



FAIR WORK  
AUSTRALIA

3 August 2011

Mr Alex Jansen  
Secretary, NSW Telecommunications and Services Branch  
CEPU  
2<sup>nd</sup> Floor, 741 George Street  
SYDNEY NSW 2000



Dear Mr Jansen

**Re: Lodgement of Financial Statements and Accounts – NSW Telecommunications and Services Branch – for year ending 31 March 2011 (FR2011/2514)**

Thank you for lodging the above financial return which was received by Fair Work Australia on 29 July 2011.

The documents have been filed. However I make the following comments.

The figure for “Donations” in the Statement of Comprehensive Income was \$5,610. If this figure included any single donation exceeding \$1,000, then a separate statement pursuant to section 237 of the Act, showing the prescribed particulars must be lodged as soon as possible if it has not already been lodged.

I note that your Secretary’s certificate certifies that the report will be presented to a meeting on 20 August 2011. Section 268 clearly contemplates that the Secretary’s certificate - and the financial report - will be lodged after, and not before, the presentation meeting held in accordance with section 266.

Please don’t hesitate to contact me if you have any questions regarding these matters. There is no further action required in relation to this return.

Yours sincerely,

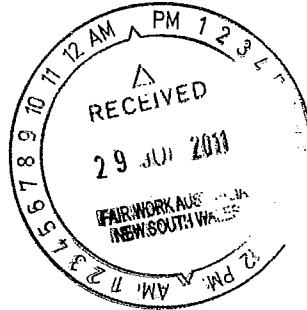
Stephen Kellett

Statutory Services Branch

Terrace Towers  
80 William Street  
East Sydney NSW 2011

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Statutory Services Branch  
Fair Work Australia  
80 William Street  
EAST SYDNEY NSW 2011



Attention : Stephen Kellett

**Re : Designated Officers Certificate**  
s268 Fair Work (Registered Organisations) Act 2009

Dear Stephen,

I, Alex Jansen being the Branch Secretary of the CEPU (NSW)  
Telecommunications and Services Branch certify:

- That the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009, and
- That the full report, was provided to members on 20<sup>th</sup> July 2011
- That the full report will be presented to a General Meeting of members of the reporting unit on 20 August 2011, in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Yours sincerely

Alex Jansen  
Branch Secretary  
27 July 2011

**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 2011**

**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 Fair Work (Registered Organisations) Act 2009 for the year ended 31 March 2011.

**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 deficit of the Branch for the financial year was \$57,008.

**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(1) of the Fair Work (Registered Organisations) Act 2009, 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. In accordance with section 174(1) of the Fair Work (Registered Organisations) Act 2009 a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.

**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)**

**Superannuation Office Holders**

No Office Holder was a trustee of a Superannuation Scheme during the year ended 31 March 2011.

**Membership Numbers**

- (1) Under section 230 of the Fair Work (Registered Organisations) Act 2009 the number of persons recorded in the register of members and who under section 244 of the Fair Work (Registered Organisations) Act 2009 are taken to be members of the Branch of the Union as at 31 March 2011 was 1,541.
- (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 2011 was four (4).
- (3) The names of persons who have at any time during the financial year ending 31 March 2011 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 2010 to 31 March 2011 unless otherwise indicated.

**Executive:**

Branch President:	Lloyd Harris
Branch Vice Presidents (technical):	Glenn Falls and Lee Walkington
Branch Vice President (operator):	(VACANT)
Branch Secretary:	Alex Jansen (Appointed 1 April 2010)
Branch Assistant Secretary:	(VACANT)

**Operator Division:**

(VACANT)  
(VACANT)

**Technical Division:**

Peter Banner  
Randall Bye  
Colin Cooper  
John Duffey  
Peter Hayes  
George Piggins  
Peter Wasilewski  
(VACANT)  
(VACANT)

For and on behalf of the Committee of Management



**ALEX JANSEN**  
**BRANCH SECRETARY**  
20 July 2011

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

**COMMUNICATIONS DIVISION**

**NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH**

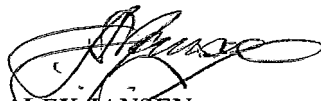
**BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT**

On 20 July 2011 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 2011.

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 General Manager of Fair Work Australia;
- (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 2011;
- (d) there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year ended 31 March 2011 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 the Fair Work (Registered Organisations) Act 2009; 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) no information has been sought in any request of a member of the branch or the General Manager of Fair Work Australia under section 272 of the Fair Work (Registered Organisations) Act 2009; and
  - (vi) no order for inspection of the financial records was made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (f) during the financial year ended 31 March 2011 the branch did not participate in any recovery of wages activity.

