



FAIR WORK  
COMMISSION

1 July 2013

Mr Junha Jang  
Finance Manager, Plumbing Division  
CEPU  
52 Victoria Street  
CARLTON SOUTH VIC 3053

Dear Sir

**Re: Lodgement of Financial Statements and Accounts – Australian Capital Territory  
Plumbing Divisional Branch – for year ending 31 March 2013 (FR2013/128)**

I refer to the above financial return which was lodged with the Fair Work Commission on 10 May 2013.

The documents have been filed. I understand that this was the final report for the reporting unit. However, I draw your attention to the following matters for future reference.

1. The Secretary's Certificate certified that members were provided with the Concise Report. However there was no indication or mention of a resolution by the Committee of Management to provide a Concise Report to the members in the documents lodged.

Subsection 265(2) of the Fair Work (Registered Organisations) Act 2009 states: "*A concise report may only be provided if, under the rules of the reporting unit, the committee of management of the reporting unit resolves that a concise report is to be provided.*"

A reference to the resolution and the date it was made should therefore be included in the documents comprising the Concise Report.

2. The Secretary's Certificate also certified that the full and concise reports were presented at a General Meeting of Members on 7 May 2013. However the concise report was only provided to members on 1 May 2013, no more than seven (7) days prior to the Meeting.

Subsection 265(5) of the Act states: "*The copies....must be provided within (a) if a general meeting of members of the reporting unit to consider the reports is held within 6 months after the end of the financial year - the period starting at the end of the financial year and ending 21 days before that meeting..*"

This means that a 21 day period must elapse between providing members with the report and presenting it to a general meeting. (This period does not apply where the report is presented to a second meeting of the committee of management.)

3. Note 1(d) stated that contributions from members are accounted for on a cash basis.

Subsection 252(4) of the Act allows records for membership subscriptions to be kept on a cash basis. However, paragraph 27 of Australian Accounting Standard (AASB) 101 requires that financial statements must be prepared using the accrual basis of accounting, and the Fair Work Commission advises that a distinction must be made between "keeping records" and "preparing financial statements". Membership contribution revenue must be reported on an accruals basis.

4. The members of the Committee of management were described in the operating report as "current members".

Regulation 159(c) requires that operating reports disclose the period each member held office. If members held office for the entire financial period, this should be stated.

5. The Committee of Management Statement was signed on and dated 24 April 2013. However, it did not specify the date of the meeting.

Although I infer that the resolution of the statement was passed on that day, paragraph 26 of the Reporting Guidelines requires that the date the resolution was passed be specified. The date of the passage of the resolution must be clear from the statement, and I suggest the wording "passed the following resolution on (x date)" be used.

I also draw your attention to the new Reporting Guidelines which apply to all financial years ending on or after 30 June 2013. They are accessible at the FWC website at: [http://www.fwc.gov.au/documents/organisations/reporting\\_guidelines/fr\\_guidelines\\_253.pdf](http://www.fwc.gov.au/documents/organisations/reporting_guidelines/fr_guidelines_253.pdf)

Yours faithfully,

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett  
Regulatory Compliance Branch

**From:** KELLETT, Stephen  
**To:** ["jjang@pteu.asn.au"](mailto:jjang@pteu.asn.au)  
**Subject:** FR2013 128 - Financial return ACT Branch - for year end 31 March 2013 - filing  
**Date:** Monday, 1 July 2013 7:41:00 PM  
**Attachments:** [CEPU PACT FR2013 128 \(final\).pdf](#)

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Dear JJ,

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](mailto:stephen.kellett@fwc.gov.au)



**PLUMBING TRADES EMPLOYEES UNION**  
Communications, Electrical and Plumbing Union

CANBERRA BRANCH  
ABN 65 427 216 408

EARL SETCHES  
Branch Secretary

DAMIEN KIRKWOOD  
Organiser  
0419 429 549

a/o 52 Victoria Street  
Carlton South 3053  
Victoria  
Ph: 03 9662 3388  
Fax: 03 9663 2613

9 May 2013

**Att: Stephen Kellett**  
Fair Work Australia  
Level 8, 80 William Street  
East Sydney NSW 2011



***Re: Lodgement of Financial Statements and Accounts (Canberra Branch)***

We would like to lodge our financial statements and accounts for 2013 in accordance with the provisions of Chapter 8, Part 3 of the Fair Work Act 2009 as follows

1. Full financial report
2. Concise report
3. Secretary's certificate

If you need any further information, please feel free contact me on 03-9662-3388

Yours truly,

Junha Jang  
Finance Manager





**PLUMBING TRADES EMPLOYEES UNION**  
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Fax: 03 9663 2613

## SECRETARY'S CERTIFICATE

I (Damian Kirkwood) being the State Secretary of the CEPU Plumbing Division ACT Branch, certify:

- That the documents lodged herewith are copies of the full (and concise) audited reports of the CEPU Plumbing Division ACT Branch for the financial year ended 31<sup>st</sup> March 2013, referred to in s268 of the RAO Schedule; and
- That the concise report was provided to members on our website on and from 1-May-2013; and
- The full and concise reports were presented at a General Meeting of Members on 7-May-2013.

Damian Kirkwood  
State Secretary

Date: 9-May-2013  
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**Communications, Electrical, Electronic,  
Energy, Information, Postal, Plumbing and  
Allied Services Union of Australia**

**Plumbing Division – Canberra Branch**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 31 MARCH 2013**



**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,  
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH**

**Operating Report  
For the year ended 31 March 2013**

**Principal activities**

The principal activities of the CEPU Canberra Branch during the financial year were to provide representation and support to our members. There were no significant changes to the principal activities during the year.

**Review of results**

The net result of operations for the year was profit of \$133,820 (2012: Loss of \$32,012). The Branch continued to provide member and industrial services to its members in the 2013 financial year. Income levels exceeded 2012 due to 'forgiven' related policy loans, expenditure was broadly in line with 2012, hence the improved branch performance. One official up until 31 March 2013 continued to service the needs of members, representing them when required.

**Significant Changes in the State of Affairs**

In the opinion of the Members of the Committee of Management, there were no significant changes in the organisation's state of affairs during the financial year (refer to 'Future Developments').

**Resignation of Members**

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

**Number of Members**

As at 31 March 2013, the number of members of the organisation recorded in the register of members was 138.

**Number of Employees**

As at 31 March 2013, the number of full time equivalent employees was 1.

