schedule.

Ian McCarthy
Branch Secretary
30 October 2006



**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2006

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

OPERATING REPORT

Branch Committee of Management report in accordance with section 254 of the Workplace Relations Act 1996 for the year ended 31 March 2006.

Principal Activities

The principal activity of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia, Communications Division, New South Wales Telecommunications and Services Branch was that of a registered Trade Union.

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

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

There have been no significant changes to the way the Union has carried out these activities during the last financial year.

Operating Result

The operating surplus of the Branch for the financial year was \$87,998.

Significant Changes

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

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

Rights of Members

Subject to the Rule 11 of the Union's rules and Section 174 of the Workplace Relations Act 1996, members of the Union have the right to resign from membership by providing written notice addressed to and delivered to the Secretary of the Union.

Superannuation Office Holders

Branch Secretary, Ian McCarthy is a trustee of the Telstra Superannuation Scheme.

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

OPERATING REPORT (Cont'd)

Membership Numbers

- (1) Under section 230 of the RAO Schedule the number of persons recorded in the register of members and who under section 244 of the RAO Schedule are taken to be members of the Branch of the Union as at the 31 March 2006 was 2,548.
- (2) The number of persons, both full-time and part time employees measured on a full-time basis, employed by the Branch of the Union as at 31 March 2006 was six (6).
- (3) The names of persons who have at any time during the financial year ending 31 March 2006 been members of the CEPU T & S NSW Branch Committee of Management are detailed below. All such persons served on the committee for the period 1 April 2005 to 31 March 2006 unless otherwise indicated.

Executive:

Branch President:	Lloyd Harris
Branch Vice Presidents (technical):	Glenn Falls and Lee Walkington
Branch Vice President (operator):	MaryAnne Tucker
Branch Secretary:	Ian McCarthy
Branch Assistant Secretary:	Vivette Horrex

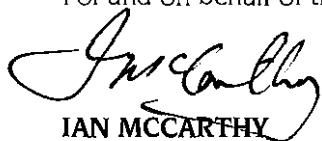
Operator Division:

Lynne Dunn
Aileen Hayden
Linda Hile
Cora Kalos
Louise Wilson

Technical Division:

Peter Banner
John Beard
Randall Bye
Tony Day
Michael Donohue
Peter Hayes
Alex Jansen
Peter Lane
Lisa O'Brien
Rick Pietrini
Simon Vanderzeil
Jeremy Wheeler

For and on behalf of the Committee of Management


IAN MCCARTHY
BRANCH SECRETARY
8 September 2006

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

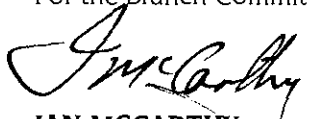
BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

On the ^{6th September} July 2006 the Branch Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia, Communications Division, New South Wales Telecommunications and Services Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 31 March 2006.

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 Standards;
- (b) the financial report and notes comply with the reporting guidelines of the Industrial Registrar;
- (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 ended 31 March 2006;
- (d) with the financial support of Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services Union of Australia, Communications Division, there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year ended 31 March 2006 and since the end of the financial year:
 - (i) meetings of the Branch Committee of Management were held in accordance with the rules of the organisation and the rules of the Branch; and
 - (ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation and the rules of the Branch; and
 - (iii) the financial records of the Branch have been kept and maintained in accordance with Schedule 1B to the Workplace Relations Act 1996 and the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003; and
 - (iv) the financial records of the Branch have been kept, as far as practicable, in a consistent manner to each of the other branches of the organisation; and
 - (v) the information sought in any request of a member of the Branch or a Registrar duly made under section 272 of Schedule 1B to the Workplace Relations Act 1996 has been furnished to the member or Registrar; and
 - (vi) there has been compliance with any order for inspection of the financial records made by the Commission under section 273 of Schedule 1B to the Workplace Relations Act 1996

For the Branch Committee of Management:


