



**Australian Government**  
**Australian Industrial Registry**

Level 8, Terrace Towers  
80 William Street, East Sydney, NSW 2011  
Telephone: (02) 8374 6666  
Fax: (02) 9380 6990  
Email: sydney@air.gov.au

Mr Earl Setches  
Acting State Secretary, New South Wales Plumbing Divisional Branch  
CEPU  
Shop 1, 111 McEvoy Street  
ALEXANDRIA NSW 2015

Dear Mr Setches

**Re: Lodgement of Financial Statements and Accounts – New South Wales Plumbing  
Divisional Branch, CEPU – for year ending 31 March 2007 (FR2007/218)**

I refer to the abovementioned financial statements and accounts which were lodged in the Registry on 3 March 2008.

The documents have been filed.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Stephen Kellett', written over a horizontal line.

Stephen Kellett  
Statutory Services Branch

10 March 2008



**CEPU PLUMBING DIVISION**  
Communications, Electrical and Plumbing Union

**NEW SOUTH WALES  
BRANCH**  
ABN 85 656 451 687

**TONY MURPHY**  
Federal President

**ALAN DUFF**  
Assistant Secretary

Shop 1  
111 McEvoy Street  
Alexandria NSW 2015

Ph: 02 9280 1512  
Fax: 02 9280 3415

**SECRETARY'S CERTIFICATE**

I, Earl Setches, acting, State Secretary, of the CEPU Plumbing Division NSW Branch certify that the copies of the Auditor's Report on accounts and Statements for the year ended 31<sup>st</sup> March 2007 as lodged in the Industrial Registry are copies of the document that were supplied to the members by Newsletter, and were subsequently presented to the Committee of Management at the General Meeting held on 30<sup>th</sup> October 2007.

*Earl Setches*

Signature:  
Earl Setches  
Acting State Secretary



PLUMBERS UNION NEW SOUTH WALES  
ABN 85 656 451 687

FINANCIAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2007



RECEIVED  
24 FEB 2008

BY: \_\_\_\_\_

**PLUMBERS UNION NEW SOUTH WALES**  
**ABN 85 656 451 687**

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PLUMBERS UNION NEW SOUTH WALES  
ABN 85 656 451 687

OPERATING REPORT

**Principal Activities**

The principal activities of the CEPU New South Wales 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 a loss of \$16373

**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.

**Resignation of Members**

As per Section 174 of the Workplace Relations Act 1996, 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 2007, the number of financial members of the organisation was 1102

**Number Of Full Time Employees**

As at the 31 March 2007, the number of full time equivalent employees was seven (10)

**Committee of Management**

Steve McCarney  
David Broadley  
Paul Young  
Bruce Palmer  
Murray Tyler

Mark Baird  
Michael Holz  
Ted Maybury  
John Treble  
Scott Whiteford

**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 operations in subsequent years.

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

*Earl Setches*

*[Signature]*

Dates this

7<sup>th</sup>

day of

October

2007

**PLUMBERS UNION NEW SOUTH WALES**  
**ABN 85 656 451 687**

**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 31 MARCH 2007**

	Notes	2007	2006
		\$	\$
Revenue from ordinary activities	2	677,311	854,877
Employee benefits expense		(377,429)	(452,305)
Transport costs		(56,545)	(62,108)
Depreciation and amortisation expenses	3	(33,268)	(31,966)
Advertising		(3,738)	(20,693)
Other expenses from ordinary activities		<u>(222,704)</u>	<u>(233,149)</u>
<b>Profit from ordinary activities before income tax expense (income tax revenue)</b>		<b>(16,373)</b>	<b>54,656</b>
Income tax revenue (income tax expense) relating to ordinary activities		<u>-</u>	<u>-</u>
<b>Profit from ordinary activities after related income tax expense (income tax revenue)</b>	<b>3, 10</b>	<b>(16,373)</b>	<b>54,656</b>
<b>Total changes in equity other than those resulting from transactions with owners as owners</b>	<b>10</b>	<b><u>(16,373)</u></b>	<b><u>54,656</u></b>

The accompanying notes form part of these financial statements.

**PLUMBERS UNION NEW SOUTH WALES**  
**ABN 85 656 451 687**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2007**

	Notes	2007	2006
		\$	\$
<b>CURRENT ASSETS</b>			
Cash assets	4	640,712	537,456
Receivables	5	<u>4,321</u>	<u>1,402</u>
<b>TOTAL CURRENT ASSETS</b>		<u>645,033</u>	<u>538,858</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	<u>102,693</u>	<u>148,114</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>102,693</u>	<u>148,114</u>
<b>TOTAL ASSETS</b>		<u>747,726</u>	<u>686,972</u>
<b>CURRENT LIABILITIES</b>			
Payables	7	49,381	26,163
Interest-bearing liabilities	8	303,811	260,325
Provisions	9	<u>131,277</u>	<u>120,854</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>484,469</u>	<u>407,342</u>
<b>TOTAL LIABILITIES</b>		<u>484,469</u>	<u>407,342</u>
<b>NET ASSETS</b>		<u>263,257</u>	<u>279,630</u>
<b>EQUITY</b>			
Reserves	11	371,363	371,363
Accumulated losses	12	<u>(108,106)</u>	<u>(91,733)</u>
<b>TOTAL EQUITY</b>	10	<u>263,257</u>	<u>279,630</u>

The accompanying notes form part of these financial statements.