**Committee of Management**

The Committee of Management current members are as follows:-

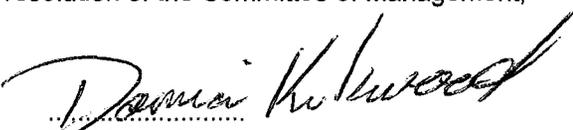
|                              |                             |
|------------------------------|-----------------------------|
| Brendan Morrison – President | Damian Kirkwood – Secretary |
| Glen Nichols                 | Mark Taylor                 |
| Ken Enslie                   | Frank Pritzler              |

**Future Developments**

In the opinion of the Committee of Management, there is not likely to be any future development that will materially affect the Union's operation in subsequent years except that the operations and net assets of the Union have since 1 April 2013 been assumed by CEPU (New South Wales) Branch. This occurred given the greater service levels and cost economies arising from the same. Members will still receive the same service levels as in prior years.

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

  
.....  
B Morrison

  
.....  
D Kirkwood

Dated this 24<sup>th</sup> day of April 2013

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,  
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH**

**CERTIFICATE OF COMMITTEE OF MANAGEMENT**

The Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Plumbing Division – Canberra Branch passed the following resolution in relation to the general purpose financial report of the reporting unit for the financial year ended 31 March 2013.

The Committee of Management declares in relation to the general purpose financial report that in its opinion:

- (a) the financial statements and notes comply with the Reporting Guidelines of the General Manager of FWA;
- (b) 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;
- (c) 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;
- (d) during the financial year to which the general purpose financial report 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;
  - 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;
  - iii. the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009;
  - iv. the information sought in any request of a member of the reporting unit or the General Manager of FWA duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or the General Manager of FWA; and
  - v. there have been no orders for inspection of financial records made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period.
- (e) in relation to recovery of wages activity:
  - i. the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager of FWA; and
  - ii. the committee of management caused the auditor to include in the scope of the audit required under section 257(1) of the Fair Work (Registered Organisations) Act 2009 all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
  - iii. no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
  - iv. that prior engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursements of expenses required for recovery of wages activity, and any likely request from donations or other contributions in acting for a worker in recovery of wages activity; and

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,  
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH

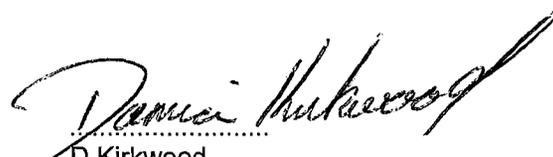
CERTIFICATE OF COMMITTEE OF MANAGEMENT (cont'd)

(e) in relation to recovery of wages activity (cont'd):

- v. no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

For the Committee of Management:

  
.....  
B Morrison

  
.....  
D Kirkwood

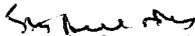
Dated this 24<sup>th</sup> day of April 2013

**AUDITOR'S INDEPENDENCE DECLARATION**

**TO THE COMMITTEE OF MANAGEMENT OF COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY,  
INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA PLUMBING  
DIVISION – CANBERRA BRANCH**

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

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

  
Stannards Accountants and Advisors

  
MB Shulman  
Registered Company Auditor (163888)  
Holder of Current Public Practice Certificate

Dated this 24 day of Aug 2013

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,  
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH**

**AUDITOR'S INDEPENDENCE DECLARATION**

**TO THE COMMITTEE OF MANAGEMENT OF COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY,  
INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA PLUMBING  
DIVISION – CANBERRA BRANCH**

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

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

Stannards Accountants and Advisors

MB Shulman  
Registered Company Auditor (163888)  
Holder of Current Public Practice Certificate

Dated this ..... day of ..... 2013

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,  
POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2013**

|                                       | 2013<br>\$     | 2012<br>\$      |
|---------------------------------------|----------------|-----------------|
| <b>Income</b>                         |                |                 |
| Members Contributions Received        | 77,689         | 82,881          |
| Entrance Fees Received                | -              | 360             |
| Interest Received                     | 2              | 1               |
| Federal Levy Received                 | 1,365          | 1,447           |
| State Levy Received                   | 782            | 835             |
| Forgiven Loan – Federal Branch (CEPU) | 52,981         | -               |
| Forgiven Loan – VIC Branch (CEPU)     | 121,485        | -               |
| <b>Total Income</b>                   | <b>254,304</b> | <b>85,524</b>   |
| <b>Expenses</b>                       |                |                 |
| Audit Fees                            | 2,500          | 2,700           |
| Affiliation Fees                      | 731            | 948             |
| Bank Charges                          | 465            | 467             |
| Delegate Fees                         | 297            | -               |
| Overnight and Travel Allowances       | -              | 50              |
| General Expenses                      | -              | 161             |
| Motor Vehicle Expenses                | 9,130          | 7,290           |
| Meal and Clothing Allowance           | 4,521          | 4,838           |
| Printing, Postage and Stationery      | 1,508          | 60              |
| Federal Levy Payable                  | 1,365          | 1,456           |
| Rent                                  | 2,790          | 3,044           |
| Salaries                              | 74,486         | 71,688          |
| Superannuation Contributions          | 7,672          | 8,216           |
| Subscriptions                         | 55             | 40              |
| Insurance                             | 408            | 759             |
| Travelling and Accommodation          | 973            | 94              |
| Work Cover                            | 1,654          | 1,853           |
| Redundancy ACIRT                      | 4,160          | 4,480           |
| Provision for Employee Benefits       | -              | 1,105           |
|                                       | 112,715        | 109,249         |
| Per Capita Payable to Head Office     | 7,769          | 8,287           |
| <b>Total Expenses</b>                 | <b>120,484</b> | <b>117,536</b>  |
| <b>Net Profit/(Loss) for the Year</b> | <b>133,820</b> | <b>(32,012)</b> |

The financial statements form part of this Financial Report

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,  
POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2013**

|  | 2013<br>\$ | 2012<br>\$ |
|--|------------|------------|
| Profit/(Loss) for the period   | 133,820    | (32,012)   |
| Other comprehensive income for the period                                  | -          | -          |
| Total comprehensive income for the period                                  | 133,820    | (32,012)   |
| Total comprehensive income attributable to:<br>Members of the organisation | 133,820    | (32,012)   |

