



8 August 2014

Mr Steve Butler
Branch Secretary
New South Wales Divisional Branch, Electrical Division
CEPU
Level 5, 370 Pitt Street
SYDNEY NSW 2000

sent to: steveb@etunsw.asn.au

Dear Mr Butler

Re: Lodgement of financial statements and accounts - s268 Fair Work (Registered Organisations) Act 2009 - CEPU, Electrical Division, New South Wales Divisional Branch - for year ended 31 December 2013 (FR2013/428)

I acknowledge receipt of the financial report of the New South Wales Divisional Branch, Electrical Division [‘the reporting unit’]. The documents were lodged with the Fair Work Commission on 19 June 2014.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged. However I make the following comment to assist you when you next prepare a financial report. The Fair Work Commission will confirm this matter has been addressed prior to filing next year’s report.

Financial instruments disclosures

Australian Accounting Standard *AASB 7 Financial Instruments: Disclosures* details the reporting disclosures required by an entity in relation to financial instruments. This information was not provided. I have discussed this with Mr Donald Garton, Financial Controller who has indicated the 2014 report will reflect this Standard.

Should you wish to discuss the matter raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (02) 6723 7237 or by email at stephen.kellett@fwc.gov.au.

Yours sincerely

Stephen Kellett
Senior Adviser, Regulatory Compliance Branch
Fair Work Commission

cc. Mr Donald Garton, Financial Controller

From: KELLETT, Stephen
To: ["steveb@etunsw.asn.au"](mailto:steveb@etunsw.asn.au)
Cc: ["donaldg@etunsw.asn.au"](mailto:donaldg@etunsw.asn.au)
Subject: Attention Mr Steve Butler - Financial report y/e 31 Dec 2013 - filing
Date: Friday, 8 August 2014 1:20:00 PM
Attachments: [CEPU ELE NSW FR2013 428 \(advanced final\).pdf](#)

Dear Mr Butler,

Please see attached my letter in relation to the above.

Yours sincerely

STEPHEN KELLETT
Regulatory Compliance Branch
FAIR WORK COMMISSION

80 William Street
EAST SYDNEY NSW 2011

(ph) (02) 6723 7237
(email) stephen.kellett@fwc.gov.au

From: [Donald Garton](#)
To: [Orgs](#)
Subject: {Kellett} On CMS FR2013/428 Emailing: CEPU 2013-12-31 financial report per s268 FW (RO) Act 2009.pdf
Date: Thursday, 19 June 2014 4:31:05 PM
Attachments: [CEPU 2013-12-31 financial report per s268 FW \(RO\) Act 2009.pdf](#)

FR2013/428

Regards

Donald Garton

Financial Controller

Electrical Trades Union of Australia (NSW Branch) CEPU , Electrical Trades Union Division, NSW
Branch Level 5, 370 Pitt St, Sydney 2000, NSW, Australia
P: (02) 9267 4844 F: (02) 9267 4877 M: 0419 855 622
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COMMUNICATIONS
ELECTRICAL
PLUMBING
UNION
NSW ELECTRICAL
DIVISIONAL BRANCH

s.268 Fair Work (Registered Organisations) Act 2009

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the period ended 31st December 2013

I Paul Sinclair being the Deputy Secretary of the C.E.P.U. Electrical Division NSW certify:

- that the documents lodged herewith are copies of the full report for the C.E.P.U. Electrical Division NSW for the period ended 31st December 2013 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was presented to meeting of the committee of management of the reporting unit on 2 June 2014 2014 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.
- that the full report was provided to members of the reporting unit on 11 June 2014 2014; and
- that the full report was presented to meeting of the committee of management of the reporting unit on 16 June 2014 2014 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:

P. Sinclair

Name of prescribed designated officer:

PAUL SINCLAIR

Title of prescribed designated officer:

DEPUTY SECRETARY

Dated:

16th JUNE 2014

Level 5, 370 Pitt Street
Sydney NSW 2000
Phone: 02 9267 4844
Fax: 02 9267 4877

26 Warabrook Bvd
Warabrook NSW 2304
Phone: 02 4968 2488
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Level 2, 63 Market Street
Wollongong NSW 2500
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Fax: 02 4228 5636

25-27 Darling Street
PO Box 126
Mitchell ACT 2911
Phone: 6163 6666
Fax: 6163 6667



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

Electrical Division NSW Branch

(C.E.P.U. Electrical Division NSW)

A.B.N 46 878 660 276

FINANCIAL STATEMENTS 2013

AUDITOR DECLARATIONS	3
OPERATING REPORT	4
COMMITTEE OF MANAGEMENT STATEMENT.....	8
STATEMENT OF COMPREHENSIVE INCOME.....	9
STATEMENT OF FINANCIAL POSITION.....	10
STATEMENT OF CHANGES IN EQUITY	11
STATEMENT OF CASH FLOWS.....	12
RECOVERY OF WAGES ACTIVITY	13
INDEX TO THE NOTES OF THE FINANCIAL STATEMENTS.....	14
NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	15
NOTE 2 EVENTS AFTER THE REPORTING PERIOD	21
NOTE 3 INCOME.....	22
NOTE 4 EXPENSES	22
NOTE 4 EXPENSES	23
NOTE 5 CURRENT ASSETS.....	24
NOTE 6 NON-CURRENT ASSETS	25
NOTE 7 CURRENT LIABILITIES	27
NOTE 8 EMPLOYEE PROVISIONS	27
NOTE 11 CASH FLOW.....	28
NOTE 13 RELATED PARTY DISCLOSURES	29
NOTE 14 REMUNERATION OF AUDITORS.....	30
NOTE 17 ADMINISTRATION OF FINANCIAL AFFAIRS BY A THIRD PARTY.....	30
NOTE 18 SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009.....	30
NOTE 19 SECTION 255 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009.....	31
NOTE 20 ENTITY DETAILS.....	35
NOTE 21 FUNDS MAINTAINED.....	36
AUDIT REPORT	39

AUDITOR DECLARATIONS

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2013, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Pinker Arnold & McLoughlin Chartered Accountants



Richard Pinker

Date: 3rd June 2014
Hurstville NSW

Auditor's declarations under paragraphs 43 and 44 of the Reporting guidelines for the purposes of section 255 of the Fair Work (Registered Organisations) Act 2009

We declare that the auditor

- is a member of our firm where at least one member is an approved auditor.
- is a member of the Institute of Chartered Accountants in Australia
- holds a current Public Practice Certificate.

We declare that as part of the audit of the financial statement, we have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate.

Pinker Arnold & McLoughlin Chartered Accountants



Richard Pinker
Chartered Accountant & Registered Company Auditor #16244
Hurstville NSW

Date: 3rd June 2014

OPERATING REPORT*for the period ended 31st December 2013*

The committee of management presents its report on the reporting unit for the financial year ended 31st December 2013.