**PLUMBERS UNION NEW SOUTH WALES**  
**ABN 85 656 451 687**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2007**

	Notes	2007	2006
		\$	\$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from customers		673,744	850,883
Payments to suppliers and employees		(628,450)	(772,059)
Interest received		<u>3,567</u>	<u>3,994</u>
Net cash provided by operating activities	16 (b)	<u>48,861</u>	<u>82,818</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of other non current assets		10,909	22,727
Payment for property, plant and equipment		<u>-</u>	<u>(94,922)</u>
Net cash provided by/(used in) investing activities		<u>10,909</u>	<u>(72,195)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		<u>43,486</u>	<u>(2,355)</u>
Net cash provided by/(used in) financing activities		<u>43,486</u>	<u>(2,355)</u>
Net increase in cash held		103,256	8,268
Cash at beginning of financial year		<u>537,456</u>	<u>529,188</u>
Cash at end of financial year	16 (a)	<u><u>640,712</u></u>	<u><u>537,456</u></u>

The accompanying notes form part of these financial statements.



**PLUMBERS UNION NEW SOUTH WALES**  
**ABN 85 656 451 687**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2007**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with applicable Accounting Standards, other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and the Workplace Relations Act, 1996. The financial statements have also been prepared on the basis of historical costs and do not take into account changing money values, or except where stated, current valuations of non-current assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**(a) Income Tax**

No provision for income tax has been raised as the company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

**(b) Property, Plant and Equipment**

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

*Plant and equipment*

Plant and equipment is measured on the cost basis.

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

*Depreciation*

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated over their estimated useful lives to the company commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

**(c) Cash**

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months and net of bank overdrafts.

**(d) Goods and Services Tax (GST)**

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

**(e) Comparative Figures**

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

**(f) Employee 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.

**PLUMBERS UNION NEW SOUTH WALES**  
**ABN 85 656 451 687**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2007**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) 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 resolved 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.

**(h) 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.

**(i) Revenue**

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

Other revenue is recognised when received.

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

**(j) 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.

**(k) 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 deficit in the General Fund, no transfer was made this year.

**(l) 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.

**(m) Special Purpose Fund:**

This Fund is for special purposes. The amount in this account has been sent to Trustee of unclaimed monies.

**(n) Royal Commission Fund:**

No movements occurred in the fund this year.

**(o) Going Concern**

The Financial Statements has been prepared in accordance with the generally accepted accounting principles, which are based on entity's continuing as a going concern. The entity has in previous years incurred substantial operating Losses. The is only able to continue as going concern if the Branch continues to receive Head Office support.

**PLUMBERS UNION NEW SOUTH WALES**  
**ABN 85 656 451 687**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2007**

**NOTE 2: REVENUE**

**Operating activities**

- interest	2(a)	3,567	3,994
- other revenue		<u>673,744</u>	<u>850,883</u>
		<u>677,311</u>	<u>854,877</u>
 (a) Interest from:			
- other persons		<u>3,567</u>	<u>3,994</u>

**NOTE 3: PROFIT FROM ORDINARY ACTIVITIES**

Profit (losses) from ordinary activities before income tax expenses (income tax revenue) has been determined after:

(a) Expenses:

Depreciation of non-current assets

- Other capital assets	<u>33,268</u>	<u>31,966</u>
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Remuneration of the auditors for:

- audit or review services	<u>15,500</u>	<u>14,000</u>
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Net loss on disposal of non-current assets

- Property, plant and equipment	<u>1,244</u>	<u>11,095</u>
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**NOTE 4: CASH ASSETS**

Cash on hand	1,200	1,200
Cash at bank	<u>639,512</u>	<u>536,256</u>
	<u>640,712</u>	<u>537,456</u>

PLUMBERS UNION NEW SOUTH WALES  
ABN 85 656 451 687

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2007

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NOTE 5: RECEIVABLES

CURRENT

Other debtors	<u>4,321</u>	<u>1,402</u>
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NOTE 6: PROPERTY, PLANT AND EQUIPMENT

PLANT AND EQUIPMENT

(a) Motor vehicles

At cost	144,391	185,775
Less accumulated depreciation	<u>(62,109)</u>	<u>(66,778)</u>
	<u>82,282</u>	<u>118,997</u>

