

14<sup>th</sup> November, 2017

Mr Chris Enright  
Executive Director  
Registered Organisations Commission  
GPO Box 2983  
MELBOURNE VIC 3001

By email: [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au)

Dear Mr Enright

**CEPU Plumbing Division – Victorian Branch  
Operating Reports as at 31 March 2010 to 31 March 2015  
– Reporting of Membership Numbers**

I refer to the above and enclose by way of lodging:

- Declaration correcting the membership figures reported in the branch operating reports for the reporting periods ending 31 March 2010 to 31 March 2015.

As you are aware, the CEPU has instigated independent audits of the membership figures reported in the branch committee of management annual operating reports for the past 7 years.

As a consequence of these audits, the Branch Committee of Management, in a meeting held on the 31<sup>st</sup> October, 2017, authorised the submission of a declaration to the Registered Organisations Commission (ROC) to correct the figures reported in the operating reports for the total branch members for the reporting periods ending 31 March 2010 to 31 March 2015.

These amended figures have now been published to our website for the information of members.

Please do not hesitate to contact me should you wish to discuss this matter.

Yours faithfully



Earl Setches  
Branch Secretary

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

*Fair Work (Registered Organisations) Act 2009*

**DECLARATION - CORRECTING REPORT TO  
CEPU Plumbing Division – Victorian Branch  
OPERATING REPORT**

lodged pursuant to s.268

I, Earl Setches, of 52 Victoria Street, Carlton South, in the state of Victoria 3053, declare:

- I am the Branch Secretary of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Plumbing Division – Victorian Branch (the Branch), a branch of an organisation registered under the *Fair Work (Registered Organisations) Act 2009* (the Act).
- Pursuant to s.268 of the Act, for the periods ended 31 March 2010 to 31 March 2015, the full financial reports, including the operating reports, of the branch were lodged with the Fair Work Commission (FWC) in FR2010/2511, FR2011/2510, FR2012/208, FR2013/113, FR2014/56 and FR2015/58 respectively.
- Independent audits of the membership figures reported in the branch committee of management operating reports for the reporting periods 31 March 2010 to 31 March 2015 found the following variances with the figures reported in the operating reports:

As at 31 Mar	2010	2011	2012	2013	2014	2015
Reported	7,637	7,318	7,707	7,406	7,278	6,169
Audited	9,055	9,234	9,188	11,652	11,865	11,908
Variance	1,418	1,916	1,481	4,246	4,587	5,739

- On 31<sup>st</sup> October, 2017, in response to the findings of these audits, Branch Committee of Management authorised the Branch Secretary to amend the committee of management operating reports for the years ended 31 March 2010 to 31 March 2015 to reflect the membership figures resulting from the audit.

Signed:



Name: Mr Earl Setches

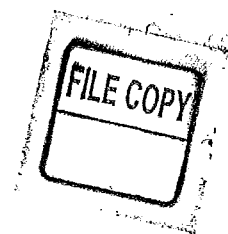
Date: 14<sup>th</sup> November, 2017



FAIR WORK  
AUSTRALIA

5 September 2012

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



Dear Sir

**Re: Lodgement of Financial Statements and Accounts – Victorian Plumbing Divisional Branch – for year ending 31 March 2012 (FR2012/208)**

I refer to the above financial return which was lodged with Fair Work Australia on 27 July 2012.

The documents have been filed. However I draw your attention to the following.

- (1) The Committee of Management Statement was signed on 17 July 2012. Although it might be assumed that the resolution to which it refers in the opening sentence was passed at a meeting held on the same date the Statement was signed, it is not strictly certain that these coincided. The Statement did not strictly comply with the General Manager's Reporting Guidelines insofar as it omitted to specify the date of the passage of the resolution. Paragraph 26(b) of the Guidelines states: "*The committee of management statement must.....specify the date of passage of the resolution*".

The date on which the resolution is passed must therefore be specified as such in the opening sentence of Committee of Management Statements prepared in future years.

- (2) The Committee of Management Statement omitted a declaration required by paragraph 25 of the Guidelines which provides: "*The committee of management statement must include declarations by the committee of management as to whether in the opinion of the committee of management that:*  
*(a) the financial statements and notes comply with the Australian Accounting Standards;*

This declaration must be included in future Committee of Management Statements.

- (3) The Committee of Management Statement contained various declarations in relation to recovery of wages activity at (e). The wording of the declarations suggests that there was recovery of wages activity during the financial year. However on advice received from Mr Junha Jang from the Branch it appears that there was no recovery of wages activity during the financial year.

To avoid future confusion or ambiguity, where there has been no recovery of wages activity during a financial year, the Committee of Management Statement should either omit any declarations relating to recovery of wages, or else contain a simple declaration along the lines of "There was no recovery of wages activity during the year".

- (4) The Secretary's Certificate stated that the concise report was provided to members on and from 17 July 2012 and that the report was presented to a general meeting of members on 24 July 2012. The 7 day period between the two events did not comply with subsection 265(5) of the Act which states: *"The copies.....must be provided within...(a) if a general meeting of members.....is held.....the period starting at the end of the financial year and ending 21 days before that meeting.."*

This means that whenever a financial report is presented, pursuant to section 266, to a second meeting that is a general meeting rather than a meeting of the committee of management, the members must be provided copies of the report at least 21 days prior.

- (5) There was no reference in the financial documents that I could identify that confirmed that the Committee of Management had passed a resolution to provide a concise report to the members. Subsection 265(2) states: *"A concise report may only be provided if, under the rules of the reporting unit, the committee of management resolves that a concise report is to be provided."*

The Committee of Management must pass such a resolution at its first meeting whenever it intends to provide members with a concise report, and the concise report, or the Committee of Management Statement should contain an explicit reference to the passing of the resolution.

Future reports for the Branch must reflect these areas of compliance. If you have any queries in relation to the financial reporting requirements at any time, please do not hesitate to contact me on (02) 6723 7097.

Yours sincerely



Stephen Kellett

Senior Adviser, Organisations, Research and Advice Branch

cc. Mr Junha Jang, Finance Manager



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

**VICTORIAN BRANCH**

ABN 17 685 414 428

**EARL SETCHES**  
Branch Secretary

**PADDY McCRUDDEN**  
Assistant Secretary

52 Victoria St  
Carlton South 3053

Ph: 03 9662 3388  
Fax: 03 9663 2613

25 July 2012

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



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

We would like to lodge our financial statements and accounts for 2012 in accordance with the provisions of Chapter 8, Part 3 of the Fair Work Act 2009 as follows

1. Full financial report
2. Concise report
3. Secretary's certificate
4. The list of donation

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

Yours truly,

Junha Jang  
Finance Manager



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

**Plumbing Division – Victoria Branch**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2012**

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

**Operating Report  
For the year ended 31 March 2012**

**Principal activities**

The principal activities of the CEPU Victoria 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 profit of \$1,016,050 (2011 : profit of \$399,642)

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

**Number of Members**

As at 31 March 2012, the number of members of the organisation recorded in the register of members was 7,707 (2011 : 7,318).

