

14th November, 2017

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

By email: 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 31st 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 31st 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: 14th November, 2017

From: FENWICK, Joanne
Sent: Wednesday, 20 August 2014 11:46 AM
To: 'esetches@pteu.asn.au'
Cc: 'michael.shulman@stannards.com.au'
Subject: CEPU Plumbing Division Victorian Branch - FR2014/56
Attachments: CEPU VIC Plumbing FR2014-56 filing.pdf

Mr Setches

Please find attached a letter advising that the abovementioned financial report has been filed. I have also copied your auditor, Michael Shulman, into this email.

Regards

JOANNE FENWICK
Financial Reporting Specialist
Regulatory Compliance Branch

Fair Work Commission
Tel: (03) 8661 7886
Fax: (03) 9655 0410
joanne.fenwick@fwc.gov.au

11 Exhibition Street, Melbourne Victoria 3000
GPO Box 1994, Melbourne Victoria 3001

www.fwc.gov.au



20 August 2014

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

Dear Mr Setches

Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Plumbing Division Victorian Divisional Branch Financial Report for the year ended 31 March 2014 - [FR2014/56]

I acknowledge receipt of the financial report of the CEPU, Plumbing Division Victorian Branch. The documents were lodged with the Fair Work Commission on 9 July 2014.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 31 March 2015 may be subject to an advanced compliance review.

Changes to the reporting guidelines and model financial statement

A fourth edition of the General Manager's s.253 Reporting Guidelines was gazetted on 13 June 2014. These guidelines will apply to all financial reports that end on or after 30 June 2014. A model set of financial statements for the 2013-2014 financial year is also available on the FWC website. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards.

The Reporting Guidelines and Model Financial Statements are available on the website here: <https://www.fwc.gov.au/registered-organisations/compliance-governance/financial-reporting>

If you have any queries regarding this letter, please contact me on (03) 8661 7886 or via email at joanne.fenwick@fwc.gov.au.

Yours sincerely

Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch

FR2014/56



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

8 July 2014

Att: Stephen Kellett

Fair Work Australia
Level 8, 80 William Street
East Sydney NSW 2011



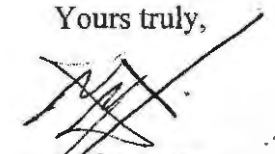
Re: Lodgement of Financial Statements and Accounts (Victorian Branch)

We would like to lodge our financial statements and accounts for 2014 in accordance with the provisions of Chapter 8, Part 3 of the Fair Work Act 2009 as follows

1. Full financial report
2. Secretary's certificate

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

Yours truly,


Junha Jang
Finance Manager





PLUMBING TRADES EMPLOYEES UNION
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 31st March 2014, referred to in
s268 of the RAO Schedule; and
- That the full report was provided to members on our website on and
from 30-Jun-2014; and
- The full report was presented at a Committee Meeting of Members on
8-Jul-2014.


Earl Setches
State Secretary

Date 8-Jul-2014



**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 2014**

**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 2014**

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 \$925,118 (2013: profit of \$189,977). The organisation continued to represent its members in industrial and other matters, focusing particularly on training and educational projects to advance the industry. During the year, it also paid particular attention to corporate governance, ensuring that it complies with legislative requirements. As at reporting date, it had accumulated net assets of \$11.29 million, and had reduced interest bearing debt to under \$0.1 million. The organisation is well placed to meet the future needs of the industry and moreover its members, through enhanced representation and training services, the latter arising given the ongoing development at PICAC Ltd. Close alignment with the U.A. (USA) also continues to enhance member services and delivery.

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 2014, the number of members of the organisation recorded in the register of members was 7,278 (2013: 7,406).

Number of Employees

As at 31 March 2014, the number of full time equivalent employees was 24 (2013 : 26).

Committee of Management

The Committee of Management current members are as follows:-

N Ottobre	(1.4.13 – 31.3.14)	E Setches	(1.4.13 – 31.3.14)
C Delidakis	(1.4.13 – 31.3.14)	P Mc Crudden	(1.4.13 – 31.3.14)
R Menzies	(1.4.13 – 31.3.14)	D Saunders	(1.4.13 – 31.3.14)
N McCubbin	(1.4.13 – 31.3.14)	T Smart	(1.4.13 – 31.3.14)
S Bamford	(1.4.13 – 31.3.14)	R Vaughan	(1.4.13 – 31.3.14)
I Marris	(1.4.13 – 31.3.14)		

**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 2014 (cont'd)**

Officers & employees who are directors of a company or a member of a board

Details of officers and employees, who are directors of a company or a member of a board, are as follows:

Name of Officeholder	Name of Company or Board	Position Held	Principal Activity of Company or Board	Position Held because officer or employee of Union or nominated by Union or Peak Council
Earl Setches	PICAC	Director	Training	Yes
	Incolink	Director	Redundancy	Yes
	CBUS	Director	Superannuation	Yes
	PAC	Director	Regulations	Yes
	CEPUTEC	Director	Training	Yes
	PJTF	Director	Funds Management	Yes
	NUDJ Plumbing Ltd	Director	Apprentice Placements	Yes
	Indigenous Plumbing Sanitation Fund	Director	Training	Yes
Paddy McCrudden	Co-invest	Director	Funds Management	Yes
	PICAC	Director	Training	Yes
	PJTF	Director	Funds Management	Yes
	PAC	Director	Regulations	Yes
	Indigenous Plumbing Sanitation Fund	Director	Training	Yes
Nazza Ottobre	PJTF	Director	Funds Management	Yes
	PICAC	Director	Training	Yes
	CEPUTEC	Director	Training	Yes

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 24 day of June 2014

**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 on 24 June 2014 in relation to the general purpose financial report of the reporting unit for the financial year ended 31 March 2014.

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 FWC and Australian Accounting Standards;
- (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 FWC duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or General Manager of FWC;
 - 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; and
 - vi. where the Union comprises of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable in a manner consistent with each of the other reporting units of the organisation.
- (e) in relation to recovery of wages activity no revenue has been derived from undertaking recovery of wages activity during the reporting period.

For the Committee of Management:


C Delidakis


R Vaughan

Dated this 24 day of June 2014

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 2014 there have been:-

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



Stannards Accountants and Advisors



MB Shulman
Registered Company Auditor (163888)
Holder of Current Public Practice Certificate
Approved Auditor (FWC Act and Regulations)

Dated this 25 day of June 2014

Partners

Mario Angelini, CA
Michael Shulman, CA
Nello Traficante, CPA
Jason Wall, CA
Nicole Postan, CA
Peter Angelini, CA

**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 2014**

	2014 \$	2013 \$
Revenue		
Membership Subscriptions	4,128,171	3,470,677
Enrolment Fees	24,320	68,000
Rental Income from Investment Property	566,553	612,330
Directors' Fees	111,793	106,779
Work Safe and Aboriginal Grants Income	517,533	632,598
Costs Recovered from Training, Education Centres and Others	1,337,454	1,268,830
Sundry Income	341,738	346,582
Profit on disposals of fixed assets	56,731	-
Donations or Grants	-	-
Sponsorships – C Bus	45,000	56,000
Levies	-	-
Capitation Fees	-	-
Total Revenue	7,129,293	6,561,796
Expenses		
Affiliations		
ALP	54,196	50,477
CEPU National	6,830	-
VTHC	39,021	37,393
Regional Trade Councils	11,161	9,222
Administrative Services		
Advertising	10,599	9,073
Audit & Accounting Fees	11,500	8,900
Compliance Fees	19,500	44,650
Bank and Other Finance Charges	30,374	30,336
Bad Debts and Doubtful Debts	57,786	-
Cleaning and Security Services	7,402	5,437
Committee Fees	29,577	58,158
Computer Programming Expenses	54,196	58,628
Depreciation	383,966	333,409
Forgiveness of Loan – ACT&TAS Branches	(2,437)	131,982
Fringe Benefit Tax	58,666	41,926
Grants	-	-
Interest Paid	4,909	51,710
Insurance	119,601	110,064
Land Tax	64,052	36,655
Legal Costs – Litigation	-	-
Legal Fees – Other Matters	68,448	248
Loss on disposal of fixed assets	-	818
Electricity	13,319	13,440
Repairs and Maintenance	8,336	23,447
Motor Vehicles Expenses	145,769	133,288
Payroll Tax	213,721	167,923
Penalties – via FW(RO) Act or Regulations	-	-
Postage and Mail Outs	102,045	217,890
Printing and Stationery	275,669	272,169
Annual Leave	41,495	71,750
Long Service Leave and Retiring Allowances	330,233	331,298
Rates	25,269	21,301
Rent	9,047	6,888

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 2014**

	2014 \$	2013 \$
Administrative Services (cont'd)		
Salaries and Wages	3,173,507	3,030,366
Sundries	41,840	49,459
Superannuation	460,444	455,929
Telephone and Internet Services	101,465	96,299
Travel and Accommodation	39,767	35,080
Fines and Tolls	13,995	14,009
Fitness and Clothing Allowances	27,764	22,437
Other allowances	89,117	87,977
Debt Collection Expenses	8,992	461
Staff Amenities and Miscellaneous Expenses	8,316	19,733
Consideration to Employers Making Payroll Deductions	-	-
Compulsory Levies	-	-
Fees / allowances – Meeting and Conferences	-	-
Work Safe Expenses	5,690	6,325
	6,165,147	6,096,555
Per Capita Payment to National Office	171,238	347,068
	6,336,385	6,443,623
Total Expenses		
	6,336,385	6,443,623
Profit / (Loss) for Year	792,908	118,173
Fair Value Adjustments to Property	(22,401)	-
	770,507	118,173
Net Profit/ (Loss) available for appropriation between General and Incidental Fund		
	770,507	118,173
Net Revenue from other Funds	154,611	71,804
	925,118	189,977
Net Profit for the Year		
	925,118	189,977