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

The principal activity of the C.E.P.U. Electrical Division NSW was that of a registered Trade Union.

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

The operating surplus for C.E.P.U. Electrical Division NSW the year ended 31st December 2013 was \$59,170 (prior year \$139,443). Adding gains on re-valued land and buildings \$1,343,519, the total comprehensive income was \$1,402,689 (prior year \$139,443).

There have been no significant changes to the operating costs of the Branch in the last financial year.

Significant changes in financial affairs.

There have been no significant changes to the financial affairs of the Branch in the last financial year.

Right of members to resign.

Members have the right to resign their membership of the union by giving written notice of resignation to the Branch Secretary. The written notification is accepted subject to the rules of the branch and in accordance with section 174 of the Fair Work (Registered Organisations) Act 2009.

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

For the purposes of section 254(2)(d) of the Fair Work (Registered Organisations) Act 2009, there is nothing to disclose.

For the purposes of Reporting Guideline No. 36 issued under section 255 of the Fair Work (Registered Organisations) Act 2009, the following table is disclosed.

<u>Director</u>	<u>C.E.P.U. Electrical Division NSW</u> <u>Office or Employment a Criteria?</u>
Steve Butler	No
Michael Doust	No
Paul Sinclair	No
John Thornton	No
Russell Wilson	No

Number of members.

As at 31st December 2013 the organisation had 22,045 members. The number of financial members of the Union as at 31st December 2013 was 16,971.

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

<u>Name</u>	<u>Period of service</u>	
	<u>From:</u>	<u>To:</u>
James MacFadyen	1 st January 2013	31 st December 2013
Steve Butler	1 st January 2013	31 st December 2013
William Maxwell (Deceased)	1 st January 2013	27 th June 2013

C.E.P.U. Electrical Division NSW

<u>Name</u>	<u>Period of service</u>	
	<u>From:</u>	<u>To:</u>
Mary Stylli	1 st January 2013	31 st December 2013
Philip Oswald	1 st January 2013	31 st December 2013
Glen Potter	1 st January 2013	31 st December 2013
Peter Henne	1 st January 2013	31 st December 2013
Mark Buttigieg	1 st January 2013	3 rd June 2013
Peter Johnston	17 th July 2013	31 st December 2013
Colin Harris	1 st January 2013	31 st December 2013

Officers & employees who are directors of a company or a member of a board.

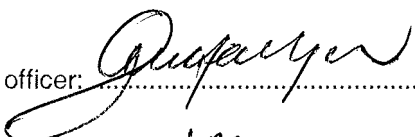
<u>First name</u>	<u>Last name</u>	<u>Company / Board name</u>	<u>Principal activity of the company / board</u>	<u>C.E.P.U. Electrical Division NSW Officer, Employment or C.E.P.U. Electrical Division NSW, ACTU nomination an appointment Criteria?</u>
Neville	Betts	1. Director - The Electrotechnology Industry Group Training Company Limited 2. Director - The ACT Building and Construction Industry Training Fund Authority 3. Board Member - ACT Unions Property Trust 4. Councillor - Electrical Trades Union of Australia, New South Wales Branch	1. Group Training organisation 2. Administration of a Industry training fund 3. Administration of property Trust 4. Trade Union	No
Michael	Brien	1. Director - Richmond Golf Club 2. Vice President - Electrical Trades Union of Australia, New South Wales Branch	1. Golf Club 2. Trades Union	No
Steve	Butler	1. Director - New Law Pty Ltd 2. Director - The Electrotechnology Industry Group Training Company Limited 3. Director - The Australian Electrotechnology Industry Training Center Ltd 4. Director - Energy Industry Superannuation Scheme Pty Limited 5. Director - Trades Hall Association Limited 6. Committee Member - The Construction Industry Drug & Alcohol Foundation (Foundation House) 7. Director - Mechanical and Electrical Redundancy Trust 8. Secretary - Electrical Trades Union of Australia, New South Wales Branch	1. Law firm 2. Group Training organisation 3. Group Training organisation 4. Superannuation Fund Trustee 5. Property trust 6. Drug and Alcohol rehabilitation charity 7. Portable Redundancy Trust Fund 8. Trades Union	No
Mark	Buttigieg	1. Director - Vathonas Investments, 2. Director - KA Investments 3. Councillor - Electrical Trades Union of Australia, New South Wales Branch	1. personal investment 2. personal investment 3. Trades Union	No
Michael	Doust	1. Chairperson - Energy Industries Superannuation Scheme Pty Limited (jan/feb 13) 2. Alternate Director - Mechanical and Electrical Redundancy Trust	1. Administration of a Superannuation Fund 2. Portable Redundancy Trust Fund	No

C.E.P.U. Electrical Division NSW

<u>First name</u>	<u>Last name</u>	<u>Company / Board name</u>	<u>Principal activity of the company / board</u>	<u>C.E.P.U. Electrical Division NSW Officer, Employment or C.E.P.U. Electrical Division NSW, ACTU nomination an appointment Criteria?</u>
Colin	Harris	1. Committee Member - NSW Utilities & Electrotechnology ITAB Ltd. 2. Councillor - Electrical Trades Union of Australia, New South Wales Branch	1. Industry Skills Advisory Body 2. Trades Union	No
Peter	Henne	1. Treasurer - Bondi Beach Branch ALP 2. Councillor - Electrical Trades Union of Australia, New South Wales Branch	1. political activities 2. Trades Union	No
Mal	Hoy	1. Committee Member - Arncliffe Scotts Junior Rugby League Club 2. Councillor - Electrical Trades Union of Australia, New South Wales Branch	1. Rugby league club 2. Trades Union	No
Peter	Johnston	1. Councillor - Electrical Trades Union of Australia, New South Wales Branch	1. Trades Union	No
Jim	Macfadyen	1. Director - Gosford Race Club, 2. President - Hardy's Bay Branch ALP, 3. Director - The Electrotechnology Industry Group Training Company Limited 4. Appeal Tribunal Member - Vocational Training Board 5. President - Electrical Trades Union of Australia, New South Wales Branch	1. Horse Racing Club, 2. political activities, 3. Group training organisation 4. hearing of training appeals 5. Trades Union	No
Noel	Mahon	1. Councillor - Electrical Trades Union of Australia, New South Wales Branch	1. Trades Union	No
Susan	May	1. Councillor - Electrical Trades Union of Australia, New South Wales Branch	1. Trades Union	No
David	McKinley	1. Appeal Committee Member - Long Service Corporation	1. hearing of long service appeals	No
Michael	McManus	1. Vice President & Director - Yass Soldiers Club inc, 2. Councillor Deputy Mayor - Yass Valley Council 3. Secretary/Treasurer - Goulbourn State Electoral council 4. Treasurer - Burrinjuck State Electoral Council 5. Vice President - Yass Valley Branch ALP 6. Delegate - State ALP Conference 7. Delegate - State Country ALP Conference	1. Community Club 2. Local Council 3. Political activities 4. Political activities 5. Political activities 6. Political activities 7. Political activities	No
Wesley	Oakes	1. Director - WAO Electrical Pty Ltd	1. electrical contractor	No
Phillip	Oswald	1. Deputy President - Narrabeen Pittwater Branch ALP 2. Councillor - Electrical Trades Union of Australia, New South Wales Branch	1. political activities 2. Trades Union	No
Justin	Page	1. Director - Labour Co-Operative Ltd	1. not for profit labour services	No
Geoff	Prime	1. Councillor - Electrical Trades Union of Australia, New South Wales Branch	1. Trades Union	No
Allan	Reid	1. Councillor - Electrical Trades Union of Australia, New South Wales Branch	1. Trades Union	No
Steve	Robinson	1. Alternative Director - NSW Workers Compensation and Dust Diseases Board	1. Administer the Workers' Compensation (Dust Diseases) Act 1942	No