(b) Office equipment

At cost	88,211	88,211
Less accumulated depreciation	<u>(67,800)</u>	<u>(59,094)</u>
	<u>20,411</u>	<u>29,117</u>

Total plant and equipment	<u>102,693</u>	<u>148,114</u>
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Total property, plant and equipment	<u>102,693</u>	<u>148,114</u>
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NOTE 7: PAYABLES

CURRENT

Unsecured liabilities

Sundry creditors and accruals	<u>49,381</u>	<u>26,163</u>
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**PLUMBERS UNION NEW SOUTH WALES**  
**ABN 85 656 451 687**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2007**

**NOTE 8: INTEREST BEARING LIABILITIES**

**CURRENT**

Unsecured liabilities

Other unsecured current interest bearing liabilities	<b>303,811</b>	235,703
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Secured liabilities

Bank overdrafts	-	24,622
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	<b>303,811</b>	260,325
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**NOTE 9: PROVISIONS**

**CURRENT**

Employee benefits	9(a)	<b>131,277</b>	120,854
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(a) Aggregate employee benefits liability		<b>131,277</b>	120,854
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**NOTE 10: EQUITY**

Total equity at the beginning of the financial year	279,630	224,974
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Total changes in equity recognised in the statement of financial performance	(16,373)	54,656
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Total equity at the reporting date	<b>263,257</b>	279,630
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**NOTE 11: RESERVES**

General reserve	(a)	<b>371,363</b>	371,363
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(a) General reserve

The general reserve was used in prior years to record amounts set aside of fund the future expansion of the company:

PLUMBERS UNION NEW SOUTH WALES  
ABN 85 656 451 687

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2007

NOTE 12: RETAINED PROFITS

Accumulated losses at the beginning of the financial year	(91,733)	(146,389)
Net profit (loss) attributable to members of the entity	<u>(16,373)</u>	<u>54,656</u>
Accumulated losses at the end of the financial year	<u>(108,106)</u>	<u>(91,733)</u>

NOTE 13: CONTINGENT LIABILITIES AND ASSETS

Contingent Liabilities

There are no known contingent liabilities as at balance date or to the date of this report.

NOTE 14: EVENTS SUBSEQUENT TO REPORTING DATE

There were no events significant subsequent to the balance date and up to the date of this report.

NOTE 15: RELATED PARTY TRANSACTIONS

The following were the related parties to the Union during the year

Steve McCarney  
David Broadley  
Paul Young  
Bruce Palmer  
Murray Tyler

Mark Baird  
Michael Holz  
Ted Maybury  
John Treble  
Scott Whiteford

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 \$258,790 (2006 \$315,843).

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 \$21,304 (2006 \$24,164).

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

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.

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

**PLUMBERS UNION NEW SOUTH WALES**  
**ABN 85 656 451 687**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2007**

**NOTE 16: CASH FLOW INFORMATION**

(a) Reconciliation of cash

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

Cash on hand	1,200	1,200
Cash at bank	639,512	536,256
Bank overdrafts	<u>-</u>	<u>(24,622)</u>
	<u><u>640,712</u></u>	<u><u>512,834</u></u>

(b) Reconciliation of cash flow from operations with profit from ordinary activities after income tax

Profit (Loss) from ordinary activities after income tax	(16,373)	54,656
Non-cash flows in profit from ordinary activities		
Depreciation	33,268	31,966
Net (gain) / loss on disposal of property, plant and equipment	1,244	11,096
Changes in assets and liabilities		
Increase in other assets	(2,919)	(1,402)
increase/(decrease) in payables	23,218	(13,362)
increase/(decrease) in provisions	<u>10,423</u>	<u>(136)</u>
Cash flows from operations	<u><u>48,861</u></u>	<u><u>82,818</u></u>

**PLUMBERS UNION NEW SOUTH WALES**  
**ABN 85 656 451 687**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2007**

**NOTE 17: FINANCIAL INSTRUMENTS**

**(a) Interest Rate Risk**

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non Interest Bearing		Total	
	2007	2006	2007	2006	2007	2006	2007	2006
	%	%	\$	\$	\$	\$	\$	\$
Financial Assets:								
Cash	2.50	2.00	640,712	517,456	-	-	640,712	537,456
Receivables	-	-	-	-	4,321	1,402	4,321	-
<b>Total Financial Assets</b>			<b>640,712</b>	<b>517,456</b>	<b>4,321</b>	<b>1,402</b>	<b>645,033</b>	<b>537,456</b>
Financial Liabilities:								
Bank loans and overdrafts	-	-	-	-	-	-	-	24,622
Trade and sundry creditors	-	-	-	-	49,381	26,163	98,762	26,163
Amounts payable related parties	-	-	-	-	303,811	260,325	-	-
<b>Total Financial Liabilities</b>			<b>-</b>	<b>-</b>	<b>353,192</b>	<b>286,488</b>	<b>98,762</b>	<b>50,785</b>

**NOTE 18: COMPANY DETAILS**

The registered office of the company is:

Plumbers Union of New South Wales

Level 3, 741 George Street

SYDNEY NSW 2000



PLUMBERS UNION NEW SOUTH WALES  
ABN 85 656 451 687

COMMITTEE OF MANAGEMENT STATEMENT

On 9<sup>th</sup> October 2007 the Committee of Management of the Plumbers Union New South Wales passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 March 2007

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Register;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Plumbers Union New South Wales for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Plumbers Union New South Wales will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of the financial year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organization including the rules of a branch concerned; and
  - (ii) the financial affairs of the Plumbers Union New South Wales have been managed in accordance with the rules of the organization including the rules of branch concerned; and
  - (iii) the financial records of the Plumbers Union New South Wales have been kept and maintained in accordance with Schedule 1B to the Workplace Relations Act 1996 and the Workplace Relations (Registration and Accountability of Organisation) Regulations 2003; and
  - (iv) the financial records of the Plumbers Union New South Wales have been as far as practicable, in consistent manner to each of the other branches of the organization; and
  - (v) no information has been sought in any request of a member of the Plumbers Union New South Wales or a Registrar duly made under section 272 of Schedule 1B to the Workplace Relations Act 1996; and
  - (vi) no order have been made by the Industrial Registrar under section 273 of Schedule 1B to the Workplace Relations Act 1996.

For the National Executive

Earl Selles



Dates this 9<sup>th</sup> day of October 2007

**PLUMBERS UNION NEW SOUTH WALES  
ABN 85 656 451 687**

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
PLUMBERS UNION NEW SOUTH WALES**

**Scope**

We have audited the financial statements comprising the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Notes to the financial statements of the Plumbers Union New South Wales for the year ended 31 March 2007. The Union's Committee of Management and Accounting Officer are responsible for the preparation and presentation of the financial statements and the information they contain. We have conducted an independent audit of these financial statements in order to express an opinion on them to the member of the Union.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting policies. These procedures have been undertaken to form an opinion whether, in all material respects, the financial statements are presented fairly in accordance with applicable accounting standards, other mandatory professional reporting requirements (urgent Issues Group Consensus Views) and statutory requirements so as to present a view of the Plumbers Union New South Wales which is consistent with our understanding of its financial position and the results of its operations.

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

**Audit Opinion**

In our opinion the financial report of the Plumbers Union New South Wales is in accordance with:

- (a) the Workplace Act 1996, including
  - (i) giving a true and fair view of the Plumbers Union New South Wales's financial position as at 31 March 2007 and its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards
  - (iii) complying with any other requirements imposed by the Reporting Guidelines or Part 3 of chapter 8 of Schedule 1B of the Act; and
- (b) Other mandatory professional reporting requirements in Australia.

Pinker Arnold & McLoughlin  
Suite 1, Level 2  
420 Forest Road  
Hurstville NSW 2220



Richard Charles Pinker


Partner

9th Oct 2007

**PLUMBERS UNION NEW SOUTH WALES  
ABN 85 656 451 687**

**DISCLAIMER TO THE MEMBERS OF  
PLUMBERS UNION NEW SOUTH WALES**

The additional financial data presented on pages 15 - 16 is in accordance with the books and records of the company which have been subjected to the auditing procedures applied in our statutory audit of the company for the financial year ended 31 March 2007. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than PLUMBERS UNION NEW SOUTH WALES) in respect of such data, including any errors of omissions therein however caused.



Richard Charles Pinker

Partner

9<sup>th</sup> Oct 2007

PLUMBERS UNION NEW SOUTH WALES  
ABN 85 656 451 687

PRIVATE INFORMATION FOR THE DIRECTOR ON THE 2007 FINANCIAL STATEMENTS

DETAILED PROFIT AND LOSS  
FOR THE YEAR ENDED 31 MARCH 2007

	2007 \$	2006 \$
<b>INCOME</b>		
Interest	3,567	3,994
Federal Levies	11,563	10,915
Member Contributions	556,428	613,258
Enrolment Fees	9,020	7,815
Branch Levies	6,890	6,290
Defence Levies	21,134	19,187
Workers Compensation	27,295	16,809
Other income	41,414	176,609
<b>TOTAL INCOME</b>	<b>677,311</b>	<b>854,877</b>
<b>LESS EXPENSES</b>		
Affiliation Fees	17,442	12,599
Advertising	2,863	12,461
Audit fees	15,500	14,000
Bank charges	5,433	6,750
Cleaning	10,000	10,400
Capitataion fees	4,000	-
Computer expenses	6,348	3,963
Depreciation	33,268	31,966
Donations	50	-
Electricity	1,216	957
Fines and penalties	84	-
Fringe benefits	5,749	(11)
Federal Levies	11,563	10,915
General expenses	1,125	309
Head Office per capita	56,545	62,108
Holiday pay	3,127	(1,671)
Insurance	24,553	20,828
Industrial Publications	-	1,363
Legal costs	1,269	-
Long service leave	5,794	32
Loss on disposal/revaluation of non current assets	1,244	11,095
Member Services - Ambulance Cover	875	8,232
Meeting expenses	9,171	500
Motor vehicle expenses	27,918	34,767
Postage	8,349	12,245
Printing and stationery	11,524	20,411
Provision for Retirement Allowance	1,503	1,503
Rent	26,000	24,000
Salaries and wages	327,862	421,458
Subscriptions	901	479
<b>Expenses carried forward</b>	<b>621,276</b>	<b>721,659</b>

These financial statements should be read in conjunction with the attached Disclaimer.