**Number of Employees**

As at 31 March 2012, the number of full time equivalent employees was 25 (2011 : 28).

**Committee of Management**


The Committee of Management current members are as follows:-


N Ottobre	E Setches	T Smart
B Ramsay	C Delidakis	I Marris
P Mc Crudden	R Menzies	S Bamford
D Saunders	N McCubbin	R Vaughan

**Future Developments**

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

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

  
.....  
C Delidakis

  
.....  
R Vaughan

Dated this 17 day of July, 2012

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

Dated this        day of                    2012

**CERTIFICATE OF COMMITTEE OF MANAGEMENT**

The Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Plumbing Division – Victoria Branch passed the following resolution in relation to the general purpose financial report of the reporting unit for the financial year ended 31 March 2012.

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

- (a) the financial statements and notes comply with the Reporting Guidelines of the General Manager of FWA;
- (b) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (c) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (d) during the financial year to which the general purpose financial report relates and since the end of that year:
  - i. meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned;
  - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned;
  - iii. the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009;
  - iv. the information sought in any request of a member of the reporting unit or the General Manager of FWA duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or Registrar; and
  - v. there have been no orders for inspection of financial records made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period.
- (e) in relation to recovery of wages activity:
  - i. the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager of FWA; and
  - ii. the committee of management caused the auditor to include in the scope of the audit required under section 257(1) of the Fair Work (Registered Organisations) Act 2009 all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
  - iii. no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
  - iv. that prior engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursements of expenses required for recovery of



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


wages activity, and any likely request from donations or other contributions in acting for a worker in recovery of wages activity; and


**CERTIFICATE OF COMMITTEE OF MANAGEMENT (cont'd)**

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

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

For the Committee of Management:

  
.....  
C Delidakis

  
.....  
R Vaughan

Dated this 17 day of July 2012

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

**AUDITOR'S INDEPENDENCE DECLARATION**

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

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2012 there have been:-

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



Stannards Accountants and Advisors



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

Dated this 17<sup>th</sup> day of July 2012

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

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2012**

	2012 \$	2011 \$
<b>Revenue</b>		
Contributions	3,415,908	3,337,970
Enrolment Fees	74,240	6,720
Rental Income from Investment Property	500,027	453,432
Director's Fees	93,253	81,551
Administration Costs Recovered – Investment Property	40,597	48,335
Work Safe and Aboriginal Grants Income	860,185	525,427
Costs Recovered from Training, Education Centres and Others	1,573,522	1,074,280
Forgiveness of Loan – Federal Branch	-	437,034
Sundry Income	239,189	154,749
Profit on disposals of fixed assets	705	-
<b>Total Revenue</b>	<b>6,797,626</b>	<b>6,119,498</b>
<b>Expenses</b>		
Affiliations and donations	92,090	106,000
Administrative Services		
Advertising	1,263	8,284
Audit Fees	13,750	3,900
Consulting Fees	14,600	-
Bank and Other Finance Charges	20,180	23,014
Cleaning and Security Services	6,109	6,777
Committee Fees	39,384	80,799
Computer Programming Expenses	58,891	51,698
Depreciation	305,792	211,847
Fringe Benefit Tax	38,668	38,939
Graduations	-	743
Interest Paid	174,871	159,336
Insurance	110,154	151,982
Land Tax	41,471	74,676
Legal and Professional Fees	12,906	8,409
Electricity	11,304	11,319
Repairs and Maintenance	14,988	38,240
Motor Vehicles Expenses	117,816	101,245
Entertainment Expenses	12,311	2,012
Payroll Tax	190,055	170,342
Postage and Mail Outs	89,928	61,363
Printing and Stationery	167,125	174,967
Annual Leave	(12,563)	21,348
Long Service Leave and Retiring Allowances	182,183	252,483
Rates	22,255	32,793
Rent	9,570	9,073
Salaries and Wages	3,036,833	2,716,726
Sundries	46,843	52,058
Superannuation	443,743	405,987

The accompanying notes form part of this Financial Report

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

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2012**

	2012 \$	2011 \$
Administrative Services (cont'd)		
Telephone and Internet Services	93,942	97,759
Loss on disposal of fixed assets	-	90
Travel and Accommodation	48,108	46,364
Fines and Tolls	13,720	12,825
Fitness and Clothing Allowances	13,950	12,245
Other allowances	122,930	119,189
Debt Collection Expenses	1,529	3,120
Staff Amenities and Miscellaneous Expenses	11,499	10,453
Work Safe Expenses	7,204	3,905
	5,575,402	5,282,310
Per Capita Payment to Head Office	341,591	333,797
Total Expenses	5,916,993	5,616,107
Profit / (Loss) for Year	880,633	503,391
Fair Value Adjustments for Investment Property	-	-
Net Profit/ (Loss) available for appropriation between General and Incidental Fund	880,633	503,391
Net Revenue from other Funds	135,417	(103,749)
Net Profit for the Year	1,016,050	399,642

The accompanying notes form part of this Financial Report

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

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2012**

	2012 \$	2011 \$
Profit / (Loss) for the period	1,016,050	399,642
Other comprehensive income for the period		-
Total comprehensive income for the period	1,016,050	399,642
<b>Total comprehensive income attributable to: Members of the organisation</b>	<b>1,016,050</b>	<b>399,642</b>

