

PINKER - ARNOLD - McLOUGHLIN
Chartered Accountants

Richard Pinker BEc FCA Grant Arnold BCom ACA Colin McLoughlin FCA

Plumber's Union
New South Wales

A.C.N. 002 617 629
A.B.N. 85 656 451 687

FINANCIAL STATEMENTS

31 MARCH 2002

Plumber's Union - New South Wales

**Annual Report
for the Year Ended 31 March 2002**

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Plumber's Union - New South Wales
002 617 629
Statement of Financial Position
As at 31 March 2002

	Note	2002 \$	2001 \$
CURRENT ASSETS			
Cash	2	257,296	405,526
Receivables	3	5,427	1,963
Other	5	-	11,439
TOTAL CURRENT ASSETS		<u>262,723</u>	<u>418,928</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment	4	62,695	104,831
TOTAL NON-CURRENT ASSETS		<u>62,695</u>	<u>104,831</u>
TOTAL ASSETS		<u>325,418</u>	<u>523,759</u>
CURRENT LIABILITIES			
Accounts Payable	6	20,955	12,619
Borrowings	7	173,397	188,312
Provisions	8	81,427	54,039
TOTAL CURRENT LIABILITIES		<u>275,779</u>	<u>254,970</u>
TOTAL LIABILITIES		<u>275,779</u>	<u>254,970</u>
NET ASSETS		<u>49,639</u>	<u>268,789</u>
ACCUMULATED FUNDS			
General Fund		(71,369)	95,508
Defence Fund		309,152	317,532
Incidental Fund		13,265	13,214
Special Purpose Fund		83	83
Royal Commission Fund		17,658	17,658
Loss Incurred This Year		(219,150)	(175,206)
TOTAL FUNDS		<u>49,639</u>	<u>268,789</u>

The accompanying notes form part of these financial statements.

Plumber's Union - New South Wales
002 617 629
Statement of Financial Performance
For the Year ended 31 March 2002

	Note	2002 \$	2001 \$
INCOME			
Levies		12,964	39,662
Contributions		566,082	550,668
Enrolment Fees		9,520	10,634
Interest		11,759	25,227
Meeting Fees - CERT		-	6,966
Grant - Occupational Health & Safety		-	56,250
Workers Compensation		34,022	-
Other Income		61,862	42,332
		696,209	731,739
EXPENDITURE			
Advertising		6,814	188
Affiliation Fees		1,997	10,067
Auditor's Remuneration		11,845	11,195
Bank Charges		9,033	8,123
Computer		2,661	1,776
Collection Commission		9	1,642
Committee of Management Expenses		1,768	2,781
Depreciation		42,136	17,072
Donations		11,126	120
Fringe Benefits Tax		6,391	9,318
General Expenses		3,932	1,127
Head Office per capita		58,857	138,488
Insurance		8,761	14,885
Workers Compensation Insurance		4,644	-
Industrial Publications		131	711
Legal Costs		117,345	16,431
Light & Power		401	1,262
Loss on Sale of Non Current Asset		-	22,670
Meeting Expenses		983	2,353
Members Services		-	733
Motor Vehicle Expenses		60,339	79,346
Members Services - Ambulance Cover		2,847	3,685
Office Expenses		-	1,542
Postage		7,835	7,756
Printing, Stationery & Publications		19,548	19,641
Provision for Holiday Pay		(4,515)	(3,344)
Provision for Long Service Leave		27,600	1,702
Provision for Retirement Allowance		(3,912)	21,137
Removal Costs		3,594	-
Rent		31,045	40,407

The accompanying notes form part of these financial statements.

Plumber's Union - New South Wales
002 617 629
Statement of Financial Performance
For the Year ended 31 March 2002

	Note	2002	2001
		\$	\$
Repairs & Maintenance		75	42
Staff Costs		372,788	421,715
Superannuation Contributions		54,802	-
Telephone		48,717	47,163
Officials Travelling & Other Expenses		5,762	5,211
		<u>915,359</u>	<u>906,945</u>
OPERATING LOSS BEFORE INCOME TAX		<u>(219,150)</u>	<u>(175,206)</u>
OPERATING LOSS AFTER INCOME TAX		<u>(219,150)</u>	<u>(175,206)</u>
ACCUMULATED LOSS AT 31 MARCH 2002		<u><u>(219,150)</u></u>	<u><u>(175,206)</u></u>

The accompanying notes form part of these financial statements.

Plumber's Union - New South Wales
002 617 629
Statement of Appropriation
For the Year ended 31 March 2002

	2002	2001
	\$	\$
OPENING BALANCES	268,789	443,995
Loss from ordinary activities before tax	(219,150)	(175,206)
Income tax relating to ordinary activities	-	-
NET PROFIT	<u>49,639</u>	<u>268,789</u>
UNAPPROPRIATED PROFIT AT 31 MARCH 2002	<u>49,639</u>	<u>268,789</u>

*The accompanying notes form part of these financial statements.
These financial statements have not been subject to audit or review and should be read in
conjunction with the attached Compilation Report.*

Plumber's Union - New South Wales
002 617 629
Profit and Loss Statement
For the Year ended 31 March 2002