C.E.P.U. Electrical Division NSW

<u>First name</u>	<u>Last name</u>	<u>Company / Board name</u>	<u>Principal activity of the company / board</u>	<u>C.E.P.U. Electrical Division NSW Officer, Employment or C.E.P.U. Electrical Division NSW, ACTU nomination an appointment Criteria?</u>
Trevor	Russell	1. Councillor - Electrical Trades Union of Australia, New South Wales Branch	1. Trades Union	No
Paul	Sinclair	1. Assistant Secretary - Electrical Trades Union of Australia, New South Wales Branch	1. Trades Union	No
Mary	Stylli	1. Councillor - Electrical Trades Union of Australia, New South Wales Branch	1. Trades Union	No
Darren	Whitfield	1. Director - Intercity Electrical Pty Ltd 2. Councillor - Electrical Trades Union of Australia, New South Wales Branch	1. Electrical Contractor 2. Trades Union	No
Peter	Woods	1. Treasurer - Western Sydney Rugby League Football Club Illawarra 2. Councillor - Electrical Trades Union of Australia, New South Wales Branch	1. Rugby league club 2. Trades Union	No

Signature of designated officer: 

Name and title of designated officer: J MACFADYEN
PRESIDENT

Dated: 2. 6. 2014

COMMITTEE OF MANAGEMENT STATEMENT

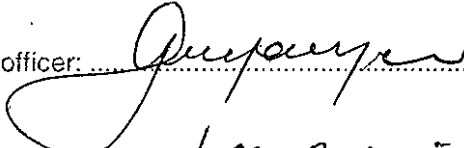
for the period ended 31st December 2013

On 2ND day of JUNE 2014 the committee of management of the C.E.P.U. Electrical Division NSW passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 31st December 2013:

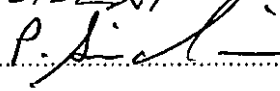
The committee of management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPRF relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) in relation to recovery of wages activity:
 - (i) the reporting unit has not engaged in recovery of wages activity which has resulted in the derivation of revenue in respect of such activity.

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

Signature of designated officer: 

Name and title of designated officer: J.M. MACFADYEN 2ND JUNE 2014
PRESIDENT

Signature of designated officer: 

Name and title of designated officer: PAUL SINCLAIR 2ND JUNE 2014
DEPUTY SECRETARY.

STATEMENT OF COMPREHENSIVE INCOME*for the year ended 31st December 2013*

	Notes	2013 \$	2012 \$
Revenue			
Membership subscription		7,117,466	3,710,342
Levies	3B	302,495	49,859
Interest	3C	304,541	337,701
Rental revenue	3D	190,402	352,800
Total revenue		7,914,904	4,450,702
Expenses			
Service agreement expense	13	6,091,549	2,374,879
Capitation fees	4B	1,062,738	1,334,390
Affiliation fees	4C	-	3,682
Administration expenses	4D	120,982	266,846
Grants or donations	4E	129,500	87,491
Depreciation and amortisation	4F	67	48,181
Finance costs	4G	180,898	180,904
Legal costs	4H	250,000	(5,115)
Other expenses	4K	-	-
Audit fees	14	20,000	20,000
Total expenses		7,855,734	4,311,258
Profit (loss) for the year		59,170	139,443
Other comprehensive income			
Gain on revaluation of land & buildings		1,343,519	-
Total comprehensive income for the year		1,402,689	139,443

The above statement should be read in conjunction with the notes.

STATEMENT OF FINANCIAL POSITIONas at 31st December 2013

	Notes	2013 \$	2012 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	5,131,578	4,250,499
Trade and other receivables	5B	-	634,778
Total current assets		5,131,578	4,885,277
Non-Current Assets			
Land and buildings	6A	8,091,668	6,748,148
Plant and equipment	6B	266	333
Other non-current assets	6F	1,300,000	1,300,000
Total non-current assets		9,391,934	8,048,481
Total assets		14,523,512	12,933,758
LIABILITIES			
Current Liabilities			
Trade payables	7A	826,269	856,178
Other payables	7B	299,100	82,126
Total current liabilities		1,125,369	938,304
Non-Current Liabilities			
Other non-current liabilities	9A	1,573,000	1,573,000
Total non-current liabilities		1,573,000	1,573,000
Total liabilities		2,698,369	2,511,304
Net assets		11,825,143	10,422,454
EQUITY			
Asset re-valuation reserve	10A	4,917,827	3,574,308
Retained earnings		6,907,316	6,848,146
Total equity		11,825,143	10,422,454

The above statement should be read in conjunction with the notes.

STATEMENT OF CHANGES IN EQUITY*for the period ended 31st December 2013*

	Notes	Asset re- valuation reserve	Retained earnings	Total equity
		\$	\$	\$
Balance as at 1 January 2012		3,574,308	6,248,806	9,823,114
Adjustment for changes in accounting policies		-	459,897	459,897
Profit for the year		-	139,443	139,443
Closing balance as at 31st December 2012		3,574,308	6,848,146	10,422,454
Profit for the year		-	59,170	59,170
Other comprehensive income for the year		1,343,519	-	1,343,519
Closing balance as at 31st December 2013		4,917,827	6,907,316	11,825,143

The above statement should be read in conjunction with the notes.