The accompanying notes form part of this Financial Report

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

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2012**

	Notes	2012 \$	2011 \$
<b>Current Assets</b>			
Cash and Cash Equivalents	4	4,041,347	2,846,595
Receivables	5	734,336	379,030
Inventory	1(b)	39,530	33,143
Other	6	65,210	48,848
<b>Total Current Assets</b>		<b>4,880,423</b>	<b>3,307,616</b>
<b>Non Current Assets</b>			
Property, Plant and Equipment	7	4,131,714	4,221,494
Investment Properties	8	5,752,433	5,834,095
<b>Total Non Current Assets</b>		<b>9,884,147</b>	<b>10,055,589</b>
<b>Total Assets</b>		<b>14,764,570</b>	<b>13,363,205</b>
<b>Current Liabilities</b>			
Payables	9	522,154	382,520
Interest Bearing Debt	13	175,704	175,704
Non Interest Bearing Liabilities	10	609,963	379,917
Provisions	11	836,978	1,033,067
<b>Total Current Liabilities</b>		<b>2,144,799</b>	<b>1,971,208</b>
<b>Non Current Liabilities</b>			
Provisions	11	380,601	167,863
Interest Bearing Debt	13	2,065,227	2,066,241
<b>Total Non Current Liabilities</b>		<b>2,445,828</b>	<b>2,234,104</b>
<b>Total Liabilities</b>		<b>4,590,627</b>	<b>4,205,312</b>
<b>Net Assets</b>		<b>10,173,943</b>	<b>9,157,893</b>
<b>Equity</b>			
Defence Fund	12(a)	2,768,519	2,678,730
General Fund	12(a)	2,877,180	2,238,001
Incidental Fund	12(a)	1,591,385	1,268,317
Special Purpose Fund	12(a)	1,179,007	1,214,993
Asset Revaluation Reserve	12(b)	1,757,852	1,757,852
<b>Total Equity</b>		<b>10,173,943</b>	<b>9,157,893</b>

The accompanying notes form part of this Financial Report

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

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2012**

	2012 \$	2011 \$
Accumulated Profit / (Deficit) – Beginning of Year	-	-
Profit / (Loss) for the Year	1,016,050	399,642
Distribution to:-		
Defence Fund	(89,789)	(80,118)
General Fund	(639,179)	(373,880)
Incidental Fund	(323,068)	(190,981)
Special Purpose Fund	35,986	245,337
Total Accumulated Profit / (Deficit) – End of the Year	-	-

The accompanying notes form part of this Financial Report

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

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2012**

	Notes	2012 Inflows/ (Outflows) \$	2011 Inflows/ (Outflows) \$
<b>Cash flows from Operating Activities</b>			
Contributions and enrolment fees from Members		3,490,147	3,506,001
Interest Received		172,254	151,928
Grants Received		860,185	525,427
Levies Received		75,491	70,982
Other Income		257,839	118,099
Director's Fees		93,253	81,551
Rent Received – Investment Property		500,027	453,432
Amounts recharged and recouped		1,573,522	1,074,280
Payments to Suppliers and Employees		(5,296,250)	(5,073,786)
Interest Paid		(174,871)	(159,336)
Levies remitted to Federal Office		(48,040)	(46,120)
Per Capita to Federal Office		(341,591)	(333,797)
Net Cash Provided by Operating Activities	16	1,161,966	368,661
<b>Cash flows from Investing Activities</b>			
Payments for Property, Plant and Equipment and Investment Properties		(147,190)	(3,742,317)
Proceeds from Sale of Plant and Equipment		13,545	12,455
Redemption of Investments / Bonds		-	2,451,137
Net Cash Provided by / (Used in) Investing Activities		(133,645)	(1,278,725)
<b>Cash flows from Financing Activities</b>			
Borrowings		(1,014)	2,241,945
Repayments by/(to) Federal and other branches		167,445	66,839
Net Cash Provided by/(Used) in Financing Activities		166,431	2,308,784
Net Increase in Cash and Cash Equivalents		1,194,752	1,398,720
<b>Cash and Cash Equivalents at Beginning of Year</b>		<b>2,846,595</b>	<b>1,447,875</b>
<b>Cash and Cash Equivalents at End of Year</b>	16	<b>4,041,347</b>	<b>2,846,595</b>

The accompanying notes form part of this Financial Report



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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012**

**1. Statement of Significant Accounting Policies**

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

**Basis of Preparation**

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

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

Cost is based on fair values of consideration given in exchange for assets.

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

**Accounting Policies**

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

**Cost and valuation**

Freehold land and buildings that constitute investment properties are measured on a fair value basis. At each reporting date, the value of assets in this asset class is reviewed to ensure that it does not differ materially from the asset's fair value at that date. At 31 March 2010, these assets were independently valued to reflect fair value and the fair value adjustment was reflected in the Income Statement.

All other classes of property, plant and equipment are measured at cost and depreciated (as set out below).

**Depreciation**

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

	<b>2012</b>	<b>2011</b>
Buildings	2.5%	2.5%
Motor Vehicles	25%	25%
Furniture and Office Equipment	15-33.33%	15%-33.33%
Fixtures and Fittings	13%	13%

**(b) Inventories**

Inventories are valued at the lower of cost and net realisable value (cost is based on a FIFO basis).

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012 (cont'd)**

**1. Statement of Significant Accounting Policies (cont'd)**

**Accounting Policies (cont'd)**

(c) Employee Benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date.

Employee benefits 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 Allowances accrued by Union officials from 1 July 1999 are no longer the liability of the National Office. Accordingly, provision for Long Services Leave and Retiring Allowances are now recorded in the books of the Victorian Branch taking into account the liability for such employees from 1 July 1999.

Long Service Leave and Retiring Allowances have been accrued in accordance with clause 51 of the Rules of the Union. Long Service Leave benefits accrued by Union officials increased from 1.95 weeks to 3 weeks per year of service in accordance with a resolution of the Committee of Management.

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

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

The number of employees at the end of the year was 25.

(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.

Investment property revenue is recognised on a straight-line basis over the lease term.

(e) Goods and Services Tax (GST)

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

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012 (cont'd)**

**1. Statement of Significant Accounting Policies (cont'd)**

**Accounting Policies (cont'd)**

(f) Cash and Cash Equivalents

For the purposes of the Cash Flow Statement, cash and cash equivalents include cash on hand, cash at bank and investments in money market instruments.

(g) Critical Accounting Estimates and Judgements

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

*Key Estimates – Impairment*

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

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012 (cont'd)**

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

(h) New Accounting Standards for Application in Future Periods

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

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

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

The key changes made to accounting requirements include:

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

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

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

**Notes to and forming part of the Financial Report  
for the year ended 31 March 2012**

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

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

- AASB 2010-6: Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7] (applicable for annual reporting periods beginning on or after 1 July 2011).

This Standard adds and amends disclosure requirements about transfers of financial assets, especially those in respect of the nature of the financial assets involved and the risks associated with them. Accordingly, this Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards, and AASB 7: Financial instruments: Disclosures, establishing additional disclosure requirements in relation to transfers of financial assets.

This Standard will only affect certain disclosures relating to financial instruments and is not expected to significantly impact the Union.

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

This Standard makes amendments to AASB 112: Income Taxes and incorporates Interpretation 121 into AASB 112.

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

The amendments are not expected to significantly impact the Union.

- AASB 1054: Australian Additional Disclosures and AASB 2011-1: Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, AASB 5, AASB 101, AASB 107, AASB 108, AASB 121, AASB 128, AASB 132 & AASB 134 and Interpretations 2, 112 & 113] (applicable for annual reporting periods commencing on or after 1 July 2011).