	Note	2002 \$	2001 \$
INCOME			
General Fund			
Federy Levy		12,964	31,618
Contributions		566,082	550,668
Enrolment Fees		9,520	10,634
Interest		11,759	25,169
Meeting Fees - CERT		-	6,966
Grant - Occupational Health & Safety		-	56,250
Workers Compensation		34,022	-
Other Income		61,862	42,332
		<u>696,209</u>	<u>723,637</u>
EXPENDITURE			
Advertising		6,814	188
Affiliation Fees		1,997	10,067
Auditor's Remuneration		11,845	11,195
Bank Charges		9,033	8,123
Computer		2,661	1,776
Collection Commission		9	1,642
Committee of Management Expenses		1,768	2,781
Depreciation		42,136	17,072
Donations		11,126	120
Fringe Benefits Tax		6,391	9,318
General Expenses		3,932	1,127
Head Office per capita		58,857	138,488
Insurance		8,761	14,885
Workers Compensation Insurance		4,644	-
Industrial Publications		131	711
Legal Costs		117,345	-
Light & Power		401	1,262
Loss on Sale of Non Current Asset		-	22,670
Meeting Expenses		983	2,353
Members Services		-	733
Motor Vehicle Expenses		60,339	79,346
Members Services - Ambulance Cover		2,847	3,685
Office Expenses		-	1,542
Postage		7,835	7,756
Printing, Stationery & Publications		19,548	19,641
Provision for Holiday Pay		(4,515)	(3,344)
Provision for Long Service Leave		27,600	1,702
Provision for Retirement Allowance		(3,912)	21,137

The accompanying notes form part of these financial statements.

Plumber's Union - New South Wales
002 617 629
Profit and Loss Statement
For the Year ended 31 March 2002

	Note	2002 \$	2001 \$
Removal Costs		3,594	-
Rent		31,045	40,407
Repairs & Maintenance		75	42
Staff Costs		372,788	421,715
Superannuation Contributions		54,802	-
Telephone		48,717	47,163
Officials Travelling & Other Expenses		<u>5,762</u>	<u>5,211</u>
		<u>915,359</u>	<u>890,514</u>
OPERATING LOSS BEFORE INCOME TAX		<u><u>(219,150)</u></u>	<u><u>(166,877)</u></u>

The accompanying notes form part of these financial statements.

Plumber's Union - New South Wales
002 617 629
Profit and Loss Statement
For the Year ended 31 March 2002

	Note	2002 \$	2001 \$
INCOME			
Defence Fund			
Defence Fund Levy		-	8,044
Interest		-	7
		<u>-</u>	<u>8,051</u>
EXPENDITURE			
Legal Costs		<u>-</u>	<u>16,431</u>
		<u>-</u>	<u>16,431</u>
OPERATING PROFIT BEFORE INCOME TAX		<u>-</u>	<u>(8,380)</u>

The accompanying notes form part of these financial statements.

Plumber's Union - New South Wales
002 617 629
Profit and Loss Statement
For the Year ended 31 March 2002

	Note	2002 \$	2001 \$
INCOME			
Incidental Fund			
Interest		-	51
EXPENDITURE			
		-	-
OPERATING PROFIT BEFORE INCOME TAX		<u>-</u>	<u>51</u>

The accompanying notes form part of these financial statements.

Plumber's Union - New South Wales
002 617 629
Profit and Loss Statement
For the Year ended 31 March 2002

	Note	2002 \$	2001 \$
INCOME			
Special Purpose Fund			
EXPENDITURE			
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements.

Plumber's Union - New South Wales
002 617 629
Profit and Loss Statement
For the Year ended 31 March 2002

	Note	2002	2001
		\$	\$
INCOME			
Royal Commission Fund			
EXPENDITURE			
		<u> </u>	<u> </u>
		<u> </u>	<u> </u>

The accompanying notes form part of these financial statements.

Plumber's Union - New South Wales
Notes to the Financial Statements
For the Year ended 31 March 2002

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the financial report are shown below to assist members in an understanding of the figures. The accounting policies adopted are consistent with previous years except as otherwise stated.

Pursuant to generally accepted accounting principles for organisations registered under the Workplace Relations Act 1996, the financial report has been prepared as follows:

- membership contributions and levies are accounted for on a cash basis
- otherwise, the accounts have been prepared on an accrual basis, under the historical cost convention
- to conform in all material respects with relevant Australian Accounting Standards
- not adjusted to record changes in the general purchasing power of money

(a) General Fund:

Pursuant to the Rules of the Union, the General Fund includes all enrolment fees, contributions, levies and fines (except as specifically prescribed in the rules) and except with the previous permission of the Divisional Council or Divisional Executive shall only be used for the payment of allowances and general expenditures necessarily incurred in the working of the Branch.

(b) Incidental Fund:

Pursuant to the Rules of the Union, the balance remaining the General Fund at the close of each financial period is divided into three equal parts with one part being allocated to the Incidental Fund and two parts of the General Fund. This Fund is wholly at the disposal of the Branch for any purpose whatsoever. Due to the accumulated deficits, no transfer was made this year.

(c) Defence Fund:

This fund represents the accumulated levy made on members of the New South Wales Branch. Legal Fees incurred are deemed to be for the defence of the Union and are usually written off against this fund. However, this year legal fees have been written off in the General Fund.

(d) Special Purpose Fund:

This Fund is for special purposes. No movements occurred in the fund this year.

(e) Royal Commission Fund:

No movements occurred in the fund this year.

(f) Depreciation

Depreciation of fixed assets is calculated on the straight line basis or reducing balance method in order to write the assets off over their estimated life. Items were scrapped this year due to the move in office location. In addition, there was a special write-off of Motor Vehicles that are not in use.

(g) Officials and Employees' Benefits:

Long Service Leave and Retirement Allowances payable to officials are covered by Rule 51 of the Union Rules. The Head Office of the Union accepted responsibility for these obligations until 30 June 1999. Provisions for retirement benefits for employees other than officials, in the form of Long Service Leave have been made for employees with more than five years service. Accrued Holiday pay is based on the employees' current rate of pay.