The financial statements form part of this Financial Report

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,  
POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2013**

|                                      | Notes | 2013<br>\$     | 2012<br>\$       |
|--------------------------------------|-------|----------------|------------------|
| <b>Current Assets</b>                |       |                |                  |
| Cash and Cash Equivalents            | 3     | 5,084          | 1,170            |
| Receivables                          |       | 3,861          | 1,700            |
| <b>Total Current Assets</b>          |       | <b>8,945</b>   | <b>2,870</b>     |
| <b>Non Current Assets</b>            |       |                |                  |
| Furniture and Equipment              | 4     | -              | -                |
| <b>Total Non Current Assets</b>      |       | <b>-</b>       | <b>-</b>         |
| <b>Total Assets</b>                  |       | <b>8,945</b>   | <b>2,870</b>     |
| <b>Current Liabilities</b>           |       |                |                  |
| Accounts Payable                     | 5     | 14,885         | 9,334            |
| Non Interest Bearing Liabilities     | 6     | -              | 110,332          |
| Provisions                           | 7     | -              | 3,658            |
| <b>Total Current Liabilities</b>     |       | <b>14,885</b>  | <b>123,324</b>   |
| <b>Non Current Liabilities</b>       |       |                |                  |
| Provisions                           | 7     | -              | 19,306           |
| <b>Total Non Current Liabilities</b> |       | <b>-</b>       | <b>19,306</b>    |
| <b>Total Liabilities</b>             |       | <b>14,885</b>  | <b>142,630</b>   |
| <b>Net Assets – Deficiency</b>       |       | <b>(5,940)</b> | <b>(139,760)</b> |
| <b>EQUITY</b>                        |       |                |                  |
| Accumulated Deficit                  |       | (5,940)        | (139,760)        |
| <b>Total Equity</b>                  |       | <b>(5,940)</b> | <b>(139,760)</b> |

The financial statements form part of this Financial Report

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,  
POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2013**

|   | <b>2013</b> | <b>2012</b> |
|---|-------------|-------------|
|   | <b>\$</b>   | <b>\$</b>   |
| Accumulated Deficit – Beginning of Year | (139,760)   | (107,748)   |
| Profit /(Loss) for the Year             | 133,820     | (32,012)    |
| Accumulated Deficit – End of Year       | (5,940)     | (139,760)   |

The financial statements form part of this Financial Report

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,  
POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2013**

|   | Notes | 2013<br>Inflows/<br>(Outflows)<br>\$ | 2012<br>Inflows/<br>(Outflows)<br>\$ |
|---|-------|--------------------------------------|--------------------------------------|
| <b>Cash flows from Operating Activities</b>                 |       |                                      |                                      |
| Contributions and Entrance fees from members                |       | 75,528                               | 87,104                               |
| Interest Received   |       | 2                                    | 1                                    |
| Federal Levy Collected                                      |       | 1,365                                | 1,447                                |
| State Levy Collected  |       | 782                                  | 835                                  |
| Per Capita – Federal Office                                 |       | (7,769)                              | (8,287)                              |
| Payments to Suppliers and Employees                         |       | (130,128)                            | (108,120)                            |
| Net Cash (Used in) Operating Activities                     | 9b    | (60,220)                             | (27,020)                             |
| <b>Cash flows from Investing Activities</b>                 |       |                                      |                                      |
| Payments for Plant & Equipment                              |       | -                                    | -                                    |
| Net Cash (Used in) Investing Activities                     |       | -                                    | -                                    |
| <b>Cash flows from Financing Activities</b>                 |       |                                      |                                      |
| Receipts from Federal Office and Other Branches             |       | 64,134                               | 19,743                               |
| Net Cash Provided by Financing Activities                   |       | 64,134                               | 19,743                               |
| <b>Net Increase/(Decrease) in Cash and Cash Equivalents</b> |       |                                      |                                      |
| Cash and Cash Equivalents at Beginning of Year              |       | 1,170                                | 8,447                                |
| <b>Cash and Cash Equivalents at End of Year</b>             | 9a    | 5,084                                | 1,170                                |

The financial statements form part of this Financial Report

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,  
POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2013**

**1. Summary of Accounting Policies**

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Fair Work (Registered Organisations) Regulations 2009 and the Fair Work (Registered Organisations) Act 2009.

In accordance with generally accepted accounting principles for these types of organisations, membership contributions are accounted for on a cash receipts basis. Otherwise the financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on fair values of consideration given in exchange for assets.

The accounts have been prepared on the basis that the Branch's net assets will be assumed at 'book' value by CEPU (New South Wales) Branch (this in fact occurred on 1 April 2013). Any liabilities assumed by the Branch were, in the new financial year, satisfied by CEPU (New South Wales) Branch.

**Basis of Preparation**

The financial report complies with Australian Accounting Standards which include Australian Equivalents to International Financial Reporting Standards (A-IFRS).

**Accounting Policies**

The accounting policies have been consistently applied, unless otherwise stated.

**(a) Furniture and Equipment**

Furniture and equipment are measured at cost.

**Depreciation**

Depreciation is calculated using the diminishing value method and is brought to account over the estimated economic lives of all equipment. Furniture and equipment are depreciated at 33.3% per annum.

**(b) Employee Benefits**

Provision is made for the Union's liability for employee benefits arising from services rendered by employees, in accordance with Australian Accounting Standards AASB 119 "Employee Benefits"

Provision for annual leave is calculated on the basis of legal liability at reporting date.

Employee entitlements expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

No provision is made for sick leave as there is no vested liability to pay for accumulated leave and the sick leave to be taken in future reporting periods is not expected to be greater than entitlements which are expected to accrue in those periods.

Contributions are made by the Union to employee superannuation funds and are expensed when incurred. The Union is not obliged to contribute to these funds other than to meet its liabilities under the superannuation guarantee system and is under no obligation to make up any shortfall in the funds' assets to meet payments due to employees.

The number of employees at the end of the year was 1.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,  
POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2013 (cont'd)**

**1. Summary of Accounting Policies (cont'd)**

(c) Income Tax

The organisation is exempt from income tax under Section 50-15 of the Income Tax Assessment Act 1997.

(d) Revenue Recognition

Contributions from members are shown net of refunds and are accounted for on a cash basis.

Interest revenue is recognised on an accrual basis.

Revenue arising from the disposal of non-current assets is recognised when the organisation and the buyer are both committed to a contract.

(e) Goods and Services Tax (GST)

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

(f) Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at bank and investments in money market instruments net of bank overdraft.

(g) Recovery of Wages Activity

There was no 'recovery of wages' activity in 2013 and/or 2012.

(h) Critical Accounting Estimates and Judgements

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

*Key Estimates – Impairment*

The Union assesses impairment at each reporting date by evaluating conditions specific to it that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,  
POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2013 (cont'd)**

**1. Summary of Accounting Policies (cont'd)**

**(i) New Accounting Standards for Application in Future Periods**

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Union. The Union has decided not to early adopt any of the new and amended pronouncements. The Union's assessment of the new and amended pronouncements that are relevant to the Union but applicable in future reporting periods is set out below:

- AASB 9: Financial Instruments (December 2010) and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and
- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

The Union has not yet been able to reasonably estimate the impact of these pronouncements on its financial statements.

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**Notes to and forming part of the Financial Report  
for the year ended 31 March 2013**

**1. SUMMARY OF ACCOUNTING POLICIES (cont'd)**

i) New Accounting Standards for Application in Future Periods (cont')

- AASB 1053: Applications of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] (applicable for annual reporting periods commencing on or after 1 July 2012).

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements.

- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.

Tier 2 of the framework comprises the recognition, measurement and presentation requirements for Tier 1, but contains significantly fewer disclosure requirements.

