



AUSTRALIAN INDUSTRIAL REGISTRY

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

Ref: FR2004/235-[128V-PVIC]

Mr Earl Setches
Branch Secretary
Victorian Divisional Branch
CEPU Plumbing Division
52 Victoria Street
CARLTON SOUTH VIC 3053

Dear Mr Setches

**Re: Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied
Services Union of Australia - Plumbing Division - Victorian Divisional Branch
Financial Reporting Obligations under *Workplace Relations Act 1996***

This is a courtesy letter to remind you of the financial reporting obligations of the abovenamed body under the *Workplace Relations Act 1996* ('the Act') for the financial year ended 31 March, 2004.

While the accounting, auditing and reporting obligations have changed with the introduction of the *Registration and Accountability of Organisations Schedule* (the RAO Schedule) which generally came into operation on 12 May 2003, Part IX, Division 11 of the Act continues to apply in relation to a financial year of an organisation that ends on 31 March, 2004. The corresponding obligations set out in the RAO Schedule apply to each financial year of an organisation that starts on or after 1 July 2003.

Now that the financial year for 31 March, 2004 has ended, it is timely that you put in train the various steps of the financial reporting requirements. To assist you with this process I have enclosed for your information a notice summarising these requirements including the time-scales prescribed by the legislation.

Please note that a branch of an organisation may be exempted from the accounting, auditing and reporting obligations in respect of a financial year by satisfying a Registrar that the branch did not have any financial affairs during the financial year. An application under subsection 271A(1) of the Act must be made within 90 days (unless extended by a Registrar) after the end of the financial year.

Please do not hesitate to contact me on (02) 8374 6618 if you wish to discuss the financial reporting requirements, especially if you anticipate any difficulty in meeting any step in the time-scales prescribed.

Yours sincerely

Belinda Penna

E-mail: belinda.penna@air.gov.au
2 April, 2004



CEPU PLUMBING DIVISION
Communications, Electrical and Plumbing Union

FEDERAL OFFICE

EARL SETCHES
Federal Secretary

BRIAN O'REILLY
Federal President

52 Victoria St
Carlton South 3053

Ph: 03 9662 1400
Fax: 03 9663 7516

25 November 2004

Peter McKerrow
Assistant Manager, NSW Registry
Australian Industrial Registry
Level 8, Terrace Towers
80 William Street, East Sydney NSW 2011

Dear Peter

Re: Presentation of Financial Statements to the Union Members.

After discussions with yourself and the State Secretary of this Union it has been decided to make the audited statements available to the members on the Union's Website for the Communications, Electrical, Electronic, Energy, Information, Postal Plumbing & Allied Services Union of Australia, Plumbing Division, Federal Office for the Y/E 31 March 03 and for the year ended 31 March 04.

The statements for the CEPU Plumbing Division Victorian Branch will also be made available on the Website.

I have spoken with our IT provider and he will ensure that the members will easily access the information.

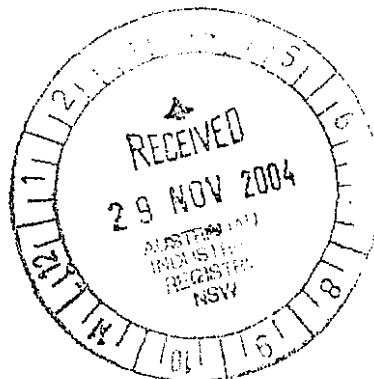
The Financial Statements will be left for at least three months on the site.

Our auditors are preparing the above statements in abbreviated format and they will be put on the website as soon as practically possible. You will be advised when this has been done.

If there are any problems with the above arrangement please advise.

Yours truly,

Robyn Wilson
Finance Manager





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: FR2004/235 -[128V-PVIC]

Ms Robyn Archer
Finance Manager
CEPU Plumbing Division
Victorian Divisional Branch
52 Victoria Street
CARLTON SOUTH VIC 3053

Dear Ms Archer

Re: CEPU Plumbing Division, Victorian Divisional Branch Outstanding Financial Documents for the year ending 31 March 2004 - *Workplace Relations Act 1996*

I refer to your letter to Mr Peter McKerrow of this office, dated 25 November 2004, regarding your outstanding financial documents for the year ending 31 March 2004.

In your letter (a copy of which is attached) you advised that the financial statements were going to be made available to the members on your organisations website, and that you would contact the Registry when this had occurred.

There is, as yet, no record of lodgement in the Industrial Registry of the auditor's report, accounts and statements of the abovenamed body, prepared in accordance with Part IX, Division 11 of the *Workplace Relations Act 1996* ('the Act'), for the year ended 31 March, 2004.

The Registry has a policy of regularly following up outstanding financial documents, and this letter is intended to serve as a reminder to you. Having in mind the time-scales allowed by the Act to complete each of the steps set out below, lodgement of the required documents would, in the normal course, be expected before now:

1. preparation of the accounts and statements in compliance with section 273
2. making of the audit report in compliance with section 276(4)
3. provision of copies of the auditor's report, accounts and statements to the members in compliance with sections 279(1) and (3)
4. presentation of the financial documents to a meeting of the members or the committee of management in compliance with sections 279(6) and (7) (*following provision of copies to the members as per step 3 above*)
5. lodgement of copies of the financial documents in the Industrial Registry under cover of a certificate by you in compliance with section 280(1) - such certificate should confirm that the documents so lodged are copies of the documents presented to the meeting referred to in step 4 above - the type of meeting and the date when it was held should be specified

Please advise me in writing, or by email, *by 8 February, 2005*, what progress has been made towards the lodgement of these documents.

While the accounting, auditing and reporting obligations have changed with the introduction of the *Registration and Accountability of Organisations* Schedule (the RAO Schedule) which generally came into operation on 12 May 2003, Part IX, Division 11 of the Act continues to apply in relation to a financial year of an organisation that ends on 31 March, 2004. The corresponding obligations set out in the RAO Schedule apply to each financial year of an organisation that starts on or after 1 July 2003.

If you wish to discuss this letter you may contact me on (02) 8374 6618. In reply please quote: **FR2004/235**.

Yours sincerely



Belinda Penna

E-mail: belinda.penna@air.gov.au

18 January, 2005



CEPU PLUMBING DIVISION
Communications, Electrical and Plumbing Union

VICTORIAN BRANCH
ABN 17 685 414 428

EARL SETCHES
Branch Secretary

TONY MURPHY
Assistant Secretary

52 Victoria St
Carlton South 3053

Ph: 03 9662 3388
Fax: 03 9663 2613

3 March 2005

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

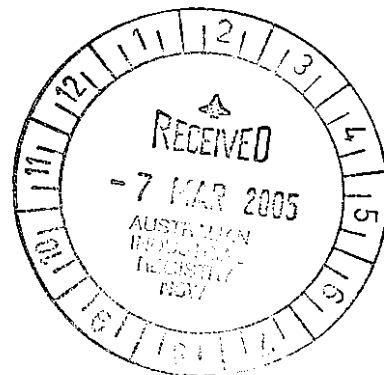
Dear Mr McKerrow

**Re: Financial Documents for the CEPU Plumbing Division Victorian Branch
For the year ended 31/03/2004**

Attached are the above Financial Reports (and the Concise Financial Reports) to be lodged at the AIRC and the appropriate Secretary's Certificate.

