

Ref: VB17/75
2 November, 2017

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

By email: regorgs@roc.gov.au

Dear Mr Enright

**CEPU Communications Division – VIC Telecommunications & Services Branch
Operating Reports as at 31 March 2010 to 31 March 2015
– Reporting of Membership Numbers**

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

- Declaration correcting the membership figures reported in the branch operating reports for the reporting periods ending 31 March 2010 to 31 March 2015.

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

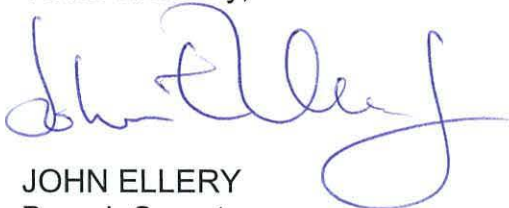
As a consequence of these audits, the Branch Committee of Management, in a meeting held 31 October 2017, authorised the submission of a declaration to the Registered Organisations Commission (ROC) to correct the figures reported in the branch operating reports for the total members for the reporting periods ending 31 March 2010 to 31 March 2015.

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

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

Yours faithfully

Yours sincerely,



JOHN ELLERY
Branch Secretary
CEPU Communications Division (CWU)
Victorian Telecommunications & Services Branch
0419 823 580 | JEllery@cwu.asn.au

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

Fair Work (Registered Organisations) Act 2009

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

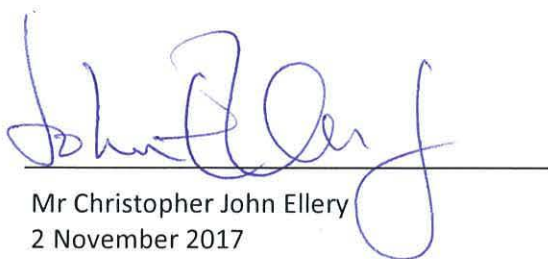
I, Christopher John Ellery, of 2 Lygon Street, Carlton South, in the state of Victoria 3053, declare:

- I am the Branch Secretary of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division – Victorian Telecommunication and Services Branch (the Branch), a branch of an organisation registered under the *Fair Work (Registered Organisations) Act 2009* (the Act).
- Pursuant to s.268 of the Act, for the periods ended 31 March 2010 to 31 March 2015, the full financial reports, including the operating reports, of the branch were lodged with the Fair Work Commission (FWC) in FR2010/2516, FR2011/2521, FR2012/219, FR2013/118, FR2014/61 and FR2015/63 respectively.
- Independent audits of the membership figures reported in the branch committee of management operating reports for the reporting periods 31 March 2010 to 31 March 2015, found the following variances with the figures reported in the branch operating reports:

As at 31 Mar	2010	2011	2012	2013	2014	2015
Reported	2454	2607	2181	2156	2187	1935
Audited	2564	2777	2438	2310	2186	2012
Variance	110	170	257	154	1	77

- On 31 October 2017, in response to the findings of the audits, the Branch Committee of Management authorised the Branch Secretary to amend the branch committee of management operating reports for the years ended 31 March 2010 to 31 March 2015 to reflect the membership figures resulting from the audits.

Signed:



Name: Mr Christopher John Ellery
Date: 2 November 2017



FAIR WORK
AUSTRALIA

5 November 2010

Mr Len Cooper
Secretary, Victorian Telecommunications and Services Branch
CEPU
1st Floor, 139 Queensberry Street
CARLTON SOUTH VIC 3053



Dear Mr Cooper

Re: Lodgement of Financial Statements and Accounts – Victorian Telecommunications and Services Branch – for year ending 31 March 2010 (FR2010/2516)

Thank you for lodging the above financial return which was received by Fair Work Australia on 26 October 2010.

The documents have been filed.

Yours sincerely,

Stephen Kellett
Statutory Services Branch

Ref: VB 10/197
20 October 2010



CEPU

**COMMUNICATIONS
UNION (CEPU)**

Telecommunications
And Services Branch
Victoria

LEN COOPER
Branch Secretary

Main Office
1st Floor
139 Queensberry Street
Carlton South 3053

Tel: 03 9349 4411
Fax: 03 9349 3488
Email:
cdtsvic@victs.cepunsw.asn.au

Clayton Office
47 Henderson Road
Clayton 3168

Tel: 03 9545 1503
Fax: 03 9561 5599

Industrial Registrar
GPO Box 1994
Melbourne VIC 3001



Certificate of Secretary or other Authorised Officer
s268 of Schedule 1B Workplace Relations Act 1996

I Len Cooper being the Secretary of the Communications, Electrical and Plumbing Union, Communications Division, Telecommunications and Services Branch (Victoria) ABN 13 511 341 559 certify:

- that the documents lodged are copies of the full report, and the concise report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- that the concise report, was provided to members on 26th July 2010 and
- that the full report was presented to the Special General Meeting of members, of the reporting unit on 25th August 2010; in accordance with section 268 of the ROA Schedule.

Yours faithfully

Signature: LEN COOPER
Branch Secretary
CEPU (T&S) Vic

Attached:

1. Certificate of Secretary
2. CEPU (T&S) Vic Full Annual General Purpose Financial Report 2009/10
3. CEPU (T&S) Vic Concise Annual General Purpose Financial Report 2009/10

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING
AND ALLIED SERVICES UNION OF AUSTRALIA,
COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2010**

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

OPERATING REPORT

In accordance with Section 254 of the Fair Work (Registered Organisations) Act 2009 ("Act"), the Committee of Management present their Operating Report on the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Telecommunications and Services Branch (Victoria) (the Union), the relevant Reporting Unit for the financial year ended 31 March 2010.

Principal Activities

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 and 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 Union's financial and membership systems.

Operating Result

The operating loss of the Union for the financial year was \$365,677 (2009: Loss \$205,832). No provision for tax was necessary as the Union is exempt from income tax.

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 Rule 11 of the Union's rules and Section 174 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.

Superannuation Officeholders

No officer or member of the reporting unit:

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

Other Prescribed Information

In accordance with Regulation 159 of the Fair Work (Registered Organisations) Act 2009:

- (a) the number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for Section 230 of the Act and who are taken to be members of the Union under section 244 of the Act was 2,454 (2009: 2,414).