STATEMENT OF CASH FLOWS
for the year ended 31st December 2013

	Notes	2013 \$	2012 \$
OPERATING ACTIVITIES			
Cash received			
Memberships		7,419,961	3,760,201
Receipts from other reporting units/controlled entity(s)	11B	-	-
Interest		304,541	315,382
Other		624,803	2,114,532
Cash used			
Suppliers and employees		(6,828,514)	(3,082,022)
Payment to other reporting units/controlled entity(s)	11B	(1,258,916)	(478,212)
Interest		(149,503)	(180,904)
Net cash from (used by) operating activities	11A	112,372	2,448,977
INVESTING ACTIVITIES			
Cash received			
Other		-	22,319
Net cash from (used by) investing activities		-	22,319
FINANCING ACTIVITIES			
Cash received			
Other	13A	768,707	372,538
Net cash from (used by) financing activities		768,707	372,538
Net increase (decrease) in cash held		881,079	2,843,834
Cash & cash equivalents at the beginning of the reporting period		4,250,499	1,406,665
Cash & cash equivalents at the end of the reporting period	5A	5,131,578	4,250,499

The above statement should be read in conjunction with the notes.

RECOVERY OF WAGES ACTIVITYfor the year ended 31st December 2013

	2013	2012
	\$	\$
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:		
name of account	-	-
name of fund	-	-
Name of other reporting unit of the organisation:		
name of account	-	-
name of fund	-	-
Name of other entity:		
name of account	-	-
name of fund	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total payments	-	-
Cash asset's in respect of recovered money at end of year	-	-

Index to the Notes of the Financial Statements

Certain notes have been deleted as they are not applicable.

Note 1	Summary of Significant Accounting Policies
Note 2	Events after the Reporting Period
Note 3	Income
Note 4	Expenses
Note 5	Current Assets
Note 6	Non-current Assets
Note 7	Current Liabilities
Note 8	Employee Provisions
Note 9A	Non-current Liabilities
Note 11	Cash Flow
Note 13	Related Party Disclosures
Note 14	Remuneration of Auditors
Note 17	Administration of financial affairs by a third party
Note 18	Section 272 <i>Fair Work (Registered Organisations) Act 2009</i>
Note 19	Section 255 <i>Fair Work (Registered Organisations) Act 2009</i>
Note 20	Entity details
Note 21	Funds maintained: Distress and mortality fund; Distress and mortality supplementation fund; Sustenance assistance fund

Note 1 Summary of Significant Accounting Policies

1.1 Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the C.E.P.U. Electrical Division NSW is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities that are measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars, which is the functional currency, rounded to the nearest dollar.

1.2 Comparative amounts

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

When the entity changes the presentation or classification of items in its financial statements, the entity shall reclassify comparative amounts unless reclassification is impracticable.

When the entity reclassifies comparative amounts, the entity discloses:

- the nature of the reclassification;
- the amount of each item or class of items that is reclassified; and
- the reason for the reclassification.

1.3 Significant Accounting Judgements and Estimates

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

a) the fair value of real property has been taken to be the market value of similar properties as determined by an independent valuer.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date stated in the standard.

The accounting policies adopted are consistent with those of the previous financial year.

Future Australian Accounting Standards Requirements

No new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period are expected to have a future financial impact on the C.E.P.U. Electrical Division NSW.

1.5 Revenue

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

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

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

Donation income is recognised when it is received.

Membership income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

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

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

1.6 Gains

Sale of assets

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

1.7 Capitation fees and levies

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

1.8 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

1.9 Financial instruments

Financial assets and financial liabilities are recognised when the C.E.P.U. Electrical Division NSW becomes a party to the contractual provisions of the instrument.

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

1.10 Financial assets

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

Fair value through profit or loss

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

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or

- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Held-to-maturity investments

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

Available-for-sale

Listed shares and listed redeemable notes held by the reporting unit that are traded in an active market are classified as available-for-sale and are stated at fair value. Investments in unlisted shares that are not traded in an active market but that are also classified as available-for-sale financial assets and stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the reporting unit right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

Loan and receivables

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

Effective interest method

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

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

Impairment of financial assets

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

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

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

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

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

De-recognition of financial assets

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

1.11 Financial Liabilities

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

Fair value through profit or loss

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

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Other financial liabilities

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

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

De-recognition of financial liabilities

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

1.12 Land, Buildings, Plant and Equipment***Asset Recognition Threshold***

Purchases of land, buildings, plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Revaluations—Land and Buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any

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

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, either the straight line method or the diminishing value method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

De-recognition

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

1.13 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

An investment property is de-recognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is de-recognised.

1.14 Impairment for non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the C.E.P.U. Electrical Division NSW were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.15 Taxation

C.E.P.U. Electrical Division NSW is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

The C.E.P.U. Electrical Division NSW's self-assesses its income tax status annually. For the year ending 31st December 2013 the C.E.P.U. Electrical Division NSW remains as tax exempt, however still has obligations for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Amounts are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

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

1.16 Going concern

The financial statements have been prepared on a going concern basis which contemplates the realisation of assets and settlement of liabilities in the ordinary course of business.

C.E.P.U. Electrical Division NSW has not agreed to provide any entity or organisation with financial support to ensure they can continue on a going concern basis.

Note 2 Events after the reporting period

There were no events that occurred after 31st December 2013, and prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the C.E.P.U. Electrical Division NSW.

C.E.P.U. Electrical Division NSW

	2013	2012
	\$	\$

Note 3 Income

Note 3B: Levies

Distress and Mortality Fund levy ¹	46,031	49,859
Poles and Wires Campaign levy ²	256,464	
Total levies	302,495	49,859

¹. The C.E.P.U. Electrical Division NSW maintains a Distress and Mortality Fund for the benefit of members. Grants are made to members from the fund as per the rules of the C.E.P.U. Electrical Division NSW.

². The Poles and Wires Campaign levy will raise funds for a campaign to raise public awareness of the impact of any sale of the poles and wires infrastructure owned by the government of the State of New South Wales.