Yours sincerely

Robyn Wilson
Finance Manager





CEPU PLUMBING DIVISION
Communications, Electrical and Plumbing Union

VICTORIAN BRANCH
ABN 17 685 414 428

EARL SETCHES
Branch Secretary

TONY MURPHY
Assistant Secretary

52 Victoria St
Carlton South 3053

Ph: 03 9662 3388
Fax: 03 9663 2613

SECRETARY'S CERTIFICATE

I, Earl Setches, Branch Secretary, certify that the copies of the Auditors Report, accounts and statements of the CEPU PLUMBING DIVISION VICTORIAN BRANCH for the year ended 31st March 04, as lodged in the Industrial Registry are copies of the documents that were supplied to the Members (in concise format) on our website on and from 13 December 04, and were subsequently presented to the meeting of the Committee of Management held on 8TH FEBRUARY 2005.

Earl Setches
Earl Setches
Branch Secretary

(Date) 3/3/05



**Communications, Electrical,
Electronic, Energy,
Information, Postal, Plumbing
and Allied Services Union of
Australia
Plumbing Division - Victorian
Branch**

Financial Report

**For The Year Ended
31 March 2004**


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

CERTIFICATE BY ACCOUNTING OFFICER

I, Earl Setches, being the officer responsible for keeping the accounting records of the COMMUNICATIONS, ELECTRICAL, ELECTRONIC, PLUMBING & ALLIED WORKERS UNION - PLUMBING DIVISION VICTORIAN BRANCH, certify that as at 31 March, 2004 the number of financial members of the organisation was 8,957.

In my opinion:-

- (a) The attached accounts show a true and fair view of the financial affairs of the organisation as at 31 March, 2004
- (b) A record has been kept of all monies so paid by or collected from members and all monies so paid or collected have been credited to the bank account to which those monies are to be credited, in accordance with the rules of the organisation;
- (c) 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.
- (d) 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 was operated;
- (e) 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;
- (f) The Register of members of the organisation was maintained in accordance with the Act.


.....
E. Setches

Dated this14TH..... day ofJULY....., 2004

INDEPENDENT AUDIT REPORT

To the members of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing And Allied Services Union Of Australia Plumbing Division - Victorian Branch

Scope

We have audited the financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing And Allied Services Union Of Australia –Plumbing Division – Victorian Branch for the year ended 31 March 2004 as set out on pages 4 to 23. The members of the 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.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and 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 Standards, other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the organisation's financial position, the results of its operations and its cash flows.

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

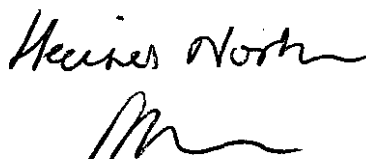
Audit Opinion

In our opinion:-

- (i) satisfactory accounting records were kept by the Union for the year ended 31 March 2004, including:
 - (a) records of the sources and nature of the income of the Union, (including income from members); and
 - (b) records of the nature and purposes of the expenditure of the Union;

- (ii) the financial report of the Union is prepared in accordance with Section 273 of the Workplace Relations Act 1996, and are properly drawn up so as to give a true and fair view of:-
- (a) the financial affairs of the Union as at 31 March 2004; and,
 - (b) the income and expenditure, results and cashflows of the Union for the year ended on that date.

Haines Norton
Chartered Accountants



R.H. Hutton
Registered Company Auditor

Dated this14TH..... day ofJULY....., 2004

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

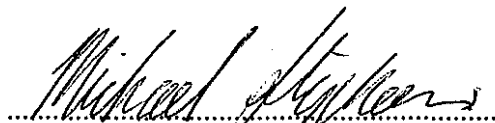
CERTIFICATE OF COMMITTEE OF MANAGEMENT

We, Michael Stephens and Con Delidakis, being two members of the Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing And Allied Services Union Of Australia – Plumbing Division – Victorian Branch, do state on behalf of the Committee and in accordance with a resolution passed by the Committee, that:-

- (i) In the opinion of the Committee of Management, the attached accounts show a true and fair view of the financial affairs of the organisation as at 31 March 2004;
- (i) In the opinion of the Committee of Management, meetings of the Committee were held during the year ended 31 March 2004, in accordance with the rules of the organisation;
- (iii) To the knowledge of any member of the Committee of Management, there have been no instances where 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, with the Regulations thereto or the rules of the organisation; and,
- (iv) The organisation has complied with sub-sections 279(1) and (6) of the Workplace Relations Act 1996 in relation to the financial accounts in respect of the year ended 31 March 2003 and the auditor's report thereon.



.....
Con Delidakis



.....
Michael Stephens

Dated this 14TH day of JULY, 2004

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

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2004**

| | Note | <u>2004</u> \$ | <u>2003</u> \$ |
|----------------------------------|--------|---------------------|---------------------|
| Current Assets | | | |
| Cash Assets | 4 | 366,525 | 504,917 |
| Receivables | 5 | 441,988 | 246,929 |
| Inventory | 1 (b) | 23,619 | 12,315 |
| Other Financial Assets | 6 | 346,966 | 101,332 |
| Other | 7 | <u>23,887</u> | <u>25,275</u> |
| Total Current Assets | | <u>1,202,985</u> | <u>890,768</u> |
| Non Current Assets | | | |
| Other Financial Assets | 6 | 3,376,042 | 3,383,906 |
| Property, Plant & Equipment | 8 | <u>2,480,734</u> | <u>2,148,548</u> |
| Total Non Current Assets | | <u>5,856,776</u> | <u>5,532,454</u> |
| Total Assets | | <u>7,059,761</u> | <u>6,423,222</u> |
| Current Liabilities | | | |
| Payables | 9 | 181,416 | 127,436 |
| Non Interest Bearing Liabilities | 10 | 491,887 | 283,635 |
| Provisions | 11 | <u>265,408</u> | <u>108,680</u> |
| Total Current Liabilities | | <u>938,711</u> | <u>519,751</u> |
| Net Assets | | <u>\$ 6,121,050</u> | <u>\$ 5,903,471</u> |
| EQUITY | | | |
| Defence Fund | 12 (a) | 1,771,782 | 1,661,617 |
| General Fund | 12 (a) | 716,669 | 660,190 |
| Incidental Fund | 12 (a) | 551,677 | 520,355 |
| Special Purpose Fund | 12 (a) | 1,323,070 | 1,303,457 |
| Asset Revaluation Reserves | 12 (b) | <u>1,757,852</u> | <u>1,757,852</u> |
| Total Equity | | <u>\$ 6,121,050</u> | <u>\$ 5,903,471</u> |

