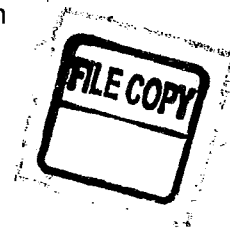




FAIR WORK
AUSTRALIA

17 September 2012

Mr Barry McVee
Secretary, Western Australian Communications Divisional Branch
CEPU
PO Box 8354, Perth Business Centre
PERTH WA 6849



Dear Mr McVee

**Re: Lodgement of Financial Statements and Accounts – Western Australian
Communications Divisional Branch – for year ending 31 March 2012 (FR2012/217)**

Thank you for your letter dated 12 September 2012. A signed copy of the Auditor's report for the Concise Report was attached.

I also note your advice in relation to the issues I raised in my letter of 6 September 2012. I should mention that the documents comprising the full report that was lodged on 14 August 2012 did not include the Operating Report prepared under s254 of the Act, although a copy was included in the Concise Report lodged. I omitted to mention in this in my previous letter.

Care should be taken to ensure that both the Concise and Full Reports include all relevant documents required in future.

The documents have been filed.

Yours sincerely,

Stephen Kellett
Senior Adviser, Regulatory Compliance Branch

12 September 2012

Ref: 5.01/001

Stephen Kellett
Organisations, Research and Advice Branch
Fair Work Australia
Terrace Towers
80 William Street
EAST SYDNEY NSW 2011



CEPU

COMMUNICATIONS
ELECTRICAL
PLUMBING
UNION

Dear Sir,

**Lodgement of Financial Statements and Accounts – Western
Australian Branch, Communications Division, CEPU – for year
ending 31 March 2012 (FR 2012/217)**

Further to your letter of 6 September 2012 regarding the lodgement of the
above Financial Statements :-

- (1) A copy of the signed Concise Report is attached. The Union did have problems with the Reports as the originals were lost in the mail and duplicates had to be obtained.
- (2) The Committee of Management Statement has not been in any previous Concise Reports and we have advised our Auditors to ensure that this report is in the Concise Report in future years.
- (3) The Committee of Management Statement was signed on the 20th June 2012. This was the date it was presented to the Branch Committee of Management. Our Auditors have been advised to include an additional sentence where the wording is as per the guidelines for future years.
- (4) Donations – A Statement of Loans, Grants and Donations s237 of the Fair Work Act was provided to Fair Work on the 23 May 2012 and was lodged by Fair Work on 28th May 2012 as per your correspondence of 20th June 2012.

Please feel free to contact me if you have any other queries.

Yours sincerely

Barry McVee
Branch Secretary
CEPU Communications Division
WA Branch

COMMUNICATIONS
DIVISION
Western Australia

ABN 41 035 284 629

196 Lord Street
PERTH 6000

PO Box 8354
Perth Business Centre
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Communications Electrical
Electronic Energy
Information Postal
Plumbing and Allied
Services Union of Australia

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION WA**

Report on the concise financial report

The accompanying concise financial report of CEPU Communications Division WA (the union) comprises the statement of financial position as at 31 March 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and related notes, derived from the audited financial report of CEPU Communications Division WA for the year ended 31 March 2012. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Branch Committee of Management responsibility for the concise financial report

The Branch Committee of Management are responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039 Concise Financial Reports, and *Fair Work (Registered Organisations) Act 2009*. This responsibility includes establishing and maintaining internal controls relevant to the preparation of the concise financial report; 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 concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of CEPU Communications Division WA for the year ended 31 March 2012. Our audit report on the financial report for the year was signed on 20 June 2012 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039 Concise Financial Reports.

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

Tel: 61 8 9426 8999 | Fax: 61 8 9426 8900 | www.pkf.com.au
PKF Mack & Co | ABN 11 713 325 732
4th Floor, 35 Havelock Street | West Perth | Western Australia 6005 | Australia
PO Box 609 | West Perth | Western Australia 6872 | Australia

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Liability limited by a scheme approved under Professional Standards Legislation.

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

Auditor's opinion

In our opinion, the concise financial report of CEPU Communications Division WA for the year ended 31 March 2012 complies with Accounting Standard AASB 1039 Concise Financial Reports.

PKF Mack and Co

PKF MACK & CO

S. Fermanis

**SIMON FERMANIS
PARTNER**

20 JUNE 2012
WEST PERTH,
WESTERN AUSTRALIA



FAIR WORK
AUSTRALIA

6 September 2012

Mr Barry McVee
Secretary, Western Australian Communications Divisional Branch
CEPU
PO Box 8354, Perth Business Centre
PERTH WA 6849



Dear Mr McVee

**Re: Lodgement of Financial Statements and Accounts – Western Australian
Communications Divisional Branch – for year ending 31 March 2012 (FR2012/217)**

I refer to the above financial statements and accounts which were lodged with Fair Work Australia on 14 August 2012 and I draw your attention to the following.