AASB 1054 sets out the Australian-specific disclosures that are additional to IFRS disclosure requirements.

The disclosure requirements in AASB 1054 were previously located in other Australian Accounting Standards.

These Standards are not expected to significantly impact the Union.

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

**Notes to and forming part of the Financial Report  
for the year ended 31 March 2012**

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

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

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

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

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

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

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

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

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

AASB 13 requires:

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

These Standards are not expected to significantly impact the Union.

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

**Notes to and forming part of the Financial Report  
for the year ended 31 March 2012**

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

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

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

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

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

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

These Standards introduce a number of changes to the presentation and disclosure of defined benefit plans, including:

- removal of the “corridor” approach from AASB 119, thereby requiring entities to recognise all changes in a net defined benefit liability (asset) when they occur;
- disaggregation of changes in a net defined benefit liability (asset) into service cost (including past service cost and gains and losses on non-routing settlements and curtailments), net interest expense (interest based on the net defined benefit liability (asset) using the discount rate applicable to post-employment benefits) and remeasurements (comprising actuarial gains and losses, return on plan assets less the “revenue” component of the net interest expense, and any change in the limit on a defined benefit asset). In addition, AASB 119 (September 2011) requires recognition of:
  - service cost and net interest expense in profit or loss; and
  - remeasurements in OCI: and
- introduction of enhanced disclosure requirements to facilitate the provision of more useful information in relation to an entity’s defined benefit plans.

AASB 119 (September 2011) also includes changes to the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:

- (i) for an offer that may be withdrawn – when the employee accepts;
- (ii) for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and
- (iii) where the termination is associated with a restructuring of activities under AASB 137: Provisions, Contingent Liabilities and Contingent Assets, and if earlier than the first two conditions – when the related restructuring costs are recognised.

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

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012 (cont'd)**

**2. Information to be provided to Members or General Manager of FWA**

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

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



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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012 (cont'd)**

**3. Fund Analysis**

<b>3.1 Defence Fund</b>	<b>Notes</b>	<b>2012</b>	<b>2011</b>
		<b>\$</b>	<b>\$</b>
<b>INCOME</b>			
Interest Received		62,338	55,256
Levies		27,451	24,862
Total Income		<u>89,789</u>	<u>80,118</u>
<b>MOVEMENT</b>			
Surplus for Year		89,789	80,118
Surplus B/Fwd		2,678,730	2,598,612
Accumulated Surplus	12(a)	<u>2,768,519</u>	<u>2,678,730</u>
<b>3.2 General Fund</b>			
<b>INCOME</b>			
Interest Received		52,090	38,286
Net Surplus/(Deficit) transferred (2/3 of Net Profit / (Loss) from Ordinary Activities)		<u>587,089</u>	<u>335,594</u>
Total Income		<u>639,179</u>	<u>373,880</u>
<b>MOVEMENT</b>			
Surplus/(Deficit) for Year		639,179	373,880
Surplus B/Fwd		2,238,001	1,864,121
Accumulated Surplus	12(a)	<u>2,877,180</u>	<u>2,238,001</u>
<b>3.3 Incidental Fund</b>			
<b>INCOME</b>			
Interest Received		29,524	23,184
Net Surplus/(Deficit) transferred (1/3 of Net Profit/(Loss) from Ordinary Activities)		<u>293,544</u>	<u>167,797</u>
Total Income		<u>323,068</u>	<u>190,981</u>
<b>MOVEMENT</b>			
Surplus/(Deficit) for the Year		323,068	190,981
Surplus B/Fwd		1,268,317	1,077,336
Accumulated Surplus	12(a)	<u>1,591,385</u>	<u>1,268,317</u>
<b>3.4 Special Purpose Fund</b>			
<b>INCOME</b>			
Interest Received		28,302	35,202
Sales of t-shirts / windcheaters		18,385	22,501
Federal Office Levy		48,040	46,120
Total Income		<u>94,727</u>	<u>103,823</u>
<b>EXPENDITURE</b>			
Donations		24,866	230,784
National Council Fund		-	-
Functions – staff and other		15,924	22,501
T-shirts / windcheater purchases		41,883	49,755
Federal Office Levy Payments		48,040	46,120
Total Expenditure		<u>130,713</u>	<u>349,160</u>
<b>MOVEMENTS</b>			
Surplus for the year		(35,986)	(245,337)
Surplus B/Fwd		1,214,993	1,460,330
Accumulated Surplus	12(a)	<u>1,179,007</u>	<u>1,214,993</u>

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012 (cont'd)**

	2011 \$	2010 \$
<b>4. Cash and Cash Equivalents</b>		
Cash at Bank	4,035,847	2,842,275
Cash on Hand	5,500	4,320
	4,041,347	2,846,595
<b>5. Receivables</b>		
Sundry Debtors and Accrued Income	17,761	36,411
GST Receivable	(53,842)	(34,824)
Amounts due from National Office and other Branches	150,085	87,484
Amounts due from Training and Education Centres	620,332	289,959
	734,336	379,030
<b>6. Other Current Assets</b>		
Prepayments	65,210	48,848
	65,210	48,848
<b>7. Property, Plant and Equipment</b>		
Freehold Land		
At Valuation	1,105,650	1,100,000
At Cost	300,000	300,000
	1,405,650	1,400,000
Buildings on Freehold Land		
At Valuation	900,000	900,000
At Cost	1,666,966	1,651,277
Less: Accumulated Depreciation	(269,957)	(205,909)
	2,297,009	2,345,368
Motor Vehicles		
At Cost	435,749	425,139
Less: Accumulated Depreciation	(211,788)	(168,118)
	223,961	257,021
Furniture and Equipment		
At Cost	672,447	631,053
Less: Accumulated Depreciation	(490,691)	(429,519)
	181,756	201,534
Fixtures and Fittings		
At Cost	45,431	36,231
Less: Accumulated Depreciation	(22,093)	(18,660)
	23,338	17,571
<b>Total Property, Plant and Equipment</b>	<b>4,131,714</b>	<b>4,221,494</b>

Freehold land and buildings located at 50-52 Victoria Street, Carlton North were valued by D Brindley, Certified Practising and Sworn Valuers of Woodards (Network) Pty Ltd on 31 March 2003. The basis of valuation of the property was the capitalisation of estimated net rental at the rate that reflects the risks relating to such property classes in the location.

Property acquired subsequently is measured at cost.