The accompanying notes form part of the financial statements

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

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2004**

| | <u>2004</u> | <u>2003</u> |
|---|------------------|------------------|
| | \$ | \$ |
| Revenue from Ordinary Activities | | |
| Contributions | 2,290,411 | 1,926,845 |
| Enrolment Fees | 44,640 | 42,430 |
| Recoverables Workcover | 14,368 | - |
| Director's Fees | 35,228 | 24,235 |
| Sundry Income | 74,816 | 86,138 |
| Costs Recovered from Training , Education Centres & Others | <u>271,090</u> | <u>426,209</u> |
| Total Revenue from Ordinary Activities | <u>2,730,553</u> | <u>2,505,857</u> |
| Expenses from Ordinary Activities | | |
| Affiliations | 68,570 | 53,990 |
| Administrative Services | | |
| Advertising | 712 | 3,796 |
| Audit Fee | 6,700 | 6,250 |
| Accounting Fee | 5,999 | 2,400 |
| Bank & other Finance Charges | 14,519 | 15,178 |
| Cleaning & Security Services | 6,091 | 3,166 |
| Committee Fees | 6,840 | 12,080 |
| Computer Programming Expenses | 12,533 | 34,267 |
| Delegates Fees | 5,626 | 1,123 |
| Depreciation | 90,291 | 46,938 |
| Fringe Benefits Tax | 29,739 | 7,301 |
| Insurance | 32,592 | 29,705 |
| Land Tax | - | 218 |
| Legal & Professional Fees | 46,025 | 23,676 |
| Electricity | 7,572 | 8,022 |
| Repairs & Maintenance | 10,490 | 3,999 |
| Motor Vehicles Expenses | 81,642 | 38,983 |
| Motor Vehicles Leasing Expenses | 10,152 | 52,451 |
| Payroll Tax | 65,306 | 70,786 |
| Postage | 20,104 | 27,761 |
| Printing & Stationery | 72,581 | 54,389 |
| Provision for Annual Leave | 52,952 | 20,614 |
| Provision for Long Service Leave & Retiring Allowance | 103,776 | - |
| Rates | 22,827 | 9,951 |
| Rent | 3,342 | - |
| Termination Payments | 5,978 | 78,373 |
| Salaries | 1,255,282 | 1,037,796 |
| Commission | - | 368 |
| Sundries | 16,375 | 16,676 |
| Superannuation | 163,425 | 118,399 |

The accompanying notes form part of the financial statements

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

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2004**

| | Note | <u>2004</u> \$ | <u>2003</u> \$ |
|---|-----------|-------------------|---------------------|
| Administrative Services (cont'd) | | | |
| Telephone & Internet Services | | 72,196 | 68,970 |
| Training & other costs | | 27,476 | 91,846 |
| Incolink -Redundancy contributions | | 39,760 | 34,303 |
| Loss on disposals and scrapping of fixed assets | | - | 11,995 |
| Recruitment & Temporary Staff | | 4,679 | 3,659 |
| Travel & Accommodation | | 21,622 | 12,880 |
| Fines & Toll | | 2,400 | 3,181 |
| Fitness and Clothing Allowances | | 10,934 | 5,427 |
| Radio & Other Promotions | | - | 969 |
| Debt Collection Expenses | | 63,528 | 79,818 |
| Staff Amenities & Miscellaneous Expenses | | 9,778 | 17,185 |
| Provision for Amortisation - Investments | | 7,864 | 5,525 |
| Tax Penalties | | <u>-</u> | <u>174</u> |
| | | 2,478,278 | 2,114,588 |
| Per Capita Payment to Head Office | | <u>229,041</u> | <u>192,685</u> |
| Total Expenses from Ordinary Activities | | <u>2,707,319</u> | <u>2,307,273</u> |
| Net Profit from Ordinary Activities available for appropriation between General and Incidental Fund | 3.2 & 3.3 | <u>23,234</u> | <u>198,584</u> |
| Increase in asset revaluation reserve | 12 | <u>-</u> | <u>930,000</u> |
| Total revenues, expenses and valuation adjustments attributable to members of the Union and recognised directly in equity | | <u>-</u> | <u>930,000</u> |
| Total Changes in Equity other than those resulting from transactions with owners as owners | | <u>\$ 23,234</u> | <u>\$ 1,128,584</u> |

The accompanying notes form part of the financial statements

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

**STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2004**

| | <u>2004</u> Inflows/ (Outflows) \$ | <u>2003</u> Inflows/ (Outflows) \$ |
|--|---|---|
| Cashflows from Operating Activities | | |
| Contributions and enrolment fees from Members | 2,569,546 | 2,220,170 |
| Interest Received | 218,129 | 196,599 |
| Levies Received | 79,704 | 279,465 |
| Other Income | 104,632 | 101,793 |
| Director's Fees | 35,228 | 24,235 |
| Payments to Suppliers & Employees | (2,468,723) | (2,397,571) |
| Amounts recharged and recouped | 271,090 | 426,209 |
| Levies remitted to Federal Office | (44,832) | (44,194) |
| Per Capita to Federal Office | <u>(229,041)</u> | <u>(192,685)</u> |
| Net Cash Provided by Operating Activities Note 13 (b) | <u>535,733</u> | <u>614,021</u> |
| Cashflows from Investing Activities | | |
| Payment for Plant & Equipment | (422,477) | (135,615) |
| Proceeds from Sale of Plant & Equipment | <u>-</u> | <u>64,500</u> |
| Net Cash Used in Investing Activities | <u>(422,477)</u> | <u>(71,115)</u> |
| Cashflows from Financing Activities | | |
| Repayments by Federal & other branches | (6,014) | 342,286 |
| Payment for Investments | <u>-</u> | <u>(1,188,805)</u> |
| Net Cash Used in Financing Activities | <u>(6,014)</u> | <u>(846,519)</u> |
| Net Increase/(Decrease) in Cash held | 107,242 | (303,613) |
| Cash at Beginning of Year | <u>606,249</u> | <u>909,862</u> |
| Cash at End of Year Note 13 (a) | <u>\$ 713,491</u> | <u>\$ 606,249</u> |

The accompanying notes form part of the financial statements

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004**

1. Summary of Accounting Policies

This financial report is a general purpose financial report that has been prepared in accordance with applicable Australian Accounting Standards, other mandatory professional reporting requirements in Australia and the requirements of the Workplace Relations Act 1996.

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

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

(a) Property, Plant and Equipment

Cost and valuation

Freehold land and buildings on freehold land are measured on a fair value basis. At each reporting date, the value of assets in these classes is reviewed to ensure that it does not differ materially from the asset's fair value at that date. At 31 March 2003, the asset was independently revalued to reflect its fair value.

All other classes of property, plant and equipment are measured at cost.