- (1) The auditor's concise audit report forming part of the Concise Financial Report lodged was not a signed and dated version. The auditor's concise audit report provided to members should be signed and dated.

Fair Work Australia would assume that the auditor would have signed and dated an original version of his concise audit report notwithstanding the fact that an unsigned one formed part of the concise financial report issued. I would ask therefore that you lodge a copy with Fair Work Australia as soon as possible.

- (2) The Committee of Management Statement required by paragraph 24 of the General Manager's Reporting Guidelines was lodged at page 2 of the full report but was not included in the Concise Financial Report. The Committee of Management Statement is part of the general purpose financial report which makes up the Concise Report as defined in Regulation 161 of the Fair Work (Registered Organisations) Regulations 2009. That regulation states "...a concise financial report must include..... [161(1)(d)] any reports or statements mentioned in paragraph 253(2)(c) of the Act...."

Sub-section 253(2)(c) mentions "any reports or statements required by the reporting guidelines". This includes the Committee of Management Statement.

Concise Financial reports prepared in future years must include the Committee of Management Statement.

- (3) The Committee of Management Statement did not comply in one respect with the Reporting Guidelines. It referred to "a resolution passed by the Branch Committee of Management" but did not specify the date the resolution was passed. Paragraph 26(b) of the Guidelines states:

"The committee of management statement must: (b) specify the date of passage of the resolution;

Whilst it might be assumed that the resolution was passed at a meeting held on the date on which the Committee of Management was signed, in this case 20 June 2012, it is not strictly speaking necessary or certain that these coincide. This is why the Guideline requires that the date of resolution be specified.

Committee of Management Statements prepared in future years must specify the date the resolution to which the Statement refers was passed (in addition to indicating the date the Statement was signed).

- (4) The Statement of Income and Expenditure on page 21 shows an amount of \$1,500 for the item "Donations". If this amount included any individual donation exceeding \$1,000, then a separate Statement showing the prescribed particulars should be lodged with Fair Work Australia pursuant to section 237 of the Act, as soon as possible. I enclose a copy of the relevant extract from section 237.

I will defer filing the report until I receive a copy of a signed and dated version of the auditor's concise audit report. If you have any questions in relation to the above, or wish further clarification on any aspect of the financial reporting requirements, please do not hesitate to contact me on (02) 6723 7237.

Yours sincerely,



Stephen Kellett

Senior Adviser, Organisations, Research and Advice Branch

EXTRACT

237 Organisations to notify particulars of loans, grants and donations

(1) An organisation must, within 90 days after the end of each financial year (or such longer period as the General Manager allows), lodge with FWA a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 made by the organisation during the financial year.

Note: This subsection is a civil penalty provision (see section 305).

(2) A statement lodged with FWA under subsection (1) must be signed by an officer of the organisation.

(6) The relevant particulars, in relation to a grant or donation made by an organisation, are:

(a) the amount of the grant or donation; and

(b) the purpose for which the grant or donation was made; and

(c) except where the grant or donation was made to relieve a member of the organisation, or a dependant of a member of the organisation, from severe financial hardship—the name and address of the person to whom the grant or donation was made.

6 August 2012

Ref: 5.01/001

Stephen Kellett
Organisations, Research and Advice Branch
Fair Work Australia
Terrace Towers
80 William Street
EAST SYDNEY NSW 2011



COMMUNICATIONS
ELECTRICAL
PLUMBING
UNION

COMMUNICATIONS
DIVISION
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ABN 41 035 284 629

196 Lord Street
PERTH 6000

PO Box 8354
Perth Business Centre
PERTH 6849

PHONE: 08 9227 9911
FAX: 08 9227 9397
EMAIL: cwuwa@iinet.net.au

Dear Sir,

**Lodgement of Financial Statements and Accounts – Western
Australian Branch, Communications Division, CEPU – for year
ending 31 March 2012 (FR 2012/217)**

I, Barry McVee, being the Secretary of the Communications Electrical,
Electronic, Energy, Information, Postal, Plumbing and Allied Services
Union of Australia, Communications Division, WA Branch certify:

- That the documents lodged herewith are copies of the full
Financial report, and Concise report, for the year ending 31st
March 2012, in accordance with s254 regulation 159;
- That the Concise Financial Report was sent to members on 25
June 2012 with the AGM Meeting Notice as per s265(5); and
- That the full report was presented to the Annual General Meeting
of members on Wednesday 25th July 2012, in accordance with
s266 of the Fair Work (Registered Organisations) Act, 2009.