IAN MCCARTHY
BRANCH SECRETARY
& September 2006

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2006**

GENERAL ACCOUNT

	2006	2005
	\$	\$
INCOME		
Members' Dues	974,530	936,020
Director's Fees	27,973	24,484
Interest	1,270	3,572
Journal Advertising	1,400	-
O H & S Grant Income	50,000	50,000
Sundry Income	5,177	-
TOTAL INCOME	<u>1,060,350</u>	<u>1,014,076</u>
EXPENDITURE		
Depreciation		
Furniture and Equipment	<u>8,557</u>	<u>22,907</u>
Employee Benefits Expenses		
Accrued Annual Leave – Increase (Decrease) in Provision	(15,668)	6,422
Fringe Benefits Tax	8,212	4,378
Long Service Leave – Increase in Provision	6,172	3,744
Payroll Tax	20,051	23,035
Redundancy	-	9,122
Superannuation	51,348	46,521
Salaries – Industrial	38,205	71,504
- Administration	104,641	117,589
- Office Bearers	152,165	161,443
	<u>365,126</u>	<u>443,758</u>
Other Expenses		
Advertising	-	964
Affiliation Fees	21,249	16,554
Bad and Doubtful Debts	350	3,907
Bank Charges	13,201	12,144
Branch Assistance	661	2,120
Building Maintenance	878	805
Campaigns	12,026	-
Cleaning	19,650	18,349
Collection Commissions	5,549	5,256
Computer Expenses	15,187	12,340
Divisional Conference Dues	223,174	211,322
Donations	500	300
Electricity	<u>3,813</u>	<u>4,098</u>
Carried Forward	<u>316,238</u>	<u>288,159</u>

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2006 (Cont'd)**

GENERAL ACCOUNT

	Note	2006 \$	2005 \$
EXPENDITURE (Cont'd)			
Brought Forward		316,238	288,159
Equipment Rental and Maintenance		10,426	11,319
Insurance		10,025	10,802
Meeting, Seminar and Lecture Expenses		3,997	2,263
Motor Vehicle Running Expenses		1,982	-
National Council Dues – CEPU		1,281	1,428
Office Amenities		1,267	2,548
O H & S Grant Expenses		62,152	31,546
Organising Expenses - Fares and Car Hire		15,027	21,222
Organising expenses - Travelling		915	2,282
- Meals		1,070	630
Postage and Freight		13,665	18,644
Printing and Stationery		69,478	70,296
Professional Services	8	24,952	43,935
Publications and Subscriptions		3,165	4,191
Rates and Levies		30,997	28,925
Sundry Expenses		1,226	378
Telephone		30,806	29,531
		<u>598,669</u>	<u>568,099</u>
TOTAL EXPENDITURE		<u>972,352</u>	<u>1,034,764</u>
SURPLUS (DEFICIT) FOR YEAR		87,998	(20,688)
Accumulated Funds at Beginning of Year		1,671,490	1,692,178
ACCUMULATED FUNDS AT END OF YEAR		<u>1,759,488</u>	<u>1,671,490</u>

[The attached Notes form part of the financial report.]

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2006**

SPECIAL FUND ACCOUNT

	2006	2005
	\$	\$
INCOME		
Interest Received	<u>82</u>	<u>81</u>
TOTAL INCOME	<u>82</u>	<u>81</u>
EXPENDITURE		
Bank Charges	<u>-</u>	<u>35</u>
TOTAL EXPENDITURE	<u>-</u>	<u>35</u>
SURPLUS FOR YEAR	82	46
Add Accumulated Funds at Beginning of Year	<u>81,578</u>	<u>81,532</u>
ACCUMULATED FUNDS AT END OF YEAR	<u>81,660</u>	<u>81,578</u>

[The attached Notes form part of the financial report.]

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

BALANCE SHEET AS AT 31 MARCH 2006

	Note	2006 \$	2005 \$
ACCUMULATED FUNDS			
General Account		1,759,488	1,671,490
Special Fund Account		<u>81,660</u>	<u>81,578</u>
		<u>1,841,148</u>	<u>1,753,068</u>
Represented by:			
ASSETS			
Current Assets			
Cash and Cash Equivalents	4	148,120	139,813
Receivables	5	<u>56,195</u>	<u>60,953</u>
Total Current Assets		<u>204,315</u>	<u>200,766</u>
Non Current Assets			
Special Fund Loan to General Account		58,314	58,314
Property Plant and Equipment	6	<u>2,062,187</u>	<u>2,066,794</u>
Total Non Current Assets		<u>2,120,501</u>	<u>2,125,108</u>
TOTAL ASSETS		<u>2,324,816</u>	<u>2,325,874</u>
LIABILITIES			
Current Liabilities			
Provision for Annual Leave		26,651	42,320
Provision for Long Service Leave		57,459	51,287
Payables	7	<u>341,244</u>	<u>420,885</u>
Total Current Liabilities		<u>425,354</u>	<u>514,492</u>
Non Current Liabilities			
General Account Loan from Special Fund Account		<u>58,314</u>	<u>58,314</u>
Total Non Current Liabilities		<u>58,314</u>	<u>58,314</u>
TOTAL LIABILITIES		<u>483,668</u>	<u>572,806</u>
NET ASSETS		<u>1,841,148</u>	<u>1,753,068</u>

[The attached Notes form part of the financial report.]

COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 31 MARCH 2006

	Accumulated Funds General Account	Accumulated Funds Special Fund Account	Total Accumulate d Funds
	\$	\$	\$
Balance at 1 April 2004	1,692,178	81,532	1,773,710
Net Surplus (Deficit) for Year	<u>(20,688)</u>	<u>46</u>	<u>(20,642)</u>
Balance at 31 March 2005	1,671,490	81,578	1,753,068
Net Surplus for Year	<u>87,998</u>	<u>82</u>	<u>88,080</u>
Balance at 31 March 2006	<u>1,759,488</u>	<u>81,660</u>	<u>1,841,148</u>

[The attached Notes form part of the financial report.]

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2006**

	Note	2006 \$	2005 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Members		974,530	936,020
Payments to Suppliers and Employees		(1,048,175)	(1,150,578)
Interest Received		1,352	4,349
Other		84,550	74,484
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	9(b)	<u>12,257</u>	<u>(135,725)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Commercial Bills		-	74,669
Payment for Plant and Equipment		<u>(3,950)</u>	<u>(2,524)</u>
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES		<u>(3,950)</u>	<u>72,145</u>
NET INCREASE/(DECREASE) IN CASH HELD		8,307	(63,580)
Cash at Beginning of Year		<u>139,813</u>	<u>203,393</u>
CASH AT END OF YEAR	9(a)	<u>148,120</u>	<u>139,813</u>

[The attached Notes form part of the financial report.]

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2006**

I. STATEMENT OF ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Workplace Relations Act, 1996.

Compliance with Australian equivalents to International Financial Reporting Standards ensures that the financial report comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS) except for:

- Segment reporting because AASB 114 "Segment Reporting" does not apply to not-for-profit organisations.
- Impairment of assets under AASB 136 "Impairment of assets"

BASIS OF PREPARATION

The financial report is for the entity Communications, Electrical, Electronic, Energy, Information, Postal Plumbing & Allied Services Union of Australia, Communications Division, New South Wales Telecommunications and Services Branch as an individual entity. The Communications, Electrical, Electronic, Energy, Information Postal Plumbing & Allied Services Union of Australia is an organisation registered under the Workplace Relations Act, 1996. The New South Wales Telecommunications and Services Branch is a Branch of the registered organisation. In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the Branch are not subject to the Corporations Act 2001.

The financial report has been prepared on the basis of historical costs. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The financial report has been prepared on a going concern basis, which contemplates continuity of normal operating activities and the realisation of assets and settlement of liabilities in the normal course of the branch's operations.

The continuing operations of the branch and the ability to pay its debts in the normal course is dependant upon the financial support of Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services Union of Australia, Communications Division, as necessary, and upon the success of future operations.

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

This is the first financial report prepared under AIFRS and AASB 1 First-Time Adoption of Australian Equivalents to International Financial Reporting Standards has been applied in preparing these statements. Comparatives for the year ended 31 March 2005 have been restated accordingly.

There have been no adjustments required to assets, liabilities or accumulated funds as a result of the introduction of AIFRS.

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2006 [Cont'd]**

1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The following is a summary of the significant accounting policies adopted by the branch in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

(a) Revenue

Members' Dues are accounted for on a cash receipts basis.

Directors Fees that any union official receives as a result of their position at the union are accounted for on a cash receipts basis.

(b) Income Tax

No provision for Income Tax is necessary as the branch is exempt from Income Tax under Section 50 - 15 of the Income Tax Assessment Act 1997.

(c) Property, Plant and Equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and any impairment in value.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line method over their useful lives to the branch commencing from the time the asset is ready for use.

The depreciation rates used for each class of asset are:

Office Furniture and Equipment	5% - 33%
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The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date.

Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in the income statement in the year that the item is derecognised.

The branch does not depreciate the strata title units as it contributes to a sinking fund for use by the strata plan in keeping the structure of the property intact.

(d) Impairment

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised in the income statement for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value and value in use. For the purpose of assessing value in use, this represents depreciated current replacement cost, as the Union is a not-for profit organisation.

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2006 [Cont'd]**

1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(e) Employee Benefits

Provision is made for the Branch's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled plus related on costs.

Other employee benefits payable later than one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. In the case of Long Service Leave this results in an amount not materially different to that achieved by discounting future cash flows.

Contributions are made by the Branch to employee superannuation funds and are charged as expenses when incurred.

(f) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables on the balance sheet are shown inclusive of GST.

(g) Accounting Standards Issued But Not Yet Effective

There have been no accounting standards issued which will impact the financial report in future periods and which are not yet effective.

2. ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The branch makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of asset and liabilities.

(b) Critical judgments in applying the Branch's accounting principles

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

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2006 [Cont'd]**

3. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act, 1996, the attention of members is drawn to the provisions of Sub-Sections (1), (2) and (3) of Section 272 of Schedule 1B which read as follows:-

- (1) A member of an organisation, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and 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).