Depreciation

Depreciation is calculated on the prime cost and diminishing value methods and is brought to account over the estimated economic lives of all motor vehicles, equipment, furniture and fittings. Depreciation rates applied are:

| | 2004 | 2003 |
|------------------------------|--------------|--------------|
| Motor Vehicles | 20% - 25% | 20% - 25% |
| Furniture & Office Equipment | 15% - 33.33% | 15% - 33.33% |
| Fixtures & Fittings | 13% | 13% |

(b) Inventories

Inventories are valued at the lower of cost and net realisable value.

(c) Employee Benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees, in accordance with Australian Accounting Standard AASB1028 "Employee Benefits".

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004**

(c) Employee Benefits (cont'd)

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

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

Long Service Leave and Retiring Allowance accrued by Union officials from July 1999 is no longer the liability of the Federal Office. Accordingly, provision for Long Service Leave and Retiring Allowance now recorded in the books of the Victorian Branch takes into account the liability for such employees from 1 July 1999.

Long Service Leave and Retiring Allowance have been accrued in accordance with clause 51 of the Rules of the Union. From 1 June 2003, Long Service Leave benefits accrued by Union officials were increased from 1.95 weeks to 3 weeks per year of service in accordance with a resolution of the Committee of Management. The effect of the increase in Long Service Leave benefits for the period to 31 March 2004 was \$11,434.

The amount of provision for Long Service Leave and Retiring Allowance in the financial statements is shown net of contributions made to Incolink Redundancy Fund (\$142,881).

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

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

The number of employees at the end of the year was 23.

(d) Revenue Recognition

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

Interest revenue is recognised on an accrual basis.

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

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004**

(e) 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 Tax 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 the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(f) Cash

For the purpose of the Statement of Cashflows, cash includes cash on hand, cash at bank and investments in money market instruments.

2. Information to be Provided to Members or Registrar

In accordance with the requirements of the Workplace Relations Act 1996 the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 274 which reads as follows:-

- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time as is prescribed.
- (3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.
- (4) Accounts prepared under section 273 shall include a notice drawing attention to subsections (1), (2), and (3) and setting out those subsections.

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004**

3. FUND ANALYSIS

| | | <u>2004</u> | <u>2003</u> |
|----------------------------|--------|-------------------------|-------------------------|
| | | \$ | \$ |
| 3.1 DEFENCE FUND | | | |
| INCOME | | | |
| Interest Received | | 75,293 | 77,410 |
| Levies | | <u>34,872</u> | <u>29,996</u> |
| Total Income | | 110,165 | 107,406 |
| EXPENDITURE | | | |
| | | <u>-</u> | <u>-</u> |
| Surplus for Year | | 110,165 | 107,406 |
| Surplus B/Fwd | | <u>1,661,617</u> | <u>1,554,211</u> |
| Accumulated Surplus | 12 (a) | <u><u>1,771,782</u></u> | <u><u>1,661,617</u></u> |
| 3.2 GENERAL FUND | | | |
| INCOME | | | |
| Interest Received | | 40,990 | 31,970 |
| Net Surplus transferred | | <u>15,489</u> | <u>132,390</u> |
| Total Income | | 56,479 | 164,360 |
| EXPENDITURE | | | |
| | | <u>-</u> | <u>-</u> |
| Surplus for Year | | 56,479 | 164,360 |
| Surplus B/Fwd | | <u>660,190</u> | <u>495,830</u> |
| Accumulated Surplus | 12 (a) | <u><u>716,669</u></u> | <u><u>660,190</u></u> |
| 3.3 INCIDENTAL FUND | | | |
| INCOME | | | |
| Interest Received | | 23,577 | 21,548 |
| Net Surplus transferred | | <u>7,745</u> | <u>66,195</u> |
| Total Income | | 31,322 | 87,743 |
| EXPENDITURE | | | |
| | | <u>-</u> | <u>-</u> |
| Surplus for Year | | 31,322 | 87,743 |
| Surplus B/Fwd | | <u>520,355</u> | <u>432,612</u> |
| Accumulated Surplus | 12 (a) | <u><u>551,677</u></u> | <u><u>520,355</u></u> |

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004**

| | <u>2004</u> | <u>2003</u> |
|---------------------------------|-------------------------|------------------|
| | \$ | \$ |
| 3.4 SPECIAL PURPOSE FUND | | |
| INCOME | | |
| Interest Received | 59,062 | 53,548 |
| Sale of T Shirts/Wincheaters | 15,448 | 15,655 |
| Federal Office Levy | 44,832 | 44,194 |
| Royal Commission Levy | <u>-</u> | <u>205,275</u> |
| Total Income | <u>119,342</u> | <u>318,672</u> |
| EXPENDITURE | | |
| Donations | 2,220 | 1,745 |
| National Council Fund | 22,421 | 19,914 |
| Function - staff & other | 13,931 | 8,866 |
| T.Shirts/Wincheaters purchases | 16,325 | 15,615 |
| Federal Office Levy Payments | <u>44,832</u> | <u>44,194</u> |
| Total Expenditure | <u>99,729</u> | <u>90,334</u> |
| Surplus for Year | 19,613 | 228,338 |
| Surplus B/Fwd | <u>1,303,457</u> | <u>1,075,119</u> |
| Accumulated Surplus | 12 (a) <u>1,323,070</u> | <u>1,303,457</u> |

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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PLUMBING DIVISION - VICTORIAN BRANCH**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004

4. Cash Assets

| | <u>2004</u> | <u>2003</u> |
|--------------|----------------|----------------|
| | \$ | \$ |
| Cash at Bank | 364,525 | 502,917 |
| Cash in Hand | <u>2,000</u> | <u>2,000</u> |
| | <u>366,525</u> | <u>504,917</u> |

5. Receivables

| | | |
|---|----------------|----------------|
| Sundry Debtors and Accrued Income | 89,635 | 108,842 |
| Amounts Due from other Branches | 46,862 | 18,317 |
| Amounts Due from Training & Education Centres | <u>305,491</u> | <u>119,770</u> |
| | <u>441,988</u> | <u>246,929</u> |

6. Other Financial Assets

| | | |
|-------------------|------------------|------------------|
| Current | | |
| Cash Deposits | <u>346,966</u> | <u>101,332</u> |
| Total Current | <u>346,966</u> | <u>101,332</u> |
| Non Current | | |
| Bonds | 1,976,042 | 1,983,906 |
| Commercial Bills | <u>1,400,000</u> | <u>1,400,000</u> |
| Total Non Current | <u>3,376,042</u> | <u>3,383,906</u> |

7. Other

| | | |
|-------------|---------------|---------------|
| Prepayments | <u>23,887</u> | <u>25,275</u> |
|-------------|---------------|---------------|