Management believes that the Union qualifies for the reduced disclosure requirements for Tier 2 entities. However, it is yet to determine whether to adopt the reduced disclosure requirements.

- AASB 2010-8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112] (applies to periods beginning on or after 1 January 2012).

This Standard makes amendments to AASB 112: Income Taxes and incorporates Interpretation 121: Income Taxes – Recovery of Revalued Non-Depreciable Assets into AASB 112.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The amendments are not expected to significantly impact the Union.

- AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interest in Other Entities, AASB 127: Separate Financial Statements (August 2011), AASB 128: Investments in Associates and Joint Ventures (August 2011) and AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17] (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 10 replaces parts of AASB 127: Consolidated and Separate Financial Statements (March 2008, as amended) and Interpretation 112: Consolidation – Special Purpose Entities. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. The Union has not yet been able to reasonably estimate the impact of this Standard on its financial statements.

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**Notes to and forming part of the Financial Report  
for the year ended 31 March 2013**

**1. SUMMARY OF ACCOUNTING POLICIES (cont'd)**

i) New Accounting Standards for Application in Future Periods (cont')

- AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either 'joint operations' (whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or 'joint ventures' (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed).

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a "structured entity", replacing the "special purpose entity" concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only and is not expected to significantly impact the Union.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. These Standards are not expected to significantly impact the Union.

- AASB 13: Fair Value Measurement and AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132] (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurements.

AASB 13 requires:

- inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) measured at fair value.

These Standards are not expected to significantly impact the Union.

- AASB 2011-9: Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] (applicable for annual reporting periods commencing on or after 1 July 2012).

The main change arising from this Standard is the requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

This Standard affects presentation only and is therefore not expected to significantly impact the Union.

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**Notes to and forming part of the Financial Report  
for the year ended 31 March 2013**

**1. SUMMARY OF ACCOUNTING POLICIES (cont'd)**

i) New Accounting Standards for Application in Future Periods (cont')

- AASB 119: Employee Benefits (September 2011) and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, AASB 8, AASB 101, AASB 124, AASB 134, AASB 1049 & AASB 2011-8 and Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The Union does not have any defined benefit plans and so is not impacted by the amendment.

AASB 119 (September 2011) also includes changes to:

- require only those benefits that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service to be classified as short-term employee benefits. All other employee benefits are to be classified as other long-term employee benefits, post-employment benefits or termination benefits, as appropriate; and
- the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:
  - (i) for an offer that may be withdrawn – when the employee accepts;
  - (ii) for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and
  - (iii) where the termination is associated with a restructuring of activities under AASB 137: Provisions, Contingent Liabilities and Contingent Assets, and if earlier than the first two conditions – when the related restructuring costs are recognised.

The Union has not yet been able to reasonably estimate the impact of these changes to AASB 119.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2013 (cont'd)**

**2. Information to be provided to Members or Registrar**

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

- (1) A Member of an organisation, or the General Manager of FWA, may apply to the organisation for specified prescribed information in relation to the organisation 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 organisation.
- (3) An organisation must comply with an application made under subsection (1).

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2013 (cont'd)**

|   | 2013<br>\$ | 2012<br>\$ |
|---|------------|------------|
| <b>3. Cash and Cash Equivalents</b>   |            |            |
| Cash at Bank  | 5,084      | 1,170      |
|   | 5,084      | 1,170      |
| <b>4. Plant, Furniture and Equipment</b>                                      |            |            |
| Plant, Furniture and Equipment  | 2,126      | 2,126      |
| Less: Accumulated Depreciation  | (2,126)    | (2,126)    |
|   | -          | -          |
| <b>Movement in the carrying amount for<br/>Plant, Furniture and Equipment</b> |            |            |
| Balance at the beginning of the year  | -          | -          |
| Additions   | -          | -          |
| Depreciation expense  | -          | -          |
| Carrying amount at the end of the year  | -          | -          |
| <b>5. Payables</b>  |            |            |
| Creditors and Accruals  | 14,885     | 9,334      |
|   | 14,885     | 9,334      |
| <b>6. Non Interest Bearing Liabilities</b>                                    |            |            |
| Amounts payable to CEPU Federal Office  | -          | 18,847     |
| Amounts payable to CEPU Victorian Branch                                      | -          | 91,485     |
|   | -          | 110,332    |
| <b>7. Provisions</b>  |            |            |
| Current Employee Benefits – Officeholder                                      | -          | 3,658      |
| Non Current Employee Benefits – Officeholder                                  | -          | 19,306     |
|   | -          | 22,964     |
| No provisions relate to other employees.                                      |            |            |
| <b>8. Employee Benefits</b>   |            |            |
| Employee benefits paid during the year to Officeholders:                      |            |            |
| Wages and Salaries (Short-term employee Benefits)                             | 74,486     | 71,688     |
| Superannuation (Post employment Benefits)                                     | 7,672      | 8,216      |
| Total   | 81,258     | 79,904     |

There were no other long term benefits, termination benefits or share based payments to officeholders (2012 : \$nil)

No employee benefits or share based payments were made to other employees.

**9. Notes to Statement of Cash Flows**

**a. Reconciliation of Cash and Cash Equivalents**

Cash and Cash Equivalents at the end of the reporting period is reconciled to the related items in the Statement of Financial Position

|                           |       |       |
|---------------------------|-------|-------|
| Cash and Cash Equivalents | 5,084 | 1,170 |
|                           | 5,084 | 1,170 |

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2013 (cont'd)**

|   |                 |                 |
|---|-----------------|-----------------|
| <b>9. Notes to Statement of Cash Flows (cont'd)</b>                                 | <b>2013</b>     | <b>2012</b>     |
|   | \$              | \$              |
| b. Reconciliation of Net Cash Provided by Operating Activities to Net Profit/(Loss) |                 |                 |
| Net Profit/(Loss)   | 133,820         | (32,012)        |
| Provision for Employee Benefits   | (229,964)       | 1,105           |
| Depreciation  | -               | -               |
| Forgiveness of Loan   | (174,466)       | -               |
| <b>Change in Operating Assets and Liabilities</b>                                   |                 |                 |
| (Increase)/Decrease in Receivables  | (2,161)         | 3,863           |
| Increase/(Decrease) in Creditors and Accruals                                       | 5,551           | 24              |
| Net Cash (Used in) Operating Activities   | <u>(60,220)</u> | <u>(27,020)</u> |

**10. Related Party Information**

a. The names of persons who formed part of the Committee of Management at any time during the year were:-

|                  |                 |
|------------------|-----------------|
| Brendan Morrison | Damian Kirkwood |
| Glen Nichols     | Ken Enslie      |
| Frank Pritzler   | Mark Taylor     |

b. Amounts received or due and receivable (i.e. wages paid to Union officeholders) by the Union were \$74,486 (2012 : \$71,688).

c. Amounts paid on behalf of Union officeholders to the Building Union Superannuation Scheme in respect of the retirement of the officeholders were \$7,672 (2012 : \$8,216).

| Remuneration band   | Number of Officers in band | Name            |
|---------------------|----------------------------|-----------------|
| \$80,000 - \$89,999 | 1                          | Damian Kirkwood |

The officeholders received no 'non-cash' benefits (2012: \$nil). No officeholders of the Branch during the year and/or the prior year had any material personal interest in a matter that he/she has or did acquire, or a relative of the officeholder has or did acquire.