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012 (cont'd)**

**7. Property, Plant and Equipment (cont'd)**

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

<b>2011</b>	Freehold Land \$	Buildings \$	Motor Vehicles \$	Furniture & Equipment \$	Fixtures & Fittings \$	Total \$
Carrying amount at beginning of year	1,400,000	2,426,158	278,918	231,974	20,614	4,357,664
Additions	-	39,223	76,138	29,734	-	145,095
Transfer investment property	-	(56,873)	-	-	-	(56,873)
Disposals	-	-	(12,545)	-	-	(12,545)
Depreciation expense	-	(63,140)	(85,490)	(60,174)	(3,043)	(211,847)
Carrying amount at end of year	1,400,000	2,345,368	257,021	201,534	17,571	4,221,494

<b>2012</b>	Freehold Land \$	Buildings \$	Motor Vehicles \$	Furniture & Equipment \$	Fixtures & Fittings \$	Total \$
Carrying amount at beginning of year	1,400,000	2,345,368	257,021	201,534	17,571	4,221,494
Additions	5,650	15,689	76,163	41,395	9,200	148,097
Transfer investment property	-	-	-	-	-	-
Disposals	-	-	(14,986)	-	-	(14,986)
Depreciation Expense	-	(64,048)	(94,237)	(61,173)	(3,433)	(222,891)
Carrying amount at end of year	1,405,650	2,297,009	223,961	181,756	23,338	4,131,714

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012 (cont'd)**

		2012	2011	
		\$	\$	
<b>8. Investment Properties</b>				
Carrying amount at the beginning of year		5,875,691	2,180,000 *	
Transfer from land and buildings		-	56,873	
Additions – at cost		-	3,597,222	
Less: Accumulated Depreciation		(123,258)	-	
Carrying amount at the end of year		5,752,433	5,834,095	
* (Valued by Jones Lang LaSalle, Certified Practising Valuers on 23 March 2010 on a 'market value for mortgage security' basis).				
<b>9. Payables</b>				
Creditors and accruals		522,154	382,520	
<b>10. Non Interest Bearing Liabilities</b>				
Amount Payable to Federal Office		609,963	379,917	
<b>11. Provisions</b>				
<i>Current</i>				
Annual Leave		200,937	213,499	
Long Service Leave and Retiring Allowances		636,041	819,568	
		836,978	1,033,067	
<i>Non Current</i>				
Long Service Leave and Retiring Allowances		380,601	167,863	
<b>12. Equity</b>	Defence	General	Incidental	Special Purpose
(a) Accumulated Funds	\$	\$	\$	\$
Balance at beginning of year	2,678,730	2,238,001	1,268,317	1,214,993
Net Profit for year	89,789	639,179	323,068	(35,986)
Balance at end of year	2,768,519	2,877,180	1,591,385	1,179,007
(b) Asset Revaluation Reserves			2012	2011
Opening balance			\$	\$
Revaluation increment arising on revaluing freehold land & buildings			1,757,852	1,757,852
Closing balance			1,757,852	1,757,852
<b>13. Interest Bearing Debt</b>			2012	2011
Current			\$	\$
Non Current			175,704	175,704
			2,065,227	2,066,241
			2,240,931	2,241,945

This debt repayable over 12 years is secured by a first registered mortgage of the land and buildings located at 22-28 Phoenix Street, Brunswick and Units 6,7,8, 306 Albert Street, Brunswick.

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012 (cont'd)**

14. Employee Benefits	Elected Officials	Administration & Industrial Staff	Total
Employee benefits paid during the year			
	\$	\$	\$
Wages and Salaries	1,279,918	1,508,110	2,788,028
Annual Leave and Sick Leave	175,985	189,640	365,625
Long Service Leave and Retiring Allowances	144,090	8,883	152,973
Superannuation	287,071	156,672	443,743
<b>Total</b>	<b>1,887,064</b>	<b>1,863,305</b>	<b>3,750,369</b>

**15. Cash Flow Information**

a. Reconciliation of Cash	2012	2011
	\$	\$
Cash at the end of the reporting period is reconciled to the related items in the statement of financial position as follows:-		
Cash at Bank	4,035,847	2,482,275
Cash on Hand	5,500	4,320
	<b>4,041,347</b>	<b>2,846,595</b>

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

<u>Net Profit / (Loss)</u>	Notes		
Defence Fund	3.1	89,789	80,118
General Fund	3.2	639,179	373,880
Incidental Fund	3.3	323,068	190,981
Special Purpose Fund	3.4	(35,986)	(245,337)
		<b>1,016,050</b>	<b>399,642</b>
<u>Non Cash Items</u>			
Depreciation		305,792	211,827
Provision for Employee Benefits		16,649	196,893
Forgiven Loan		-	(437,034)
Loss on Disposal of Non Current Assets		(705)	90
<u>Changes in Operating Assets and Liabilities</u>			
(Increase)/Decrease in Prepayments		(16,362)	(13,042)
(Increase)/Decrease in Inventories		(6,387)	-
Increase/(Decrease) in Trade Creditors and Accruals		139,634	19,306
(Increase)/Decrease in Sundry Debtors		(311,723)	(7,041)
(Increase)/Decrease in GST Receivables		19,018	(1,980)
<b>Net Cash Provided by Operating Activities</b>		<b>1,161,966</b>	<b>368,661</b>

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012 (cont'd)**

**16. Related Party Information**

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

<u>President</u>	<u>Vice-President</u>
N. Ottobre	T. Smart
<u>Trustee</u>	<u>Trustee</u>
C. Delidakis	R. Vaughan
<u>Secretary</u>	<u>Assistant Secretary</u>
E. Setches	P. McCrudden
<u>Committee of Management</u>	
I. Marris	B. Ramsay
N. McCubbin	D. Saunders
S. Bamford	R. Menzies

- b. Amounts received or due and receivable (ie. wages paid to E Setches, A Murphy, R Vaughan, P McCrudden and committee fees paid) by Union members of the Committee of Management were \$463,265 (2011 : \$356,254).
- c. Amounts paid on behalf of E Setches, A Murphy, R Vaughan and P McCrudden to the Building Union Superannuation Scheme in respect to the retirement of Committee of Management members were \$73,540 (2011 : \$70,087)
- 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 with Federal Office, Branches and Related entities

Per Capital Payment	2012	2011
During the year, the Victorian Branch of the Union paid to the Federal Office a per capital payment calculated in accordance with the rules.	341,591	333,797
Amounts receivable/(payable) – Federal office and other branches		
Federal	(609,963)	(379,917)
Tasmania	8,600	6,000
Canberra	91,485	81,485
Rent receivable – related entity		
Plumbing Joint Trading Fund Limited	500,027	453,432

**17. Commitments**

Capital expenditure commitments as at 31 March 2012 – (\$nil), 2011: \$3.7 million for property acquired at 22-28 Phoenix Street, Brunswick, settled in 2010/11.