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

OPERATING REPORT continued

Other Prescribed Information continued

- (b) the number of persons who were, at the end of the financial year to which the report relates, employees of the Union, where the number of employees includes both full-time and part-time employees, measured on a full-time equivalent basis was 6.
- (c) the names of each person who have been a member of the Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position were;

Name	
Paul Lightfoot	Branch President
Roger Bland	Branch Vice-President Technical Division
Fiona Crouch	Branch Vice-President Operator Division
Leonard Cooper	Branch Secretary
Christopher John Ellery	Branch Assistant Secretary
Darren Evans	Committee of Management Technical Division
Neil Johnson	Committee of Management Technical Division
Mike Virant	Committee of Management Technical Division
Kelvin Welbourn	Committee of Management Technical Division
Rosemary Church	Committee of Management Technical Division
Anthony Meade	Committee of Management Technical Division
Robert Parker	Committee of Management Technical Division
Ian McCallum	Committee of Management Technical Division
David Smithwick	Committee of Management Technical Division
John Ball	Committee of Management Technical Division
Noelene Brassington	Committee of Management Operator Division
David Irons	Committee of Management Operator Division

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

- (d) The following persons were members of the Branch Executive, during the year ended 31 March 2010:

Name	Position
Paul Lightfoot	Branch President
Roger Bland	Branch Vice-President Technical Division
Fiona Crouch	Branch Vice-President Operator Division
Leonard Cooper	Branch Secretary
Christopher John Ellery	Branch Assistant Secretary

Branch Executive members have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559

OPERATING REPORT continued

Signed in accordance with a resolution of the Committee of Management:

For Committee of Management: Leonard Cooper
Title of Office held: Branch Secretary

Signature



Melbourne:

14th July 2010

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2010**

	2010	2009
	\$	\$
Revenue	970,610	954,043
Administration expense	(420,140)	(282,613)
Affiliation fees, capitation fees and compulsory levies	(215,529)	(232,601)
Depreciation expense	(9,123)	(10,836)
Employee benefits expense	(596,499)	(546,052)
Occupancy expense	(67,903)	(80,611)
Other expenses	<u>(27,093)</u>	<u>(7,162)</u>
Loss before income tax expense	(365,677)	(205,832)
Income tax expense	<u>-</u>	<u>-</u>
Loss for the year	<u>(365,677)</u>	<u>(205,832)</u>
Other comprehensive income after income tax:		
Net gain/(loss) on revaluation of financial assets	<u>56,367</u>	<u>(55,976)</u>
Other comprehensive income for the year, net of tax	<u>56,367</u>	<u>(55,976)</u>
Total comprehensive income for the year	<u>(309,310)</u>	<u>(261,808)</u>
Total comprehensive income attributable to members of the entity	<u>(309,310)</u>	<u>(261,808)</u>

Discussion and Analysis of Statement of Comprehensive Income

The operating result of the Union for the year was a net loss of \$309,310. This was attributed primarily increase in expenses related to the Telstra Enterprise Bargain Agreement campaign and Welfare Fund.

The accompanying notes form part of these financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2010**

	2010 \$	2009 \$
CURRENT ASSETS		
Cash and cash equivalents	161,725	433,329
Trade and other receivables	11,881	60,486
Loans	231,902	188,806
Other current assets	4,675	16,297
TOTAL CURRENT ASSETS	<u>410,183</u>	<u>698,918</u>
NON-CURRENT ASSETS		
Property, plant and equipment	45,973	52,996
Financial assets	965,828	922,051
TOTAL NON-CURRENT ASSETS	<u>1,011,801</u>	<u>975,047</u>
TOTAL ASSETS	<u>1,421,984</u>	<u>1,673,965</u>
CURRENT LIABILITIES		
Trade and other payables	181,706	187,143
Loans	231,902	188,806
Provisions	162,914	143,244
TOTAL CURRENT LIABILITIES	<u>576,522</u>	<u>519,193</u>
TOTAL LIABILITIES	<u>576,522</u>	<u>519,193</u>
NET ASSETS	<u>845,462</u>	<u>1,154,772</u>
EQUITY		
Retained profits	845,462	1,154,772
TOTAL EQUITY	<u>845,462</u>	<u>1,154,772</u>

Discussion and Analysis of Balance Sheet

Changes to the balance sheet are attributed to the operating result for the year which resulted in lower cash balances at the year end.

The accompanying notes form part of these financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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ABN 13 511 341 559**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2010**

	Retained earnings general fund \$	Retained earnings special fund \$	Rights at Work Levy fund \$	Retained earnings Welfare fund \$	Financial reserves \$	Total \$
Balance at 1 April 2008	1,234,753	171,998	29,464	-	(19,635)	1,416,580
Transfer to general fund	29,464	-	(29,464)	-	-	-
Profit/(loss) attributable to members	(207,212)	-	-	1,380	-	(205,832)
Revaluation decrement	-	-	-	-	(55,976)	(55,976)
Balance at 31 March 2009	1,057,005	171,998	-	1,380	(75,611)	1,154,772
Profit/(loss) attributable to members	(307,634)	-	-	(58,043)	-	(365,677)
Revaluation increment	-	-	-	-	56,367	56,367
Balance at 31 March 2010	749,371	171,998	-	(56,663)	(19,244)	845,462

Discussion and Analysis of Statement of Changes in Equity

The decrease in retained earnings is mainly due to the 2010 loss for the year of \$365,677.

The accompanying notes form part of these financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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ABN 13 511 341 559**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2010**

	2010 \$	2009 \$
CASH FLOW FROM OPERATING ACTIVITIES		
General Fund		
Members' dues	922,016	878,804
Distribution received	30,241	44,953
Interest received	6,854	28,805
Payments to suppliers & employees	<u>(1,270,490)</u>	<u>(1,076,715)</u>
	<u>(311,379)</u>	<u>(124,153)</u>
Rights at Work Levy Fund		
Members' dues	-	47
Payments to suppliers & employees	<u>-</u>	<u>(6,806)</u>
	<u>-</u>	<u>(6,759)</u>
Net cash provided by (used in) operating activities	<u>(311,379)</u>	<u>(130,912)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from redemption of investments	46,020	-
Purchase of fixed assets	(6,245)	(16,840)
Distributions reinvested	<u>-</u>	<u>(29,887)</u>
Net cash provided by (used in) investing activities	<u>39,775</u>	<u>(46,727)</u>
Net increase/(decrease) in cash held	(271,604)	(177,639)
Cash at beginning of year	<u>433,329</u>	<u>610,968</u>
Cash at end of year	<u>161,725</u>	<u>433,329</u>

Discussion and Analysis of Statement of Cash Flows.