PLUMBERS UNION NEW SOUTH WALES  
ABN 85 656 451 687

PRIVATE INFORMATION FOR THE DIRECTOR ON THE 2007 FINANCIAL STATEMENTS

DETAILED PROFIT AND LOSS  
FOR THE YEAR ENDED 31 MARCH 2007

	2007 \$	2006 \$
Expenses brought forward	621,276	721,659
Superannuation	34,897	32,497
Telephone	15,565	19,401
Travelling expenses	<u>21,946</u>	<u>26,664</u>
TOTAL EXPENSES	<u>693,684</u>	<u>800,221</u>
OPERATING PROFIT/(LOSS)	<u>(16,373)</u>	<u>54,656</u>

These financial statements should be read in conjunction with the attached Disclaimer.

**PENNA, Belinda**

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**From:** Justin Cooney [justin@plumbersvic.cepunsw.asn.au]  
**Sent:** Wednesday, 14 November 2007 4:03 PM  
**To:** PENNA, Belinda  
**Subject:** CEPU Plumbing Division - NSW Divisional Branch - Outstanding Financial Documents - Workplace Relations Act 1996 - FR2007/218

Hi  
Further to your letter of 24 October 2007 the Union is close to finalizing the provision of the required documents.  
Thnx  
Justin Cooney



**Australian Government**

**Australian Industrial Registry**

Level 8, Terrace Towers  
80 William Street, East Sydney, NSW 2011  
Telephone: (02) 8374 6666  
Fax: (02) 9380 6990  
Email: [sydney@air.gov.au](mailto:sydney@air.gov.au)

Ms Robyn Wilson  
Finance Manager  
CEPU Plumbing Division Federal Office  
52 Victoria Street  
CARLTON SOUTH VIC 3053

Dear Ms Wilson

**Re: Financial Statements and Accounts for the year ending 31 March 2007 -  
ACT Branch, Tasmania Branch and NSW Branch**

I refer to your letter dated 22<sup>nd</sup> October 2007, which was lodged in the Registry on 24<sup>th</sup> October 2007.

I note your advice that the Branches are experiencing difficulty in getting a quorum of members at meetings to accept the financial documents.

As the returns are now overdue to be lodged, the Deputy Industrial Registrar would appreciate any further advice you can provide as to when the documents for each Branch are likely to be lodged in the Registry.

A letter has been sent to each of the above named Branches, and also the Queensland Branch, reminding the Secretary that their financial returns are now overdue to be lodged.

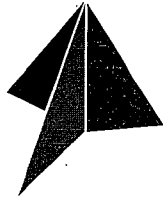
If you would like to discuss this matter please contact me on 02 8374 6618, or by email at [belinda.penna@air.gov.au](mailto:belinda.penna@air.gov.au).

Yours sincerely,

A handwritten signature in cursive script that reads 'Belinda Penna'.

Belinda Penna  
For Deputy Industrial Registrar

25 October 2007



**CEPU PLUMBING DIVISION**  
Communications, Electrical and Plumbing Union

**FEDERAL OFFICE**  
ABN 40 655 883 201

**EARL SETCHES**  
Federal Secretary

**TONY MURPHY**  
Federal President

52 Victoria St  
Carlton South 3053

Ph: 03 9662 3388  
Fax: 03 9663 7516

22<sup>nd</sup> October 2007

Peter McKerrow  
For Deputy Industrial Registrar  
Level 8, Terrace Towers  
80 William St, East Sydney NSW 2011



Dear Mr McKerrow

Re: CEPU PLUMBING DIVISION ACT BRANCH  
CEPU PLUMBING DIVISION TASMANIA BRANCH  
CEPU PLUMBING DIVISION NSW BRANCH

Please note that the above financial reports have been prepared by our auditors but both the Tasmanian and the ACT Branches are having trouble getting a quorum for the presentation to the members. All efforts are being made to have meetings to present the reports to the members.

There has been Federal Intervention in the NSW Branch. The audited reports have been prepared and the Federal President is organising a meeting of members as soon as possible.