**18. Contingent Liability**

There was no contingent liability at 31 March 2012 (2011 : \$nil)

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012 (cont'd)**

**19. Segment Reporting**

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

**20. Union's Details**

The principal place of business of the branch is:

52 Victoria Street  
CARLTON VIC 3053

**21. Financial Instruments**

**a. Financial Risk Management**

The entity's financial instruments consist of deposits with banks, bills and securities, short-term investments, accounts receivables and payable.

The entity does not have any derivative instruments at 31 March 2012.

The purpose of the financial instruments is to raise finances for the operations of the entity.

**i Treasury Risk Management**

The Committee of Management meets on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

**ii Financial Risk**

The main risks the entity is exposed to through its financial instruments are liquidity risk, interest rate risk and credit risk.

*Foreign Currency*

The entity is not exposed to fluctuations in foreign currency.

*Liquidity Risk*

The entity manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

*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 provisions for impairment of those assets as disclosed in the statement of financial position and notes to the financial statements.

The entity has a material credit risk exposure amounting to \$620,332 (2011 : \$289,959) to a group of debtors under financial transactions entered into by the entity.

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2011 (cont'd)**

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

**b. Interest Rate Risk**

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

	Financial Instruments	Floating Interest Rate		Fixed Interest Rate maturing in: less than 1 year		Fixed Interest Rate maturing in: 1 year or more		Non Interest Bearing		Total Carrying Amount as per Statement of Financial Position		Weighted Average Effecting Interest Rate	
		2011 \$	2012 \$	2011 \$	2012 \$	2011 \$	2012 \$	2011 \$	2012 \$	2011 \$	2012 \$	2011 %	2012 %
(i)	Financial Assets												
	Cash and Cash Equivalents	2,842,275	4,035,847	-	-	-	-	4,320	5,500	2,846,595	4,041,347	5.60	5.00
	Receivables	-	-	-	-	-	-	379,030	734,336	379,030	734,336		
	Other Financial Assets	-	-	-	-	-	-	-	-	-	-	N/A	N/A
	<b>Total</b>	<b>2,842,275</b>	<b>4,035,847</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>383,350</b>	<b>739,836</b>	<b>3,225,625</b>	<b>4,775,683</b>		
(ii)	Financial Liabilities												
	Interest Bearing Debt	-	-	175,704	175,704	2,066,241	2,065,227	-	-	2,241,945	2,240,931	8.00	7.46
	Payables	-	-	-	-	-	-	382,520	522,154	382,520	522,154		
	Non Interest Bearing Liabilities	-	-	-	-	-	-	379,917	609,963	379,917	609,963		
	<b>Total</b>			<b>175,704</b>	<b>175,704</b>	<b>2,066,241</b>	<b>2,065,227</b>	<b>762,437</b>	<b>1,132,117</b>	<b>3,004,382</b>	<b>3,373,048</b>		
	<b>Net Financial Assets/(Liabilities)</b>	<b>2,842,275</b>	<b>4,035,847</b>	<b>(175,704)</b>	<b>(175,704)</b>	<b>(2,066,241)</b>	<b>(2,065,227)</b>	<b>(379,087)</b>	<b>(392,281)</b>	<b>221,243</b>	<b>1,402,635</b>		



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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012 (cont'd)**

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

**c. Net Fair Values**

The net fair value of the investments in commercial bills/securities and deposits at 31 March 2012 is estimated at \$nil (carrying amount \$nil). The net fair value of the Union's other financial assets and financial liabilities are not expected to be significantly different from the class of asset and liabilities as disclosed above and recognised in the statement of financial position as at 31 March 2012.

**d. Sensitivity Analysis**

Interest rate risk

The entity has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in this risk.

Interest rate sensitivity analysis

At 31 March 2012, the effect on profit and equity as a result of changes in the interest, with all other variable remaining constant, would be as follows:

	<b>2012</b>	<b>2011</b>
	\$	\$
Change in profit		
Increase in interest rate by 2%	35,898	12,006
Decrease in interest rate by 2%	(35,898)	(12,006)
Change in equity		
Increase in interest rate by 2%	35,898	12,006
Decrease in interest rate by 2%	(35,898)	(12,006)

## INDEPENDENT AUDIT REPORT

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

### Scope

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

The financial report comprises the Certificate of Committee of Management, Income Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and accompanying notes to the financial statements for the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Plumbing Division – Victoria Branch for the year ended 31 March 2012 set out on pages 2 to 21.

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

### Audit Approach

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

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

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

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

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

### Independence

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

### Audit Opinion

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

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

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

  
Stannards Accountants and Advisors

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

Dated this 17<sup>th</sup> day of July 2012

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

**Plumbing Division – Victoria Branch**

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

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

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

**Operating Report  
For the year ended 31 March 2012**

**Principal activities**

The principal activities of the CEPU Victoria 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 profit of \$1,016,050(2011: Profit of \$399,642)

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

**Number of Members**

As at 31 March 2012, the number of members of the organisation recorded in the register of members was 7,707 (2010:7,318).

**Number of Employees**

As at 31 March 2012, there were 25 full time equivalent employees (2011:28).

**Committee of Management**

The Committee of Management current members are as follows:-


N Ottobre	E Setches	T Smart
B Ramsay	C Delidakis	I Marris
P McCrudden	R Menzies	S Bamford
D Saunders	N McCubbin	R Vaughan

**Future Developments**

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

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

  
.....  
C Delidakis

  
.....  
R Vaughan

Dated this 17 day of July, 2012

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

**CERTIFICATE OF COMMITTEE OF MANAGEMENT**

The Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Plumbing Division – Victoria Branch passed the following resolution in relation to the general purpose financial report of the reporting unit for the financial year ended 31 March 2012.