Plumber's Union - New South Wales
Notes to the Financial Statements
For the Year ended 31 March 2002

(h) Royal Commission Fund/Branch and Federal Levies

On 11th December 1990, a mass meeting of members of the Union approved the introduction of a levy of \$20 per year to help defray the cost of involvement with the New South Wales Government's Royal Commission into the NSW Building Industry. On 25th August 1991, a Branch meeting of members resolves to terminate the Royal Commission Levy and implement \$7.00 per annum Head Office Levy to assist Head Office financially and \$13 Branch levy to be retained by the Branch.

(i) Income Tax:

No provision for income tax is necessary as the Union is exempt from income tax under Section 23(f) of the Income Tax Assessment Act 1936.

(j) Fringe Benefits Tax:

The Union is subject to Fringe Benefits Tax primarily with respect to Union motor vehicles. This expenditure is written off in the General Fund.

(k) Contingent Liabilities:

No contingent liability of the Branch is known to exist as 31 March 2002, including any litigation in which the Branch, or Head Office of the Union is involved.

(l) Related Party Information

(i) The names of persons who formed part of the Committee of Management at any time during the year were:

Chairman
B. Czarnecki
President
B. Czarnecki

Trustees
G. Lane
B. Whelan
Secretary
S. McCarney

Assistant Secretary
A. Stone
Committee of Management
M. Baird
B. Czarnecki
G. Edwards (to 30/06/01)
G. Lane
S. McCarney
T. Popem
B. Whelan
B. Palmer
M. Corrigan (commenced 13/3/01)
M. Worboys (commenced 15/3/01)

Plumber's Union - New South Wales
Notes to the Financial Statements
For the Year ended 31 March 2002

Organisers

T. Anning
B. Brown (To 31/12/01)
J. Caithness
S. McCarney
A. Stone (To 31/03/02)
B.

(ii) Amounts received or due and receivable (i.e. wages paid to the Secretary, Assistant Secretary and Organisers and Committee fees paid to Committee of Management were \$320,689 (2001 \$302,974).

(iii) Amounts paid on behalf of the Secretary, Assistant Secretary and Organisers to the Building Union Superannuation Scheme in respect to the retirement of Committee of Management members was \$21,639 (2001 \$19,521).

(iv) Other transactions between the Committee Members and the Union were conducted on normal commercial terms in respect of subscriptions.

(v) Transactions between New South Wales Branch and Federal Office

(a) Per Capita Payment

During the year the New South Wales Branch of the Union was charged by the Federal Office of the Union a per capita payment calculated at 10% of Contributions in accordance with the rules. Previous to this, the per capita payment was calculated at 20%. The year 2001 comparative shows an adjustment of \$28,355 which was carried forward from year 2000.

(b) During the year a Federal Levy of \$7 per annum was charged to the Branch members and is due and payable to Head Office.

(m) Going Concern

The financial report has been prepared in accordance with the generally accepted accounting principles, which are based on the entity continuing as a going concern. The entity has incurred substantial operating losses. The entity is only able to continue as a going concern if the Branch continues to receive Head Office support.

Plumber's Union - New South Wales
Notes to the Financial Statements
For the Year ended 31 March 2002

2. CASH

Cash on Hand	1,200	700
Bank Bills	-	325,965
EBA Agreements Account	202	201
Picnic Account - Auxiliary Account	19,103	11,084
General Fund Bank	229,342	60,131
Cash at Bank - No. 2 Account	196	196
Cash at Bank - No. 3 Account	94	93
Savings Investment Account	153	153
Defence Fund Account	6,712	6,709
Incidental Fund Account	212	212
Special Purpose Fund Bank	82	82
	<u>257,296</u>	<u>405,526</u>

3. RECEIVABLES

Current

Sundry Debtors	<u>5,427</u>	<u>1,963</u>
	<u>5,427</u>	<u>1,963</u>

4. PROPERTY, PLANT & EQUIPMENT

Plant & Equipment

Motor Vehicles	182,116	182,116
Less Accumulated Depreciation	<u>127,393</u>	<u>94,317</u>
	54,723	87,799
Office Furniture & Equipment	56,205	56,888
Less Accumulated Depreciation	<u>48,233</u>	<u>39,856</u>
	7,972	17,032
Total Plant & Equipment	<u>62,695</u>	<u>104,831</u>

5. OTHER ASSETS

Current

Prepayments	<u>-</u>	<u>11,439</u>
	<u>-</u>	<u>11,439</u>

Plumber's Union - New South Wales
Notes to the Financial Statements
For the Year ended 31 March 2002

6. ACCOUNTS PAYABLE

Current

Creditors	20,955	12,619
	<u>20,955</u>	<u>12,619</u>

7. BORROWINGS

Current

Head Office Loan	157,031	170,886
Newcastle Sub-Branch Loan	3,402	3,402
Head Office - Federal Levy	12,964	14,024
	<u>173,397</u>	<u>188,312</u>

8. PROVISIONS

Current

Provision for Holiday Pay	27,345	31,860
Provision for Long Service Leave	34,172	6,572
Provision for Retirement Allowance	14,309	18,221
Provision for GST	5,601	(2,614)
	<u>81,427</u>	<u>54,039</u>

9. ACCUMULATED FUNDS

General Fund	(71,369)	95,508
Defence Fund	309,152	317,532
Incidental Fund	13,265	13,214
Special Purpose Fund	83	83
Royal Commission Fund	17,658	17,658
Net Operating Surplus (Deficit)	<u>(219,150)</u>	<u>(175,206)</u>
	<u>49,639</u>	<u>268,789</u>

Plumber's Union - New South Wales
Statement of Cash Flows
For the Year ended 31 March 2002