Yours sincerely

Robyn Wilson  
Finance Manager







**Ref: FR2007/218 -[128V-PNSW]**

Mr Steve McCarney  
Divisional Branch Secretary  
CEPU Plumbing Division  
NSW Divisional Branch  
Level 3, 41 George Street  
SYDNEY NSW 2000

Dear Mr McCarney

**Re: CEPU Plumbing Division - NSW Divisional Branch - Outstanding Financial Documents -  
Workplace Relations Act 1996**

The Accounts and Audit Part of Schedule 1 of the *Workplace Relations Act 1996* requires, as a general rule, that the audited financial statements of a reporting unit of a registered organisation, be lodged in the Industrial Registry within 6 months and 14 days from the end of its financial year.

To date, the Registry has no record of lodgement of the financial reports of the above named reporting unit for the year ended 31 March, 2007. For details of these provisions and organisations' financial reporting obligations please refer to the Registry's earlier correspondence.

In particular there is no record of lodgement of copies of:

- the general purpose financial report;
- the auditor's report; or
- the operating report.

These three reports are referred to as the "full report".

Section 268 of the RAO Schedule<sup>1</sup> requires that a copy of the full report be lodged in the Registry within 14 days (or such longer period a Registrar allows) after the full report is presented to a general meeting of members (or to a committee of management meeting if the rules make provision consistent with s266(3)).

Section 266 (1) requires that the full report be presented to the meeting within 6 months of the end of the financial year. Therefore, lodgement of the documents in the Registry was required by **15 October, 2007.**

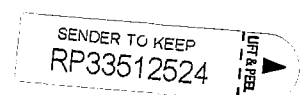
Section 305(2)(ze) of the RAO Schedule is a civil penalty provision. It provides that a failure to meet the requirements of s268 is a contravention of that civil penalty provision. The Federal Court may on application of the Industrial Registrar impose a pecuniary penalty on the person or organisation whose conduct contravened the civil penalty provision.

I also draw your attention to the provisions of Part 1 of Chapter 9 of the RAO Schedule which set out the general duties of officers and employees of organisations and their branches in relation to financial management.

In the absence of lodgement of a copy of the full report, I request you state in writing by **14 November, 2007:**

- whether the auditor has audited the general purpose financial report and if so, the date on which the auditor signed the audit report

<sup>1</sup> Schedule 1 of the Workplace Relations Act 1996

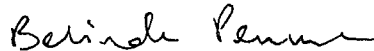


- whether the committee of management has prepared the operating report
- whether the full report has been provided to members, and if so, when
- whether the full report provided to the members has been presented to a general or committee of management meeting, and if so, when
- when a copy of the full report will be lodged in the Industrial Registry.

The full report when lodged must be accompanied by a certificate of the secretary or other authorised officer that the documents lodged are copies of the documents provided to members and presented to the general or committee of management meeting in accordance with s266.

If you wish to discuss this letter, please contact me on (02) 8374 6618. In reply please quote: **FR2007/218.**

Yours sincerely



Belinda Penna

E-mail: [belinda.penna@air.gov.au](mailto:belinda.penna@air.gov.au)

24 October, 2007



**Australian Government**  
**Australian Industrial Registry**

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

**Ref: FR2007/218-[128V-PNSW]**

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

Dear Mr McCarney

**Financial Return - year ending 31 March, 2007**

Our records show the organisation's financial year ended recently. This letter outlines some of the things you must do to meet your financial reporting obligations and when you have to do them. For simplicity, we will call the documents you have to lodge with us your *financial return*.

This letter is intended as guide to the law applicable on the date of this letter, and should not be used as a substitute for legal or accounting advice. We only summarise some of the reporting requirements in this letter. More detailed information is at the end of this letter.

**Information on AIRC Website**

We recommend you and your accountant/auditor also refer to the following documents on the Commission's website at [www.airc.gov.au](http://www.airc.gov.au):

- [RAO Schedule](#)
- [RAO Regulations](#)
- [Registrar's Reporting Guidelines](#) - All GPFR's must comply with these Guidelines. Please note that the Guidelines set out requirements that are *in addition* to those required by the Australian Accounting Standards.
- [RAO Fact Sheets](#) - These Fact Sheets explain the requirements of the RAO Schedule - many of them deal with financial reporting matters.

**Reporting Unit**

Under the provisions of the Registration and Accountability of Organisations Schedule (RAO), Schedule 1 of the *Workplace Relations Act 1996*, reporting entities are known as "*reporting units*". Where an organisation is **not** divided into branches the reporting unit is the whole of the organisation. Where an organisation **is** divided into branches each branch will be a reporting unit unless the Industrial Registrar has determined a division of the organisation into reporting units on an alternative basis. We can discuss this with you if you need more information.

For simplicity, we will use the term "reporting unit" in this letter.

## Industrial Registrar's Guidelines

The Industrial Registrar's reporting guidelines set out certain disclosure requirements in addition to those prescribed by Australian Accounting Standards having in mind the nature of organisations registered under the Workplace Relations Act.