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

- (a) the financial statements and notes comply with the Reporting Guidelines of the General Manager of FWA;
- (b) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (c) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (d) during the financial year to which the general purpose financial report relates and since the end of that year:
  - i. meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned;
  - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned;
  - iii. the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009;
  - iv. the information sought in any request of a member of the reporting unit or the General Manager of FWA duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or Registrar; and
  - v. there have been no orders for inspection of financial records made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period.
- (e) in relation to recovery of wages activity:
  - i. the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager of FWA; and
  - ii. the committee of management caused the auditor to include in the scope of the audit required under section 257(1) of the Fair Work (Registered Organisations) Act 2009 all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
  - iii. no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
  - iv. that prior engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursements of expenses required for recovery of wages activity, and any likely request from donations or other contributions in acting for a worker in recovery of wages activity; and

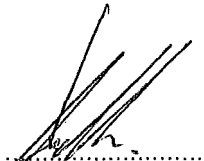
COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,  
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA  
PLUMBING DIVISION – VICTORIA BRANCH

CERTIFICATE OF COMMITTEE OF MANAGEMENT (Cont'd)

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

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

For the Committee of Management:



C Delidakis



R Vaughan

Dated this 17 day of July 2012

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

**AUDITOR'S INDEPENDENCE DECLARATION**

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

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2012 there have been:-

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

  
Stannards Accountants and Advisors

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

Dated this 17<sup>th</sup> day of July 2012



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

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2012**

	2012 \$	2011 \$
<b>Revenue</b>		
Contributions	3,415,908	3,337,970
Enrolment Fees	74,240	6,720
Rental Income from Investment Property	500,027	453,432
Director's Fees	93,253	81,551
Sundry Income	239,189	154,749
Administration Costs Recovered – Investment Property	40,597	48,335
Work Safe and Aboriginal Grants Income	860,185	525,427
Costs Recovered from Training, Education Centres and Others	1,573,522	1,074,280
Forgiveness of Loan – Federal Branch		437,034
Profit on disposals of fixed assets	705	-
<b>Total Revenue</b>	<b>6,797,626</b>	<b>6,119,498</b>
<b>Expenses</b>		
Affiliations and donations	92,090	106,000
Administrative Services		
Advertising	1,263	8,284
Audit Fees	13,750	3,900
Consulting Fees	14,600	-
Bank and Other Finance Charges	20,180	23,014
Cleaning and Security Services	6,109	6,777
Committee Fees	39,384	80,799
Computer Programming Expenses	58,891	51,698
Depreciation	305,792	211,847
Fringe Benefit Tax	38,668	38,939
Graduations	-	743
Interest Paid	174,871	159,336
Insurance	110,154	151,982
Land Tax	41,471	74,676
Legal and Professional Fees	12,906	8,409
Electricity	11,304	11,319
Repairs and Maintenance	14,988	38,240
Motor Vehicles Expenses	117,816	101,245
Entertainment Expenses	12,311	2,012
Payroll Tax	190,055	170,342
Postage and Mail Outs	89,928	61,363
Printing and Stationery	167,125	174,967
Annual Leave	(12,563)	21,348
Long Service Leave and Retiring Allowance	182,183	252,483
Rates	22,255	32,793
Rent	9,570	9,073
Salaries and Wages	3,036,833	2,716,726
Sundries	46,843	52,058
Superannuation	443,743	405,987

The accompanying notes form part of this Concise Financial Report

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

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2012**

	2012 \$	2011 \$
Administrative Services (cont'd)		
Telephone and Internet Services	93,942	97,759
Loss on disposal of fixed assets		90
Travel and Accommodation	48,108	46,364
Fines and Tolls	13,720	12,825
Fitness and Clothing Allowances	13,950	12,245
Other allowances	122,930	119,189
Debt Collection Expenses	1,529	3,120
Staff Amenities and Miscellaneous Expenses	11,499	10,453
Work Safe Expenses	7,204	3,905
	5,576,402	5,282,310
Per Capita Payment to Head Office	641,591	333,797
	5,916,993	5,616,107
Total Expenses		
	5,916,993	5,616,107
Profit / (Loss) for Year	880,633	503,391
Fair Value Adjustments for Investment Property		-
Net Profit/ (Loss) available for appropriation between General and Incidental Fund	880,633	503,391
Net Revenue from other Funds	135,417	(103,749)
Net Profit for the Year	1,016,050	399,642

The accompanying notes form part of this Concise Financial Report

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

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2012

	2012 \$	2011 \$
Profit / (Loss) for the period	1,016,050	399,642
Other comprehensive income for the period	-	-
Total comprehensive income for the period	1,016,050	399,642
Total comprehensive income attributable to: Members of the organisation	1,016,050	399,642

The accompanying notes form part of this Concise Financial Report

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

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2012**

	2012. \$	2011 \$
<b>Current Assets</b>		
Cash and Cash Equivalents	4,041,347	2,846,595
Receivables	734,336	379,030
Inventory	39,530	33,143
Other	65,210	48,848
<b>Total Current Assets</b>	<b>4,880,423</b>	<b>3,307,616</b>
<b>Non Current Assets</b>		
Property, Plant and Equipment	4,131,714	4,221,494
Investment Property	5,752,433	5,834,095
<b>Total Non Current Assets</b>	<b>9,884,147</b>	<b>10,055,589</b>
<b>Total Assets</b>	<b>14,764,570</b>	<b>13,363,205</b>
<b>Current Liabilities</b>		
Payables	522,154	382,520
Interest Bearing Debt	175,704	175,704
Non Interest Bearing Liabilities	609,963	379,917
Provisions	836,978	1,033,067
<b>Total Current Liabilities</b>	<b>2,144,799</b>	<b>1,971,208</b>
<b>Non Current Liabilities</b>		
Provisions	380,601	167,863
Interest Bearing Debt	2,065,227	2,066,241
<b>Total Non Current Liabilities</b>	<b>2,445,828</b>	<b>2,234,104</b>
<b>Total Liabilities</b>	<b>4,590,627</b>	<b>4,205,312</b>
<b>Net Assets</b>	<b>10,173,943</b>	<b>9,157,893</b>
<b>Equity</b>		
Defence Fund	2,768,519	2,678,730
General Fund	2,877,180	2,238,001
Incidental Fund	1,591,385	1,268,317
Special Purpose Fund	1,179,007	1,214,993
Asset Revaluation Reserves	1,757,852	1,757,852
<b>Total Equity</b>	<b>10,173,943</b>	<b>9,157,893</b>

The financial statements form part of this Concise Financial Report

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

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2012**

	2012	2011
	\$	\$
Accumulated Profit / (Deficit) – Beginning of Year	-	-
Profit / (Loss) for the Year	1,016,050	399,642
Distribution to:-		
Defence Fund	(89,789)	(80,118)
General Fund	(639,179)	(373,880)
Incidental Fund	(323,068)	(190,981)
Special Purpose Fund	35,986	245,337
<hr/>		
Total Accumulated Profit / (Deficit) – End of the Year	-	-
<hr/>		