	2006	2005
	\$	\$
4. CASH AND CASH EQUIVALENTS		
Cash on Hand – Petty Cash	1,280	1,100
Cash at Bank		
- General Account	123,494	115,449
- Special Fund Account	23,346	23,264
	<u>148,120</u>	<u>139,813</u>

5. RECEIVABLES
Current

CEPU Divisional Conference	4,473	4,473
Other	37,659	45,542
Prepayments	14,063	10,938
	<u>56,195</u>	<u>60,953</u>

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2006 [Cont'd]**

	2006 \$	2005 \$
6. PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings		
Strata Title Units Nos 2, 3 and 4 741 George Street, Sydney NSW 2000		
Cost	2,341,992	2,341,992
Less Accumulated Depreciation	<u>(307,023)</u>	<u>(307,023)</u>
	<u>2,034,969</u>	<u>2,034,969</u>
<p>As at 31 March 2004 Strata Title Units controlled by the Branch were transferred to the Branch from Divisional Council. This was done in accordance with the decision of the Union's Divisional Conference to allow branches to show in their financial records the properties for which they have the right of custody, control or management.</p> <p>The transfer was made at the book value of the relevant strata title units recorded in the financial records of Divisional Council as at 31 March 2004.</p> <p>The branch's gain on transfer was \$2,034,969.</p>		
Office Furniture and Equipment		
Cost	407,784	401,308
Less Accumulated Depreciation	<u>(380,566)</u>	<u>(369,483)</u>
	<u>27,218</u>	<u>31,825</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>2,062,187</u>	<u>2,066,794</u>

MOVEMENTS IN CARRYING AMOUNTS

	Land and Building	Office Furniture and Equipment	Total
Balance at 1 April 2005	2,034,969	31,825	2,066,794
Additions	-	3,950	3,950
Disposals	-	-	-
Depreciation	-	(8,557)	(8,557)

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

Balance at 31 March 2006	<u>2,034,969</u>	<u>27,218</u>	<u>2,062,187</u>
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**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2006 [Cont'd]**

	2006	2005
	\$	\$
7. PAYABLES		
CEPU Divisional Conference	164,382	260,611
CEPU National Council	13,153	14,109
Other Creditors	<u>163,709</u>	<u>146,165</u>
	<u>341,244</u>	<u>420,885</u>
8. PROFESSIONAL SERVICES		
Audit Fees	19,050	16,650
Accounting Fees	4,937	3,920
Legal Fees	<u>965</u>	<u>23,365</u>
	<u>24,952</u>	<u>43,935</u>
9. CASH FLOW INFORMATION		
(a) For the purposes of the Cash Flow Statement, cash includes cash on hand and at call deposits with banks and other financial institutions.		
Cash at Bank		
General Account	123,494	115,449
Special Fund Account	23,346	23,264
Cash on Hand	<u>1,280</u>	<u>1,100</u>
	<u>148,120</u>	<u>139,813</u>

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2006 [Cont'd]**

	2006 \$	2005 \$
9. CASH FLOW INFORMATION (Cont'd)		
(b) Reconciliation of Cash Flow from Operations with Net Surplus/(Deficit)		
Net Surplus/(Deficit)		
General Fund	87,998	(20,688)
Special Fund	82	46
Total Net Surplus/(Deficit)	<u>88,080</u>	<u>(20,642)</u>
Non-Cash Flows in Net Surplus/(Deficit)		
Depreciation	8,557	22,907
Changes in Assets and Liabilities		
Decrease in Accrued Interest	-	696
(Decrease) in Employee Entitlements	(9,497)	(15,011)
Decrease in Sundry Debtors	7,883	13,809
(Increase) Decrease in Prepayments	(3,125)	471
(Decrease) in Sundry Creditors	<u>(79,641)</u>	<u>(137,955)</u>
CASH FLOWS FROM OPERATIONS	<u>12,257</u>	<u>(135,725)</u>

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2006 [Cont'd]**

10. FINANCIAL INSTRUMENTS

Interest Rate Risk

The Branch's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out below:

31 March 2006	Floating interest rate	Non interest bearing	Total
Financial Assets	\$	\$	\$
Cash	146,840	1,280	148,120
Receivables	-	42,132	42,132
	<u>146,840</u>	<u>43,412</u>	<u>190,252</u>
Weighted average Interest rate	0.84%		
Financial Liabilities			
Payables	-	(341,244)	(341,244)
	<u>-</u>	<u>(341,244)</u>	<u>(341,244)</u>
Net Financial Assets/(Liabilities)	<u>146,840</u>	<u>(297,832)</u>	<u>(150,992)</u>
31 March 2005			
Financial Assets			
Cash	138,713	1,100	139,813
Receivables	-	50,015	50,015
	<u>138,713</u>	<u>51,115</u>	<u>189,828</u>
Weighted average Interest rate	0.58%		
Financial Liabilities			
Payables	-	(420,885)	(420,885)
	<u>-</u>	<u>(420,885)</u>	<u>(420,885)</u>
Net Financial Assets/(Liabilities)	<u>138,713</u>	<u>(369,770)</u>	<u>(231,057)</u>