The disclosure requirements prescribed by the reporting guidelines are directed towards providing members of the reporting unit with information to enable them to gauge the performance of the committee of management and other holders of office in relation to the financial management of the reporting unit. In addition, the reporting guidelines seek to improve the quality of information available to users of the financial report about the reporting unit's economic support of, or economic dependency on, other reporting units of the organisation.

### Timeline Planner and Checklist

We have attached a Timeline/Planner (*Attachment A*) to help you **plan** your financial return and carry out all the necessary steps. We have also attached a Document Checklist (*Attachment B*) to **check** your documents before lodging them in the Registry. Both documents are abbreviated summaries of the relevant provisions of the RAO Schedule, RAO Regulations and the Industrial Registrar's Reporting Guidelines.

In the following section we describe some of the documents your reporting unit must prepare and the sequence of their preparation and completion.

### Three Reports

Your reporting unit must prepare two reports as soon as practicable after its financial year, which, together with the Auditor's Report, comprise the reporting unit's financial return.

1. **General Purpose Financial Report** - this must comply with the Australian Accounting Standards and the Industrial Registrar's Reporting Guidelines. The GPFR consists of:
  - (a) Financial Statements containing:
    - a profit and loss statement, or other operating statement; and
    - a balance sheet; and
    - a statement of cash flows; and
    - any other statements required by the Australian Accounting Standards; and
  - (b) Notes to the Financial Statements containing:
    - notes required by the Australian Accounting Standards; and
    - information required by the Industrial Registrar's *Reporting Guidelines* under section 255 including disclosures related to any recovery of wages activity ; and
  - (c) Committee of Management Statement as required by the Registrar's Reporting Guidelines (a sample certificate for illustrative purposes is at Attachment C) including declarations related to the recovery of wages activity.
2. **Operating Report** - this report includes a review of your reporting unit's principal activities for the year and other specified information.

Your reporting unit must appoint an auditor to audit the GPFR and to provide:

3. an **Auditor's Report**.

## **First Meeting (Committee of Management)**

For simplicity, we will call the meeting at which the committee of management first considers the GPFR the first meeting. At the first meeting your committee, if satisfied that all is in order, will resolve to express its opinion on the GPFR and complete a Committee of Management Statement.

## **The Auditor**

After the first meeting, the auditor takes the GPFR and the Committee of Management Statement and prepares a report on the GPFR. In practice, your auditor may have already completed most of his or her examination of your accounts. The auditor may only be waiting on the Committee to pass the required resolution and make the Statement before signing the report the same day.

## **Informing Your Members**

Your reporting unit must provide free of charge to the general membership, copies of the GPFR, the Operating Report and the Auditor's Report. RAO calls these the "full report". Under certain circumstances, your reporting unit can provide a more limited *concise report*.

The reporting unit can meet its obligation to provide copies of the full or concise report to members by publishing the report in a journal that is available to the members free of charge.

A reporting unit may meet this obligation in whole or in part by publication of the report in a journal published on a web site on the Internet dependent on:

- a. the extent of the accessibility of the members of the reporting unit to the Internet; and
- b. that the members are notified by the reporting unit in the usual manner in which it communicates with its members that the report has been so published at a specified Internet address.

The report must be provided within 5 or 6 months from the end of the financial year, depending on the internal arrangements of the organisation for the presentation of its financial reports.

## **The Second Meeting - if it is a General Meeting of Members**

After providing the full report to members it must be presented to a general meeting of members. For simplicity this is referred to as the *second meeting*.

Your reporting unit must always allow a minimum of 21 days for members to receive the full report before presenting it to a general meeting of members (s265(5)). The purpose of the interval is to enable the members to have time to consider the report and, if they wish, to attend the second meeting to discuss it.

If the rules of the organisation permit a general meeting to be a series of meetings held at different locations, the full report may be presented to such a series of meetings. In this case the 'date' of the general meeting is taken to be the date of the last meeting in the series (see s266(2)).

## **The Second Meeting - if it is a Committee of Management Meeting**

If the rules of your organisation contain a provision that allows up to 5% of members to demand a general meeting to be held consider the report (see s266(3)), it is permissible to present the report directly to a Committee of Management meeting.

## **Lodge full report within 14 days of meeting**

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at [www.airc.gov.au](http://www.airc.gov.au)).

The Secretary (or another officer appropriately authorised under the rules of the organisation) must *certify* that the full report is a copy of the one provided to members and presented to the second meeting and provide the date of the meeting (a sample certification for illustrative purposes is at *Attachment D*).

When we receive your return we will check that it includes the information you must provide your members and that you have provided it to them correctly.

### **Complying with time limits**

This letter has outlined some of the steps in preparing and lodging your return. Many of the steps must be completed within fixed time limits.

Failure to complete them in time could make your reporting unit or its officers liable to financial or "civil penalties".