There was a decrease in cash held for the year by the Union of \$271,604. The decrease is mainly due to the increased expenditure.

The accompanying notes form part of these financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**STATEMENT OF RECEIPTS AND PAYMENTS FOR RECOVERY OF WAGES ACTIVITY
CASH BASIS - FOR THE YEAR ENDED 31 MARCH 2010**

	2010 \$	2009 \$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc	-	-
Interest received on recovered money	-	-
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:-		
- 12 months or less	-	-
- greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:-		
- the reporting unit	-	-
- other entity	-	-
Deductions of fees or reimbursements of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total payments	-	-
Cash assets in respect of recovered money at end of year	-	-

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

The union did not collect any wages on behalf of members throughout the year ended 31 March 2010.

The accompanying notes form part of these financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Report and the Fair Work (Registered Organisations) Act 2009 ("Act").

The concise financial report, including the financial statements and specific disclosure included in the concise financial report has been derived from the full financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Telecommunications and Services Branch (Victoria).

Financial Reporting Framework

A full description of the accounting policies adopted by Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) is provided in the 2010 financial report. These policies have been consistently applied to all the periods presented, unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

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

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

- (1) A member of a reporting unit, 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 specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

NOTE 3: FINANCIAL STATEMENTS

The Union will provide a copy of the full financial report for the year ended 31 March 2010, free of charge to any member who requests it.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

COMMITTEE OF MANAGEMENT CERTIFICATE

On 14 July 2010 the Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Communications Division, Telecommunications and Services Branch (Victoria) ("Union/Reporting Unit") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 March 2010:

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of Fair Work Australia;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 ("Act") and the Fair Work (Registered Organisations) Regulations 2009 ("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 the General Manager of Fair Work Australia duly made under section 272 of the Act has been furnished to the member and Fair Work Australia; and
 - (vi) there has been compliance with any order for inspection of financial reports made by Fair Work Australia under section 273 of the Act.

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559

COMMITTEE OF MANAGEMENT CERTIFICATE
continued

(f) in relation to recovery of wages activity:

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

(g) that the members receive a copy of the concise financial report.

Signed in accordance with a resolution of the Committee of Management:

For Committee of Management: Leonard Cooper
Title of Office held: Branch Secretary

Signature



Melbourne: 19th July 2010

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY,
INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA,
COMMUNICATIONS DIVISION, TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

We have audited the concise financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Telecommunications and Services Branch (Victoria) for the year ended 31 March 2010, as set out on pages 4 to 11 in order to express an opinion on it to the members of the Union. The Union's Committee of Management is responsible for the concise financial report.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the concise financial report is free of material misstatement. We have also performed an independent audit of the full financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) for the year ended 31 March 2010. Our audit report on the full financial report was signed on 14 July 2010 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 Fair Work (Registered Organisations) Act 2009.

The audit opinion expressed in this report has been formed on the above basis.

Independence

In conducting our audit, we followed applicable independence requirements of Australian Professional Ethical pronouncements.

Audit Opinion

In our opinion, the concise financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) complies with Accounting Standard AASB 1039: Concise Financial Reports and the Fair Work (Registered Organisations) Act 2009.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

L S Wong

L S WONG CA

Partner

Member of the Institute of Chartered Accountants in Australia and
holder of a current public practice certificate

Melbourne: 14 July 2010

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING
AND ALLIED SERVICES UNION OF AUSTRALIA,
COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2010**

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

OPERATING REPORT

In accordance with Section 254 of the Fair Work (Registered Organisations) Act 2009 ("Act"), the Committee of Management present their Operating Report on the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Telecommunications and Services Branch (Victoria) (the Union), the relevant Reporting Unit for the financial year ended 31 March 2010.

Principal Activities

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 and 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 Union's financial and membership systems.

Operating Result

The operating loss of the Union for the financial year was \$365,677(2009: Loss \$205,832). No provision for tax was necessary as the Union is exempt from income tax.

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 Rule 11 of the Union's rules and Section 174 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.

Superannuation Officeholders

No officer or member of the reporting unit:

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

Other Prescribed Information

In accordance with Regulation 159 of Fair Work (Registered Organisations) Act 2009:

- (a) the number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for Section 230 of the Act and who are taken to be members of the Union under section 244 of the Act was 2,454 (2009: 2,414).

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

OPERATING REPORT continued

Other Prescribed Information continued

- (b) the number of persons who were, at the end of the financial year to which the report relates, employees of the Union, where the number of employees includes both full-time and part-time employees, measured on a full-time equivalent basis was 6.
- (c) the names of each person who have been a member of the Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position were;

Name	
Paul Lightfoot	Branch President
Roger Bland	Vice-President Technical Division
Fiona Crouch	Vice-President Operator Division.
Leonard Cooper	Branch Secretary
Christopher John Ellery	Branch Assistant Secretary
Darren Evans	Committee of Management Technical Division
Neil Johnson	Committee of Management Technical Division
Mike Virant	Committee of Management Technical Division
Kelvin Welbourn	Committee of Management Technical Division
Rosemary Church	Committee of Management Technical Division
Anthony Meade	Committee of Management Technical Division
Robert Parker	Committee of Management Technical Division
Ian McCallum	Committee of Management Technical Division
David Smithwick	Committee of Management Technical Division.
John Ball	Committee of Management Technical Division.
Noelene Brassington	Committee of Management Operator Division.
David Irons	Committee of Management Operator Division.

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

- (d) The following persons were members of the Branch Executive, during the year ended 31 March 2010.