Note 3C: Interest

Deposits	155,041	165,882
Investment gains	-	22,319
Loans	149,500	149,500
Total interest	304,541	337,701

Note 3D: Rental revenue

Properties	190,402	352,800
Other	-	-
Total rental revenue	190,402	352,800

Note 4 Expenses

Note 4B: Capitation fees

C.E.P.U. Electrical Division	1,062,738	1,334,390
Total capitation fees	1,062,738	1,334,390

Note 4C: Affiliation fees

Trades & Labour Council of ACT	-	3,682
Total affiliation fees/subscriptions	-	3,682

C.E.P.U. Electrical Division NSW

	2013	2012
	\$	\$

Note 4 Expenses**Note 4D: Administration expenses**

Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	35,298
Conference and meeting expenses	-	19,190
Doubtful debts provision	105,930	-
Other	15,052	212,358
Subtotal administration expense	120,982	266,846

Operating lease rentals:

Minimum lease payments

	-	-
Total administration expenses	120,982	266,846

Note 4E: Grants or donations

Grants	79,500	86,000
Donations	50,000	1,491
Total grants or donations	129,500	87,491

Note 4F: Depreciation and amortisation

Depreciation

Land & buildings

- 48,115

Property, plant and equipment

67 66

Total depreciation	67	48,181
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Note 4G: Finance costs

Overdrafts/loans	180,898	180,904
Total finance costs	180,898	180,904

Note 4H: Legal costs

Legal fees	250,000	(5,115)
Total legal costs	250,000	(5,115)

Note 4K: Other expenses

Penalties - via RO Act or RO Regulations	-	-
Total other expenses	-	-

C.E.P.U. Electrical Division NSW

	2013	2012
	\$	\$

Note 5 Current Assets

Note 5A: Cash and Cash Equivalents

Cash at bank	1,595,475	834,061
Cash on hand	100	100
Short term deposits	3,536,004	3,416,338
Total cash and cash equivalents	5,131,578	4,250,499

Note 5B: Trade and Other Receivables

Receivables from other reporting unit[s]

	-	-
--	---	---

Total receivables from other reporting unit[s]

	-	-
--	---	---

Less provision for doubtful debts

	-	-
--	---	---

Total provision for doubtful debts

	-	-
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Receivable from other reporting unit[s] (net)

	-	-
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Other receivables:

Other trade receivables		105,930	32,339
Related party receivables	13A	-	602,439
less Provision for doubtful debts		(105,930)	-
Total other receivables		-	634,778
Total trade and other receivables (net)		-	634,778

C.E.P.U. Electrical Division NSW

2013 2012
\$ \$

Note 6 Non-current Assets

Note 6A: Land and buildings

Land and buildings:

fair value	8,091,668	6,940,741
accumulated depreciation	-	(192,592)
Total land and buildings	8,091,668	6,748,149

Reconciliation of the Opening and Closing Balances of Land and Buildings

As at 1 January		
Gross book value	6,940,741	6,940,741
Accumulated depreciation and impairment	(192,592)	(144,444)
Net book value 1 January	6,748,149	6,796,297
Additions:		
By purchase	-	-
From acquisition of entities (including restructuring)	-	-
Revaluations	1,343,519	-
Impairments	-	-
Depreciation expense	-	(48,148)
Other movement [<i>give details below</i>]	-	-
Disposals:		
From disposal of entities (including restructuring)	-	-
Other	-	-
Net book value 31 December	8,091,668	6,748,148
Net book value as of 31 December represented by:		
Gross book value	8,091,668	6,940,741
Accumulated depreciation and impairment	-	(192,592)
Net book value 31 December	8,091,668	6,748,148

C.E.P.U. Electrical Division NSW

	2013	2012
	\$	\$

Note 6B: Plant and equipment

Plant and equipment:

at cost	366	366
accumulated depreciation	(100)	(33)
Total plant and equipment	266	333

Reconciliation of the Opening and Closing Balances of Plant and Equipment

As at 1 January		
Gross book value	366	-
Accumulated depreciation and impairment	(33)	-
Net book value 1 January	333	-
Additions:		
By purchase	-	366
From acquisition of entities (including restructuring)	-	-
Impairments	-	-
Depreciation expense	(67)	(33)
Other movement [<i>give details below</i>]	-	-
Disposals:		
From disposal of entities (including restructuring)	-	-
Other	-	-
Net book value 31 December	266	333
Net book value as of 31 December represented by:		
Gross book value	366	366
Accumulated depreciation and impairment	(100)	(33)
Net book value 31 December	266	333

Note 6F: Other Non-current Assets

Loan to Electrical Trades Union of Australia NSW Branch	1,300,000	1,300,000
Total other non-financial assets	1,300,000	1,300,000

C.E.P.U. Electrical Division NSW

	2013	2012
	\$	\$

Note 7 Current Liabilities

Note 7A: Trade payables

Trade creditors and accruals	13A	166,269	-
Operating lease rentals		-	-
Subtotal trade creditors		166,269	-

Payables to other reporting unit[s]

C.E.P.U. Electrical Division		660,000	856,178
Subtotal payables to other reporting unit[s]		660,000	856,178

Total trade payables

		826,269	856,178
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Note 7B: Other payables

Provision for legal fees	250,000	-	
GST payable	48,486	82,126	
Other	614	-	
Total other payables	299,100	82,126	

Total other payables are expected to be settled in:

No more than 12 months	299,100	82,126	
More than 12 months	-	-	
Total other payables	299,100	82,126	

Note 8 Employee provisions

There is nothing to report under this note.

Note 9A: Other non-current liabilities

Loan from Electrical Trades Union of Australia NSW Branch	1,573,000	1,573,000	
Total other non-current liabilities	1,573,000	1,573,000	

C.E.P.U. Electrical Division NSW

	2013	2012
	\$	\$

Note 11 Cash Flow

Note 11A: Cash Flow Reconciliation

Cash and cash equivalents as per:

Cash flow statement	5,131,578	4,250,499
Balance sheet	5,131,578	4,250,499

Difference	-	-
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Note 11B: Cash flow information

Cash flows to/from reporting units/controlled entities.

Cash inflows		
Nil	-	-
Total cash inflows	-	-

Cash outflows		
C.E.P.U. Electrical Division	1,258,916	478,212
Total cash outflows	1,258,916	478,212

	2013	2012
	\$	\$

Note 13 Related Party Disclosures**Note 13A: Related Party Transactions for the Reporting Period**

Revenue received from Electrical Trades Union of Australia NSW Branch includes the following:

Interest	149,500	149,500
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Expenses paid to Electrical Trades Union of Australia NSW Branch includes the following:

Service agreement	6,091,549	2,374,879
Interest	180,895	180,895

Amounts owed by Electrical Trades Union of Australia NSW Branch include the following:

Accounts receivable	-	602,439
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Amounts owed to Electrical Trades Union of Australia NSW Branch include the following:

Accounts payable	166,269	-
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Loans from/to Electrical Trades Union of Australia NSW Branch includes the following:

Mortgage loan to	1,300,000	1,300,000
Mortgage loan from	1,573,000	1,573,000

Assets transferred from/to Electrical Trades Union of Australia NSW Branch includes the following:

Nil	-	-
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Terms and conditions of transactions with related parties

In applying Accounting Standard AASB 124 for the year ending 31st December 2013 it is considered that the Electrical Trades Union of Australia NSW Branch (the ETU) is a related party of the C.E.P.U. Electrical Division NSW (the CEPU NSW). Transaction between the ETU and the CEPU NSW are on normal commercial terms and conditions, and are no more favourable than those available to other parties.