For the Branch Committee of Management:

  
**ALEX JANSEN**  
**BRANCH SECRETARY**  
20 July 2011

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

**COMMUNICATIONS DIVISION**

**NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2011**

**GENERAL ACCOUNT**

	2011 \$	2010 \$
<b>INCOME</b>		
Members' Dues	595,847	634,740
Director's Fees	-	40,000
Interest	43,265	44,011
Sundry Income	11,789	1,265
Donations	20	85
Donations – Welfare Fund	100	3,188
<b>TOTAL INCOME</b>	<u>651,021</u>	<u>723,289</u>
<b>EXPENDITURE</b>		
<b>Depreciation</b>		
Furniture and Equipment	<u>7,683</u>	<u>8,525</u>
<b>Employee Benefits Expenses</b>		
Accrued Annual Leave – (Decrease) in Provision	(10,104)	(8,541)
Fringe Benefits Tax	1,618	3,439
Long Service Leave – (Decrease) in Provision	(47,171)	(31,793)
Payroll Tax	16,756	25,095
Redundancy – Office Bearer	-	85,410
Superannuation	26,306	42,700
Salaries – Industrial	54,195	113,162
– Administration	52,651	99,485
– Office Bearers	96,088	135,182
Termination- Officer Bearer	69,972	-
	<u>260,311</u>	<u>464,139</u>
<b>Other Expenses</b>		
Affiliation Fees	26,667	2,205
Bad and Doubtful Debts (written back)	-	(1,147)
Bank Charges	10,555	11,287
Cleaning	7,231	17,082
Collection Commissions	496	641
Computer Expenses	19,587	13,307
Divisional Conference Dues	134,065	142,821
Divisional Conference Journey Cover Insurance	9,841	10,663
Donations	5,610	-
Electricity	3,173	3,196
<b>Carried Forward</b>	<u>217,225</u>	<u>200,055</u>

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

**COMMUNICATIONS DIVISION**

**NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2011 (Cont'd)**

**GENERAL ACCOUNT**

	<b>Note</b>	<b>2011</b>	<b>2010</b>
		<b>\$</b>	<b>\$</b>
<b>EXPENDITURE (Cont'd)</b>			
Brought Forward		217,225	200,055
Equipment Rental and Maintenance		11,141	10,630
Insurance		8,822	9,211
Meeting, Seminar and Lecture Expenses		5,419	760
Motor Vehicle Running Expenses		9,908	19,333
National Office Dues		2,396	-
Office Amenities		659	747
Office Rent		82,650	82,650
Organising Expenses - Fares and Car Hire		1,892	1,934
- Travelling		193	7,811
- Meals		-	120
Postage and Freight		8,131	6,425
Printing and Stationery		14,905	42,920
Professional Services	8	56,710	31,387
Publications and Subscriptions		646	1,605
Rates and Levies		554	796
Sundry Expenses		5,118	4,848
Telephone		13,666	25,793
		<u>440,035</u>	<u>447,025</u>
<b>TOTAL EXPENDITURE</b>		<u>708,029</u>	<u>919,689</u>
<b>DEFICIT FOR YEAR</b>		<u>(57,008)</u>	<u>(196,400)</u>
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>(57,008)</u>	<u>(196,400)</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 COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2011**

**SPECIAL FUND ACCOUNT**

	2011 \$	2010 \$
<b>INCOME</b>		
Interest Received	<u>2</u>	<u>2</u>
<b>TOTAL INCOME</b>	<u>2</u>	<u>2</u>
<b>EXPENDITURE</b>		
Bank Charges	<u>-</u>	<u>-</u>
<b>TOTAL EXPENDITURE</b>	<u>-</u>	<u>-</u>
<b>SURPLUS FOR YEAR</b>	<u>2</u>	<u>2</u>
<b>OTHER COMPREHENSIVE INCOME</b>	<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u>2</u>	<u>2</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 FINANCIAL POSITION  
AS AT 31 MARCH 2011**