Name	Position
Paul Lightfoot	Branch President
Roger Bland	Vice-President Technical Division
Fiona Crouch	Vice President Operator Division.
Leonard Cooper	Branch Secretary
Christopher John Ellery	Branch Assistant Secretary

Branch Executive members have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559

OPERATING REPORT continued

Signed in accordance with a resolution of the Committee of Management:

For Committee of Management: Leonard Cooper

Title of Office held: Branch Secretary

Signature



Melbourne:

19th July 2010

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2010**

	Note	2010 \$	2009 \$
Revenue	3	970,610	954,043
Administration expense	4	(420,140)	(282,613)
Affiliation fees, capitation fees and compulsory levies	4	(215,529)	(232,601)
Depreciation expense	4	(9,123)	(10,836)
Employee benefits expense	4	(596,499)	(546,052)
Occupancy expense		(67,903)	(80,611)
Other expenses		<u>(27,093)</u>	<u>(7,162)</u>
Loss before income tax expense	4	(365,677)	(205,832)
Income tax expense	1(a)	<u>-</u>	<u>-</u>
Loss for the year		<u>(365,677)</u>	<u>(205,832)</u>
Other comprehensive income after income tax:			
Net gain/(loss) on revaluation of financial assets		<u>56,367</u>	<u>(55,976)</u>
Other comprehensive income for the year, net of tax		<u>56,367</u>	<u>(55,976)</u>
Total comprehensive income for the year		<u>(309,310)</u>	<u>(261,808)</u>
Total comprehensive income attributable to members of the entity		<u>(309,310)</u>	<u>(261,808)</u>

The accompanying notes form part of these financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2010**

	Note	2010 \$	2009 \$
CURRENT ASSETS			
Cash and cash equivalents	5	161,725	433,329
Trade and other receivables	6	11,881	60,486
Loans	8	231,902	188,806
Other current assets	7	<u>4,675</u>	<u>16,297</u>
TOTAL CURRENT ASSETS		<u>410,183</u>	<u>698,918</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	45,973	52,996
Financial assets	10	<u>965,828</u>	<u>922,051</u>
TOTAL NON-CURRENT ASSETS		<u>1,011,801</u>	<u>975,047</u>
TOTAL ASSETS		<u>1,421,984</u>	<u>1,673,965</u>
CURRENT LIABILITIES			
Trade and other payables	11	181,706	187,143
Loans	12	231,902	188,806
Provisions	13	<u>162,914</u>	<u>143,244</u>
TOTAL CURRENT LIABILITIES		<u>576,522</u>	<u>519,193</u>
TOTAL LIABILITIES		<u>576,522</u>	<u>519,193</u>
NET ASSETS		<u>845,462</u>	<u>1,154,772</u>
EQUITY			
Retained profits		<u>845,462</u>	<u>1,154,772</u>
TOTAL EQUITY		<u>845,462</u>	<u>1,154,772</u>

The accompanying notes form part of these financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2010**

	Retained earnings general fund \$	Retained earnings special fund \$	Rights at Work Levy fund \$	Retained earnings Welfare fund \$	Financial reserves \$	Total \$
Balance at 1 April 2008	1,234,753	171,998	29,464	-	(19,635)	1,416,580
Transfer to general fund	29,464	-	(29,464)	-	-	-
Profit/(loss) attributable to members	(207,212)	-	-	1,380	-	(205,832)
Revaluation decrement	-	-	-	-	(55,976)	(55,976)
Balance at 31 March 2009	1,057,005	171,998	-	1,380	(75,611)	1,154,772
Profit/(loss) attributable to members	(307,634)	-	-	(58,043)	-	(365,677)
Revaluation increment	-	-	-	-	56,367	56,367
Balance at 31 March 2010	749,371	171,998	-	(56,663)	(19,244)	845,462

The accompanying notes form part of these financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2010**

	Note	2010 \$	2009 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Members' dues		922,016	878,804
Distribution received		30,241	44,953
Interest received		6,854	28,805
Payments to suppliers & employees		<u>(1,270,490)</u>	<u>(1,076,715)</u>
		<u>(311,379)</u>	<u>(124,153)</u>
Rights at Work Levy Fund			
Members' dues		-	47
Payments to suppliers & employees		<u>-</u>	<u>(6,806)</u>
		<u>-</u>	<u>(6,759)</u>
Net cash provided by/(used in) operating activities	20b	<u>(311,379)</u>	<u>(130,912)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from redemption of investments		46,020	-
Purchase of fixed assets		(6,245)	(16,840)
Distributions reinvested		-	(29,887)
Net payments for purchase of investments		<u>-</u>	<u>-</u>
Net cash provided by (used in) investing activities		<u>39,775</u>	<u>(46,727)</u>
Net increase/(decrease) in cash held		(271,604)	(177,639)
Cash at beginning of financial year		<u>433,329</u>	<u>610,968</u>
Cash at end of financial year	20a	<u>161,725</u>	<u>433,329</u>

The accompanying notes form part of these financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**STATEMENT OF RECEIPTS AND PAYMENTS FOR RECOVERY OF WAGES ACTIVITY
CASH BASIS - FOR THE YEAR ENDED 31 MARCH 2010**

	2010 \$	2009 \$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc	-	-
Interest received on recovered money	-	-
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:-		
- 12 months or less	-	-
- greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:-		
- the reporting unit	-	-
- other entity	-	-
Deductions of fees or reimbursements of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total payments	-	-
Cash assets in respect of recovered money at end of year	-	-

The accompanying notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

Basis of Preparation

Reporting Basis and Conventions

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

Accounting Policies

a. Income Tax

No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 50 – 15 of the Income Tax Assessment Act 1997.

b. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Union and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

b. Property, Plant and Equipment continued

Depreciation

The depreciable amount of all fixed assets including buildings, but excluding freehold land, is depreciated on a reducing balance basis over their estimated useful lives to the Union commencing from the time the asset is held ready for use.

The depreciation rates used for each class of assets are:

Class of Fixed Asset	Depreciation Rate
Office furniture and equipment	2% - 50%
Motor vehicles	22.5%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

c. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

d. Employee Benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

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

e. Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

e. Financial Instruments continued

Financial Assets

(i) Financial assets at fair value through profit or loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

(ii) Loans and Receivables

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

(iii) Held-to-maturity investments

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

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Fair Value

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

Impairment

At each reporting date, the Union assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

f. **Impairment of Assets**

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

g. **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

h. **Revenue**

Revenue from membership subscriptions is recognised on a receipt basis.