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 2014**

	2014	2013
	\$	\$
Profit / (Loss) for the period	925,118	189,977
Other comprehensive income for the period	-	-
Total comprehensive income for the period	925,118	189,977
Total comprehensive income attributable to: Members of the organisation	925,118	189,977

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 2014**

	Notes	2014 \$	2013 \$
Current Assets			
Cash and Cash Equivalents	4	3,724,114	2,669,819
Receivables	5	484,606	611,649
Inventory	1(b)	31,310	34,330
Property, Plant and Equipment	7	1,353,733	-
Other	6	75,462	73,215
Total Current Assets		5,669,225	3,389,013
Non Current Assets			
Property, Plant and Equipment	7	2,741,905	4,046,534
Investment Property	8	5,595,973	5,674,203
Total Non Current Assets		8,337,878	9,720,737
Total Assets		14,007,103	13,109,750
Current Liabilities			
Payables	9	451,673	329,571
Interest Bearing Debt	13	12,463	9,475
Non Interest Bearing Liabilities	10	349,188	761,595
Provisions	11	1,688,042	1,238,865
Total Current Liabilities		2,501,366	2,339,506
Non Current Liabilities			
Provisions	11	146,835	325,868
Interest Bearing Debt	13	69,864	80,456
Total Non Current Liabilities		216,699	406,324
Total Liabilities		2,718,065	2,745,830
Net Assets		11,289,038	10,363,920
Equity			
Defence Fund	12(a)	2,880,330	2,841,297
General Fund	12(a)	3,534,451	2,993,300
Incidental Fund	12(a)	1,933,631	1,653,172
Special Purpose Fund	12(a)	1,182,774	1,118,299
Asset Revaluation Reserve	12(b)	1,757,852	1,757,852
Total Equity		11,289,038	10,363,920

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 2014**

	2014 \$	2013 \$
Accumulated Profit / (Deficit) – Beginning of Year	-	-
Profit / (Loss) for the Year	925,118	189,977
Distribution to:-		
Defence Fund	(39,033)	(72,778)
General Fund	(541,151)	(116,120)
Incidental Fund	(280,459)	(61,787)
Special Purpose Fund	(64,475)	60,708
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 2014**

	Notes	2014 Inflows/ (Outflows) \$	2013 Inflows/ (Outflows) \$
Cash flows from Operating Activities			
Contributions and enrolment fees from Members		4,155,717	3,538,677
Interest Received		107,857	126,078
Grants Received		517,533	632,598
Levies Received		-	74,663
Other Income		340,823	368,405
Directors' Fees		111,793	106,779
Rent Received – Investment Property (PJTF)		557,890	612,330
Amounts recharged and recouped		1,389,453	1,324,830
Payments to Suppliers and Employees		(5,349,951)	(5,507,515)
Interest Paid		(4,909)	(51,710)
Levies remitted to Federal Office		-	(47,513)
Per Capita to Federal Office		(171,238)	(347,068)
Net Cash Provided by Operating Activities	15	1,654,968	830,554
Cash flows from Investing Activities			
Payments for Property, Plant and Equipment and Investment Properties		(388,280)	(174,454)
Proceeds from Sale of Plant and Equipment		67,770	3,636
Net Cash Provided by / (Used in) Investing Activities		(320,510)	(170,818)
Cash flows from Financing Activities			
Borrowings		(7,604)	(2,151,000)
Repayments by/(to) Federal Office		(270,734)	119,736
Advance to CEPU WA Branch		(1,825)	-
Net Cash Provided by/(Used) in Financing Activities		(280,163)	(2,031,264)
Net Increase in Cash and Cash Equivalents		1,054,295	(1,371,528)
Cash and Cash Equivalents at Beginning of Year		2,669,819	4,041,347
Cash and Cash Equivalents at End of Year	15	3,724,114	2,669,819

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 2014**

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).

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. The Union is a 'not for profit' organisation.

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 at cost or 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 book value at that date. Any significant increase or decrease is recognised in accordance with accounting standards. Buildings are being depreciated as set out below.

All other fixed assets are also measured at the lower of cost and fair value.

Depreciation

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

	2014	2013
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).

(c) Income Tax

No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 50-5 of the Income Tax Assessment Act 1997. An obligation for fringe benefits tax and goods and services tax still exists and has been accounted for by 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 STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)**

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

(d) 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.

During the year, the Union adopted AASB 119: Employee Benefits and the relevant consequential amendments arising from the related Amending Standards, which are mandatorily applicable from 1 January 2013.