	Note	2011 \$	2010 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	4	766,396	935,821
Receivables	5	<u>14,756</u>	<u>56,368</u>
<b>Total Current Assets</b>		<u>781,152</u>	<u>992,189</u>
<b>Non Current Assets</b>			
Special Fund Loan to General Account		58,314	58,314
Furniture and Equipment	6	<u>19,551</u>	<u>12,665</u>
<b>Total Non Current Assets</b>		<u>77,865</u>	<u>70,979</u>
<b>TOTAL ASSETS</b>		<u>859,017</u>	<u>1,063,168</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Provision for Annual Leave		21,353	31,457
Provision for Long Service Leave		5,867	53,038
Payables	7	<u>93,414</u>	<u>183,284</u>
<b>Total Current Liabilities</b>		<u>120,634</u>	<u>267,779</u>
<b>Non Current Liabilities</b>			
General Account Loan from Special Fund Account		<u>58,314</u>	<u>58,314</u>
<b>Total Non Current Liabilities</b>		<u>58,314</u>	<u>58,314</u>
<b>TOTAL LIABILITIES</b>		<u>178,948</u>	<u>326,093</u>
<b>NET ASSETS</b>		<u>680,069</u>	<u>737,075</u>
<b>ACCUMULATED FUNDS</b>			
General Account		598,176	655,184
Special Fund Account		<u>81,893</u>	<u>81,891</u>
		<u>680,069</u>	<u>737,075</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 2011**

	<b>Accumulated Funds General Account</b>	<b>Accumulated Funds Special Fund Account</b>	<b>Total Accumulated Funds</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 April 2009</b>	851,584	81,889	933,473
Total Comprehensive Income for Year	<u>(196,400)</u>	<u>2</u>	<u>(196,398)</u>
<b>Balance at 31 March 2010</b>	655,184	81,891	737,075
Total Comprehensive Income for Year	<u>(57,008)</u>	<u>2</u>	<u>(57,006)</u>
<b>Balance at 31 March 2011</b>	<u>598,176</u>	<u>81,893</u>	<u>680,069</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 CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2011**

	Note	2011 \$	2010 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Members		595,847	634,740
Payments to Suppliers and Employees		(804,347)	(979,501)
Interest Received		41,735	43,584
Other		11,909	44,538
<b>NET CASH (USED IN) OPERATING ACTIVITIES</b>	9(b)	<u>(154,856)</u>	<u>(256,639)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for Assets		<u>(14,569)</u>	<u>(3,270)</u>
<b>NET CASH (USED IN) INVESTING ACTIVITIES</b>		<u>(14,569)</u>	<u>(3,270)</u>
<b>NET(DECREASE) IN CASH HELD</b>		(169,425)	(259,909)
Cash at Beginning of Year		<u>935,821</u>	<u>1,195,730</u>
<b>CASH AT END OF YEAR</b>	9(a)	<u>766,396</u>	<u>935,821</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 2011**

**1. 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 Fair Work (Registered Organisations) Act 2009.

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 Fair Work (Registered Organisations) Act 2009. 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.

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 2011 (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) Furniture and Equipment**

Furniture 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 basis 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:

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 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.

**(d) Impairment**

The carrying amounts of furniture 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 2011 (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 statement of financial position 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 amounts of assets 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 amounts of 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 2011 (Cont'd)**

**3. INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL  
MANAGER OF FAIR WORK AUSTRALIA**

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

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

	2011 \$	2010 \$
<b>4. CASH AND CASH EQUIVALENTS</b>		
Cash on Hand – Petty Cash	675	599
Cash at Bank		
- General Account	21,972	96,204
- Special Fund Account	23,579	23,577
Cash at Call	102,811	3,679
Term Deposit	617,359	811,762
	<u>766,396</u>	<u>935,821</u>

**5. RECEIVABLES  
Current**

Accrued Interest	4,473	2,941
Other	10,283	53,427
	<u>14,756</u>	<u>56,368</u>



**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION  
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**NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2011 (Cont'd)**

**6. FURNITURE AND EQUIPMENT**

	2011 \$	2010 \$
<b>Furniture and Equipment</b>		
Cost	79,055	108,636
Less Accumulated Depreciation	<u>(59,504)</u>	<u>(95,971)</u>
	<u>19,551</u>	<u>12,665</u>

**MOVEMENTS IN CARRYING AMOUNTS**

	Office Furniture and Equipment
Balance at 1 April 2010	12,665
Additions	14,569
Disposals	-
Depreciation	<u>(7,683)</u>
Balance at 31 March 2011	<u>19,551</u>

**7. PAYABLES**

CWU Divisional Conference	30,802	45,693
CEPU National Office	3,252	-
Other Creditors	<u>59,360</u>	<u>137,591</u>
	<u>93,414</u>	<u>183,284</u>