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

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

i. **Goods and Services Tax (GST)**

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

Cash flows are presented in the statement of cash flows on a gross basis, except for GST component of investing and financing activities, which are disclosed as operating cash flows.

j. **Comparative Figures**

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

j. **Critical Accounting Estimates and Judgments**

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

Key Estimates

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

Key Judgments

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

k. **Going Concern**

As at 31 March 2010 the Union has a net current asset deficiency of \$166,339. Notwithstanding the above, the financial statements have been prepared on a going concern basis. The Committee of Management are of the opinion that no asset is likely to be realised for an amount less than that recorded in the financial statements at 31 March 2010 and as such no adjustment have been made to the financial statements relating to the recoverability of assets and classification of the assets and liabilities that might be necessary should the Union not continue as a going concern.

The Committee of Management have based their opinion on the following:

- the Union is in net asset position as at 31 March 2010 supported by financial assets that can be realised at short notice when necessary.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

l. Adoption of New and Revised Accounting Standards

During the current year, the Union has adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these Standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these Standards and Interpretations has had on the financial statements of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria).

AASB 101: Presentation of Financial Statements

In September 2007, the Australian Accounting Standards Board revised AASB 101, and as a result there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the Union's financial statements.

Disclosure impact

Terminology changes — The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

Statement of comprehensive income — The revised AASB 101 requires all income and expenses to be presented in either one statement — the statement of comprehensive income, or two statements — a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The Union's financial statements now contain a statement of comprehensive income.

Other comprehensive income — The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expense that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

m. New Accounting Standards for Application in Future Periods

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

- AASB 3: Business Combinations, AASB 127: Consolidated and Separate Financial Statements, AASB 2008-3: Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASBs 1, 2, 4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138 & 139 and Interpretations 9 & 107] and AASB 2008-11: Amendments to Australian Accounting Standard — Business Combinations Among Not-for-Profit Entities [AASB 3] (applicable for annual reporting periods commencing from 1 July 2009).
These Standards are applicable prospectively and will therefore only affect relevant transactions and consolidations occurring after the date of application. As such, the Union is unable to determine any potential impact on the financial statements.
- AASB 2008-6: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1 & AASB 5] (applicable for annual reporting periods commencing from 1 July 2009). These amendments detail numerous non-urgent but necessary changes to Accounting Standards arising from the IASB's annual improvements project. No changes are expected to materially affect the Union.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

m. New Accounting Standards for Application in Future Periods continued

- AASB 2008-8: Amendments to Australian Accounting Standards — Eligible Hedged Items [AASB 139] (applicable for annual reporting periods commencing from 1 July 2009).

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

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

1. A member of a reporting unit, 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 specify the period within which, and the manner in which, the information is to be made available. The period must not be less than fourteen days after the application is given to the reporting unit.
3. A reporting unit must comply with an application under subsection (1).

	2010	2009
	\$	\$
NOTE 3: REVENUE		
Operating activities		
Members' contribution to Rights at Work levy fund	-	47
Members' dues	871,457	843,199
Interest received	6,854	28,805
Rental income	12,583	18,820
Welfare fund	48,592	18,188
Sundry income	883	31
Other	30,241	44,953
Total revenue	970,610	954,043

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

	2010 \$	2009 \$
NOTE 4: PROFIT FOR YEAR		
Profit before income tax expense has been determined after:		
Expenses		
Administration expense		
Bad debts	6,000	-
Bank charges and interest	14,073	13,786
Car hire and fares	1,565	2,869
Commission paid	883	833
Committee of management	109	878
Donations	-	100
General expenses	1,902	466
Insurance	16,726	5,552
Meals, travel and accommodation	100	100
Members and organisers	4,388	5,852
Motor vehicle expenses	29,612	26,597
Postage and delivery charges	11,572	15,843
Printing and stationery	23,260	42,647
Accountancy and audit fees	14,400	14,910
Legal fees	44,246	5,327
Loss on disposal of fixed assets	4,145	-
Recruitment Assistance	3,069	-
Rental of equipment and storage	14,399	13,095
Repairs and maintenance	10,145	10,278
Rights campaign	-	6,806
Staff amenities	2,564	1,462
Telecom Contractors Association	(181)	1,015
Telephone and facsimile	110,392	97,280
Training and education	136	109
Welfare fund expenses	106,635	16,808
	<u>420,140</u>	<u>282,613</u>
Affiliation fees, capitation fees and compulsory levies		
Affiliation fees:		
- Australian Labour Party	11,107	11,169
- Trades and Labour Councils		
- Ballarat Trades Hall Council	500	375
- Bendigo Trades Hall Council	90	158
- Geelong Trades Hall Council	806	648
- Miscellaneous	1,127	3,229
- Victorian Trades Hall Council	10,504	15,284
Capitation fees:		
- CEPU Divisional Conference	191,395	190,568
Compulsory Levies:		
- ACTU National Campaign	-	11,170
	<u>215,529</u>	<u>232,601</u>

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

	2010 \$	2009 \$
NOTE 4: PROFIT FOR YEAR continued		
Depreciation expense		
Depreciation of property, plant and equipment	9,123	10,836
Employee benefits expense		
Salaries and allowances		
- elected officials	183,647	190,446
- employees	284,775	253,056
Superannuation contributions		
- elected officials	29,826	30,104
- employees	27,129	26,063
- insurance	719	553
Provision for annual leave		
- elected officials	15,881	5,229
- employees	(3,425)	7,843
Provision for long service leave		
- elected officials	4,634	4,634
- employees	2,579	2,579
Other		
- fringe benefit tax	2,840	2,344
- payroll tax	20,806	20,911
- reimbursement	4,480	-
- Workcover	22,608	2,280
	596,499	546,052
Expenses attributable to the Telstra Enterprise Bargaining Agreement (TEBA) included in Note 4		
- campaign expenses	981	-
- legal expenses	27,706	-
- meeting expenses	4,488	-
- printing and stationary	-	20,671
- telephone and facsimile	76,310	67,530
- welfare fund expenses	48,274	16,808
- salaries and allowances	91,550	43,933
	249,309	148,942
Expenses attributable to the TEBA included in occupancy expense	-	3,766
Total expenses attributable to the TEBA	249,309	152,708

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

	2010 \$	2009 \$
NOTE 5: CASH AND CASH EQUIVALENTS		
General Fund		
Cash on hand	1,100	1,100
Cash at bank		
- General account	121,757	36,510
- Business on line saver account	15,472	358,329
Cash on deposit		
- Term deposit	20,154	19,202
Welfare fund	3,242	18,188
	<u>161,725</u>	<u>433,329</u>