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2006 (Cont'd)**

10. FINANCIAL INSTRUMENTS (Cont'd)

Credit Risk Exposure

Credit risk is the risk that counter parties to a financial asset will fail to discharge their obligation, causing the Branch to incur financial loss.

The credit risk exposure of the Branch to financial assets which have been recognised in the Statement of Financial Position is generally the carrying amounts, net of any provisions for doubtful debts.

The carrying amounts of cash and non-interest bearing monetary financial assets and liabilities (e.g. receivables and payables) approximate net fair values.

11. SUPERANNUATION

All employees of the Branch are entitled to benefits from a superannuation plan on retirement, disability or death. The Branch participated in a defined contribution plan. The benefits provided under this plan are based on accumulated contributions and earnings for each employee. The Branch's liability is limited to paying the contributions to the plan.

12. REGISTERED OFFICE

The registered office and principal place of business of the Branch is:

Level 2,
741 George Street
Sydney NSW 2000

13. RELATED PARTIES

- (a) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the Income Statement under Salaries – Office Bearers.
- (b) The aggregate amount paid during the financial year to a superannuation plan in respect of elected full time officials was \$41,178 (2005: \$42,829).
- (c) There have been no other transactions between the officers and the branch other than those relating to their membership of the branch and the reimbursement by the branch in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2006 (Continued)

13. RELATED PARTIES (Cont'd)

- (d) The names of persons who have at any time during the financial year ending 31 March 2006 been members of the CEPU T & S NSW Branch Committee of Management are as follows:

Executive:

Branch President:	Lloyd Harris
Branch Vice Presidents (technical):	Glenn Falls and Lee Walkington
Branch Vice President (operator):	MaryAnne Tucker
Branch Secretary:	Jan McCarthy
Branch Assistant Secretary:	Vivette Horrex

Operator Division:

Lynne Dunn
Aileen Hayden
Linda Hile
Cora Kalos
Louise Wilson

Technical Division:

Peter Banner
John Beard
Randall Bye
Tony Day
Michael Donohue
Peter Hayes
Alex Jansen
Peter Lane
Lisa O'Brien
Rick Pietrini
Simon Vanderzeil
Jeremy Wheeler

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

INDEPENDENT AUDIT REPORT

Scope

The Financial Report and the Responsibility of the Branch Committee of Management and Branch Secretary

The financial report comprises the balance sheet, income statement, statement of changes in accumulated funds, cash flow statement, accompanying notes to the financial statements and the Branch Committee of Management's statement for the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia, Communications Division, New South Wales Telecommunications and Services Branch, for the year ended 31 March 2006.

The Branch Committee of Management and the Branch Secretary are responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

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

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

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

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

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

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Workplace Relations Act 1996.

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

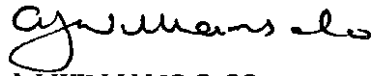
COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

Audit Opinion

In our opinion the general purpose financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia, Communications Division, New South Wales Telecommunications and Services Branch is in accordance with the Workplace Relations Act 1996, including:

- (i) giving a true and fair view of the Branch's financial position as at 31 March 2006 and its performance for the year ended on that date; and
- (ii) complying with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia; and
- (iii) complying with the requirements of the RAO Schedule.


A J WILLIAMS & CO.



D S MCLEAN
Registered Company Auditor.
SYDNEY NSW 2000

8 September 2006



**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2006**

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

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**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

Information on the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia, Communications Division, New South Wales Telecommunications and Services Branch Concise Financial Report:

The financial statements and disclosures in the concise financial report have been derived from the 2006 financial report of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia, Communications Division, New South Wales Telecommunications and Services Branch.

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

This discussion and analysis is provided to assist members in understanding the concise report. The discussion and analysis is based on Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia, Communications Division, New South Wales Telecommunications and Services Branch 2006 financial report.

Both Telstra and Optus, who employ the majority of branch members downsized significantly through the year. Membership numbers reduced over the year by some 234 members.

Income derived from membership dues increased by \$38,510 despite the reduction in net membership largely due to efforts of the branch in recovering outstanding debt.

Outstanding Divisional Conference Dues were reduced by \$96,229 in line with a repayment programme determined by Divisional Conference.