**8. PROFESSIONAL SERVICES**

Audit Fees	16,600	18,750
Audit Fees – prior year	1,660	3,750
Accounting Fees	15,230	7,600
Bookkeeping Fees	19,988	-
Consultancy	2,430	-
Legal Fees	<u>802</u>	<u>1,287</u>
	<u>56,710</u>	<u>31,387</u>

**COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION  
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**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2011 (Cont'd)**

	2011 \$	2010 \$
<b>9. CASH FLOW INFORMATION</b>		
(a) For the purposes of the Statement of Cash Flows, cash includes cash on hand and at call deposits with banks and other financial institutions.		
Cash on Hand – Petty Cash	675	599
Cash at Bank		
- General Account	21,972	96,204
- Special Fund Account	23,579	23,577
Cash at Call	102,811	3,679
Term Deposit	617,359	811,762
	<u>766,396</u>	<u>935,821</u>
(b) Reconciliation of Cash Flow from Operations with Net (Deficit)		
Net (Deficit)		
General Fund	(57,008)	(196,400)
Special Fund	<u>2</u>	<u>2</u>
Total Net (Deficit)	(57,006)	(196,398)
Non-Cash Flows in Net (Deficit)		
Depreciation	7,683	8,525
Changes in Assets and Liabilities		
(Decrease) in Employee Entitlement Provisions	(57,275)	(40,334)
Decrease (Increase) in Sundry Debtors and Prepayments	43,144	(21,940)
(Increase) in Accrued Interest	(1,532)	(429)
(Decrease) in Sundry Creditors	<u>(89,870)</u>	<u>(6,063)</u>
CASH FLOWS FROM OPERATIONS	<u>(154,856)</u>	<u>(256,639)</u>

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10. FINANCIAL RISK MANAGEMENT

(a) *General objectives, policies and processes*

The branch is exposed to risks that arise from its use of financial instruments. This note describes the branch's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the branch's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The branch's financial instruments consist mainly of deposits with banks, trade receivables and payables. The main risks the branch is exposed to through its financial instruments are interest rate risk (see section (e) below), liquidity risk and credit risk.

The branch committee of management has overall responsibility for the determination of the branch's risk management objectives and policies and whilst retaining ultimate responsibility for them, the branch committee of management make investment decisions after considering appropriate advice.

(b) *Credit Risk*

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the branch incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the branch.

There is no concentration of credit risk with respect to current and non-current receivables.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed below:

	Note	2011 \$	2010 \$
Cash at Bank	4	765,721	935,222
Other	5	10,283	53,427
Total loans and receivables		10,283	53,427

There has been no history of default and all receivables are likely to be repaid within the expected terms

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10. FINANCIAL RISK MANAGEMENT (Cont'd)

(c) *Liquidity Risk*

Liquidity risk is the risk that the branch may encounter difficulties raising funds to meet commitments associated with financial instruments.

The branch is exposed to this risk; however at 31 March 2011 it had \$766,396 (\$935,821 - 2010) of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 31 March 2011 totalled \$93,414 (\$183,284 - 2010).

(d) *Market Risk*

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

(e) *Interest Rate Risk*

The branch's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities are summarised below:

31 March 2011	Fixed interest rate \$	Floating interest rate \$	Non interest bearing \$	Total \$
<b>Financial Assets</b>				
Cash	617,359	148,362	675	766,396
Receivables	-	-	10,283	10,283
	617,359	148,362	10,958	776,679
Weighted average Interest rate	6.46%	2.29%		
<b>Financial Liabilities</b>				
Payables	-	-	93,414	93,414
<b>Net Financial Assets/(Liabilities)</b>	617,359	148,362	(82,456)	683,265
<b>31 March 2010</b>				
<b>Financial Assets</b>				
Cash	811,762	123,460	599	935,821
Receivables	-	-	53,427	53,427
	811,762	123,460	54,026	989,248
Weighted average Interest rate	5.75%	0.24%		
<b>Financial Liabilities</b>				
Payables	-	-	183,284	183,284
<b>Net Financial Assets/(Liabilities)</b>	811,762	123,460	(129,258)	805,964

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FOR THE YEAR ENDED 31 MARCH 2011 (Cont'd)**

**10. FINANCIAL RISK MANAGEMENT (Cont'd)**

*(e) Interest Rate Risk*

**Sensitivity Analysis**

<b>2011</b>	<b>Carrying Amount</b>	<b>+1% (100 basis points) Profit</b>	<b>-1% (100 basis points) Loss</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash Assets	765,721	7,657	(7,657)

<b>2010</b>	<b>Carrying Amount</b>	<b>+1% (100 basis points) Profit</b>	<b>-1% (100 basis points) Loss</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash Assets	935,222	9,352	(9,352)

*(f) Other Price Risks*

The branch does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in price that are inherent in such a market.