NOTE 6: TRADE AND OTHER RECEIVABLES

CURRENT

General Fund

Members' dues in arrears	52,007	33,066
Less provision for impairment of receivables	(51,022)	(30,347)
Loan to Telecom Subcontractors Association	10,000	10,000
Receivable from proceeds of investments disposals	-	33,430
Sundry debtors	896	14,337
	<u>11,881</u>	<u>60,486</u>

(i) Provision for Impairment of Receivables

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

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

	\$
Provision for impairment as at 1 April 2008	42,618
- Charge/(write back) for the year	(12,271)
- Written off	-
	<u>30,347</u>
Provision for impairment as at 31 March 2009	30,347
- Charge for the year	20,675
- Written off	-
	<u>51,022</u>
Provision for impairment as at 31 March 2010	<u>51,022</u>

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

NOTE 6: TRADE AND OTHER RECEIVABLES Continued

(ii) Credit Risk – Trade and Other Receivables

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

The following table details the Union's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Union and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining the solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Union.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross Amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
	\$	\$	< 30 \$	31 -60 \$	61-90 \$	> 90 \$	\$
2010							
Trade receivables	52,007	51,022	-	-	-	-	985
Other receivables	10,896	-	-	-	-	-	10,896
Total	62,903	51,022	-	-	-	-	11,881
2009							
Trade receivables	33,066	30,347	-	-	-	-	2,719
Other receivables	57,767	-	-	-	-	-	57,767
Total	90,833	30,347	-	-	-	-	60,486

**2010
\$**

**2009
\$**

NOTE 7: OTHER CURRENT ASSETS

Prepayments	<u>4,675</u>	<u>16,297</u>
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**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

	2010 \$	2009 \$
NOTE 8: LOANS		
Loan from General Fund to Welfare Fund	59,904	16,808
Loan from Special Fund to General Fund	<u>171,998</u>	<u>171,998</u>
	<u>231,902</u>	<u>188,806</u>

NOTE 9: PROPERTY, PLANT AND EQUIPMENT

Motor vehicles – at cost	11,716	19,459
Less accumulated depreciation	<u>(5,035)</u>	<u>(9,190)</u>
	<u>6,681</u>	<u>10,269</u>
Office furniture and equipment – at cost	114,834	111,126
Less accumulated depreciation	<u>(75,542)</u>	<u>(68,399)</u>
	<u>39,292</u>	<u>42,727</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>45,973</u>	<u>52,996</u>

MOVEMENTS IN CARRYING AMOUNTS

	Motor Vehicles \$	Office furniture and equipment \$	Total \$
Balance at the beginning of year	10,269	42,727	52,996
Additions	2,537	3,708	6,245
Disposals	(4,145)	-	(4,145)
Depreciation expense	<u>(1,980)</u>	<u>(7,143)</u>	<u>(9,123)</u>
Balance at the end of financial year	<u>6,681</u>	<u>39,292</u>	<u>45,973</u>

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

	2010 \$	2009 \$
NOTE 10: FINANCIAL ASSETS		
Unlisted investments, at cost		
Units in unit trust	500	500
Shares in New International Bookshop	100	100
	<u>600</u>	<u>600</u>
Available-for-sale financial assets		
Listed investments		
-Shares in Telstra	746	746
-Investment in managed funds	964,482	920,705
	<u>965,228</u>	<u>921,451</u>
Total	<u>965,828</u>	<u>922,051</u>
Amounts realisable within one year	-	-
Amounts not realisable within one year	965,828	922,051
	<u>965,828</u>	<u>922,051</u>
NOTE 11: TRADE AND OTHER PAYABLES		
CURRENT		
Members' dues paid in advance	68,095	66,678
Owing to Divisional Conference	34,520	24,916
Sundry Creditors	79,091	95,549
	<u>181,706</u>	<u>187,143</u>
NOTE 12: LOANS		
Loan from General Fund to Welfare Fund	59,904	16,808
Loan from Special Fund to General Fund	171,998	171,998
	<u>231,902</u>	<u>188,806</u>

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

	2010 \$	2009 \$
NOTE 13: PROVISIONS		
CURRENT		
Employee entitlements:		
Provision for annual leave		
- elected officials	36,488	20,606
- employees	43,677	47,102
	<u>80,165</u>	<u>67,708</u>
Provision for long service leave		
- elected officials	43,052	38,418
- employees	39,697	37,118
	<u>82,749</u>	<u>75,536</u>
Total Employee Entitlements	<u>162,914</u>	<u>143,244</u>
Number of employees at year end	6	7
	Annual leave	Long service leave
	\$	\$
Balance at the beginning of year	67,708	75,536
Additional provisions	33,274	7,213
Amount used	(20,817)	-
	<u>80,165</u>	<u>82,749</u>
Carrying amount at the end of financial year	<u>80,165</u>	<u>162,914</u>

NOTE 14: SPECIAL FUND BALANCE

Opening balance	171,997	171,997
Add receipts:		
- interest	-	-
	<u>171,997</u>	<u>171,997</u>
Closing balance	<u>171,997</u>	<u>171,997</u>
Loan to General Fund	171,997	171,997
Deposits at call	-	-
	<u>171,997</u>	<u>171,997</u>

NOTE 15: CONTINGENT LIABILITIES

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

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

**NOTE 16: KEY MANAGEMENT PERSONNEL COMPENSATION
AND RELATED PARTY TRANSACTIONS**

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

Name	
Paul Lightfoot	Branch President
Roger Bland	Vice-President Technical Division
Fiona Crouch	Vice President Operator Division.
Leonard Cooper	Branch Secretary
Christopher John Ellery	Branch Assistant Secretary
Darren Evans	Committee of Management Technical Division
Neil Johnson	Committee of Management Technical Division
Mike Virant	Committee of Management Technical Division
Kelvin Welbourn	Committee of Management Technical Division
Rosemary Church	Committee of Management Technical Division
Anthony Meade	Committee of Management Technical Division
Robert Parker	Committee of Management Technical Division
John Ball	Committee of Management Technical Division
Ian McCallum	Committee of Management Technical Division
David Smithwick	Committee of Management Technical Division.
Noelene Brassington	Committee of Management Operator Division
David Irons	Committee of Management Operator Division.