Yours sincerely

Barry McVee
Branch Secretary
CEPU Communications Division
WA Branch



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

COMMUNICATIONS ELECTRICAL PLUMBING UNION

COMMUNICATIONS DIVISION WA

CONCISE FINANCIAL REPORT

**FOR THE YEAR ENDED
31 MARCH 2012**

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY,
INFORMATION, POSTAL, PLUMBING & ALLIED SERVICES UNION OF
AUSTRALIA (CEPU)

Communications Division WESTERN AUSTRALIA

BRANCH COMMITTEE OF MANAGEMENT OPERATING REPORT

This Operating Report records the activities of the Branch Committee of Management for the Western Australian Branch of the CEPU Communications Division for the financial year ended 31 March 2012; the results of those activities; plus any significant changes in the nature of those activities during the year.

1 Principal Activities of the Branch Committee of Management:

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

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

2. Right of Members to Resign:

All Branch members have the right to resign from the Union in accordance with Rule 32 of the Communications Division Rules (and section 174 (1) of the Fair Work (Registered Organisations) Act 2009), namely by providing written notice addressed and delivered to the Branch Secretary via Post, Facsimile, e-mail or in person.

3. Directorships of Superannuation Funds:

To the best of our knowledge and belief no Officer of the Branch is, by virtue of their Office on the Branch Committee of Management of the CEPU Communications Division (Western Australia)

- a) A Trustee of a superannuation entity or exempt public sector superannuation scheme;
- b) A Director of a company that is a Trustee of a superannuation entity or an exempt public sector superannuation scheme; and
- c) Where a criterion for the Office of a Trustee or Director is that the Office is an Officer of a registered organisation.

4. Membership of the Branch

As at the 31 March, 2012, the membership of the CEPU Communications Division (Western Australia) was 1866.

5 Employees of the Branch:

As at the 31 March 2012, the CEPU Communications Division (Western Australia) employed:-

- (3) Full Time Employees and One (1) Part Time employee

CONCISE FINANCIAL REPORT

The financial accounts of the Union have been audited in accordance with the provisions of the Fair Work (Registered Organisations) Act, 2009 (the Act) and the following concise financial report is provided for members in accordance with Section 272 (5) of the Act and prepared in accordance with Section 265 of the Act.

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

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

INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

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

- (1) A member of the branch, or a Registrar, may apply to the branch for specified prescribed information in relation to the branch to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the branch.
- (3) The branch must comply with an application made under subsection (1).

CONCISE FINANCIAL REPORT

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2012

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF COMMUNICATIONS ELECTRICAL PLUMBING UNION (CEPU)
COMMUNICATIONS DIVISION WA

Report on the concise financial report

The accompanying concise financial report of CEPU Communications Division WA (the union) comprises the statement of financial position as at 31 March 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and related notes, derived from the audited financial report of CEPU Communications Division WA for the year ended 31 March 2012. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Branch Committee of Management responsibility for the concise financial report

The Branch Committee of Management are responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039 Concise Financial Reports, and *Fair Work (Registered Organisations) Act 2009*. This responsibility includes establishing and maintaining internal controls relevant to the preparation of the concise financial report; 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 concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of CEPU Communications Division WA for the year ended 31 March 2012. Our audit report on the financial report for the year was signed on XX May 2012 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039 Concise Financial Reports.

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

	Note	2012 \$	2011 \$
Revenue	2	731,480	759,264
Administration		(115,956)	(116,415)
Employee costs		(422,109)	(434,667)
Divisional conference dues		(151,171)	(147,342)
Depreciation expense		(28,102)	(27,252)
Other expenses		(63,639)	(77,240)
Total net profit/(loss)		(49,497)	(43,653)
Other comprehensive income			
Gain on revaluation of land and buildings		182,453	-
Total comprehensive income for the year		<u>132,956</u>	<u>(43,653)</u>

The accompanying notes form part of these financial statements

CONCISE FINANCIAL REPORT

NOTES TO THE CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2012

NOTE 3: CAPITAL COMMITMENTS

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

NOTE 4: CONTINGENT LIABILITIES AND ASSETS

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

NOTE 5: UNION DETAILS

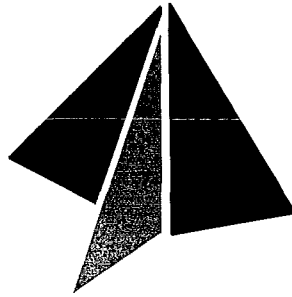
The Union operates from 196 Lord Street, Perth in the State of Western Australia.