	2013	2012
	\$	\$

Note 13B: Transactions with key management personnel and their close family members

Committee of management for the year ended 31st December 2013 were:

James MacFadyen (President); Steve Butler (Secretary); William Maxwell, deceased (Vice President to 27th June 2013); Mary Stylli; Philip Oswald (Treasurer); Glen Potter; Peter Henne; Mark Buttigieg (to 3rd June 2013); Peter Johnston (17th July 2013, Vice President from 14th October 2013); Colin Harris

Loans to/from key management personnel

Nil	-	-
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Other transactions with key management personnel

Nil	-	-
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Note 14 Remuneration of Auditors**Value of the services provided**

Financial statement audit services	20,000	20,000
Other services	-	-
Total remuneration of auditors	20,000	20,000

Note 17 Administration of financial affairs by a third party.

The financial affairs of the C.E.P.U. Electrical Division NSW (the Branch) are administered under a service agreement with the Electrical Trades Union of Australia NSW Branch (the T&I).

The terms and conditions of the arrangement are that all administrative and operational costs incurred in the day to day running of the Branch and the T&I including affiliation fees to other organisations or associations having objects similar to the T&I, other than sustentation fees to be paid by the Branch to the CEPU pursuant to the Rules of the CEPU, will be met by the T&I from its own funds and thereafter reimbursed by the Branch to the T&I from the funds of the Branch.

At the end of each financial year any surplus which may exist between those entrance fees or subscriptions collected from joint members and the said administrative and operational costs will be divided equally between the Branch and the T&I and any deficit will be met equally by the Branch and the T&I.

Note 18 Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or the General Manager of Fair Work Australia:

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

Note 19 Section 255 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the Reporting Guidelines issued under section 255 of the *Fair Work (Registered Organisations) Act 2009*, the following is provided:

Reporting Guideline paragraph No. 10.

Financial support received.

Where a reporting unit's ability to continue as a going concern is reliant on the agreed financial support of another reporting unit(s) this must be disclosed in the notes to the financial statement. The reporting unit must disclose:

- a) the name of the reporting unit(s) from which the agreed financial support may be derived; and
- b) the terms and conditions attached to this agreed financial support.

Disclosure: There has been no activity requiring disclosure.

Reporting Guideline paragraph No. 11.

Financial support provided.

Where a reporting unit has agreed to provide financial support to ensure another reporting unit(s) has the ability to continue as a going concern this must be disclosed in the notes to the financial statement. The reporting unit must disclose:

- a) the name of the reporting unit(s) to which the agreed financial support is directed;
- b) the terms and conditions attached to this agreed financial support.

Disclosure: There has been no activity requiring disclosure.

Reporting Guideline paragraph No. 12.

Acquisitions.

Where a reporting unit acquires an asset or a liability during the financial year as a result of:

- a) an amalgamation under Part 2 of Chapter 3, of the RO Act in which the organisation (of which the reporting unit form part) was the amalgamated organisation; or
- b) a restructure of the branches of the organisation; or
- c) a determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation; or
- d) a revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to an organisation under subsection 245(1),

the reporting unit must disclose in the notes to the financial statements in respect of each such asset or class of assets or each such liability or class of liabilities:

- e) date acquired;
- f) description; and
- g) name of the entity (including a reporting unit of the organisation or that of another organisation) from which it was acquired.

Disclosure: There has been no activity requiring disclosure.

Reporting Guideline paragraph No. 13.

Business combinations.

Where a reporting unit acquires assets and liabilities during the financial year as part of a business combination then the relevant Australian Accounting Standard must be complied with.

Disclosure: There has been no activity requiring disclosure.

Reporting Guideline paragraph No. 15.

Statement of comprehensive income – Revenue.

Balances for the following items of revenue must be disclosed by the reporting unit in the notes to the financial statements, unless already disclosed on the face of the statement of comprehensive income in accordance with Australian Accounting Standards:

- a) entrance fees or periodic subscriptions (in these guidelines referred to as membership subscriptions) in respect of membership of the organisation;

Disclosure: Statement of comprehensive income.

- b) where, under the rules of the organisation or a branch of the organisation, a reporting unit may receive from another reporting unit of the organisation a capitation fee:
 - i. the amount from each reporting unit; and
 - ii. the name of each such reporting unit;

Disclosure: There has been no activity requiring disclosure.

- c) where compulsory levies are raised from the members or as appeals for voluntary contributions (including whip arounds) for the furtherance of a particular purpose:
 - i. the amount; and
 - ii. a brief description of the purpose of each such levy or appeal;

Disclosure: Note 3B.

- d) donations or grants (other than voluntary contributions referred to in subparagraph c)); and

Disclosure: Note 3E.

- e) where the reporting unit is in receipt of any other financial support from another reporting unit of the organisation:
 - i. the name of the reporting unit(s) from which the financial support is derived; and
 - ii. the amount of financial support derived from the other reporting unit(s).

Disclosure: There has been no activity requiring disclosure.

Reporting Guideline paragraph No. 17.

Statement of comprehensive income – Expense.

Balances for the following items of expense must be disclosed by the reporting unit in the notes to the financial statements, unless already disclosed on the face of the statement of comprehensive income in accordance with Australian Accounting Standards:

- a) expenses incurred as consideration for employers making payroll deductions of membership subscriptions;

Disclosure: There has been no activity requiring disclosure.

- b) where, under the rules of the organisation or a branch of the organisation, the reporting unit must pay to another reporting unit of the organisation a capitation fee:
 - i. the amount paid to each entity; and
 - ii. the name of each entity to which monies were paid;

Disclosure: Note 4B.

- c) where fees and periodic subscriptions are paid in respect of its affiliation to any political party, any federation, congress, council or group of organisations, or any international body having an interest in industrial matters:
 - i. the amount paid to each entity; and
 - ii. the name of each entity to which monies were paid;

Disclosure: Note 4C.

- d) where compulsory levies have been imposed on the reporting unit, for each such levy:
 - i. the amount;
 - ii. a brief description of purpose; and
 - iii. the name of the entity imposing the levy (including another reporting unit of the organisation);

Disclosure: There has been no activity requiring disclosure.

- e) where grants or donations have been paid:
 - i. the total amount paid in grants; and
 - ii. the total amount paid in donations; and
 - iii. except where already disclosed in a statement that has been lodged under section 237 of the RO Act, for any individual grant or donation that exceeds \$1,0001:
 - (1) the amount paid;
 - (2) the purpose for which the grant or donation was made; and
 - (3) except where the grant or donation was made to relieve a member of the reporting unit from severe financial hardship, the name of the recipient of the grant or donation;

Disclosure: Note 4E. A statement that has been lodged under section 237 of the RO Act.