- a. The aggregate amount of remuneration paid to elected officials during the financial year for salaries was \$183,647. (2009: \$190,446)

The aggregate amount paid during the financial year to a superannuation plan in connection with the retirement of elected officials was \$29,826 (2009: \$30,104)

- b. There was no remuneration paid to other persons on the committee of management.
- c. There were no transactions between the officers of the Reporting Unit other than those relating to their membership of the Reporting Unit and reimbursement by the Reporting Unit 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.

2010	2009
\$	\$

NOTE 17: CAPITAL AND LEASING COMMITMENTS

Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

Payable — minimum lease payments

not later than 12 months	57,233	32,984
between 12 months and 5 years	62,938	-
	120,171	32,984

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

NOTE 18: SEGMENT REPORTING

The Union operates predominantly in one industry, being the Communications sector. The business operates predominantly in one geographical area being Victoria, Australia.

NOTE 19: ECONOMIC DEPENDENCE

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

	2010	2009
	\$	\$

NOTE 20: CASH FLOW INFORMATION

a. Reconciliation of Cash

Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the balance sheet as follows:

General Fund

Cash on hand	1,100	1,100
Cash at bank	121,757	36,510
Welfare fund	3,242	18,188
Business on line saver account	15,472	358,329
Term deposits	20,154	19,202
	161,725	433,329

**b. Reconciliation of Cash Flow from Operations
with Net Profit attributable to members**

Net (loss) – general fund	(307,634)	(207,212)
Net profit/ (loss) – Welfare Fund	(58,043)	1,380
Bad debts	6,000	-
Depreciation	9,123	10,836
Provision for doubtful debts	20,675	(12,271)
Loss on disposal of investments	4,145	11,165
Changes in assets and liabilities:		
(Increase)/decrease in members' dues in arrears	(18,941)	13,043
(Increase)/decrease in sundry debtors	7,441	(7,515)
(Increase)/decrease in prepayments	11,622	(6,963)
Increase/(decrease) in members' dues in advance	1,417	10,366
Increase/(decrease) in sundry creditors	(16,458)	50,401
Increase/(decrease) in amount owing to Divisional Conference	9,604	(14,427)
Increase/(decrease) in employee benefits	19,670	20,285
Cash flows from operations	(311,379)	(130,912)

c. The Union has no credit stand-by or financing facilities in place.

d. There were no non-cash financing or investing activities during the period.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

NOTE 21: FINANCIAL RISK MANAGEMENT

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

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

	Note	2010 \$	2009 \$
Financial assets			
Cash and cash equivalents	5	161,725	433,329
Trade and other receivables	6	11,881	60,486
Other current assets	7	4,675	16,297
Financial assets	10	<u>965,828</u>	<u>922,051</u>
Total financial assets		<u>1,144,109</u>	<u>1,432,163</u>
Financial liabilities			
Trade and other payables	11	<u>181,706</u>	<u>187,143</u>
Total financial liabilities		<u>181,706</u>	<u>187,143</u>

Financial Risk Management Policies

The Committee of Management's overall risk management strategy seeks to assist the Union in meeting its financial targets, whilst minimizing potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Committee of Management on a regular basis. These include the credit risk policies and future cash flow requirements.

The main purpose of non-derivative financial instruments is to raise finance for the Union's operations. The Union does not have any derivative instruments at 31 March 2010.

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

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

Specific Financial Risk Exposures and Management

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

NOTE 21: FINANCIAL RISK MANAGEMENT continued

a. **Credit risk**

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

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness and includes the utilisation of systems for the approval, granting and renewal of credit limits, the regular monitoring of exposures against such limits and the monitoring of the financial stability of significant customers and counterparties. Such monitoring is used in assessing receivables for impairment. Credit terms are generally 30 days from the date of invoice.

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

Credit risk exposures

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

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

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

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

b. **Liquidity risk**

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

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

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

NOTE 21: FINANCIAL RISK MANAGEMENT continued

b. Liquidity risk continued

	Within 1 Year	Within 1 Year	1 to 5	1 to 5	TOTAL	TOTAL
	2010	2009	Years	Years	2010	2009
	\$	\$	2010	2009	\$	\$
Financial Assets – cash flows realisable						
Cash and cash equivalents	161,725	433,329	-	-	161,725	433,329
Trade and other receivables	11,881	60,486	-	-	11,881	60,486
Other current assets	4,675	16,297	-	-	4,675	16,297
Financial assets	965,828	922,051	-	-	965,828	922,051
Total anticipated inflows	1,144,109	1,432,163	-	-	1,144,109	1,432,163
Financial Liabilities due for payment						
Trade Payables	181,706	187,143	-	-	181,706	187,143
Total contractual outflows	181,706	187,143	-	-	181,706	187,143
Net (outflow)/inflow on financial instruments	962,403	1,245,020	-	-	962,403	1,245,020

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

c. Market risk

(i) Interest rate risk

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

(ii) Price risk

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

The Union is exposed to securities price risk on available-for-sale investments. Such risk is managed through diversification of investments across industries and geographic locations.

The Union's investments are held in diversified management fund portfolios.

Sensitivity analysis

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

	Profit \$	Equity \$
Year ended 31 March 2010		
+/- 1% in interest rates basis points	1,617	1,617
Year ended 31 March 2009		
+/- 1% in interest rates basis points	4,333	4,333

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

NOTE 21: FINANCIAL RISK MANAGEMENT continued

Net Fair Values

The carrying values of financial assets and financial liabilities approximate their fair values.

NOTE 22: ENTITY DETAILS

The registered office is:
139-155 Queensberry Street
CARLTON SOUTH VIC 3053

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

COMMITTEE OF MANAGEMENT CERTIFICATE

On 14 July 2010 the Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Communications Division, Telecommunications and Services Branch (Victoria) ("Union/Reporting Unit") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 March 2010:

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of Fair Work Australia;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 ("Act") and the Fair Work (Registered Organisations) Regulations 2009 ("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 the General Manager of Fair Work Australia duly made under section 272 of the Act has been furnished to the member and Fair Work Australia; and
 - (vi) there has been compliance with any order for inspection of financial reports made by Fair Work Australia under section 273 of the Act.

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559

COMMITTEE OF MANAGEMENT CERTIFICATE
continued

(f) in relation to recovery of wages activity:

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

(g) that the members receive a copy of the concise financial report.