No officeholder or officer of the Branch (this year or last year) received any remuneration because they were a member of, or held a position with a Board or other organisation because:-

- i) The officerholder held such a position with the Board or other organisation only because they were an officerholder of the Branch; or
- ii) They were nominated for the position by the Branch; or
- iii) They received remuneration from any third party, in connection with the performance of their duties as an officerholder of the Branch.

d. Other transactions between the Committee Members and the Union were conducted on normal commercial terms in respect of subscriptions and supply of other goods and services.

e. Transactions between Canberra Branch and Related Offices.

During the prior year, the Federal Branch (CEPU) forgave some \$52,981 of loans to the Branch. The Victorian branch (CEPU) forgave some \$121,485 of loans to the Branch.

|  |                |                |
|--|----------------|----------------|
| Per Capita Payments  | <b>2013</b>    | <b>2012</b>    |
|  | \$             | \$             |
| During the year, the Branch paid to the Federal Office a per capita payment calculated in accordance with the rules. | <u>7,769</u>   | <u>8,287</u>   |
| <b>Levies Received/(Paid)</b>  |                |                |
| Federal – received   | 1,365          | 1,447          |
| State – received   | 782            | 835            |
| Federal – paid   | <u>(1,365)</u> | <u>(1,447)</u> |

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2013 (cont'd)**

**11. Commitments**

Capital expenditure commitments - \$nil

**12. Contingent Liability**

There was no contingent liability at 31 March 2013

**13. Segment Reporting**

The Union Provides services to members employed in executing plumbing, gas fitting, pipe fittings and domestic engineering works in Canberra.

**14. Union's Details**

The principal place of business of the branch is:

25-27 Darling Street  
MITCHELL ACT 2911

**15. Financial Instruments**

**a. Accounting Policies, Terms and Conditions**

The Union's accounting policies, including terms and conditions of each material class of financial asset and liability, both recognised and unrecognised at the balance date, are as follows:

| <b>Financial Instruments</b>      | <b>Note Ref</b> | <b>Accounting Policy</b>   | <b>Terms and Conditions</b>   |
|-----------------------------------|-----------------|--|---|
| <b>(i) Financial Assets</b>       |                 |  |   |
| Cash Assets                       | 3               | Cash at bank is carried at principal amounts. Interest is recognised as it is earned.  | Cash at bank is at call at 0.05%  |
| Receivables                       |                 | Amounts receivable are carried at nominal amounts due. As stated in note 1(d), membership contributions are accounted for on a cash basis. | No interest is chargeable on late payment.                                      |
| <b>(ii) Financial Liabilities</b> |                 |  |   |
| Payables                          | 5               | Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Union.       | Trade liabilities are normally settled on 30 day terms. No interest is payable. |
| Non Interest Bearing Liabilities  | 6               | Amounts payable to Federal Office and Victorian Branch are carried at nominal amounts due.   | No interest is charged on amounts due.  |

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

**PLUMBING DIVISION – CANBERRA BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2013 (cont'd)**

**15. Financial Instruments (cont'd)**

**b. Interest Rate Risk**

The Union's exposure to interest rate risks and the effective interest rates of financial assets and liabilities both recognised and unrecognised are as follows:

|      | Financial Instruments            | Floating Interest Rate |              | Fixed Interest Rate maturing in: less than 1 year |            | Fixed Interest Rate maturing in: 1 year or more |            | Non Interest Bearing |                 | Total Carrying Amount as per Statement of Financial Position |                | Weighted Average Effecting Interest Rate |            |
|------|----------------------------------|------------------------|--------------|---|------------|---|------------|----------------------|-----------------|--|----------------|--|------------|
|      |                                  | 2012<br>\$             | 2013<br>\$   | 2012<br>\$  | 2013<br>\$ | 2012<br>\$                                      | 2013<br>\$ | 2012<br>\$           | 2013<br>\$      | 2012<br>\$   | 2013<br>\$     | 2012<br>\$                               | 2013<br>\$ |
| (i)  | Financial Assets                 |                        |              |   |            |   |            |                      |                 |  |                |  |            |
|      | Cash Assets                      | 1,170                  | 5,084        | -   | -          | -   | -          | -                    | -               | 1,170  | 5,084          | 0.5%                                     | 0.5%       |
|      | Receivables                      | -                      | -            | -   | -          | -   | -          | 1,700                | 3,861           | 1,700  | 3,861          | N/A                                      | N/A        |
|      | <b>Total</b>                     | <b>1,170</b>           | <b>5,084</b> | <b>-</b>  | <b>-</b>   | <b>-</b>  | <b>-</b>   | <b>1,700</b>         | <b>3,861</b>    | <b>2,870</b>   | <b>8,945</b>   |  |            |
| (ii) | Financial Liabilities            |                        |              |   |            |   |            |                      |                 |  |                |  |            |
|      | Payables                         | -                      | -            | -   | -          | -   | -          | 9,334                | 14,885          | 9,334  | 14,885         | N/A                                      | N/A        |
|      | Non Interest Bearing Liabilities | -                      | -            | -   | -          | -   | -          | 110,332              | -               | 110,332  | -              | N/A                                      | N/A        |
|      | <b>Total</b>                     | <b>-</b>               | <b>-</b>     | <b>-</b>  | <b>-</b>   | <b>-</b>  | <b>-</b>   | <b>119,666</b>       | <b>14,885</b>   | <b>119,666</b>   | <b>14,885</b>  |  |            |
|      | <b>Net</b>                       | <b>1,170</b>           | <b>5,084</b> | <b>-</b>  | <b>-</b>   | <b>-</b>  | <b>-</b>   | <b>(117,966)</b>     | <b>(11,024)</b> | <b>(116,796)</b>   | <b>(5,940)</b> |  |            |

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2013 (cont'd)**

**15. Financial Instruments (cont'd)**

**c. Credit Risk**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

The organisation has no material credit risk exposure to a group of debtors under financial instruments entered into by the organisation.

**d. Net Fair Values**

The net fair values of the Union's financial assets and financial liabilities are not expected to be significantly different from the book value of assets and liabilities as disclosed above and recognised in the statement of financial position as at 31 March 2013.