	\$	2001 \$
Cash Flows from Operating Activities		
Other Income	95,884	36,684
Grants Received	-	56,250
Contributions from Members	575,602	550,668
Levies	12,964	45,642
Enrolment and Meeting Fees	11,759	17,600
Payments to Suppliers and Employees	<u>(844,439)</u>	<u>(781,336)</u>
	(148,230)	(74,492)
Interest Received	-	25,227
Net Cash Inflow/(Outflow) from Operating Activities	<u>(148,230)</u>	<u>(49,265)</u>
Cash Flows from Investing Activities		
Payments for Property, Plant and Equipment	-	-
Proceeds from Sale of Property, Plant and Equipment	-	-
Net Cash Inflow/(Outflow) from Investing Activities	-	-
Net Increase/(Decrease) in Cash Held	<u>(148,230)</u>	<u>(49,265)</u>
Cash at the beginning of the financial year	<u>405,526</u>	<u>454,791</u>
Cash at the end of the financial year	<u><u>257,296</u></u>	<u><u>405,526</u></u>

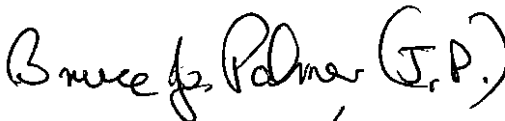
Plumber's Union - New South Wales
Statement of Cash Flows
For the Year ended 31 March 2002


	\$	2001 \$
Reconciliation of Operating Loss to Net Cash Outflow from Operating Activities		
Operating Deficit	(219,150)	(175,206)
Depreciation	42,136	42,562
Net Loss on Sale of Non-Current Assets		22,670
	-	
Increase/(Decrease) in Provision for Holiday Pay and Long Service Leave and Retirement Allowance	19,173	6,626
Changes in Assets and Liabilities		
(Increase)/Decrease in Sundry Debtors	(3,464)	(1,963)
(Increase)/Decrease in Prepaid Expenses	11,439	(2,423)
Increase/(Decrease) in GST Provision	8,215	(2,614)
Increase/(Decrease) in Creditors	8,336	(5,895)
Increase/(Decrease) in Borrowings	(14,915)	66,978
Net Cash outflow from Operating Activities	<u><u>(148,230)</u></u>	<u><u>(49,265)</u></u>
 Reconciliation of Cash		
Cash on Hand	1,200	700
Bank Bills		325,965
	-	
EBA Agreements Account	202	201
Picnic Account - Auxiliary Account	19,103	11,084
General Fund Bank	229,342	60,131
Cash at Bank - No. 2 Account	196	196
Cash at Bank - No. 3 Account	94	93
Savings Investment Account	153	153
Defence Fund Account	6,712	6,709
Incidental Fund Account	212	212
Special Purpose Fund Bank	82	82
Cash at End of Financial Year	<u><u>257,296</u></u>	<u><u>405,526</u></u>

Plumber's Union - New South Wales
002 617 629
Certificate of Committee of Management

We, Bruce Palmer and Matthew Warboys, being two members of the Committee of Management of the Electrical, Electronic, Plumbing & Allied Workers Union, Plumbing Division - New South Wales Branch do state on behalf of the Committee, and in accordance with a resolution passed by the Committee, that -

- (i) The accompanying Balance Sheet is drawn up so as to give a true and fair view of the state of affairs of the organisation as at 31 March 2002.
- (ii) The accompanying Statements of Income and Expenditure are drawn up so as to give a true and fair view of the result of the organisation for the year ended 31 March 2002.
- (iii) In the opinion of the Committee of Management, meetings of the Committee were held during the year ended 31 March 2002 in accordance with the rules of the organisation.
- (iv) To the knowledge of any member of the Committee, during the year ended 31 March 2002, there have been no instances where the records of the organisation or other documents, not being documents containing information made available to a member of the organisation under sub-section 274(2) of the Workplace Relations Act 1996, or copies of those records or other documents, or copies of the rules of the organisation, have not been furnished, or made available to members in accordance with the requirements of the Workplace Relations Act 1996, the regulations thereto or the rules of the organisation.
- (v) The branch has complied with sub-section 279(1) and (6) of the Workplace Relations Act 1996 in relation to the financial accounts in respect of the year ended 31 March 2002 and the auditors thereon.

Bruce Palmer 

Matthew Warboys 


Dated this...14th...day of...NOVEMBER...2002

Plumber's Union - New South Wales
002 617 629
Certificate of Accounting Officer

I, Steve McCarney, being the officer responsible for keeping the accounting records of the Electrical, Electronic, Plumbing & Allied Workers Union, Plumbing Division - New South Wales Branch, certify that as at 31 March 2002, the number of members of the Branch was 10,253.

In my opinion,

- (i) The attached accounts show a true and fair view of the financial affairs of the organisation as at 31 March 2002.
- (ii) A record has been kept of all monies so paid by, or collected from, members and all monies so paid and collected have been credited to the bank account to which those monies are to be credited, in accordance with the rules of the organisation.
- (iii) Before any expenditure was incurred by the organisation, approval of the incurring of the expenditure was obtained in accordance with the rules of the organisation.
- (iv) No payments were made out of funds or accounts operated by the organisation in respect of compulsory levies raised by the organisation or voluntary contributions collected from members of the organisation or other funds, the operation of which is required by the rules of the organisation for a purpose other than the purpose for which the fund operated.
- (v) No loans or other financial benefits, other than remuneration in respect of their full time employment with the organisation were made to persons holding office in the organisation.
- (vi) The register of members of the organisation was maintained in accordance with the Workplace Relations Act 1996.


Steve McCarney
Secretary

Dated this 12th day of NOVEMBER 2002

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
CEPU PLUMBING DIVISION NSW BRANCH**

Scope

We have audited the financial statements, being a special purpose financial report of CEPU Plumbing Division NSW Branch for the year ended 31 March 2002 consisting of the Certificate of Committee of Management, Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flows and the accompanying notes. The Union's Committee of Management are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Union.