CONCISE FINANCIAL REPORT

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2012

	Accumulated Funds	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 April 2010	905,013	847,195	1,752,208
Loss attributable to members	(43,653)	-	(43,653)
Total other comprehensive income for the year	-	-	-
Balance at 31 March 2011	861,360	847,195	1,708,555
Loss attributable to members	(49,497)	-	(49,497)
Total other comprehensive income for the year	-	182,453	182,453
Balance at 31 March 2012	<u>811,863</u>	<u>1,029,648</u>	<u>1,841,511</u>

The accompanying notes form part of these financial statements



**CEPU Communications Division
Western Australia
196 Lord Street, Perth 6000
Phone: 9227 9911
Fax: 9227 9397
Email: cwuwa@iinet.net.au
Web: www.cwu.org.au**

Annual General Meeting Notice

Annual **General** Meeting will be held on: **Wednesday 25 July 2012**

Commencing at: **7.30 pm**

Venue: **CEPU Communications Division Office
196 Lord Street
PERTH WA 6000**

Business:

- 1 Apologies
- 2 Minutes
- 3 Presentation of Branch Secretary's Report
- 4 Presentation of Financial Reports CEPU WA Branch
- 5 Election of Auditor
- 6 Election of Returning Officer
- 7 Notified Business

The Branch Committee of Management Meeting will be held at 6.00 pm prior to the Annual General Meeting.

Barry McVee
Branch Secretary
21 June 2012

**COMMUNICATIONS ELECTRICAL PLUMBING UNION
COMMUNICATIONS DIVISION WA**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 MARCH 2012**

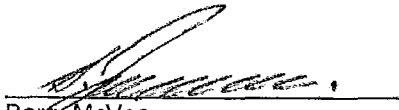
COMMUNICATIONS ELECTRICAL PLUMBING UNION
COMMUNICATIONS DIVISION WA

CERTIFICATE OF SECRETARY

I, Barry McVee, being the officer responsible for keeping the accounting records of the Communications Electrical Plumbing Union, Communications Division WA Branch, certify that as at 31 March 2012 the number of financial members of the organisation was 1,804 (2011:1,818).

In my opinion,

1. The attached accounts present fairly the financial affairs of the organisation as at 31 March 2012 and the result of operations for the year then ended;
2. A register of members has, during the immediately preceding calendar year, been kept and maintained as required by section 230(1)(a) and section 230(2) of the Fair Work (Registered Organisations) Act 2009;
3. A copy of the records required to be kept under sections of 230(1)(b), (c) and (d) of the Fair Work (Registered Organisations) Act 2009, have been provided to the Industrial Registry as required by section 233 of the Fair Work (Registered Organisations) Act 2009.



Barry McVee
WA Branch Secretary

Date: 20-6-2012

**COMMUNICATIONS ELECTRICAL PLUMBING UNION
COMMUNICATIONS DIVISION WA**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2012**

	Note	2012 \$	2011 \$
Revenue	3	731,480	759,264
Administration		(115,956)	(116,415)
Employee costs		(422,109)	(434,667)
Divisional conference dues		(151,171)	(147,342)
Depreciation expense		(28,102)	(27,252)
Other expenses		<u>(63,639)</u>	<u>(77,240)</u>
Loss for the year	4	<u>(49,497)</u>	<u>(43,653)</u>
Other comprehensive income			
Gain on revaluation of land and buildings(net of tax)		<u>182,453</u>	<u>-</u>
Total comprehensive income for the year		<u>132,956</u>	<u>(43,653)</u>

The accompanying notes form part of these financial statements

**COMMUNICATIONS ELECTRICAL PLUMBING UNION
COMMUNICATIONS DIVISION WA**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2012**

	Accumulated Funds	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 April 2010	905,013	847,195	1,752,208
Loss attributable to members	(43,653)	-	(43,653)
Total other comprehensive income for the year	-	-	-
Balance at 31 March 2011	861,360	847,195	1,708,555
Loss attributable to members	(49,497)	-	(49,497)
Total other comprehensive income for the year	-	182,453	182,453
Balance at 31 March 2012	811,863	1,029,648	1,841,511

The accompanying notes form part of these financial statements

COMMUNICATIONS ELECTRICAL PLUMBING UNION
COMMUNICATIONS DIVISION WA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB'). These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial report has been prepared on an accruals basis. It is based on the historical costs and does not take into account changing money values or, except where specifically stated, current calculation of non-current assets.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the union's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 1(p).

New, revised or amending Accounting Standards and Interpretations adopted

The union has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Any significant impact on the accounting policies of the association from the adoption of these Accounting Standards and Interpretations are disclosed in the relevant accounting policy. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the union.