**e. Sensitivity Analysis**

The entity is not exposed to material market risk. A 2% increase/(decrease) in interest rate would impact profit/(loss) over a full year by \$102 (2012 : \$23).

## INDEPENDENT AUDIT REPORT

To the Members of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Plumbing Division – Canberra Branch

### Scope

#### The financial report and Committee of management responsibility

The financial report comprises the Certificate of Committee of Management, Income Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and accompanying notes to the financial statements for the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Plumbing Division – Canberra Branch for the year ended 31 March 2013 set out on pages 2 to 21.

The Committee of Management are responsible for the preparation and true and fair presentation of the financial report in accordance with Australian Accounting Standards, the Reporting Guidelines of the General Manager of FWA and other mandatory financial reporting requirements in Australia. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

### Audit Approach

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

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with Australian Accounting Standards, the Reporting Guidelines of the General Manager of FWA and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Union's financial position, and of its performance as represented by the results of its operations and cash flows.

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

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting estimates made by members of the Committee of Management.

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

### Independence

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

## Audit Opinion

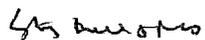
In our opinion, under the Fair Work (Registered Organisations) Act 2009, the general purpose financial report is presented fairly in accordance with any of the following that apply in relation to the reporting unit:

- a. Australian Accounting Standards, and Australian Accounting interpretations;
- 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 fairly report all information required by the reporting guidelines of General Manager of FWA, 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 these Reporting Guidelines or the Fair Work (Registered Organisations) Act 2009.

In our opinion, there were kept by the organisation satisfactory accounting records detailing the source and nature of all income and the nature of all expenditure.

## Continuation of Operations

Without qualifying this report, we note that on 1 April, 2013, the net asset deficiency of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Plumbing Division – Canberra Branch was assumed by CEPU (New South Wales) Branch. The financial report reflects the fair value of the net assets that were assumed. The Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Plumbing Division – Canberra Branch is expected to be deregistered this financial year.

  
Stannards Accounting and Advisors

  
MB Shulman  
Registered Company Auditor (163888)  
Holder of Current Public Practice Certificate

Dated this 24<sup>th</sup> day of June 2013

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

**Plumbing Division – Canberra Branch**

**CONCISE FINANCIAL REPORT**

**FOR THE YEAR ENDED 31 MARCH 2013**

The report has been derived from the full financial report of CEPU(ACT) and should be read in conjunction with the CEPU(ACT)'s full financial report to provide a full understanding of the financial performance, financial position and financing and investing activities of the organisation. The full financial report is available free of charge to members by mail and/or can be obtained on the internet.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,  
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PLUMBING DIVISION – CANBERRA BRANCH**

**Operating Report  
For the year ended 31 March 2013**

**Principal activities**

The principal activities of the CEPU Canberra Branch during the financial year were to provide representation and support to our members. There were no significant changes to the principal activities during the year.

**Review of results**

The net result of operations for the year was profit of \$133,820 (2012: Loss of \$32,012). The Branch continued to provide member and industrial services to its members in the 2013 financial year. Income levels exceeded 2012 due to 'forgiven' related policy loans, expenditure was broadly in line with 2012, hence the improved branch performance. One official up until 31 March 2013 continued to service the needs of members, representing them when required.

**Significant Changes in the State of Affairs**

In the opinion of the Members of the Committee of Management, there were no significant changes in the organisation's state of affairs during the financial year (refer to 'Future Developments').

**Resignation of Members**

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

**Number of Members**

As at 31 March 2013, the number of members of the organisation recorded in the register of members was 138.

**Number of Employees**

As at 31 March 2013, the number of full time equivalent employees was 1.

**Committee of Management**

The Committee of Management current members are as follows:-

|                              |                             |
|------------------------------|-----------------------------|
| Brendan Morrison – President | Damian Kirkwood – Secretary |
| Glen Nichols                 | Mark Taylor                 |
| Ken Enslie                   | Frank Pritzler              |

**Future Developments**

In the opinion of the Committee of Management, there is not likely to be any future development that will materially affect the Union's operation in subsequent years except that the operations and net assets of the Union have since 1 April 2013 been assumed by CEPU (New South Wales) Branch. This occurred given the greater service levels and cost economies arising from the same. Members will still receive the same service levels as in prior years.

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

*Brandon L. Morrison*

.....  
B Morrison

*Damian Kirkwood*

.....  
D Kirkwood

Dated this 24<sup>th</sup> day of April 2013

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,  
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH**

**CERTIFICATE OF COMMITTEE OF MANAGEMENT**

The Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Plumbing Division – Canberra Branch passed the following resolution in relation to the general purpose financial report of the reporting unit for the financial year ended 31 March 2013.

The Committee of Management declares in relation to the general purpose financial report that in its opinion:

- (a) the financial statements and notes comply with the Reporting Guidelines of the General Manager of FWA;
- (b) 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;
- (c) 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;
- (d) during the financial year to which the general purpose financial report 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;
  - 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;
  - iii. the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009;
  - iv. the information sought in any request of a member of the reporting unit or the General Manager of FWA duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or Registrar; and
  - v. there have been no orders for inspection of financial records made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period.
- (e) in relation to recovery of wages activity:
  - i. the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager of FWA; and
  - ii. the committee of management caused the auditor to include in the scope of the audit required under section 257(1) of the Fair Work (Registered Organisations) Act 2009 all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
  - iii. no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
  - iv. that prior engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursed of expenses required for recovery of wages activity, and any likely request from donations or other contributions in acting for a worker in recovery of wages activity; and

COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,  
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH

CERTIFICATE OF COMMITTEE OF MANAGEMENT (Cont'd)

(e) in relation to recovery of wages activity (cont'd):

- v. no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

For the Committee of Management:

*Brandon L. Morrison*

.....  
B Morrison

*Dennis Kirkwood*

.....  
D Kirkwood

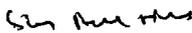
Dated this 24<sup>th</sup> day of April 2013

**AUDITOR'S INDEPENDENCE DECLARATION**

**TO THE COMMITTEE OF MANAGEMENT OF COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY,  
INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA PLUMBING  
DIVISION – CANBERRA BRANCH**

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

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

  
Stannards Accountants and Advisors

  
MB Shulman  
Registered Company Auditor (163888)  
Holder of Current Public Practice Certificate