We disclaim any assumption of responsibility for any reliance on this audit report or on the financial report to which it relates to any person other than the members or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with accounting policies described in Note 1, so as to present a view which is consistent with our understanding of the Union's financial position, and performance as represented by the results of its operations. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

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

Inherent Uncertainty Regarding Going Concern

Attention is drawn to the following matter. As indicated in the Statement of Financial Performance, there is uncertainty whether the Union will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the Statement of Financial Position. Our audit procedures revealed that Bank Bills to the value of \$325,965 as at 1 April have been used to fund day to day operating costs.

The Operating Loss for the year was \$219,150, which, when added to the brought forward losses resulted in a reduction in total funds to \$49,639. (\$268,789 as at 31 March, 2001)

Qualifications

INTERNAL CONTROLS We have carried out normal audit procedures on the books and records presented to us. However, due to inherent deficiencies noted in this area we have not placed any reliance on the Union's systems of internal control.

COMPARITIVE FIGURES We were appointed auditors commencing from the year ending 31 March, 2002 and accordingly do not express an opinion on the comparative figures. However, we have no reason to believe that they contain inaccuracies.

Qualified Audit Opinion

In our opinion, except for the effects on the financial report of such adjustments, if any, as might be required had the limitation on our audit procedures not existed, the financial report presents fairly in accordance with:

- (i) the accounting policies described in note 1 to the financial statements the financial position of the Union as at 31 March, 2002 and the results of its operations for the year then ended; and
- (ii) comply with Accounting Standards, comprising APS 1 "Conformity with Accounting Standards and UIG Consensus Views" and other Accounting Standards to the extent described in Note 1.

PINKER ARNOLD McLOUGHLIN
Chartered Accountants
Level 1 Suite 2
420 Forest Rd
Hurstville NSW 2220



R C PINKER Partner
21 November, 2002



AUSTRALIAN INDUSTRIAL REGISTRY

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
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Fax: (02) 9380 6990

Mr Steve McCarney
Secretary, Plumbing Division, NSW Branch
CEPU
Level 5, 370 Pitt Street
SYDNEY NSW 2000

Dear Mr McCarney

**Re: Lodgement of Financial Statements of Plumbing Division, NSW Branch
for year ending 31 March 2002 (FR2002/730)**

Receipt is acknowledged of the above financial statements which were lodged in the Registry on 13 December 2002.

Before the documents can be filed the following documentation is requested, in accordance with section 280(1)(b) of the *Workplace Relations Act 1996*:-

- A *Secretary's certificate/letter* (1) stating that the documents lodged were those presented at the meeting which finally adopted them; (2) indicating when that meeting took place; (3) when the members of the Branch were supplied with a copy of the statements.

I also note the Auditor's qualification regarding the inherent uncertainty whether the Branch will continue as a going concern. I have already sought your comments regarding this in relation to the previous year's financial report.

I also note a figure of \$11,126 for Donations on the Income and Expenditure Statement and I therefore draw your attention to the requirement of section 269 of the Act to lodge, if necessary, the particulars of any individual donation in excess of \$1,000.

If you have any queries regarding any of these matters, please do not hesitate to contact me on (02) 8374 6509.

Yours sincerely

Robin Godfrey
Deputy Industrial Registrar

16 December 2002

Making justice happen

Level 20, 201 Elizabeth Street Sydney NSW 2000
 PO Box A266 Sydney South NSW 1235
 DX 13002 Sydney Market Street
 Telephone: (02) 9261 1488
 Facsimile: (02) 9261 3318
 e-mail: mail@mbc.aus.net
 Website: www.mauriceblackburncashman.com.au

**Maurice
 Blackburn
 Cashman**
 Lawyers

Our Ref: KEP:CT:TNS:100616

Your Ref:

Direct Dial: 8267 0956

E-mail: CJTanner@mbc.aus.net

18 March, 2003

The Australian Industrial Registry
 80 William Street
 EAST SYDNEY NSW 2000

Attention: Steven Kellett
 By Facsimile: (02) 9380 6990

Dear Mr Kellett

CEPU Plumbing Division – NSW Branch

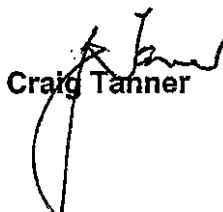
We act for the New South Wales Branch of the Plumbing Division of the CEPU.

We are assisting the Branch in providing the information requested in your letter of 20th June 2002.

We expect to be able to furnish replies to your queries within the next seven days.

Your patience is appreciated.

Yours faithfully,
MAURICE BLACKBURN CASHMAN


 Craig Tanner



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AUSTRALIAN INDUSTRIAL REGISTRY

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990

Mr Craig Tanner
Maurice Blackburn Cashman
PO Box A266
SYDNEY SOUTH NSW 1235

Dear Mr Tanner

**Re: Lodgement of Financial Statements of Plumbing Division, NSW Branch
for year ending 31 March 2001 (FR2002/189) and
for year ending 31 March 2002 (FR2002/730)**

Thank you for your letter received by facsimile today in relation to my previous correspondence.

In view of the fact that you are in the process of preparing a response to my letter of 20 June 2002 which relates to the statements for the year ending 31 March 2001, I thought it useful to also request - if you were not already preparing to do so - that you provide the information sought by Robin Godfrey in his letter of 16 December 2002 in relation to the statements for the year ending 31 March 2002. A copy of that letter is attached.

Thank you for your attention to these matters.