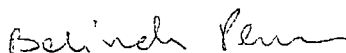
### **Extensions of Time**

We appreciate that sometimes circumstances beyond your reporting unit's control may delay completion of a financial return. If you believe your reporting unit is going to be unable to meet a time limit tell us as soon as you know. We can advise you if the step is one for which you may apply under RAO to the Industrial Registrar for extra time to complete. The maximum extra time allowed can be no more than one month.

### **Contact the Registry**

We encourage you to contact the Registry on (02) 8374 6618 or by e-mail at [belinda.penna@air.gov.au](mailto:belinda.penna@air.gov.au) as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedures but we cannot give you legal or accounting advice.

Yours sincerely



Belinda Penna  
For Deputy Industrial Registrar  
2 April, 2007



**Documents Checklist**

You can use this checklist as soon as possible after the financial year ends to ensure you have all the necessary documents prepared and that those documents contain all information required by RAO.

You can also use this checklist to ensure all documents in your financial return are complete before lodging them in the Registry.

No	Document	✓
<b>1</b>	<b>General Purpose Financial Report</b>	
	Does the report contain a Profit and Loss Statement?	
	Does the report contain a Balance Sheet?	
	Does the report contain a Statement of Cash Flows?	
	Does the report contain notes to the financial statements as required by AAS and the reporting guidelines?	
	Does the report contain all other information required by the reporting guidelines?	
<b>2</b>	<b>Committee of Management Statement</b>	
	Is the statement signed by the officer responsible for undertaking functions necessary to enable the reporting unit to comply with RAO?	
	Is the statement dated?	
	Is the statement in accordance with a resolution of the committee?	
	Does the statement specify the date of the resolution?	
	Does the statement contain declarations required by the reporting guidelines?	
	Does the statement contain declarations relating to any recovery of wages activity?	
<b>3</b>	<b>Auditor's Report</b>	
	Is the Report dated and signed by the auditor?	
	Is the name of the auditor clear?	
	Are the qualifications of the auditor on the report?	
	Has the auditor expressed an opinion on all matters required?	
<b>4</b>	<b>Operating Report</b>	
	Is the report signed and dated?	
	Does the report provide the number of members?	
	Does the report provide the number of employees?	
	Does the report contain a review of principal activities?	
	Does the report give details of significant changes?	
	Does the report give details of right of members to resign?	
	Does the report give details of superannuation trustees?	
	Does the report give details of membership of the committee of management?	
<b>5</b>	<b>Concise report*</b>	
<b>6</b>	<b>Certificate of Secretary or other Authorised Officer</b>	
	Is the certificate signed and dated?	
	Is the signatory the secretary or another officer authorised to sign the certificate?	
	Is the date that the report was provided to members stated?	
	Is the date of the Second Meeting at which the report was presented stated?	
	Does the certificate state that the documents are copies of those provided to members?	
	Does the certificate state that the documents are copies of those presented to the Second Meeting?	

\* This is an optional way of providing documents to members (see RAO s265(3) and RAO Reg. 161).



**Committee Of Management Statement**

On \_\_\_\_/\_\_\_\_/\_\_\_\_ [date of meeting] the Committee of Management of \_\_\_\_\_ [name of reporting unit] passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended \_\_\_\_/\_\_\_\_/\_\_\_\_ [date]:

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

- (a) the financial statements and notes comply\* with the Australian Accounting Standards;
- (b) the financial statements and notes comply\* with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view\* of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds\* to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held\* in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been\* managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been\* kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
  - #(iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been\* kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - #(v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been\* furnished to the member or Registrar; and
  - #(vi) there has been\* compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

*[Add the following if any recovery of wages activity has been undertaken during the financial year]*

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

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

For Committee of Management: \_\_\_\_\_ *[name of designated officer per section 243 of the*

*RAO Schedule]*

Title of Office held:

Signature:

Date:

\* *Where compliance or full compliance has not been attained - set out details of non compliance instead.*

# *Where not relevant these may be modified accordingly (e.g. in (vi) "No orders have been made by the Commission under section 273 of the RAO Schedule during the period."*

**Certificate of Secretary or other Authorised Officer<sup>1</sup>**

s268 of Schedule 1B *Workplace Relations Act 1996*

I *[name]* being the *[title of office]* of the *[name of the organisation]* certify:

- that the documents lodged herewith are copies of the full report, *[and the concise report]<sup>2</sup>*, referred to in s268 of the RAO Schedule; and
- that the *[full report **OR** concise report]<sup>3</sup>*, was provided to members on *[insert date]*; and
- that the full report was presented to *[a general meeting of members **OR** the last of a series of general meetings of members **OR** a meeting of the committee of management]<sup>3</sup>* of the reporting unit on *[insert date]*; in accordance with section 266 of the RAO Schedule.

Signature

Date:

<sup>1</sup>RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

<sup>2</sup>Only applicable where a concise report is provided to members

<sup>3</sup>Insert whichever is applicable