Dated this 29<sup>th</sup> day of June 2013

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,  
POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2013**

|                                   | 2013<br>\$     | 2012<br>\$      |
|-----------------------------------|----------------|-----------------|
| <b>Income</b>                     |                |                 |
| Members Contributions Received    | 77,689         | 82,881          |
| Entrance Fees Received            | -              | 360             |
| Interest Received                 | 2              | 1               |
| Federal Levy Received             | 1,365          | 1,447           |
| State Levy Received               | 782            | 835             |
| Forgiven Loan – Federal Branch    | 52,981         | -               |
| Forgiven Loan – VIC Branch        | 121,485        | -               |
|                                   | <b>254,304</b> | <b>85,524</b>   |
| <b>Expenses</b>                   |                |                 |
| Audit Fees                        | 2,500          | 2,700           |
| Affiliation Fees                  | 731            | 948             |
| Bank Charges                      | 465            | 467             |
| Delegate Fees                     | 297            | -               |
| Overnight and Travel Allowances   | -              | 50              |
| General Expenses                  | -              | 161             |
| Motor Vehicle Expenses            | 9,130          | 7,290           |
| Meal and Clothing Allowance       | 4,521          | 4,838           |
| Printing, Postage and Stationery  | 1,508          | 60              |
| Federal Levy Payable              | 1,365          | 1,456           |
| Rent                              | 2,790          | 3,044           |
| Salaries                          | 74,486         | 71,688          |
| Superannuation Contributions      | 7,672          | 8,216           |
| Subscriptions                     | 55             | 40              |
| Insurance                         | 408            | 759             |
| Travelling and Entertaining       | 973            | 94              |
| Work Cover                        | 1,654          | 1,853           |
| Redundancy ACIRT                  | 4,160          | 4,480           |
| Provision for Employee Benefits   | -              | 1,105           |
|                                   | 112,715        | 109,249         |
| Per Capita Payable to Head Office | 7,769          | 8,287           |
| <b>Total Expenses</b>             | <b>120,484</b> | <b>117,536</b>  |
| <b>Net Loss for the Year</b>      | <b>133,820</b> | <b>(32,012)</b> |

The accompanying notes form part of this concise financial report

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,  
POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2013**

|  | 2013<br>\$ | 2012<br>\$ |
|--|------------|------------|
| Profit/(Loss) for the period   | 133,820    | (32,012)   |
| Other comprehensive income for the period                                  | -          | -          |
| Total comprehensive income for the period                                  | 133,820    | (32,012)   |
| Total comprehensive income attributable to:<br>Members of the organisation | 133,820    | (32,012)   |

The accompanying notes form part of this concise financial report

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,  
POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2013**

|                                      | 2013<br>\$     | 2012<br>\$       |
|--------------------------------------|----------------|------------------|
| <b>Current Assets</b>                |                |                  |
| Cash and Cash Equivalents            | 5,084          | 1,170            |
| Receivables                          | 3,861          | 1,700            |
| <b>Total Current Assets</b>          | <b>8,945</b>   | <b>2,870</b>     |
| <b>Non Current Assets</b>            |                |                  |
| Furniture and Equipment              | -              | -                |
| <b>Total Non Current Assets</b>      | <b>-</b>       | <b>-</b>         |
| <b>Total Assets</b>                  | <b>8,945</b>   | <b>2,870</b>     |
| <b>Current Liabilities</b>           |                |                  |
| Accounts Payable                     | 14,885         | 9,334            |
| Non Interest Bearing Liabilities     | -              | 110,332          |
| Provisions                           | -              | 3,658            |
| <b>Total Current Liabilities</b>     | <b>14,885</b>  | <b>123,324</b>   |
| <b>Non Current Liabilities</b>       |                |                  |
| Provisions                           | -              | 19,306           |
| <b>Total Non Current Liabilities</b> | <b>-</b>       | <b>19,306</b>    |
| <b>Total Liabilities</b>             | <b>14,885</b>  | <b>142,630</b>   |
| <b>Net Assets – Deficiency</b>       | <b>(5,940)</b> | <b>(139,760)</b> |
| <b>EQUITY</b>                        |                |                  |
| Accumulated Deficit                  | (5,940)        | (139,760)        |
| <b>Total Equity</b>                  | <b>(5,940)</b> | <b>(139,760)</b> |

The accompanying notes form part of this concise financial report

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,  
POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2013**

|   | 2013<br>\$ | 2012<br>\$ |
|---|------------|------------|
| Accumulated Deficit – Beginning of Year | (139,760)  | (107,748)  |
| Profit/(Loss) for the Year              | 133,820    | (32,012)   |
| Accumulated Deficit – End of Year       | (5,940)    | (139,760)  |

The accompanying notes form part of this concise financial report

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,  
POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2013**

|   | 2013<br>Inflows/<br>(Outflows)<br>\$ | 2012<br>Inflows/<br>(Outflows)<br>\$ |
|---|--------------------------------------|--------------------------------------|
| <b>Cash flows from Operating Activities</b>                 |                                      |                                      |
| Contributions and Entrance fees from members                | 75,528                               | 87,104                               |
| Interest Received   | 2                                    | 1                                    |
| Federal Levies Collected                                    | 1,365                                | 1,447                                |
| State Levy  | 782                                  | 835                                  |
| Per Capita – Federal Office                                 | (7,769)                              | (8,287)                              |
| Payments to Suppliers and Employees                         | (130,128)                            | (108,120)                            |
| <b>Net Cash (Used in) Operating Activities</b>              | <b>(60,220)</b>                      | <b>(27,020)</b>                      |
| <b>Cash flows from Investing Activities</b>                 |                                      |                                      |
| Payments for plant and equipment                            | -                                    | -                                    |
| <b>Net Cash (Used in) Investing Activities</b>              | <b>-</b>                             | <b>-</b>                             |
| <b>Cash flows from Financing Activities</b>                 |                                      |                                      |
| Receipts from Federal Office and Other Branches             | 64,134                               | 19,743                               |
| <b>Net Cash Provided by Financing Activities</b>            | <b>64,134</b>                        | <b>19,743</b>                        |
| <b>Net Increase/(Decrease) in Cash and Cash Equivalents</b> | <b>3,914</b>                         | <b>(7,277)</b>                       |
| Cash and Cash Equivalents at Beginning of Year              | 1,170                                | 8,447                                |
| <b>Cash and Cash Equivalents at End of Year</b>             | <b>5,084</b>                         | <b>1,170</b>                         |

The accompanying notes form part of this concise financial report

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,  
POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH**

**NOTES TO THE CONCISE FINANCIAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2013**

This concise report has been derived from and is connected with the full financial report for the year ended 31 March 2013 and has been prepared in accordance with Australian Accounting Standard AASB1039: Concise Financial Reports. The full financial report and auditors report will be sent to members on request, free of charge. The Auditor's opinion on the general purpose financial statements did not contain any qualifications or particulars of any deficiency, failure or shortcoming as referred to in the Fair Work (Registered Organisations) Act 2009 subsection 252 and 257(2).

The accounts have been prepared on the basis that the Branch's net assets will be assumed at 'book' value by CEPU (New South Wales) Branch (this in fact occurred on 1 April 2013). Any liabilities assumed by the Branch were, in the new financial year, satisfied by CEPU (New South Wales) Branch.