- f) employee expenses related to holders of office of the reporting unit by:
 - i. wages and salaries;
 - ii. superannuation;
 - iii. leave and other entitlements;
 - iv. separation and redundancies; and
 - v. other employee expenses (specify if material);

Disclosure: There has been no activity requiring disclosure.

- g) employee expenses related to employees (other than holders of offices) of the reporting unit by:
 - i. wages and salaries;
 - ii. superannuation;
 - iii. leave and other entitlements;
 - iv. separation and redundancies; and
 - v. other employee expenses (specify if material);

Disclosure: There has been no activity requiring disclosure.

- h) fees and/or allowances (other than any amount included in an amount referred to in subparagraphs (f) or (g) of this paragraph) paid to persons in respect of their attendances as representatives of the reporting unit at conferences or other meetings;

Disclosure: Note 4D.

- i) expenses (other than expenses included in an amount referred to elsewhere in this paragraph) incurred in connection with holding meetings of members of the reporting unit and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the reporting unit was wholly or partly responsible;

Disclosure: Note 4D.

- j) legal costs and other expenses related to:
 - i. litigation; and
 - ii. other legal matters;

Disclosure: Note 4H.

- k) penalties imposed on the organisation under the RO Act with respect to conduct of the reporting unit.

Disclosure: There has been no activity requiring disclosure.

Reporting Guideline paragraph No. 19.

Statement of financial position.

Where an item is disclosed on the face of the statement of financial position as:

- a) a receivable or other right to receive cash; or
- b) a payable or other financial liability; and
- c) the item or a part of the item has been derived as a result of one or more transactions and/or other past events with another reporting unit of the organisation, the following additional disclosures must be made in the notes to the financial statements about the item or part of the item:
 - d) the name of the other reporting unit; and
 - e) the amount attributable to the other reporting unit.

Disclosure: Note 7A.

Reporting Guideline paragraph No. 21.

Statement of financial position – certain liabilities to third parties.

Total amounts for the following items must be disclosed by the reporting unit in the notes to the financial statements, unless already disclosed on the face of the statement of financial position in accordance with Australian Accounting Standards:

- a) payables to employers as consideration for the employers making payroll deductions of membership subscriptions;

Disclosure: There are no balances requiring disclosure.

- b) payables in respect of legal costs and other expenses related to litigation or other legal matters;

Disclosure: There are no balances requiring disclosure.

- c) employee provisions in respect of holders of offices in the reporting unit by:
 - i. annual leave;
 - ii. long service leave;
 - iii. separation and redundancies;
 - iv. other employee provisions; and

Disclosure: There are no balances requiring disclosure.

- d) employee provisions in respect of employees (other than holders of offices) of the reporting unit by:
 - i. annual leave;
 - ii. long service leave;
 - iii. separation and redundancies; and
 - iv. other employee provisions.

Disclosure: There are no balances requiring disclosure.

Reporting Guideline paragraph No. 23.

Statement of changes in equity.

Total amounts for the following items must be disclosed by the reporting unit in the notes to the financial statements, unless already disclosed on the face of the statement of financial position or statement of changes in equity in accordance with Australian Accounting Standards:

- a) name and balance of each fund or account operated in respect of compulsory levies raised by the reporting unit or voluntary contributions collected from members of the

reporting unit;

Disclosure: Note 20.

- b) where monies, or the balance of monies referred to in subparagraph (a) have been invested in any assets:
 - i. the name of the fund or account; and
 - ii. the value of those assets;

Disclosure: Note 20.

- b) name and balance of each fund or account operated (other than the general fund or a fund referred to in (a)), the operation of which is required by the rules of the organisation including the rules of a branch of the organisation;

Disclosure: Note 20.

- d) where there has been transfer(s) and/or withdrawal(s) to a fund, account or controlled entity, when any of these are kept for a specific purpose(s) by the reporting unit:
 - i. the amount transferred to, or withdrawn;
 - ii. the name of the fund, account or controlled entity; and
 - iii. the specific purpose of the fund, account or controlled entity; and

Disclosure: Note 20.

- e) the balance of the general fund.

Disclosure: Statement of changes in equity.

Reporting Guideline paragraph No. 25.

Statement of cash flows.

Where another reporting unit and/or controlled entity of the organisation is the source of a cash inflow or the application of a cash outflow, such cash flow should be separately disclosed in the notes to the financial statements and show the name of the other reporting unit and/or controlled entity concerned.

Disclosure: Statement of cash flows.

Reporting Guideline paragraph No. 27, 28, 29, 30, 31, 32.

Recovery of wages activity financial report.

Where the reporting unit has undertaken recovery of wages activity and has derived revenues for the financial year in respect of such activity, the financial information associated with this activity must be disclosed as an additional financial report as required by section 253(2)(c) of the RO Act.

Disclosure: There has been no activity requiring disclosure. The Branch has not undertaken any wage recovery activities from which it derived revenue and on this basis advises members that no disclosures are made.

Reporting Guideline paragraph No. 34.

Additional reporting requirements.

Where a reporting unit's financial affairs are administered by another entity (the other entity), the reporting unit must disclose in a separate note in the GPFR a detailed breakdown of all services provided and/or expenses incurred. This will also include:

- a) the name of the other entity;
- b) the terms and conditions of the arrangement;
- c) a narrative description as to the nature of the expenses and/or consultancy services provided.

Where applicable, such disclosure shall be in accordance with the disclosure requirements of the Australian Accounting Standards, the RO Act and these reporting guidelines.

Disclosure: Note 17

Reporting Guideline paragraph No. 35.

Former related parties.

Any payments made during the reporting period to a former related party of the reporting unit, where the liability was incurred during the period in which a related party relationship existed, must be disclosed under the related party transaction note in the GPFR as though the related party relationship existed at the date of payment.

Disclosure: There has been no activity requiring disclosure.

Note 20 Entity details

Registered office and principal place of business:

C.E.P.U. Electrical Division NSW
Level 5, 370 Pitt Street
Sydney NSW 2000

The C.E.P.U. Electrical Division NSW is a branch of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, registered under the Fair Work (Registered Organisations) Act 2009. Organisation code: 128V. Abbreviation: CEPU.

Note 21 Funds maintained

These funds are not separate legal entities but separate accounts for them are maintained as per the rules of the C.E.P.U. Electrical Division NSW. The assets and liabilities and equity and cash flows of these funds are the assets and liabilities and equity and cash flows of the C.E.P.U. Electrical Division NSW and are included in the financial statements and the notes reported above.