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004

8. Property, Plant & Equipment

| | <u>2004</u> \$ | <u>2003</u> \$ |
|---------------------------------------|-------------------|-------------------|
| Freehold Land | | |
| At Fair Value | <u>1,100,000</u> | <u>1,100,000</u> |
| Buildings on Freehold Land | | |
| At Fair Value | <u>900,000</u> | <u>900,000</u> |
| Motor Vehicles | | |
| At Cost | 332,373 | 111,733 |
| <u>Less: Accumulated Depreciation</u> | <u>90,252</u> | <u>27,929</u> |
| | <u>242,121</u> | <u>83,804</u> |
| Furniture & Equipment | | |
| At Cost | 366,488 | 164,651 |
| <u>Less: Accumulated Depreciation</u> | <u>129,769</u> | <u>102,724</u> |
| | <u>236,719</u> | <u>61,927</u> |
| Fixtures and Fittings | | |
| At Cost | 7,105 | 7,105 |
| <u>Less: Accumulated Depreciation</u> | <u>5,211</u> | <u>4,288</u> |
| | <u>1,894</u> | <u>2,817</u> |
| Total Property, Plant & Equipment | <u>2,480,734</u> | <u>2,148,548</u> |

Freehold land and buildings on freehold land were valued by D Brindley, Certified Practising and Sworn Valuer of Woodards (Network) Pty Ltd as at 31 March 2003. The basis of valuation of the property is the capitalisation of estimated net rental return at the rate that reflects the risks relating to such property class in the location.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,
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PLUMBING DIVISION - VICTORIAN BRANCH**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004

8. Property, Plant & Equipment (cont'd)

Reconciliations

Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current year.

| | Freehold Land | Building s | Motor Vehicles | Furniture & Equipment | Fixtures & Fittings | Total |
|------------------------------|------------------|---------------|-------------------|-----------------------------|------------------------|-----------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Carrying amount at beginning | 1,100,000 | 900,000 | 83,804 | 61,927 | 2,817 | 2,148,548 |
| Additions | - | - | 220,637 | 201,840 | - | 422,477 |
| Depreciation Expense | - | - | (62,320) | (27,048) | (923) | (90,291) |
| Carrying amount at end | 1,100,000 | 900,000 | 242,121 | 236,719 | 1,894 | 2,480,734 |

| | <u>2004</u> | <u>2003</u> |
|---|--------------------|--------------------|
| | \$ | \$ |
| 9. Payables | | |
| Creditors and accruals | 165,560 | 80,329 |
| GST Payable | <u>15,856</u> | <u>47,107</u> |
| | <u>181,416</u> | <u>127,436</u> |
| 10. Non Interest Bearing Liabilities | | |
| Amounts Payable to Federal Office | <u>491,887</u> | <u>283,635</u> |
| 11. Provisions | | |
| Annual Leave | 161,632 | 108,680 |
| Long Service Leave & Retiring Allowance | <u>103,776</u> | <u>-</u> |
| | <u>265,408</u> | <u>108,680</u> |

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004

12. Equity

| (a) Retained Profits | Defence | General | Incidental | Special Purpose |
|------------------------------|------------------|----------------|----------------|------------------|
| | \$ | \$ | \$ | \$ |
| Balance at beginning of year | 1,661,618 | 660,190 | 520,355 | 1,303,457 |
| Net Profit for year | <u>110,164</u> | <u>56,479</u> | <u>31,322</u> | <u>19,613</u> |
| Balance at end of year | <u>1,771,782</u> | <u>716,669</u> | <u>551,677</u> | <u>1,323,070</u> |

| | | |
|---|--------------------|--------------------|
| | <u>2004</u> | <u>2003</u> |
| | \$ | \$ |
| (b) Asset Revaluation Reserves | | |
| Opening balance | 1,757,852 | 827,852 |
| Revaluation increment arising on revaluing freehold land and buildings to fair value | <u>-</u> | <u>930,000</u> |
| Closing balance | <u>1,757,852</u> | <u>1,757,852</u> |

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004

13. Notes to Statement of Cashflows

(a) Reconciliation of Cash

Cash at the end of the reporting period is reconciled to the related items in the statement of financial position as follows:-

| | <u>2004</u> | <u>2003</u> |
|--------------|----------------|----------------|
| | \$ | \$ |
| Cash at Bank | 364,525 | 502,197 |
| Cash on Hand | 2,000 | 2,000 |
| Deposits | <u>346,966</u> | <u>101,332</u> |
| | <u>713,491</u> | <u>606,249</u> |

**(b) Reconciliation of Net Cash Provided by
Operating Activities to Net Profit**

| | | |
|---|----------------|----------------|
| <u>Net Profit</u> | | |
| General Fund (note 3.2) | 56,479 | 164,360 |
| Special Purpose Fund (note 3.4) | 19,613 | 228,339 |
| Incidental Fund (note 3.3) | 31,322 | 87,742 |
| Defence Fund (note 3.1) | <u>110,165</u> | <u>107,406</u> |
| | 217,579 | 587,847 |
| Depreciation | 90,291 | 46,938 |
| Provision for Employee Benefits | 156,728 | 20,614 |
| Provision for amortisation in Investments | 7,864 | 5,525 |
| Loss on Disposal of Non Current Assets | - | 11,995 |

Changes in Assets & Liabilities

| | | |
|---|----------------|----------------|
| Decrease/(Increase) in Prepayments | 1,388 | (3,584) |
| Decrease/(Increase) in Inventories | (11,304) | 1,075 |
| Increase/(Decrease) in Trade Creditors & Accruals | 53,980 | (66,365) |
| Decrease in Sundry Debtors | <u>19,207</u> | <u>9,976</u> |
| Net Cash Provided by Operating Activities | <u>535,733</u> | <u>614,021</u> |

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004**

14. Related Party Information

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

President

N. Ottobre

Vice-President

R. Vaughan

Trustees

C. Delidakis

M. Stephens

Secretary

E. Setches

Assistant Secretary

A. Murphy

Committee of Management

A. Gell

R. Lansley

T. Smart

G. Menzies

M. Setphens

N. Kelly

N. O'Brien

B. Rendino

C. Misfud

22 July 2004

The President
Committee of Management
Communications, Electrical, Electronic,
Energy, Information, Postal, Plumbing
And Allied Services Union of Australia
Plumbing Division – Victoria Branch
52 Victoria Street
CARLTON SOUTH VIC 3053

Dear Sir

We enclose two signed copies of the financial statements for the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia – Plumbing Division Victorian Branch for the year ended 31 March 2004.

Yours faithfully

Haines Norton

Enc.