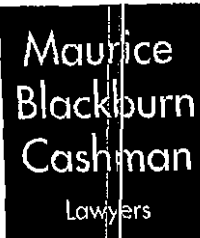
Yours sincerely

Stephen Kellett
Assistant Manager, Statutory Services

18 March 2003

Making justice happen

Level 20, 201 Elizabeth Street Sydney NSW 2000
PO Box A266 Sydney South NSW 1235
DX 13002 Sydney Market Street
Telephone: (02) 9261 1488
Facsimile: (02) 9261 3318
e-mail: mail@mbc.aus.net
Website: www.mauriceblackburncashman.com.au



Our Ref: KEP:CT:TNS:100616
Your Ref:
Direct Dial: 8267 0956
E-mail: CJTanner@mbc.aus.net

21 March, 2003

The Australian Industrial Registry
80 William Street
EAST SYDNEY NSW 2000

Attention: Stephen Kellett
By Facsimile: 9380 6990

Dear Mr Kellett

CEPU Plumbing Division – NSW BranchThank you for your letter of 19th March 2003.

We are obtaining instructions regarding Mr Godfrey's letter of 16th December 2002 in addition to assisting the Union to respond to the inquiries relating to the year ending 31st March 2001. Certain material is to be provided to us on Tuesday, 25th March 2003. We expect to be able to provided the Registry with the requested information at the end of the week.

Yours faithfully
MAURICE BLACKBURN CASHMAN


Craig Tanner



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AUSTRALIAN INDUSTRIAL REGISTRY

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990

Mr Craig Tanner
Maurice Blackburn Cashman
PO Box A266
SYDNEY SOUTH NSW 1235

Dear Mr Tanner

**Re: Lodgement of Financial Statements of Plumbing Division, NSW Branch
for year ending 31 March 2002 (FR2002/730)**

Thank you for your letter received by facsimile today in relation to my previous correspondence.

Thank you for your attention to these matters.

Yours sincerely

Stephen Kellett
Assistant Manager, Statutory Services

21 March 2003



AUSTRALIAN INDUSTRIAL REGISTRY

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990

FACSIMILE

TO	Mr Craig Tanner		
Organisation	Maurice Blackburn Cashman		
Fax Number	9261 3318	Phone Number	9261 1488
FROM	Belinda Penna		
Location	Australian Industrial Registry		
Fax Number	02 9380 6990	Phone Number	02 8374 6618
No of Pages (including cover)	8	Date	9/05/2003
Please notify sender if not all pages were received.		Time	3:30 PM

Any information about individuals contained in this fax is **CONFIDENTIAL** and may **NOT** be used or disclosed further. If you are **NOT** the intended recipient, please contact the sender **IMMEDIATELY**.

MESSAGE:

Dear Mr Tanner,

Please see attached copies of correspondence in relation to outstanding financial documents for the CEPU Plumbing Division, NSW Branch, for the financial years ending 31 March 2001 and 31 March 2002.

Your faxes to the Registry of 18 March 2003 and 21 March 2003 indicate that the required information would be lodged before the end of March 2003.

We would appreciate your advice as to when we can expect this information to be lodged, particularly as the financial return for the year ending 31 March 2003 should now be in the process of being prepared.

You can contact me on the telephone or fax numbers above or by email at belinda.penna@air.gov.au.

Thank you for you attention to this matter.

Belinda Penna

Making justice happen

Level 20, 201 Elizabeth Street Sydney NSW 2000
 PO Box A266 Sydney South NSW 1235
 DX 13002 Sydney Market Street
 Telephone: (02) 9261 1488
 Facsimile: (02) 9261 3318
 e-mail: mail@mbc.aus.net
 Website: www.mauriceblackburncashman.com.au



Our Ref: KEP:CT:EW:100816
 Direct Dial: 8267 0956
 E-mail: CJTanner@mbc.aus.net

14 May, 2003

The Australian Industrial Registry
 80 William Street
 EAST SYDNEY NSW 2000

Attention: Belinda Penna
 By Facsimile: 9380 6990

Dear Ms Penna

CEPU Plumbing Division -- NSW Branch

I refer to your facsimile of 9 May 2003.

A draft in response to the queries of the registry has been prepared. Certain of the information needs to be checked and I will be in meeting with Mr McCarney, the State Secretary of the NSW Branch of the Plumbing Division of the CEPU on Friday, 16 May 2003. A preliminary response to the queries of the Registry will be made available to you on Monday, 19 May 2003. That response will be supplemented after finalisation of the audit which is currently underway in respect of the period ended 31 March 2003. An accurate indication of the extent which the union has addressed the financial challenges in the past year will be apparent from the audited figures.

Yours faithfully
MAURICE BLACKBURN CASHMAN


 Craig Tanner



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CEPU
PLUMBING DIVISION
NSW BRANCH

SYDNEY OFFICE

Level 3,
741 George Street
Sydney NSW 2000
Tel: (02) 9280 1512
Fax: (02) 9280 3415

19 May, 2003

The Australian Industrial Registry
80 William Street
EAST SYDNEY NSW 2000

Attention: **Stephen Kellett**
By Facsimile: **9380 6990**

Dear Mr Kellett

CEPU Plumbing Division – NSW Branch

We refer to the Registry's letters dated 20 June 2002 and 16 December 2002 regarding the years ending 31 March 2001 and 31 March 2002.

Auditor's Qualifications

The auditor's qualification in the report of 23 October 2001 indicated the need for a significant reduction of costs.

The difficulties which affected the union during the year ending 31 March 2001 remained a problem in the following year. I am able to advise that those difficulties have been overcome and that in the past year, the Branch has achieved significant progress in reducing expenditure and increasing income.

I will set out below the factors which placed financial pressure on the Branch during the years in question and the steps which have been taken to resolve the financial difficulties.

Federal Court Litigation

Following the Branch election in April 1999, issues arose regarding the status of the outcome given that the Branch's President passed away prior to closure of the election process. The Branch was advised to seek an Order from the Federal Court validating any invalidity relevant to the election or appointment of Officers of the Union.