	Notes	Distress & Mortality Fund		Distress & Mortality Supplementation Fund		Sustenance Assistance Fund	
		2013 \$	2012 \$	2013 \$	2012 \$	2013 \$	2012 \$
Funds maintained –							
STATEMENT OF COMPREHENSIVE INCOME							
<i>for the year ended 31 Dec 2013</i>							
Revenue							
Service agreement income – Funds		30,000	112,719	-	-	-	-
Levies	3B	46,031	49,859	-	-	-	-
Interest	3C	13,891	20,775	3,828	5,771	51,350	76,175
Total revenue		89,922	183,353	3,828	5,771	51,350	76,175
Expenses							
Service agreement expenses		5,000	-	-	-	51,350	76,175
Administration expenses	4D	283	-	-	-	-	-
Grants or donations	4E	79,500	86,000	-	-	-	-
Finance costs	4G	-	6	-	-	-	-
Total expenses		84,783	86,006	-	-	51,350	76,175
Profit (loss) for the year		5,139	97,347	3,828	5,771	-	-
Total comprehensive income for the year		5,139	97,347	3,828	5,771	-	-

Funds maintained –
STATEMENT OF FINANCIAL POSITION
as at 31 Dec 2013

	Notes	Distress & Mortality Fund		Distress & Mortality Supplementation Fund		Sustenance Assistance Fund	
		2013 \$	2012 \$	2013 \$	2012 \$	2013 \$	2012 \$
ASSETS							
Current Assets							
Cash and cash equivalents	5A	410,769	396,878	109,599	105,771	1,519,273	1,467,922
Trade and other receivables	5B	68,879	68,916	68,879	68,916	131,499	131,499
Total current assets		479,648	465,794	178,478	174,687	1,650,772	1,599,421
Non-Current Assets							
Total non-current assets		-	-	-	-	-	-
Total assets		479,648	465,794	178,478	174,687	1,650,772	1,599,421
LIABILITIES							
Current Liabilities							
Other payables	7B	404,426	395,711	68,879	68,916	1,263,609	1,212,260
Total current liabilities		404,426	395,711	68,879	68,916	1,263,609	1,212,260
Non-Current Liabilities							
Total non-current liabilities		-	-	-	-	-	-
Total liabilities		404,426	395,711	68,879	68,916	1,263,609	1,212,260
Net assets		75,222	70,083	109,599	105,771	387,163	387,161
EQUITY							
Retained earnings (accumulated deficit)		75,222	70,083	109,599	105,771	387,162	387,162
Total equity		75,222	70,083	109,599	105,771	387,162	387,162

**Funds maintained –
STATEMENT OF CHANGES IN EQUITY**
for the year ended 31 Dec 2013

Notes	Distress & Mortality Fund		Distress & Mortality Supplementation Fund		Sustenance Assistance Fund	
	2013 \$	2012 \$	2013 \$	2012 \$	2013 \$	2012 \$
	Retained earnings	Total equity	Retained earnings	Total equity	Retained earnings	Total equity
Balance as at 1 Jan 2012	(27,264)	(27,264)	100,000	100,000	387,162	387,162
Profit for the year	97,347	97,347	5,771	5,771	-	-
Closing balance as at 31 Dec 2012	70,083	70,083	105,771	105,771	387,162	387,162
Profit for the year	5,139	5,139	3,828	3,828	-	-
Transfer from retained earnings	5,139	5,139	3,828	3,828	-	-
Closing balance as at 31 Dec 2013	75,222	75,222	109,599	109,599	387,162	387,162

AUDIT REPORT**Report on the Financial Report**

We have audited the accompanying financial report of C.E.P.U. Electrical Division NSW, which comprises the statement of financial position as at 31 December 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and a statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009, and for such internal control as management determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

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

Opinion

In my opinion the general purpose financial report of C.E.P.U. Electrical Division NSW is presented fairly in accordance with:

- a) the Australian Accounting Standards;
- b) in relation to recovery of wages activity;
 - i. that the scope of the audit encompassed recovery of wages activity;
 - ii. that the financial statements and notes and recovery of wages activity financial report properly and fairly report all information required by the reporting guidelines of the General Manager, including:
 - (1) any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
 - (2) any donations or other contributions deducted from recovered money; and
- c) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

I also understand that to the extent that there was any deficiency, failure or shortcoming in relation to the matters referred to above, I must report particulars and that those particulars, if any, which form part of this report, are attached.

Pinker Arnold & McLoughlin Chartered Accountants



Richard Pinker
Chartered Accountant & Registered Company Auditor #16244
Hurstville NSW

Date: 30 June 2014



26 February 2014

Mr Steven Craig Butler
Divisional Branch Secretary
Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of
Australia - Electrical, Energy and Services Division - New South Wales Divisional Branch
Sent by email: steveb@etunsw.asn.au

Dear Mr Butler,

**Re: Lodgement of Financial Report - [FR2013/428]
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Electrical, Energy and Services Division - New South Wales Divisional Branch of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia (the reporting unit) ended on 31 December 2013.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date, namely 15 July 2014 (being the expiry date of 6 months and 14 days from the end of the financial year), under s.268 of the RO Act.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. Additionally, the General Manager's updated Reporting Guidelines, that apply to all financial reports prepared on or after 30 June 2013, are also available on the website together with slides relating to our financial Reporting Guidelines Webinar.

The Fair Work Commission has also developed a model set of financial statements for the 2012-2013 financial year. There is no requirement to use this model but it may be a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. All of the above information can be accessed through our website under [Compliance & litigation](#).

The financial report and any statement of loans, grants or donations made during the financial year [statement must be lodged within 90 days of end of financial year] can be emailed to orgs@fwc.gov.au. A sample statement of loans, grants or donations is available at [sample documents no.5](#)

It should be noted that s.268 is a civil penalty provision. Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$51,000 for a body corporate and \$10,200 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7936 or via email at robert.pfeiffer@fwc.gov.au.

Yours sincerely,

Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
Prepare financial statements and Operating Report.		
<p>(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.</p> <p>(b) A # designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).</p>	/ /	As soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	<p>Within a reasonable time of having received the GPFR</p> <p>(NB: Auditor's report must be dated on or after date of Committee of Management Statement</p>
<p>Provide full report free of charge to members – s265</p> <p>The full report includes:</p> <ul style="list-style-type: none"> the General Purpose Financial Report (which includes the Committee of Management Statement); the Auditor's Report; and the Operating Report. 	/ /	<p>(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,</p> <p>or</p> <p>(b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.</p>
Present full report to:		
(a) General Meeting of Members - s266 (1),(2); OR	/ /	Within 6 months of end of financial year
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	Within 6 months of end of financial year
Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268	/ /	Within 14 days of meeting

* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.