RHH:jlc

Data\Client Data\7119.CEPUVic\2004\SignedA/c\Ltr

Level 8, 607 Bourke Street
Melbourne, Vic 3000
GPO Box 1735P,
Melbourne, Vic, 3001

t + 61 3 9629 4700
f + 61 3 9629 4722
e mail@melb.hainesnorton.com.au
w hainesnorton.com.au

Chartered Accountants:
Norman K Lynch
Richard J Lindner
Rodney H Hutton

ABN 48 259 373 375
Harold Lourie
Adam G Roberts

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,
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PLUMBING DIVISION - VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004**

15. Related Party Information (cont'd)

- (b) Amounts received or due and receivable (i.e. wages paid to E Setches, A Murphy, N Ottobre and Committee fees paid to Committee of Management) by the Union members of the Committee of Management were \$152,835 (2003: \$149,134).
- (c) Amounts paid on behalf of E Setches and A Murphy to the Building Union Superannuation Scheme in respect to the retirement of Committee of Management members \$19,026 (2003: \$16,128).
- (d) Other transactions between the Committee Members and the Union were conducted on normal commercial terms in respect of subscriptions and supply of other goods and services.
- (e) Transactions Between Victorian Branch and Federal Office

| <u>Per Capita Payment</u> | <u>2004</u> | <u>2003</u> |
|--|----------------|----------------|
| | \$ | \$ |
| During the year, the Victorian Branch of the Union paid to the Federal Office of the Union a per capita payment calculated in accordance with the rules. | <u>229,041</u> | <u>192,685</u> |

16. Commitments

| | | |
|---------------------------------|----------------|---------------|
| Capital Expenditure commitments | <u>115,000</u> | <u>35,000</u> |
|---------------------------------|----------------|---------------|

17. Contingent Liability

There was no contingent liability at 31 March 2004.

18. Segment Reporting

The Union provides services to members employed in executing plumbing, gas fitting, pipe fittings and domestic engineering works in the state of Victoria.

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004**

19. Union's Details

The principal place of business of the branch is:
52 Victoria Street
Carlton South Victoria 3053.

20. Financial Instruments

(a) Accounting Policies, Terms and Conditions

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

| | Financial Instruments | Note Ref | Accounting Policy | Terms & Conditions |
|------|----------------------------------|---------------------|--|---|
| (i) | <u>Financial Assets</u> | | | |
| | Cash Assets | 4 | Cash at bank and on hand are carried at principal amounts. Interest is recognised as it is earned. | All cash and bank balances are at call at 2.70%. |
| | Receivables | 5 | Amounts receivable are carried at nominal amounts due. As stated in note 1(d), membership contributions are accounted for on a cash basis. | No interest is chargeable on late payment. |
| | Other Financial Assets | 6 | Bonds & deposits are stated at lower of cost and net realisable value. Interest is recognised in the Income and Expenditure account when earned. | The deposits are short term with effective interest rates of 4.75% (2003 – 4.25%). The Bonds have a maturity date of February 2006 with an effective interest rate of 6.75% |
| (ii) | <u>Financial Liabilities</u> | | | |
| | Payables | 9 | Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Union. | Trade liabilities are normally settled on 30 day term. No interest. |
| | Non Interest Bearing Liabilities | 10 | Amounts payable to Federal Office are carried at nominal amounts due. | No interest is charged on amounts due. |

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES
UNION OF AUSTRALIA
PLUMBING DIVISION - VICTORIAN BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004**

20. Financial Instruments (Cont'd)

(b) Interest Rate Risk

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

| | Financial Instruments | Floating Interest Rate | | Fixed Interest Rate maturing in: 1 year or less | | Fixed Interest Rate maturing 2 year or less | | Non-Interest Bearing | | Total Carrying Amount as per Statement of Financial Position | | Weighted Average Effective Interest Rate | |
|------|----------------------------------|------------------------|-------------------|---|-------------------|---|-------------------|----------------------|-------------------|--|-------------------|--|------------------|
| | | <u>2004</u> \$ | <u>2003</u> \$ | <u>2004</u> \$ | <u>2003</u> \$ | <u>2004</u> \$ | <u>2003</u> \$ | <u>2004</u> \$ | <u>2003</u> \$ | <u>2004</u> \$ | <u>2003</u> \$ | <u>2004</u> % | <u>2003</u> % |
| (i) | <u>Financial Assets</u> | | | | | | | | | | | | |
| | Cash Assets | 364,525 | 502,917 | - | - | - | - | 2,000 | 2,000 | 366,525 | 504,917 | 2.7% | 3.7% |
| | Receivables | | - | - | - | - | - | 441,988 | 246,929 | 441,988 | 246,929 | 0% | 0% |
| | Other Financial Assets | 346,966 | 101,332 | 1,400,000 | - | 1,976,042 | 3,383,906 | | | 3,723,008 | 3,485,238 | 5.58% | 5.63% |
| (ii) | <u>Financial Liabilities</u> | | | | | | | | | | | | |
| | Payables | | | - | - | - | - | 181,416 | 127,436 | 181,416 | 127,436 | N/A | N/A |
| | Non Interest Bearing Liabilities | | | - | - | - | - | 491,887 | 283,635 | 491,887 | 283,635 | N/A | N/A |

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004**

20. Financial Instruments (Cont'd)

(c) Credit Risk

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

The organisation has a material credit risk exposure amounting to \$352,353 (2003 - \$138,087) to a group of debtors under financial instruments entered into by the organisation

(d) Net Fair Values

The net fair value of the investments in Bonds & Commercial Bills at 31 March 2004 is estimated at \$3,386,197. The net fair values of the Union's other financial assets and financial liabilities are not expected to be significantly different from the class of asset and liability as disclosed above and recognised in the statement of financial position as at 31 March 2004.

21. Leasing Commitments

| | <u>2004</u> \$ | <u>2003</u> \$ |
|---|-------------------|-------------------|
| Commitments in relation to non-cancellable operating leases are payable as follows: | | |
| Not later than one year | - | 51,347 |
| Later than one year but not later than five years | - | <u>29,952</u> |
| | <u>-</u> | <u>81,299</u> |

**COMMUNICATIONS, ELECTRICAL,
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POSTAL, PLUMBING AND ALLIED SERVICES
UNION OF AUSTRALIA
PLUMBING DIVISION – VICTORIAN BRANCH**

CONCISE FINANCIAL REPORT

31 MARCH 2004

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

OPERATING REPORT

Principal activities

The principal activities of the Branch during the financial year was 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 twelve months was a profit of \$23,234 (2003: \$198,584).

Significant Changes in the State of Affairs

In the opinion of the Committee of Management, there were no significant changes in the Branch'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 2004, the number of members of the branch was 8,957 (2003: 8,430).

Number of Employees

As at 30 June 2004, the number of full time equivalent employees were 23 (2003: 20).

Committee of Management Members

The Committee of Management current members are as follows:

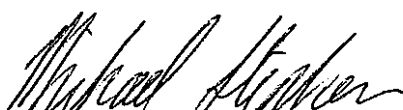
| | | |
|-------------|-----------|-----------|
| N Ottobre | E Setches | T Smart |
| R Vaughan | A Murphy | G Menzies |
| C Delidakis | A Gell | N Kelly |
| M Stephens | R Lansley | N O'Brien |
| B Rendino | C Misfud | |

Future Developments

In the opinion of the Committee of Management, there is not likely to be any future development that will materially effect the Union's operations in subsequent years.