*(g) Foreign Exchange Risk*

The branch is not directly exposed to foreign exchange rate risk.

**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.

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FOR THE YEAR ENDED 31 MARCH 2011 (Cont'd)**

**12. REGISTERED OFFICE**

The registered office and principal place of business of the Branch is:  
Level 1,  
741 George Street  
Sydney NSW 2000

**13. RELATED PARTIES**

Transactions with related parties are on normal terms and conditions no more favourable than those available to other parties, unless otherwise stated.

- (a) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the Statement of Comprehensive Income under Salaries – Office Bearers and Termination – Officer Bearer.
- (b) The aggregate amount paid during the financial year to a superannuation plan in respect of elected full time officials was \$16,168 (2010: \$24,044).
- (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.
- (d) National Office Dues paid to the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia National Office are disclosed as an expense in the Statement of Comprehensive Income.
- (e) Amounts payable to the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia National Office are disclosed at Note 7 of the accounts.

The ultimate controlling entity of the Branch is the Communication Workers Union Divisional Conference.

Transactions with Ultimate Controlling Entity:

- (a) Divisional Conference Dues and Divisional Conference Journey Cover Insurance are disclosed as expenses in the Statement of Comprehensive Income.
- (b) Amounts payable to the Ultimate Controlling Entity are disclosed at Note 7 of the accounts.

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NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2011 (Cont'd)

13. RELATED PARTIES (Cont'd)

The names of persons who have at any time during the financial year ending 31 March 2011 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):	(VACANT)
Branch Secretary:	Alex Jansen (Appointed 1 April 2010)
Branch Assistant Secretary:	(VACANT)

**Operator Division:**

(VACANT)  
(VACANT)

**Technical Division:**

Peter Banner  
Randall Bye  
Colin Cooper  
John Duffey  
Peter Hayes  
George Piggins  
Peter Wasilewski  
(VACANT)  
(VACANT)

14. COMMITMENTS	2011	2010
	\$	\$
Costs in respect of operating leases on office equipment:		
- Less than one year	15,444	4,389
- One to five years	53,715	-
- Greater than five years	-	-
	<u>69,159</u>	<u>4,389</u>

## 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.

We have audited 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, which comprises the statement of financial position as at 31 March 2011, and the statement of comprehensive income, statement of changes in accumulated funds and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes and the Branch Committee of Management's statement for the year then ended.

### *Branch Committee of Management and the Branch Secretary's Responsibility for the Financial Report*

The Branch Committee of Management and the Branch Secretary are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009. This responsibility also 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.

### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's 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 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 of Management and Branch Secretary, 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 Australian professional accounting bodies and the Fair Work (Registered Organisations) Act 2009.



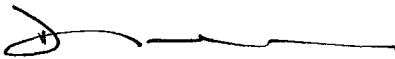
## **INDEPENDENT AUDIT REPORT (cont'd)**

### *Auditor's 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 presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.



**BDO Audit (NSW-VIC) Pty Ltd**



**David McLean**  
Director  
Member of Institute of Chartered Accountants  
And Holder of Current Public Practice Certificate  
Registered Company Auditor  
SYDNEY NSW 2000

20 July 2011



FAIR WORK  
AUSTRALIA

8 July 2011

Mr Alex Jansen  
Secretary, New South Wales Telecommunications & Services Branch  
CEPU  
2nd Floor, 741 George Street  
SYDNEY NSW 2000



Dear Mr Jansen,

**Re: Lodgement of Financial Statements and Accounts – New South Wales Telecommunications & Services Branch, CEPU – for year ending 31 March 2011 (FR2011/2514)**

The financial year of the New South Wales Telecommunications & Services Branch ended on 31 March 2011. This is a courtesy letter for your file to remind you of the obligation to lodge audited financial accounts and statements with Fair Work Australia within the prescribed time frame unless a 1 month extension is applied for and granted.

The documents you must lodge include:

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

I draw your particular attention to

(a) s237 which requires you to prepare and lodge a separate statement providing the prescribed particulars of any loan, grant or donation made during the year which exceeds \$1,000;

(b) s265(5) which requires you to publish or otherwise provide your members with completed/signed copies of the audited accounts, report and statements before final presentation and lodgment; and

(c) s266 which requires you to present the completed documents to an eligible meeting(s) (either of the members or of the committee of management).

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

Yours sincerely,

Stephen Kellett

Statutory Services Branch