The accompanying notes form part of this Concise Financial Report

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

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2012**

	2012 Inflows/ (Outflows) \$	2011 Inflows/ (Outflows) \$
<b>Cash flows from Operating Activities</b>		
Contributions and enrolment fees from Members	3,490,147	3,506,001
Interest Received	172,254	151,928
Grants Received	860,185	525,427
Levies Received	75,491	70,982
Other Income	257,839	118,099
Director's Fees	93,253	81,551
Rent Received – Investment Property	500,027	453,432
Amounts recharged and recouped	1,573,522	1,074,280
Payments to Suppliers and Employees	(5,296,250)	(5,073,786)
Interest Paid	(174,871)	(159,336)
Levies remitted to Federal Office	(48,040)	(46,120)
Per Capita to Federal Office	(341,591)	(333,797)
Net Cash Provided by Operating Activities	1,161,966	368,661
<b>Cash flows from Investing Activities</b>		
Payments for Property, Plant and Equipment and Investment Properties	(147,190)	(3,742,317)
Proceeds from Sale of Plant and Equipment	13,545	12,455
Redemption of Investments / Bonds	-	2,451,137
Net Cash Provided by / (Used in) Investing Activities	(133,645)	(1,278,725)
<b>Cash flows from Financing Activities</b>		
Borrowings	(1,014)	2,241,945
Repayments by/(to) Federal and other branches	167,445	66,839
Net Cash Provided by/(Used) in Financing Activities	166,431	2,308,784
Net Increase in Cash and Cash Equivalents	1,194,752	1,398,720
<b>Cash and Cash Equivalents at Beginning of Year</b>	2,846,595	1,447,875
<b>Cash and Cash Equivalents at End of Year</b>	4,041,347	2,846,595

The accompanying notes form part of this Concise Financial Report

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

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

This concise report has been derived from the full financial report for the year ended 31 March 2012 and has been prepared in accordance with Australian Accounting Standard AASB1039: Concise Financial Reports. The full financial report and auditors report will be sent to members on request, free of charge. The Auditor's opinion on the general purpose financial statements did not contain any qualifications or particulars of any deficiency, failure or shortcoming as referred to in the Fair Work (Registered Organisations) Act 2009 subsection 252 and 257(2).

The 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 – Victoria Branch) as the full financial report.

**Discussion and Analysis of Financial Statements**

*Income Statement*

During the year, operating revenue grew by some \$678,000 whilst operating expenditure grew by some \$300,000. The result for the year ended 31 March 2012 was a profit of \$1,016,050 compared to a profit of \$399,642 in 2011, after taking into account net revenue from other funds (surplus of \$135,417 current year (2011: loss of (\$103,749))).

*Statement of Financial Position*

Changes in the Composition of Assets:

The net assets were \$10,173,943 (2011: \$9,157,893), growth occurring due to the profitability of the entity.

*Statement of Cash Flows*

The operating, investment and financing activities have resulted in a net cash inflow of \$1,194,752 compared with a net cash inflow of \$1,398,720 in 2011.

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

The Union did not received or pay any amounts recovered from employers in respect of wages during the financial year (2011 – nil).

**Segments**

The Union operated in one segment within Australia.

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

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

**Information to be Provided to Members or General Manager of FWA**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, 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 General Manager of FWA, 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 General Manager of FWA, make the specified information available to the member or a General Manager of FWA in such manner, and within such time, as is prescribed.
- (3) A General Manager of FWA may only make an application under subsection (1) at the request of a member of the organisation concerned, and the General Manager of FWA 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 – Victoria Branch

### Scope

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

The concise financial report comprises the Statement of Financial Position as at 31 March 2012, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, discussion and analysis of performance, and the Committee of Management declaration for the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Plumbing Division – Victoria Branch.

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

### Audit Approach

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

We also performed an independent audit of the full financial report of the Branch for the financial year ended 31 March 2012. Our audit report was signed on 31 May 2011 and was not subject to any qualification.

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

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

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

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



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

**VICTORIAN BRANCH**  
ABN 17 685 414 428

**EARL SETCHES**  
Branch Secretary

**PADDY McCRUDDEN**  
Assistant Secretary


52 Victoria St  
Carlton South 3053

Ph: 03 9662 3388  
Fax: 03 9663 2613

## SECRETARY'S CERTIFICATE

I (Earl Setches) being the State Secretary of the CEPU Plumbing Division Victorian Branch, certify:

- That the documents lodged herewith are copies of the full (and concise) audited reports of the CEPU Plumbing Division Victorian Branch for the financial year ended 31<sup>st</sup> March 2012, referred to in s268 of the RAO Schedule; and
- That the concise report was provided to members on our website on and from 17 - Jul - 2012; and
- The full and concise reports were presented at a General Meeting of Members on 24 - Jul - 2012.

  
Earl Setches  
State Secretary

Date 25-Jul-2012  
-----





FAIR WORK  
AUSTRALIA

26 June 2012

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



Dear Mr Setches,

**Re: Lodgement of Financial Statements and Accounts – Victorian Plumbing Divisional Branch, CEPU – for year ending 31 March 2012 (FR2012/208)**

The financial year of the Victorian Plumbing Divisional Branch of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia ended on 31 March 2012. This is a courtesy letter to remind you of the obligation to prepare the reporting unit's financial documents and to lodge audited financial accounts and statements with Fair Work Australia within the prescribed time frame unless a 1 month extension is applied for and granted.

The documents you must lodge include:

- (i) A general purpose financial report; (ii) A Committee of Management statement (iii) An operating report in accordance with section 254 and regulation 159; (iv) An auditor's report; and (v) A certificate in accordance with section 268.

The financial accounts and statements must disclose balances for the items prescribed by the General Manager's Reporting Guidelines.

I draw your particular attention to

- (a) s237 which requires you to prepare and lodge a separate statement providing the prescribed particulars of any loan, grant or donation made during the year which exceeds \$1,000;
- (b) s265(5) which requires you to publish or otherwise provide your members with completed/signed copies of the audited accounts, report and statements before final presentation and lodgment; and
- (c) s266 which requires you to present the completed documents to an eligible meeting(s) (either of the members or of the committee of management).

You should be aware that failures to comply with relevant provisions may expose reporting units to the risk of civil penalties.

Relevant references may be found at

<http://www.fwa.gov.au/index.cfm?pagename=regorgsfrguidelines> and  
<http://www.fwa.gov.au/index.cfm?pagename=legislationfwroact>.

Terrace Towers  
80 William Street  
East Sydney NSW 2011  
Telephone: (02) 8374 6666  
International: (612) 8374 6666  
Facsimile: (02) 9380 6990  
Email: [sydney@fwa.gov.au](mailto:sydney@fwa.gov.au)

Please do not hesitate to contact me on (02) 6723 7097 if you have any queries in relation to the financial reporting requirements.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'S. Kellett', written in a cursive style.

Stephen Kellett

Organisations, Research and Advice Branch