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


.....
CON DELIDAKIS


.....
MICHAEL STEPHENS

Dated this 14TH day of JULY, 2004.

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

COMMITTEE OF MANAGEMENT CERTIFICATE

On the 14 July 2004, the Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australian (Plumbing Division - Victorian Branch) passed the following resolution in relation to the concise financial report of the reporting unit for the financial year ended 31 March 2004:

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

- (a) the financial statements comply with the Australian Accounting Standard AASB1039: Concise Financial Reports;
- (b) the financial statements comply with the Reporting Guidelines of the Industrial Registrar;
- (c) the financial statements 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 concise financial report relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; 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 have been no orders for inspection of financial records made by the Commission under section 273 of the RAO Schedule during the period.

For the Committee of Management:


.....
CON DELIDAKIS


.....
MICHAEL STEPHENS

Dated this 14TH day of JULY, 2004.

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

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2004**

| | 2004 \$ | 2003 \$ |
|---|-------------------------|-------------------------|
| Revenue from Ordinary Activities | | |
| Contributions | 2,290,411 | 1,926,845 |
| Enrolment Fees | 44,640 | 42,430 |
| Recoverables Workcover | 14,368 | - |
| Director's Fees | 35,228 | 24,235 |
| Sundry Income | 74,816 | 86,138 |
| Costs Recovered from Training , Education Centres & Others | <u>271,090</u> | <u>426,209</u> |
| Total Revenue from Ordinary Activities | <u>2,730,553</u> | <u>2,505,857</u> |
| Expenses from Ordinary Activities | | |
| Affiliations | 68,570 | 53,990 |
| Administrative Services | | |
| Advertising | 712 | 3,796 |
| Audit Fee | 6,700 | 6,250 |
| Accounting Fee | 5,999 | 2,400 |
| Bank & other Finance Charges | 14,519 | 15,178 |
| Cleaning & Security Services | 6,091 | 3,166 |
| Committee Fees | 6,840 | 12,080 |
| Computer Programming Expenses | 12,533 | 34,267 |
| Delegates Fees | 5,626 | 1,123 |
| Depreciation | 90,291 | 46,938 |
| Fringe Benefits Tax | 29,739 | 7,301 |
| Insurance | 32,592 | 29,705 |
| Land Tax | - | 218 |
| Legal & Professional Fees | 46,025 | 23,676 |
| Electricity | 7,572 | 8,022 |
| Repairs & Maintenance | 10,490 | 3,999 |
| Motor Vehicles Expenses | 81,642 | 38,983 |
| Motor Vehicles Leasing Expenses | 10,152 | 52,451 |
| Payroll Tax | 65,306 | 70,786 |
| Postage | 20,104 | 27,761 |
| Printing & Stationery | 72,581 | 54,389 |
| Provision for Annual Leave | 52,952 | 20,614 |
| Provision for Long Service Leave & Retiring Allowance | 103,776 | - |
| Rates | 22,827 | 9,951 |
| Rent | 3,342 | - |
| Termination Payments | 5,978 | 78,373 |
| Salaries | 1,255,282 | 1,037,796 |
| Commission | - | 368 |
| Sundries | 16,375 | 16,676 |
| Superannuation | 163,425 | 118,399 |

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

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2004**

| | <u>2004</u> | <u>2003</u> |
|---|------------------|---------------------|
| | \$ | \$ |
| Administrative Services (cont'd) | | |
| Telephone & Internet Services | 72,196 | 68,970 |
| Training & other costs | 27,476 | 91,846 |
| Incolink -Redundancy contributions | 39,760 | 34,303 |
| Loss on disposals and scrapping of fixed assets | - | 11,995 |
| Recruitment & Temporary Staff | 4,679 | 3,659 |
| Travel & Accommodation | 21,622 | 12,880 |
| Fines & Toll | 2,400 | 3,181 |
| Fitness and Clothing Allowances | 10,934 | 5,427 |
| Radio & Other Promotions | - | 969 |
| Debt Collection Expenses | 63,528 | 79,818 |
| Staff Amenities & Miscellaneous Expenses | 9,778 | 17,185 |
| Provision for Amortisation - Investments | 7,864 | 5,525 |
| Tax Penalties | <u>-</u> | <u>174</u> |
| | 2,478,278 | 2,114,588 |
| Per Capita Payment to Head Office | <u>229,041</u> | <u>192,685</u> |
| Total Expenses from Ordinary Activities | <u>2,707,319</u> | <u>2,307,273</u> |
| Net Profit from Ordinary Activities available for appropriation between General and Incidental Fund | <u>23,234</u> | <u>198,584</u> |
| Increase in asset revaluation reserve | <u>-</u> | <u>930,000</u> |
| Total revenues, expenses and valuation adjustments attributable to members of the Union and recognised directly in equity | <u>-</u> | <u>930,000</u> |
| Total Changes in Equity other than those resulting from transactions with owners as owners | <u>\$ 23,234</u> | <u>\$ 1,128,584</u> |

The statement of financial performance is to be read in conjunction with the attached notes

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

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2004**

| | <u>2004</u> \$ | <u>2003</u> \$ |
|----------------------------------|--------------------------|--------------------------|
| Current Assets | | |
| Cash Assets | 366,525 | 504,917 |
| Receivables | 441,988 | 246,929 |
| Inventory | 23,619 | 12,315 |
| Other Financial Assets | 346,966 | 101,332 |
| Other | <u>23,887</u> | <u>25,275</u> |
| Total Current Assets | <u>1,202,985</u> | <u>890,768</u> |
| Non Current Assets | | |
| Other Financial Assets | 3,376,042 | 3,383,906 |
| Property, Plant & Equipment | <u>2,480,734</u> | <u>2,148,548</u> |
| Total Non Current Assets | <u>5,856,776</u> | <u>5,532,454</u> |
| Total Assets | <u>7,059,761</u> | <u>6,423,222</u> |
| Current Liabilities | | |
| Payables | 181,416 | 127,436 |
| Non Interest Bearing Liabilities | 491,887 | 283,635 |
| Provisions | <u>265,408</u> | <u>108,680</u> |
| Total Current Liabilities | <u>938,711</u> | <u>519,751</u> |
| Net Assets | <u>\$ 6,121,050</u> | <u>\$ 5,903,471</u> |
| EQUITY | | |
| Defence Fund | 1,771,782 | 1,661,617 |
| General Fund | 716,669 | 660,190 |
| Incidental Fund | 551,677 | 520,355 |
| Special Purpose Fund | 1,323,070 | 1,303,457 |
| Asset Revaluation Reserves | <u>1,757,852</u> | <u>1,757,852</u> |
| Total Equity | <u>\$ 6,121,050</u> | <u>\$ 5,903,471</u> |

The statement of financial position is to be read in conjunction with the attached notes