The following Accounting Standards and Interpretations are most relevant to the union:

AASB 2010-4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project

The union has applied AASB 2010-4 amendments from 1 January 2011. The amendments made numerous non-urgent but necessary amendments to a range of Australian Accounting Standards and Interpretations. The amendments provided clarification of disclosures in AASB 7 'Financial Instruments: Disclosures', in particular emphasis of the interaction between quantitative and qualitative disclosures and the nature and extent of risks associated with financial instruments; clarified that an entity can present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes in accordance with AASB 101 'Presentation of Financial Statements'; and provided guidance on the disclosure of significant events and transactions in AASB 134 'Interim Financial Reporting'.

AASB 2010-5 Amendments to Australian Accounting Standards

The union has applied AASB 2010-5 amendments from 1 January 2011. The amendments made numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of International Financial Reporting Standards by the International Accounting Standards Board.

AASB 124 Related Party Disclosures (December 2009)

The union has applied AASB 124 (revised) from 1 January 2011. The revised standard simplified the definition of a related party by clarifying its intended meaning and eliminating inconsistencies from the definition. A subsidiary and an associate with the same investor are related parties of each other; entities significantly influenced by one person and entities significantly influenced by a close member of the family of that person are no longer related parties of each other; and whenever a person or entity has both joint control over a second entity and joint control or significant influence over a third party, the second and third entities are related to each other.

**COMMUNICATIONS ELECTRICAL PLUMBING UNION
COMMUNICATIONS DIVISION WA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and Equipment

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

The depreciable amounts of the plant and equipment are depreciated on a diminishing value basis over the asset's useful life to the entity commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant & Equipment	15% - 30%
Motor Vehicles	25%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of plant and equipment is derecognised upon disposal or when there is no future economic benefit to the union. Gains and losses between the carrying amount and the disposal proceeds are taken to the profit or loss in the statement of comprehensive income.

i. Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment. The amounts are usually due for settlement no more than 30 days. Collectability of debtors is reviewed on an ongoing basis. Debts, which are known to be uncollectible, are written off.

j. Financial Assets

Shares in listed companies are classified as being held for trading. They are initially measured at cost and subsequently measured at fair value with changes in carrying value being included in profit or loss.

k. Trade and other payables

These amounts represent liabilities for goods and services provided to the union prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

l. Employee benefits

Provision is made for the union's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits expected to be settled within one year, together with entitlements arising from wages and salaries and annual leave, which will be settled after one year have been measured at their nominal amount.

Other employee 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.

Provision for employee benefits have been measured to include salary on-costs including superannuation, payroll tax and workers compensation.

m. Superannuation

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

COMMUNICATIONS ELECTRICAL PLUMBING UNION
COMMUNICATIONS DIVISION WA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

To be classified and measured at amortised cost, assets must satisfy the business model test for managing the financial assets and have a certain contractual cash flow characteristics. All other financial instrument assets are to be classified and measured at fair value. This standard allows an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income, with dividends as a return on these investments being recognized in profit or loss. In addition, those equity instruments measured at fair value through other comprehensive income would no longer have to apply any impairment requirements nor would there be any 'recycling' of gains or losses through profit or loss on disposal. The accounting for financial liabilities continue to be classified and measured in accordance with AASB139, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. The union will adopt this standard from 1 January 2013 but the impact of its adoption is yet to be assessed by the

AASB 2010-6 Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets

These amendments are applicable to annual reporting periods beginning on or after 1 July 2011. These amendments add and amend disclosure requirements in AASB 7 about transfer of financial assets including the nature of the financial assets involved and the risks associated with them. The adoption of these amendments from 1 January 2012 will increase the disclosure requirements on the union when an asset is transferred but is not derecognized and new disclosure required when assets are derecognized but the union continues to have a continuing exposure to the asset after the sale or transfer.

AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13

This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2013. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and it provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach would be used to measure assets whereas liabilities would be based on transfer value. As the standard does not introduce any new requirements for the use of fair value its impact on adoption by the union from 1 January 2012 should be minimal, although there will be increased disclosures where fair value is used.

AASB 119 Employee Benefits (September 2011)

This revised standard is applicable to annual reporting periods beginning on or after 1 January 2013. The amendments eliminate the corridor approach for the deferral of gains and losses; streamlines the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring remeasurements to be presented in other comprehensive income; and enhances the disclosure requirements for defined benefit plans. The adoption of the revised standard from 1 January 2013 will require increased disclosures by the incorporated.