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

PARRAMATTA OFFICE

Organiser: Barry Brown 0419 694 946
Assistant Secretary: Warren West
81 George Street
Parramatta NSW 2150
Ph: (02) 9893 8455
Fax: (02) 9633 9636

WOLLONGONG OFFICE

Level 2,
63 Market Street
Wollongong NSW 2500
Ph: (02) 4229 8711
Fax: (02) 4228 5636

NEWCASTLE OFFICE

Sub Branch Secretary: Steve McCarney 018 682 335
Suite 305, Ironworkers Centre
161 Maitland Road
Mayfield NSW 2304
Ph: (02) 4968 0933
Fax: (02) 4968 0955

The Union expected the application to be unopposed and inexpensive. The Application was, however, opposed by a faction within the Union. The Union incurred in excess of \$100,000 in legal fees relating to the application. This expenditure was a substantial factor affecting the adverse financial status of the Branch in the period up to March 2002. The move which resulted in this expenditure was exceptional and is not likely to recur.

Income

The opposed litigation in the Federal Court reflected the conflict within the Branch. This in turn had an adverse bearing on Branch membership levels and payment of Union subscriptions by members. The members of the Branch's Committee of Management have committed themselves to subordination of differences to the collective interests of the membership of the Branch. Circumstances of stability have been reflected in the financial member of the Branch. A comparison of the Branch's statistics for December 2001 and December 2002 confirms the progress achieved in securing greater financial membership.

The Branch's statistics for financial members as at 7th December 2001 record the following financial members:

Full rates	903
Out of trade	131
Apprentices	47
Total	1081

The statistics one year later on 10th December 2002, were as follows:

Full rates	1124
Out of trade	96
Apprentices	84
Total	1304

A further indicator of improvement in the financial status of the membership is demonstrated by the numbers of members who are merely three months and six months in arrears. The Union regards arrears within a period of six months as prospective income which it can confidently collect. On 11th December 2001 the relevant figures were:

Full rates

Owing three months	92
Owing six months	214
Sub-Total	306
Financial membership	1081
Total	1387

These statistics as at 10th December 2002 were:

Full rates

Owing three months	242
Owing six months	414
Sub-total	656
Financial members	1304
Total	1960

In the circumstances the financial membership of the Branch has improved substantially and there is a significant increase in membership who owe a mere 3-6 month's contributions. The Branch's income from membership has thus increased and is due to increase further.

Expenditure

The Branch has taken various steps to reduce its expenditure. The Branch has reduced its staff complement by four. The positions of two organisers, one industrial officer and one administrative assistant have been eliminated.

The Branch has also moved to less expensive premises.

A factor which has been of assistance in reducing expenditure is that the Branch was previously liable to pay a capitation fee to the Head office at the rate of 20%. The rate has now been reduced to 10% which it will provide relief from the Branch's cash flow pressures.

An analysis of cheques drawn by the Branch during the periods ending 31 March 2001, 2002 and 2003 reflect the following expenditure:-

31 March 2001 - \$753,449

31 March 2002 - \$793,449

31 March 2003 - \$645,728

During the year ending 31 March 2002 an amount of \$76,140 was spent on legal fees relating to the Federal Court proceedings. The absence of legal expenditure is among the reasons for the reduction of expenditure in the following year.

A simple analysis of cheques drawn and income received during the year ending 31 March 2003 reveals a surplus of \$33,366. These figures have not been audited and are subject to review.

Date of supply to members

The Branch distributed copies of the financial statements when it received request from members during the period between 23 October 2001 and the Annual General Meeting. The Financial Statements and the Auditor's Report were distributed at the Annual General Meeting.

The Balance Sheet for the financial year ended 31 March 2001 was passed by the Committee of Management on 18 December 2001, after the Annual General Meeting.

Date of final meeting

The meeting of 23 October 2001 was of the Committee of Management. At that meeting the Auditor gave a report of his audit of the finances of the Branch. The final meeting was held on 18 December 2001, after the Annual General Meeting.

Date certificates prepared and signed

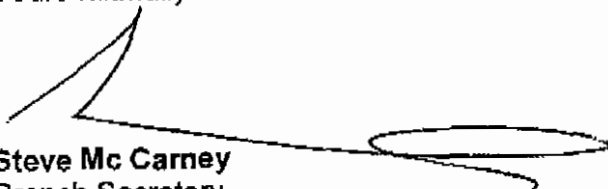
We note that the certificate of the Committee of Management should precede the audit report.

With respect to the signed copies of documents we note that the Auditor's report was not signed and we will ensure that you to receive a signed copy in future reporting years.

As regards the enquiries in your letter of 16 December 2002, I confirm that the donation of \$11,126 was made to the Australian Labor Party. We will furnish you with a separate letter providing particulars of the meeting which adopted the financial documents.

We request that you treat this letter as a preliminary report pending finalisation of the audit for the year ended 31 March 2003. Once audited financial information for that period is available we will be in a position to provide informed comment on the current financial status of the union.

Yours faithfully



Steve Mc Carney
Branch Secretary
New South Wales Branch
Plumbing Division
CEPU



AUSTRALIAN INDUSTRIAL REGISTRY

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990

Mr Steve McCarney
Branch Secretary
NSW Branch
CEPU Plumbing Division
Level 3, 741 George Street
SYDNEY NSW 2000

By facsimile: 02 9280 3415

Dear Mr McCarney

Re: Lodgement of Financial Statements for the CEPU Plumbing Division NSW Branch year ending 31 March 2001 (FR2002/189) and 31 March 2002 (FR2002/730)

Thank you for your letter dated 19 May 2003 setting out various items of information requested by the Registry in our previous letters to you.

The financial documents for the year ending 31 March 2001 have now been filed.

However, before the financial documents for the year ending 31 March 2002 can be filed, a Secretary's Certificate setting out the date of supply of the documents to the members and the date of the final meeting is still required.