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2004**

| | 2004 Inflows/ (Outflows) \$ | 2003 Inflows/ (Outflows) \$ |
|---|--------------------------------------|--------------------------------------|
| Cashflows from Operating Activities | | |
| Contributions and enrolment fees from Members | 2,569,546 | 2,220,170 |
| Interest Received | 218,129 | 196,599 |
| Levies Received | 79,704 | 279,465 |
| Other Income | 104,632 | 101,793 |
| Director's Fees | 35,228 | 24,235 |
| Payments to Suppliers & Employees | (2,468,723) | (2,397,571) |
| Amounts recharged and recouped | 271,090 | 426,209 |
| Levies remitted to Federal Office | (44,832) | (44,194) |
| Per Capita to Federal Office | <u>(229,041)</u> | <u>(192,685)</u> |
| Net Cash Provided by Operating Activities | <u>535,733</u> | <u>614,021</u> |
| Cashflows from Investing Activities | | |
| Payment for Plant & Equipment | (422,477) | (135,615) |
| Proceeds from Sale of Plant & Equipment | <u>-</u> | <u>64,500</u> |
| Net Cash Used in Investing Activities | <u>(422,477)</u> | <u>(71,115)</u> |
| Cashflows from Financing Activities | | |
| Repayments by Federal & other branches | (6,014) | 342,286 |
| Payment for Investments | <u>-</u> | <u>(1,188,805)</u> |
| Net Cash Used in Financing Activities | <u>(6,014)</u> | <u>(846,519)</u> |
| Net Increase/(Decrease) in Cash held | 107,242 | (303,613) |
| Cash at Beginning of Year | <u>606,249</u> | <u>909,862</u> |
| Cash at End of Year | <u>\$ 713,491</u> | <u>\$ 606,249</u> |

The statement of cash flows is to be read in conjunction with the attached notes

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

Notes to the Concise Financial Report

This concise report has been derived from the full financial report for the year ended 31 March 2004 and has been prepared in accordance with Australian Accounting Standard AASB1039: Concise Financial Reports. The full financial report and auditors report will be sent to members on request, free of charge. The Auditor's opinion on the general purpose financial statements did not contain any qualification or particulars of any deficiency, failure or shortcoming as referred to in the Workplace Relations Act 1996 subsection 252 and 257(2).

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

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

Discussion and Analysis of Financial Statements

Statement of Financial Performance

Revenue from ordinary activities increased by 9% to \$2,730,553. The net increase in revenue was represented by a 19% increase in contributions income as a result of an increase in number of members and contribution rates and a decrease in costs recovered from other revenue by \$138,870.

Net profit from ordinary activities decreased to \$23,234 from \$198,584 in 2003. Total expenses increased by \$400,046 to \$2,707,319. The increase in expenditure was due to the increase in provision for employee entitlements of \$103,776, increase in salaries of staff and officers by \$217,486, legal and professional fees by \$22,349 and depreciation charge by \$43,353.

Statement of Financial Position

Changes in the Composition of Assets

Total assets of the branch increased by \$636,539 for the financial year, due to an increase of \$107,242 in cash deposits, receivables of \$195,059 and plant and equipment of \$332,186.

Statement of Cash Flows

The cash flow from operating activities decreased by \$78,288 when compared with the prior year as a result of a net increase in cash outflows during this financial year. The branch also incurred \$422,477 on capital expenditure during the year compared with \$71,115 in the prior year.

INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996 Schedule 1B (ROA), the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of section 272 which reads as follows:

- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.
- (3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member

INDEPENDENT AUDIT REPORT

To the members of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing And Allied Services Union Of Australia - Plumbing Division - Victorian Branch

Scope

The concise financial report and Committee of Management responsibility

The concise financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, discussion and analysis of, and the committee of management declaration for the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - Plumbing Division - Victorian Branch for the year ended 31 March 2004.

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

Audit Approach

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

We also performed an independent audit of the full financial report of the Branch for the financial year ended 30 June 2004. Our audit report was signed on 14 July 2004 and was not subject to any qualification.

In conducting our audit of the concise financial report, we performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with Australian Accounting Standard AASB 1039: Concise Financial Reports and the Reporting Guidelines of the Industrial Registrar.

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

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

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

Independence

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

Audit Opinion

In our opinion, the concise financial report of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - Plumbing Division - Victorian Branch for the year ended 31 March 2004 complies with Australian Accounting Standard AASB1039: Concise Financial Reports.



Haines Norton
Chartered Accountants



R.H. Hutton
Registered Company Auditor

Dated this 14TH day of JULY, 2004.



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
Branch Secretary
Victorian Divisional Branch
CEPU Plumbing Division
52 Victoria St
CARLTON VIC 3053

Dear Mr Setches

Branch Financial Return - year ending 31 March 2004 (FR2004/235)

I refer to the letter of the Branch's financial manager dated 3 March 2005 and the enclosed financial documents. The documents have been filed; however I would draw your attention to the following matters.

I note the Branch provided a "concise report" to its members by publication on its website. The provision of a concise report is an option provided to organisations preparing financial documents under the RAO Schedule¹ which applies to the Branch from the beginning of its current financial year.

For the year ending 31 March 2004, the former provisions of Part IX, Division 11 of the Act applied. Under those provisions, the organisation had the option of preparing and distributing a "summary" of the financial documents subject to certain conditions.

Although the concise report is not the "summary" contemplated by the former legislation, I note that the auditor is of the opinion that it complies with relevant accounting standards for concise financial reports and that it contains copies of the statements of financial performance, financial position and cash flows and also includes a statement that the full report will be provided to members on request.

In these circumstances, the Registry considers the information needs of the members of the Branch have been addressed by the provision of the concise report.

Year ending 31 March 2005

As discussed with the Branch financial manager, the Registry would be happy to comment on any drafts of the financial documents and operating report for the year ending 31 March 2005 which will be prepared under the RAO Schedule if that would assist the Branch.

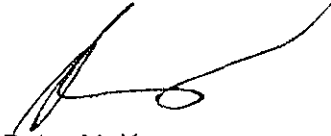
Please particularly note that under s266(1) the "full report" which is prepared under the RAO Schedule and provided to members must be presented to a general meeting of members of the Branch unless the Branch's rules provide for the matters specified in s266(3). In short, unless the Branch has a rule which allows "members" (*including unfinancial members*) to call a general meeting to discuss the full report, it must present the report to a general meeting - not to a committee of management meeting.

I urge you to closely examine the relevant rules of the Branch to ascertain if the rules so provide before determining to which meeting the full report will be presented. If the rules do not make provision, it is of course open to the organisation to make alterations.

¹ The Registration and Accountability of Organisations Schedule (Schedule 1B to the *Workplace Relations Act 1996*) (the RAO Schedule)

If you have any queries, please contact me on (02) 8374 6666.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Peter McKerrow', with a stylized, flowing script.

Peter McKerrow
Deputy Industrial Registrar

22 March 2005