AASB 1054 Australian Additional Disclosures

The standard is applicable to annual reporting periods beginning on or after 1 July 2011. The standard sets out the Australian-specific disclosures, which are in addition to International Financial Reporting Standards, for entities that have adopted Australian Accounting Standards. The adoption of these amendments from 1 January 2012 will not have a material impact on the union.

AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project

These amendments are applicable to annual reporting periods beginning on or after 1 July 2011. They make changes to a range of Australian Accounting Standards and Interpretations for the purpose of closer alignment to IFRSs and harmonization between Australian and New Zealand Standards. The amendments remove certain guidance and definitions from Australian Accounting Standards for conformity of drafting with IFRS but without any intention to change requirements. The adoption of these amendments from 1 January 2012 will not have a material impact on the union.

COMMUNICATIONS ELECTRICAL PLUMBING UNION
COMMUNICATIONS DIVISION WA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

	2012	2011
	\$	\$
NOTE 3: REVENUE		
Revenue from operating activities		
Subscriptions	675,135	681,970
Other	2,350	14,802
	<u>677,485</u>	<u>696,772</u>
Revenue from non-operating activities		
Interest received	53,995	57,887
Gain on sale of property, plant & equipment	-	4,605
	<u>53,995</u>	<u>62,492</u>
 Total revenue	 <u>731,480</u>	 <u>759,264</u>
NOTE 4: EXPENSES		
Loss includes the following specific expenses:		
Affiliation fees	14,404	12,272
Depreciation of property, plant and equipment	28,102	27,252
Employee benefits to employees (other than holders of office)	47,467	50,516
Employee benefits to holders of office	281,835	304,640
Remuneration of auditor	15,500	15,777
NOTE 5: CASH AND CASH EQUIVALENTS		
Cash at bank	891,795	1,001,693
Cash on hand	195	195
	<u>891,990</u>	<u>1,001,888</u>
NOTE 6: TRADE AND OTHER RECEIVABLES		
Current		
Trade debtors	38	-
Membership in arrears	4,554	5,192
Accrued interest	10,291	12,484
	<u>14,883</u>	<u>17,676</u>
NOTE 7: OTHER CURRENT ASSETS		
Prepayments	3,371	3,310
	<u>3,371</u>	<u>3,310</u>
NOTE 8: PROPERTY, PLANT AND EQUIPMENT		
Land and buildings – at valuation	1,155,000	1,021,960
Less: accumulated depreciation	(435)	(41,013)
	<u>1,154,565</u>	<u>980,947</u>
 Plant and Equipment – at cost	 84,857	 82,617
Less: accumulated depreciation	(80,596)	(77,621)
	<u>4,261</u>	<u>4,996</u>
 Motor Vehicles – at cost	 65,160	 64,871
Less: accumulated depreciation	(32,580)	(16,288)
	<u>32,580</u>	<u>48,583</u>
 Total property, plant and equipment	 <u>1,191,406</u>	 <u>1,034,526</u>

**COMMUNICATIONS ELECTRICAL PLUMBING UNION
COMMUNICATIONS DIVISION WA**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

NOTE 11: CASHFLOW INFORMATION

a) Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2012	2011
	\$	\$
Cash at bank	891,795	1,001,693
Cash on hand	195	195
	891,990	1,001,888

b) Reconciliation of loss from continuing operations to net cash flows from operating activities

Loss from continuing operations	(49,497)	(43,653)
Add non-cash items:		
Depreciation	28,102	27,252
Loss on sale of property, plant and equipment	-	(4,605)
Change in assets and liabilities		
(Increase)/decrease in receivables and prepayments	2,732	(10,752)
Increase/(decrease) in trade payables and accruals	6,253	(29,164)
Increase/(decrease) in provisions	(94,959)	48,651
Net cash outflow from operations	(107,369)	(12,270)

NOTE 12: KEY MANAGEMENT PERSONNEL COMPENSATION

Key management personnel comprise those individuals who have the authority and responsibility for planning, directing and controlling the activities of the union. During the year, the key management personnel of the union were remunerated as follows:

	Short Term Benefits	Post Employment Benefits	Total
2012			
Total compensation	281,835	31,655	313,490
2011			
Total compensation	304,640	29,921	334,561

NOTE 13: RELATED PARTY DISCLOSURE

Transactions with Divisional Office

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

Transactions with related parties:

a) During the year the Branch paid 22.5% of gross member contributions received in cash to Divisional Office	151,171	147,342
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As at 31 March 2012, amounts outstanding and payable to the Branch amounted to \$2,335 (2011:1,513)

COMMUNICATIONS ELECTRICAL PLUMBING UNION
COMMUNICATIONS DIVISION WA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

NOTE 14: FINANCIAL INSTRUMENTS (cont)

Fair values of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair values. The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial instrument.