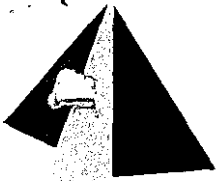
I note the paragraphs in your letter headed "Date of supply to members" and "Date of final meeting". Was a similar procedure followed for the 31 March 2002 statements as outlined in your letter for the 31 March 2001 statements?

If you have any queries about this matter please call me on 02 8374 6618.

Yours sincerely,

Belinda Penna
for Deputy Industrial Registrar

20 May 2003



CEPU
PLUMBING DIVISION
NSW BRANCH

SYDNEY OFFICE

Level 3,
741 George Street
Sydney NSW 2000
Tel: (02) 9280 1512
Fax: (02) 9280 3415

ATTENTION ~~PENNY~~ *Belinda Penna*
AUSTRALIAN INDUSTRIAL REGISTRY
80 WILLIAM STREET
EAST SYDNEY NSW 2011

Dear ~~Penny~~ *Belinda*

Re: Lodgement of financial statements

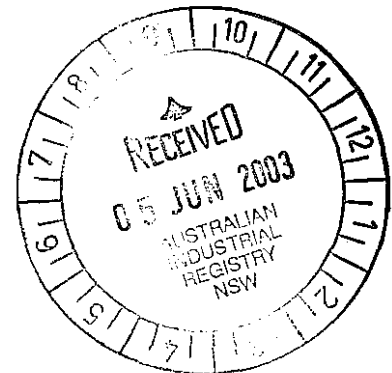
Further to your telephone conversation of 23 May, 2003 with our auditor, Ken Davidson of Pinker Arnold & McLoughlin, I confirm that the financial statements were made available to our members on the date of the Annual Meeting, ie 10 December, 2002. (refer attached press notice).

In relation to the audit for the year ended 31 March, 2003, we advise that the auditors are in attendance at our offices at this date, the anticipated date of completion is 6 June, 2003.

In conclusion, please advise if you require a further copy of the financial statements for the year ended 31 March, 2002.

Yours faithfully


S McCarney...Secretary 27 May, 2003



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

WOLLONGONG OFFICE

Level 2, 63 Market Street
Wollongong NSW 2500
Ph: (02) 4229 8711 Fax: (02) 4228 5636

NEWCASTLE OFFICE

Sub Branch Secretary: Steve McCarney
Suite 305, Ironworkers Centre
161 Maitland Road, Mayfield NSW 2304
Ph: (02) 4968 0933 Fax: (02) 4968 0955

PUBLIC NOTICE

THE ATTACHED CUTTING IS FROM

The Sydney Morning Herald

OF 27 NOV 2002

PAGE No 32 COLUMN 5

CEPU PLUMBING DIVISION NSW
LEVEL 3 741 GEORGE STREET
SYDNEY
NSW 2000

CEPU PLUMBIN

CEPU PLUMBING DIVISION
(NSW BRANCH)
The Annual General Meeting of
the CEPU Plumbing Division
(NSW Branch) to pass the balance
sheet will take place at the Main
Auditorium, Trades Hall Building,
4 Goulburn Street, Sydney, on
Tuesday 10 December 2002 at
5.0pm. Authorised by
S. McCarney, Secretary.

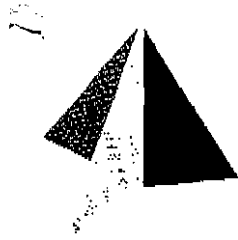
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... 29 November 2002. Family
... are most



CEPU
PLUMBING DIVISION
NSW BRANCH

Branch Secretary: Warren West
Level 1,
377 Sussex Street
Sydney NSW 2000
Ph: (02) 9283 6300
Fax: (02) 9283 6222

Belinda Penna
The Registry
Australian Industrial Relations Commission
80 William Street
EAST SYDNEY 2011

7 August 2003

Fax: 9380 6990

Dear Belinda,

Following our telephone conversation today, I hope the following explanation will go some way to resolving the issues at hand.

1. The Financial Statement was presented to the Committee of Management on the 12 November 2002 and was then made available to the membership through several means, it was available at the front reception of our office at Level 3, 741 George Street, Sydney. It was distributed on work sites whilst the organisers were posting the details of the Annual General Meeting and copies were also made available to members attending the Annual General Meeting on 10 December 2002, held at the Trades Hall in Sussex Street, Sydney, notice for the Annual General Meeting was also placed in the Daily Telegraph.
2. In respect to the acceptance of the Balance Sheet, due to the illness of our Auditor, which resulted in the delay of passing the Financial Statement, the process of the acceptance of the Balance Sheet took place in conjunction with the Annual General Meeting.

Hoping this explanation meets with your approval.

Yours sincerely


Steve McCarney
State Secretary

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

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AUSTRALIAN INDUSTRIAL REGISTRY

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Telephone: (02) 8374 6666
Fax: (02) 9380 6990

Mr Steve McCarney
Branch Secretary
CEPU Plumbing Division
NSW Branch
Level 1, 377 Sussex Street
SYDNEY NSW 2000

Dear Mr McCarney

**Re: Lodgement of Financial Statements and Accounts for the CEPU Plumbing Division NSW
Branch for the year ending 31 March 2002 (FR2002/730)**

Receipt is acknowledged of your letter dated 7 August 2003, which was lodged in the Registry via facsimile on that date. Following the receipt of this letter, confirming the date and the method used to supply the documents to the members, the financial statements and accounts can now be filed.

Thank you for your attention to this matter. If we can be of any assistance to you please don't hesitate to call either myself on 02 8374 6618 or Mr Stephen Kellett on 8374 6607.

Yours sincerely,

Belinda Penna
for Deputy Industrial Registrar

8 August 2003