Improving cash flow is a major imperative for the Branch to fund ongoing recruitment to mitigate against membership losses across the telecommunications industry. Whilst the branch has significant fixed assets in the form of CBD property, work needs to be undertaken to look at a means in which to improve cash flow from these assets.

The Branch is currently engaged in discussions with the NSW P&T Branch with a view to integrate operations and the associated cost savings which can subsequently be channeled into recruitment.

The Branch has a considerable amount owing in unpaid membership contributions but this is not recorded as an asset as the Branch accounts for contributions income on a cash basis. The Branch is still undertaking activity in an attempt to collect this money from those members who have remained eligible for membership and who have benefited from the activities of the CEPU. This activity is critical to the branch efforts in improving cash flow.


IAN MCCARTHY
BRANCH SECRETARY

8 September 2006

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

OPERATING REPORT

Branch Committee of Management report in accordance with section 254 of the Workplace Relations Act 1996 for the year ended 31 March 2006.

Principal Activities

The principal activity of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia, Communications Division, New South Wales Telecommunications and Services Branch was that of a registered Trade Union.

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

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

There have been no significant changes to the way the Union has carried out these activities during the last financial year.

Operating Result

The operating surplus of the Branch for the financial year was \$87,998.

Significant Changes

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

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

Rights of Members

Subject to the Rule 11 of the Union's rules and Section 174 of the Workplace Relations Act 1996, members of the Union have the right to resign from membership by providing written notice addressed to and delivered to the Secretary of the Union.

Superannuation Office Holders

Branch Secretary, Ian McCarthy is a trustee of the Telstra Superannuation Scheme.

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

OPERATING REPORT (Cont'd)

Membership Numbers

- (1) Under section 230 of the RAO Schedule the number of persons recorded in the register of members and who under section 244 of the RAO Schedule are taken to be members of the Branch of the Union as at the 31 March 2006 was 2,548.
- (2) The number of persons, both full-time and part time employees measured on a full-time basis, employed by the Branch of the Union as at 31 March 2006 was six (6).
- (3) The names of persons who have at any time during the financial year ending 31 March 2006 been members of the CEPU T & S NSW Branch Committee of Management are detailed below. All such persons served on the committee for the period 1 April 2005 to 31 March 2006 unless otherwise indicated.

Executive:

Branch President:	Lloyd Harris
Branch Vice Presidents (technical):	Glenn Falls and Lee Walkington
Branch Vice President (operator):	MaryAnne Tucker
Branch Secretary:	Ian McCarthy
Branch Assistant Secretary:	Vivette Horrex


Operator Division:

Lynne Dunn
Aileen Hayden
Linda Hile
Cora Kalos
Louise Wilson

Technical Division:

Peter Banner
John Beard
Randall Bye
Tony Day
Michael Donohue
Peter Hayes
Alex Jansen
Peter Lane
Lisa O'Brien
Rick Pietrini
Simon Vanderzeil
Jeremy Wheeler

For and on behalf of the Committee of Management


IAN MCCARTHY
BRANCH SECRETARY
8 September 2006

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

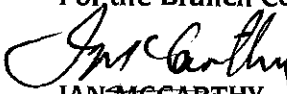
BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

On the ^{6th September} July 2006 the Branch Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia, Communications Division, New South Wales Telecommunications and Services Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 31 March 2006.

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 Standards;
- (b) the financial report and notes comply with the reporting guidelines of the Industrial Registrar;
- (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 ended 31 March 2006;
- (d) with the financial support of Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services Union of Australia, Communications Division, there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year ended 31 March 2006 and since the end of the financial year:
 - (i) meetings of the Branch Committee of Management were held in accordance with the rules of the organisation and the rules of the Branch; and
 - (ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation and the rules of the Branch; and
 - (iii) the financial records of the Branch have been kept and maintained in accordance with Schedule 1B to the Workplace Relations Act 1996 and the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003; and
 - (iv) the financial records of the Branch have been kept, as far as practicable, in a consistent manner to each of the other branches of the organisation; and
 - (v) the information sought in any request of a member of the Branch or a Registrar duly made under section 272 of Schedule 1B to the Workplace Relations Act 1996 has been furnished to the member or Registrar; and
 - (vi) there has been compliance with any order for inspection of the financial records made by the Commission under section 273 of Schedule 1B to the Workplace Relations Act 1996

For the Branch Committee of Management:


IAN MCCARTHY
BRANCH SECRETARY
8 September 2006

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2006**

GENERAL ACCOUNT

	2006	2005
	\$	\$
INCOME		
Members' Dues	974,530	936,020
Director's Fees	27,973	24,484
Interest	1,270	3,572
Journal Advertising	1,400	-
O H & S Grant Income	50,000	50,000
Sundry Income	5,177	-
TOTAL INCOME	<u>1,060,350</u>	<u>1,014,076</u>
EXPENDITURE		
Depreciation		
Furniture and Equipment	<u>8,557</u>	<u>22,907</u>
Employee Benefits Expenses		
Accrued Annual Leave – Increase (Decrease) in Provision	(15,668)	6,422
Fringe Benefits Tax	8,212	4,378
Long Service Leave – Increase in Provision	6,172	3,744
Payroll Tax	20,051	23,035
Redundancy	-	9,122
Superannuation	51,348	46,521
Salaries – Industrial	38,205	71,504
- Administration	104,641	117,589
- Office Bearers	152,165	161,443
	<u>365,126</u>	<u>443,758</u>
Other Expenses		
Advertising	-	964
Affiliation Fees	21,249	16,554
Bad and Doubtful Debts	350	3,907
Bank Charges	13,201	12,144
Branch Assistance	661	2,120
Building Maintenance	878	805
Campaigns	12,026	-
Cleaning	19,650	18,349
Collection Commissions	5,549	5,256
Computer Expenses	15,187	12,340
Divisional Conference Dues	223,174	211,322
Donations	500	300
Electricity	3,813	4,098
Carried Forward	<u>316,238</u>	<u>288,159</u>

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2006 (Cont'd)**

GENERAL ACCOUNT

	2006	2005
	\$	\$
EXPENDITURE (Cont'd)		
Brought Forward	316,238	288,159
Equipment Rental and Maintenance	10,426	11,319
Insurance	10,025	10,802
Meeting, Seminar and Lecture Expenses	3,997	2,263
Motor Vehicle Running Expenses	1,982	-
National Council Dues – CEPU	1,281	1,428
Office Amenities	1,267	2,548
O H & S Grant Expenses	62,152	31,546
Organising Expenses - Fares and Car Hire	15,027	21,222
Organising expenses - Travelling	915	2,282
- Meals	1,070	630
Postage and Freight	13,665	18,644
Printing and Stationery	69,478	70,296
Professional Services	24,952	43,935
Publications and Subscriptions	3,165	4,191
Rates and Levies	30,997	28,925
Sundry Expenses	1,226	378
Telephone	30,806	29,531
	<u>598,669</u>	<u>568,099</u>
TOTAL EXPENDITURE	<u>972,352</u>	<u>1,034,764</u>
SURPLUS (DEFICIT) FOR YEAR	87,998	(20,688)
Accumulated Funds at Beginning of Year	1,671,490	1,692,178
	<u>1,759,488</u>	<u>1,671,490</u>
ACCUMULATED FUNDS AT END OF YEAR	<u>1,759,488</u>	<u>1,671,490</u>

[The attached Notes form part of these financial statements.]

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2006**

SPECIAL FUND ACCOUNT

	2006	2005
	\$	\$
INCOME		
Interest Received	<u>82</u>	<u>81</u>
TOTAL INCOME	<u>82</u>	<u>81</u>
EXPENDITURE		
Bank Charges	<u>-</u>	<u>35</u>
TOTAL EXPENDITURE	<u>-</u>	<u>35</u>
SURPLUS FOR YEAR	82	46
Add Accumulated Funds at Beginning of Year	<u>81,578</u>	<u>81,532</u>
ACCUMULATED FUNDS AT END OF YEAR	<u>81,660</u>	<u>81,578</u>

[The attached Notes form part of these financial statements.]

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

BALANCE SHEET AS AT 31 MARCH 2006

	2006	2005
	\$	\$
ACCUMULATED FUNDS		
General Account	1,759,488	1,671,490
Special Fund Account	<u>81,660</u>	<u>81,578</u>
	<u>1,841,148</u>	<u>1,753,068</u>
Represented by:		
ASSETS		
Current Assets		
Cash and Cash Equivalents	148,120	139,813
Receivables	<u>56,195</u>	<u>60,953</u>
Total Current Assets	<u>204,315</u>	<u>200,766</u>
Non Current Assets		
Special Fund Loan to General Account	58,314	58,314
Property Plant and Equipment	<u>2,062,187</u>	<u>2,066,794</u>
Total Non Current Assets	<u>2,120,501</u>	<u>2,125,108</u>
TOTAL ASSETS	<u>2,324,816</u>	<u>2,325,874</u>
LIABILITIES		
Current Liabilities		
Provision for Annual Leave	26,651	42,320
Provision for Long Service Leave	57,459	51,287
Payables	<u>341,244</u>	<u>420,885</u>
Total Current Liabilities	<u>425,354</u>	<u>514,492</u>
Non Current Liabilities		
General Account Loan from Special Fund Account	<u>58,314</u>	<u>58,314</u>
Total Non Current Liabilities	<u>58,314</u>	<u>58,314</u>
TOTAL LIABILITIES	<u>483,668</u>	<u>572,806</u>
NET ASSETS	<u>1,841,148</u>	<u>1,753,068</u>

[The attached Notes form part of these financial statements.]