NOTE 15: CONTINGENT LIABILITIES AND ASSETS

At reporting date there are no known contingent liabilities or assets that would have a material effect on the presentation of the annual financial statements.

NOTE 16: SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of financial period which significantly affected or may significantly affect the operations of the union.

NOTE 17: LEASING COMMITMENTS

The Union did not have any existing or enter into any new leasing commitments during the 31 March 2012 financial year.

NOTE 18: RESERVES

The asset revaluation reserve arises on the revaluation of land and buildings.

NOTE 19: UNION DETAILS

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion:

- (1) the financial report of CEPU Communications Division WA is in accordance with:
 - (a) the Fair Work (Registered Organisations) Act 2009, including:
 - (i) giving a true and fair view of the union's financial position as at 31 March 2012 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations); and
 - (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1
- (2) the union has kept satisfactory accounting records for the financial year including records of:
 - (i) the sources and nature of the unions income, including membership subscriptions and other income from members; and
 - (ii) the nature of and reasons for the unions expenditure,
- (3) All information and explanations that officers or employees of the union were required to provide have been provided; and
- (4) There was no deficiency, failure or shortcoming in any matters referred to in (1) to (3) above.

PKF Mack and Co .

PKF MACK & Co


SIMON FERMANIS
PARTNER

20 JUNE 2012
WEST PERTH,
WESTERN AUSTRALIA

COMMUNICATIONS ELECTRICAL PLUMBING UNION
COMMUNICATIONS DIVISION WA

STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 MARCH 2012

	2012	2011
	\$	\$
Income		
Member subscriptions	675,135	681,970
Less:		
Divisional office portion of contributions	(151,171)	(147,342)
Members contributions attributable to WA branch	<u>523,964</u>	<u>534,627</u>
Interest	53,995	57,887
Other income	2,350	19,407
Total income	<u>580,309</u>	<u>611,921</u>
Expenditure		
Affiliation fees	14,404	12,272
Audit fees	15,500	15,777
Bank charges	7,922	7,305
Committee	1,789	1,931
Computer expenses	4,838	4,135
Depreciation	28,102	27,252
Donations	1,500	12,660
Equipment – purchase	-	108
Fringe benefits tax	3,974	3,278
General	3,846	6,598
General insurance	7,252	45
Industrial Action	-	(6,652)
Konica rental	2,900	2,370
Legal fees	3,014	2,006
Member campaign fund payments	21,104	30,540
Membership/subscriptions	748	417
Membership welfare fund expenses	3,027	11,509
Motor vehicle	15,636	9,471
Office accommodation	19,317	16,790
Payroll commissions	5,615	5,588
Payroll tax	25,341	22,570
Postage & delivery	8,797	5,760
Printing & stationary	4,810	7,583
Rates & electricity	2,831	3,526
Repairs & maintenance	6,256	3,011
Salaries – administration	47,467	50,516
Salaries – officials	281,835	304,640
Staff amenities	341	1,204
Staff training	-	145
Superannuation	54,301	51,353
Telephone & fax	15,723	31,708
Travel	14,359	10,158
WATSCA	7,550	-
Other	(293)	-
	<u>629,806</u>	<u>655,574</u>
Net loss	<u>(49,497)</u>	<u>(43,653)</u>

**Minutes of CEPU Communications Division (WA Branch)
Annual General Meeting
held Wednesday 25 July 2012**

Chairperson: J O'Donnell

Attendance:

B McVee	P Noble	B Watkins
J Conway	J Vagg	A Gomersall
J Kus	C Noonan	J Tredrea
P McGrath	P Collins	

Apologies:

R Waller	M Totterdell	A Mollatt
P Emmens		

Meeting: The Chair declared the meeting open at 7.31 pm.

Motion: "That the Minutes of the Annual General Meeting held on 20 July 2011 be accepted as a true and correct record of that meeting".

Moved: P Collins **Seconded:** P McGrath

Carried

**Secretary's Report:
2011/2012 Annual Report**

Presented by Branch Secretary – Barry McVee

Sitting down to write this report for the financial year just gone sees us at the start of negotiations with Telstra for their next EBA and about to go into a campaign with our Telstra Members. Our organising/visiting program in both Post and Telstra which we continue to refine to ensure that the maximum possible time is spent in workplaces so that we can talk face to face with members keeps the officials of this office very busy.

Telecommunications

Last year we were awaiting the Government/NBN Co's announcement as to who would win the contract for the NBN build here in Western Australia, that contract has been awarded to Service Stream, we continue to try and work with Service Stream but this has been a hard slog with their ongoing treatment of our WATSCA Members.