The discussion and analysis is provided to assist members in understanding the concise financial report. The discussion is based on the full financial report.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia (Plumbing Division – Canberra Branch) as the full financial report.

#### **Discussion and Analysis of Financial Statements**

##### *Income Statement*

Total income from ordinary activities was \$254,304 compared with \$85,524 in 2012. The growth arose from forgiven debts in the current year. Expenses from ordinary activities amounted to \$112,715 compared to \$109,249 in 2012. The branch has operated with one official since 2010. The net result was a profit of \$133,820 compared to a loss of \$32,012 in 2012.

##### *Statement of Financial Position*

###### **Changes in the Composition of Assets:**

Total assets in 2013 were \$8,945 compared to \$2,870 in prior year and total liabilities decreased by \$127,745 to \$14,885. This resulted in a net asset deficiency of \$5,940 (2012: \$139,760), which was assumed by CEPU (New South Wales) Branch from 1 April 2013..

##### *Statement of Cash Flows*

The operating activities have resulted in a net cash outflow of \$60,220 compared with a net cash outflow of \$27,020 in 2012. The Branch had a net cash inflow of \$64,134 in respect of payments received from other Branches this year, hence overall, its cash position improved.

##### **Statement of Receipts and Payments for Recovery of Wages Activity**

The Union did not received or pay any amounts recovered from employers in respect of wages during the financial year (2012 – nil).

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,  
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PLUMBING DIVISION – CANBERRA BRANCH**

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

**Information to be Provided to Members or Registrar**

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

- (1) A Member of an organisation, or the General Manager of FWA, may apply to the organisation for specified prescribed information in relation to the organisation 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 organisation.
- (3) An organisation must comply with an application made under subsection (1).

**Segments**

The Union operated in one segment within Australia.

**Employee Benefits**

Employee benefits paid during the year to Officeholders:

|   |               |               |
|---|---------------|---------------|
| Wages and Salaries (Short-term employee Benefits) | 74,486        | 71,688        |
| Superannuation (Post employment Benefits)         | 7,672         | 8,216         |
| <b>Total</b>                                      | <u>81,258</u> | <u>79,904</u> |

There were no other long term benefits, termination benefits or share based payments to officeholders (2012 : \$nil)

No employee benefits or share based payments were made to other employees.

**Related Party Information**

- a. The names of persons who formed part of the Committee of Management at any time during the year were:-

|                  |                 |
|------------------|-----------------|
| Brendan Morrison | Damian Kirkwood |
| Glen Nichols     | Ken Enslie      |
| Frank Pritzler   | Mark Taylor     |

- b. Amounts received or due and receivable (i.e. wages paid to Union officeholders) by the Union were \$74,486 (2012 : \$71,688).
- c. Amounts paid on behalf of Union officeholders to the Building Union Superannuation Scheme in respect of the retirement of the officeholders were \$7,672 (2012 : \$8,216).

| Remuneration band   | Number of Officers in band | Name            |
|---------------------|----------------------------|-----------------|
| \$80,000 - \$89,999 | 1                          | Damian Kirkwood |

The officeholders received no 'non-cash' benefits (2012: \$nil). No officeholders of the Branch during the year and/or the prior year had any material personal interest in a matter that he/she has or did acquire, or a relative of the officeholder has or did acquire.

No officeholder or officer of the Branch (this year or last year) received any remuneration because they were a member of, or held a position with a Board or other organisation because:-

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,  
POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – CANBERRA BRANCH**

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

**Related Party Information (cont'd)**

- i) The officerholder held such a position with the Board or other organisation only because they were an officeholder of the Branch; or
  - ii) They were nominated for the position by the Branch; or
  - iii) They received remuneration from any third party, in connection with the performance of their duties as an officerholder of the Branch.
- d. Other transactions between the Committee Members and the Union were conducted on normal commercial terms in respect of subscriptions and supply of other goods and services.
- e. Transactions between Canberra Branch and Related Offices.

During the prior year, the Federal Branch (CEPU) forgave some \$52,981 of loans to the Branch. The Victorian branch (CEPU) forgave some \$121,485 of loans to the Branch.

| Per Capita Payments  | <b>2013</b> | <b>2012</b> |
|--|-------------|-------------|
|  | \$          | \$          |
| During the year, the Branch paid to the Federal Office a per capita payment calculated in accordance with the rules. | 7,769       | 8,287       |
| <b>Levies Received/(Paid)</b>  |             |             |
| Federal – received   | 1,365       | 1,447       |
| State – received   | 782         | 835         |
| Federal – paid   | (1,365)     | (1,447)     |

## INDEPENDENT AUDIT REPORT

To the Members of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Plumbing Division – Canberra Branch

### Scope

#### The concise financial report and Committee of Management responsibility

The concise financial report comprises the Statement of Financial Position as at 31 March 2013, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, discussion and analysis of performance, and the Committee of Management declaration for the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Plumbing Division – Canberra Branch.

The Branch's Committee of Management are responsible for the preparation and presentation of the financial report in accordance with the Australia Accounting Standard AASB 1039: Concise Financial Reports and the Reporting Guidelines of the General Manager of FWA.

### Audit Approach

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

We also performed an independent audit of the full financial report of the Branch for the financial year ended 31 March 2013. Our audit report was signed on 3 June 2011 and was not subject to any qualification.

In conducting our audit of the concise financial report, we performed procedures to assess whether in all material respects the financial report is presented fairly, in accordance with the Australia Accounting Standard AASB 1039: Concise Financial Reports and the Reporting Guidelines of the General Manager of FWA.

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

- testing that the information included in the concise financial report is consistent with the information in the full financial report; and
- examining, on a test basis, information to provide evidence supporting the amounts, discussion and analysis, and other disclosures in the concise financial report which were not directly derived from the full financial report.

When this audit report is included on a document containing the Committee of Managements' report, our procedures include reading the Committee of Management report to determine whether it contains any material inconsistencies with the financial report.

### Independence

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

### Audit Opinion

In our opinion, the concise financial report of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Plumbing Division – Canberra Branch for the year ended 31 March 2013 complies with the Australia Accounting Standard AASB 1039: Concise Financial Reports.

### Continuation of Operations

Without qualifying this report, we note that on 1 April, 2013, the net asset deficiency of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Plumbing Division – Canberra Branch was assumed by CEPU (New South Wales) Branch. The financial report reflects the fair value of the net assets that were assumed. The Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Plumbing Division – Canberra Branch is expected to be deregistered this financial year.



Stannards Accounting and Advisors



MB Shulman  
Registered Company Auditor (163888)  
Holder of Current Public Practice Certificate

Dated this 14<sup>th</sup> day of April 2013