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 31 MARCH 2006**

	Accumulated Funds General Account	Accumulated Funds Special Fund Account	Total Accumulated Funds
	\$	\$	\$
Balance at 1 April 2004	1,692,178	81,532	1,773,710
Net Surplus (Deficit) for Year	<u>(20,688)</u>	<u>46</u>	<u>(20,642)</u>
Balance at 31 March 2005	1,671,490	81,578	1,753,068
Net Surplus for Year	<u>87,998</u>	<u>82</u>	<u>88,080</u>
Balance at 31 March 2006	<u>1,759,488</u>	<u>81,660</u>	<u>1,841,148</u>

[The attached Notes form part of these financial statements.]

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2006**

	2006	2005
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Members	974,530	936,020
Payments to Suppliers and Employees	(1,048,175)	(1,150,578)
Interest Received	1,352	4,349
Other	84,550	74,484
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>12,257</u>	<u>(135,725)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Commercial Bills	-	74,669
Payment for Plant and Equipment	(3,950)	(2,524)
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	<u>(3,950)</u>	<u>72,145</u>
NET INCREASE/(DECREASE) IN CASH HELD	8,307	(63,580)
Cash at Beginning of Year	<u>139,813</u>	<u>203,393</u>
CASH AT END OF YEAR	<u>148,120</u>	<u>139,813</u>

[The attached Notes form part of these financial statements.]

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006**

NOTE 1: BASIC PREPARATION OF THE CONCISE FINANCIAL REPORT

The concise financial report has been prepared in accordance with applicable Accounting Standards and the Workplace Relations Act 1996.

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

Both the full and concise financial reports have been prepared on a going concern basis, which contemplates continuity of normal operating activities and the realisation of assets and settlement of liabilities in the normal course of the branch's operations.

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

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

The full report is the first financial report prepared under AIFRS and AASB 1 First-Time Adoption of Australian Equivalents to International Financial Reporting Standards has been applied in preparing these statements. Comparatives for the year ended 31 March 2006, have been presented applying AIFRS.

There have been no adjustments required to assets, liabilities or accumulated funds as a result of the introduction of AIFRS.

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

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006 (Cont'd)**

NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act, 1996, the attention of members is drawn to the provisions of Sub-Sections [1], [2] and [3] of Section 272 of Schedule 1B which read as follows:

- [1] A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- [2] The application must be in writing and 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).

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION
POSTAL PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA**

COMMUNICATIONS DIVISION

NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

INDEPENDENT AUDIT REPORT

To the members of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia, Communications Division, New South Wales Telecommunications and Services Branch

Scope


We have audited the concise financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia, Communications Division, New South Wales Telecommunications and Services Branch for the financial year ended 31 March 2006 comprising the Branch Committee of Management Statement, Income Statement, Balance Sheet, Statement of Changes in Accumulated Funds, Cash Flow Statement and notes to the financial statements. The Branch Committee of Management and the Branch Secretary are responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members.

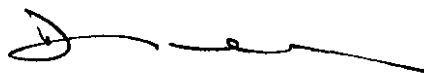
Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the concise financial report is free of material misstatement. We have also performed an independent audit of the full financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia, Communications Division, New South Wales Telecommunications and Services Branch for the year ended 31 March 2006. Our audit report on the full financial report was signed on 7 July 2006, and was not subject to any qualification.

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

Audit Opinion

In our opinion, the concise financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia, Communications Division, New South Wales Telecommunications and Services Branch complies with Accounting Standards and the Workplace Relations Act 1996.


A J Williams & Co.



D S McLean

Registered Company Auditor.

SYDNEY NSW 2000

8 September 2006



Australian Government
Australian Industrial Registry

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

Mr Ian McCarthy
Branch Secretary, NSW Telecommunications & Services Branch
CEPU
2nd Floor, 741 George Street
SYDNEY NSW 2000

Dear Mr McCarthy

**Re: Lodgement of Financial Statements and Accounts –
New South Wales Telecommunications & Services Branch –
for year ending 31 March 2006 (FR2006/214)**

I refer to the abovementioned financial statements and accounts which were lodged in the Registry on 31 October 2006.

The legislative requirements appear to have been met and accordingly the documents have been filed.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Stephen Kellett', with a long horizontal stroke extending to the right.

Stephen Kellett
Statutory Services Branch

8 November 2006