Workers Compensation claims has Members still seeking assistance from this office with their compensation claims and rehabilitation programs, although this year it is good to report that through the hard work of both John O'Donnell and our lawyers Slater and Gordon we have had some good wins for Members.

Telstra has now bought the claims process back in house, since this has happened claims have been rejected at alarming rates, Members are advised that if they do unfortunately have to claim Workers Compensation they should contact the Branch Office immediately for advice and assistance.

“Western Australian Telecommunication Sub-Contractors Association” (WATSCA) Membership continues to grow and Members are increasingly becoming more and more active, we have set up training through Ramsden Training for Members seeking to up skill to NBN certification, a spin off to this training has seen a percentage of the training done at the Unions office which gives us daily contact with Members and potential Members.

Through WATSCA we are still assisting the subbies with access to cheaper insurance, and have run a number of conferences/functions so they can have face to face contact with the insurance providers. Negotiations have commenced with Telstra for the next EBA, a comprehensive National campaign has commenced and will officially be launched in Western Australia Monday 30th July 2012.

Postal

Restructuring and change continues to be the theme for Post, this is being driven by decreasing amounts of foot traffic in Retail Outlets, mail volumes continuing to fall and a huge increase in parcel volumes, although we are now seeing Post Redeploy people rather than give out mass redundancies as they have in the past, this is still causing a lot of uncertainty for Members whom are being redeployed given redeployment is something we haven't seen in Post for a number of years.

As reported last year we were negotiating a new Occupational Health and Safety agreement with Post this is still ongoing and it's very disappointing that it has not been finalized yet as the Government changes to workplace safety come into effect January 2012, also as mentioned last year we have entered into negotiation with Post on a new Retail Agreement to be known as the Retail Services Transformation Agreement, it is disappointing to announce that the negotiating of this agreement is taking far too long.

As reported last year we were in dispute with Post over them trying to implement separate bundle delivery, gladly I can now report that through the actions of some very brave Members who refused to perform SBD when asked and were stood down from work, this action prompted the CEO of Post to convene a meeting with PDO's, a trial was done and Post have now gone back to delivering mail the normal way, which is a lot safer for our Members.

Branch Membership

Not dissimilar to other years the membership remains fairly steady over the past twelve months but we need to continue to work hard to build union strength which in turn helps us whilst negotiating with the employers.

Branch Finances

For the financial year 2011/2012 we will be reporting a small loss, this has mainly come about because of rising costs for the utilities and services that we use; also the mining boom has not helped with Member turn over.

Throughout the year we have continued to examine all expenditure and look at ways to reduce all costs, of recent we have changed all our office and mobile telephone contracts and this will lead to substantial cost reductions over the next twelve months, this is a continuing exercise as we look for ways to further reduce any and all expenditure.

Acknowledgements

Firstly I would like to thank the Branch Committee of Management for their support over the past twelve months, these people are volunteers and give freely of their time to help us with the running and administration of this Branch.

Certainly I would like to thank the Members for their support over the past twelve months because you are the Union and through your support and efforts you make this Union viable and strong.

I would also like to thank John O'Donnell and Bryan Watkins for their hard work, support and efforts over the past twelve months, their dedication to the members and the union is very much appreciated.

Last but certainly not least I would like to thank our admin lady Maggie, it's not always easy to work in a Union environment but Maggie manages to do so with a smile on her face whilst keeping the Branch running and keeping the Officials under control.

Thank you all.

Motion: "That the Secretary's Report be adopted."

Moved: J Kus

Seconded: P Noble

Carried

Branch Balance Sheet:

Motion: "That the CEPU Communications Division Financial Statements for the year ending 31 March 2012, as previously circulated to the members, be adopted."

Moved: J Conway

Seconded: P Noble

Carried

Auditors:

Motion: "That PKF Mack & Co. be appointed as Auditors to the Branch for the 2012/2013 Financial Year."

Moved: C Noonan

Seconded: P Collins

Carried

Legal Services:

"That Slater & Gordon be appointed to provide Legal Services to the Branch for the Financial Year 2012/2013."

Moved: S Plichta

Seconded: J Tredrea

Carried

Returning Officer:

"That Peter Emmens be appointed as the Branch's Returning Officer for the Financial Year 2012/13."

Moved: A Gomersall

Seconded: J Vagg

Carried

Motion: "That Maggie Di Re be thanked for her efforts in running the Branch efficiently."

Moved: C Noonan

Seconded: J Conway

Carried

The Meeting closed at 7.50 p.m.

Branch President

Date

Branch Secretary

Date