Signed in accordance with a resolution of the Committee of Management:

For Committee of Management: Leonard Cooper
Title of Office held: Branch Secretary

Signature



Melbourne:

14th July 2010

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Report

We have audited the accompanying financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Telecommunications and Services Branch (Victoria) Union (the reporting unit), which comprises the statement of financial position as at 31 March 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the committee of management's declaration of the reporting unit during the financial year.

Committee of management's responsibility for the financial report

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

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

INDEPENDENT AUDITOR'S REPORT continued

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

Independence

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

Auditor's opinion

In our opinion the financial report of the reporting unit:

- (a) is in accordance with the provisions of the Fair Work (Registered Organisations) Act 2009, other requirements imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009, including:
 - (i) presenting fairly the reporting unit's financial position as at 31 March 2010 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and International Financial Reporting Standards as disclosed in Note 1.
- (b) properly and fairly report all information in relation to recovery of wages activity required by the reporting guidelines of Fair Work Australia, including:
 - (i) any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity; and
 - (ii) any donations or other contributions deducted from recovered money.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

L S Wong

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

Melbourne: 14 July 2010

COMPILATION REPORT

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

Scope

We have compiled the accompanying special purpose financial statement of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Telecommunications and Services Branch (Victoria) Union (the reporting unit) which comprise the detailed profit and loss statement for the year ended 31 March 2010 on pages 33 and 34. The specific purpose for which the special purpose financial statement has been prepared is to provide financial information to the committee of management.

The Responsibility of the Committee of Management

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

Our Responsibility

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

Our procedures use accounting expertise to collect, classify and summarise the financial information which the Committee of Management provided in the special purpose financial statement. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statement was compiled exclusively for the benefit of the Reporting Unit and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

Melbourne: 14 July 2010

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 MARCH 2010**

	2010 \$	2009 \$
INCOME		
Members' contribution Rights at Work levy fund	-	47
Members' dues	871,457	843,199
Interest received	6,854	28,805
Rental income	12,583	18,820
Welfare fund income	48,592	18,188
Sundry income/(expenses)	883	31
Distributions received on investments	30,241	44,953
TOTAL INCOME	970,610	954,043
LESS EXPENDITURE		
ACTU levy	-	11,170
Affiliation fees:		
- Australian Labour Party	11,107	11,169
- Ballarat Trades Hall Council	500	375
- Bendigo Trades Hall Council	90	158
- Geelong Trades Hall Council	806	648
- Miscellaneous	1,127	3,229
- Victorian Trades Hall Council	10,504	15,284
Bad debts	6,000	-
Bank charges and interest	14,073	13,786
Campaigns	3,056	2,694
Car hire and fares	1,565	2,869
Commission paid	883	833
Committee of Management	109	878
Compulsory levy	-	1,139
Debt collection expenses	-	1,135
Depreciation	9,123	10,836
Donations	-	100
Fringe benefits tax	2,840	2,344
General expenses	1,902	466
Insurance	16,726	5,552
Loss on disposal of fixed assets	4,145	-
Loss on disposal of investments	-	11,165
Meals, travel and accommodation	100	100
Members and organisers meeting expenses	4,388	5,853
Motor vehicle expenses	29,612	26,597
Office rental	67,904	80,611
Payroll tax	20,806	20,911
Postage and delivery charges	11,572	15,843
Printing and stationery	23,260	42,647

This statement should be read in conjunction with the attached compilation report on page 32.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)
ABN 13 511 341 559**

**DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 MARCH 2010**

	2010 \$	2009 \$
EXPENDITURE (continued)		
Professional services:		
- Accountancy and audit fees	14,400	14,910
- Computer consultant	3,361	3,318
- Legal fees	44,246	5,319
Provision for annual leave	12,456	13,072
Provision for impairment of receivables	20,675	(12,271)
Provision for long service leave	7,213	7,213
Recruitment Assistance	3,069	-
Reimbursement	4,480	-
Rental of equipment and storage	14,399	13,094
Repairs and maintenance	10,145	10,278
Rights campaign	-	6,806
Salaries and allowances		
- elected officials	183,647	190,446
- employees	284,775	253,056
Staff amenities	2,564	1,462
Superannuation contributions:		
- elected officials	29,826	30,104
- employees	27,129	26,063
- insurance	719	553
Telecom contractors association	(181)	1,015
Telephone and facsimile	110,392	97,280
Training and education	136	109
Capitation fees – CEPU Divisional Conference	191,395	190,568
Welfare fund expenses	106,635	16,808
Workcover	22,608	2,280
TOTAL EXPENDITURE	<u>1,336,287</u>	<u>1,159,875</u>
NET LOSS FOR THE YEAR	<u>(365,677)</u>	<u>(205,832)</u>

This statement should be read in conjunction with the attached compilation report on page 32.

14 April 2010

Mr Len Cooper
Secretary, Victorian Telecommunications and Services Branch
CEPU
1st Floor, 139 Queensberry Street
CARLTON SOUTH VIC 3053



FAIR WORK
AUSTRALIA



Dear Mr Cooper,

Re: Lodgement of Financial Statements and Accounts – Victorian Telecommunications and Services Branch – for year ending 31 March 2010 (FR2010/2516)

The financial year of the Victorian Telecommunications and Services Branch has recently ended. This is a courtesy letter to remind you of the obligation to prepare the reporting unit's financial documents and to lodge audited financial accounts and statements with Fair Work Australia within the prescribed time frame unless a 1 month extension or an application for a certificate of exemption under the *Fair Work (Registered Organisations) Act 2009* ('the RO Act') is applied for and granted.

The documents you must lodge include:

(i) A general purpose financial report [see section 253(2)]; (ii) A Committee of Management statement (see the General Manager's Reporting Guidelines); (iii) An operating report [see section 254(2)]; (iv) An auditor's report [see sections 257(5) to 257(11)]; and (v) A certificate of the secretary or other designated officer signed after all the prescribed events have taken place [see section 268(c)].

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). Note that this meeting is distinct from any initial committee meeting convened to prepare, sign or otherwise approve pre-audited documents.

Relevant references may be found at <http://www.fwa.gov.au/index.cfm?pagename=regorgsfrguidelines> and <http://www.fwa.gov.au/index.cfm?pagename=legislationfwroact>. If you are in any doubt as to the requirements or anticipate any difficulty in complying with the requirements, do not hesitate to contact Fair Work Australia.

Yours sincerely,

Stephen Kellett

Statutory Services Branch