The Union has applied AASB 119 with retrospective effect. Among other things, the main changes introduced by AASB 119 relate to defined benefit plans and termination benefits, which have no impact on the Union's financial statements as the Union has no defined benefit obligations or termination benefits at present. Additionally, AASB 119 has introduced revised definitions for "short-term employee benefits" and "other long-term employee benefits". These revisions can cause a change in accounting policy for the annual leave provision amounts recognised in the financial statements as explained below.

Provision for employee benefits: annual leave

For the purpose of measurement, AASB 119 defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. Previously, annual leave satisfied the definition of short-term employee benefits and therefore the leave liability was measured on an undiscounted basis at the amounts expected to be paid when the liability was settled. However, under AASB 119, as the Union expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows, obligations for annual leave entitlements now meet the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees. The effects of the adjustments required for each period presented are not significant. Further these changes do not significantly impact the classification of leave entitlements between current and non-current liabilities in the statement of financial position.

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 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.

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 24.

**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 2014 (cont'd)**

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

(e) Revenue Recognition

Contributions from members are shown net of refunds and are accounted for on an accruals basis. In the prior year, accounting for such contributions reflected this year's approach, given the Union does not accrue for unfinancial members in its financial report. Any contribution received in advance for the next period is included in deferred income.

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 and settlement has occurred.

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

(f) 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.

(g) 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.

(h) Trade and other receivables

Trade and other receivables are recognised initially at fair value and are generally due for settlement within 30 days.

The collectability of debts is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that the Union will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognised in the income statement as an expense.

(i) Trade and other payables

Trade payables and other accounts payable are recognised when the Union becomes obliged to make future payments resulting from the purchase of goods and services. Trade accounts payable are normally settled within 30 days.

(j) Capitation Fees

These fees are recognised on an accruals basis, and recorded as an expense in the year to which they relate.

**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 2014 (cont'd)**

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

(k) Comparative Information

In the 2013 year, donations of \$23,863 were inadvertently recorded by the Union as 'Committee Fees and Expenses'. This did not impact the profit/(loss) reported by the Union in that year, however, the following changes to prior year comparative information have occurred in this year's financial report to reflect the correct classification of donations:-

	Reported 2013 Accounts \$	Restated in 2014 Accounts \$	Difference \$
Committee Fees and Expenses	82,020	58,158	(23,862)
Donations	37,057	60,919	23,862
	119,077	119,077	-
As a result, the following reserve accounts have also been adjusted in this year's financial report:			
	Reported 2013 Accounts \$	Restated in 2014 Accounts \$	Difference \$
General Fund	2,978,179	2,993,300	15,121
Incident Fund	1,644,431	1,653,172	8,741
Special Purpose Fund	1,142,161	1,118,299	(23,862)
	5,764,771	5,764,771	-

(l) Critical Accounting Estimates and Judgements

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

Key Estimates – Impairment

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

(m) Fair value measurement

The Union has applied AASB 13: Fair Value Measurement and the relevant consequential amendments arising from the related Amending Standards prospectively from its mandatory application date of 1 January 2013 and in accordance with the transitional requirements in AASB 13.

No material adjustments to the carrying amounts of any of the Union's assets or liabilities were required as a consequent of applying AASB 13. Nevertheless, AASB 13 requires some additional disclosures regarding assets and liabilities that are measured at fair value in the Union's 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 2014 (cont'd)**

1. Summary of Accounting Policies (cont'd)

(n) New Accounting Standards for Application in Future Periods

Where the AASB has issued a new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, the Union has decided not to early adopt any of the new and amended pronouncements as they will not materially impact this year's financial report.

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 FWC, may apply to the organisation for specified prescribed information in relation to the organisation to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the organisation.
- (3) An organisation must comply with an application made under subsection (1).

**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 2014 (cont'd)**

3. Fund Analysis

3.1 Defence Fund	Notes	2014 \$	2013 \$
INCOME			
Interest Received		39,033	45,628
Levies		-	27,150
Total Income		<u>39,033</u>	<u>72,778</u>
MOVEMENT			
Surplus for Year		39,033	72,778
Surplus B/Fwd		2,841,297	2,768,519
Accumulated Surplus	12(a)	<u>2,880,330</u>	<u>2,841,297</u>
3.2 General Fund			
INCOME			
Interest Received		32,616	38,125
Net Surplus/(Deficit) transferred (2/3 of Net Profit / (Loss) from Ordinary Activities)		508,535	77,995
Total Income		<u>541,151</u>	<u>116,120</u>
MOVEMENT			
Surplus/(Deficit) for Year		541,151	116,120
Surplus B/Fwd		2,993,300	2,877,180
Accumulated Surplus	12(a)	<u>3,534,451</u>	<u>2,993,300</u>
3.3 Incidental Fund			
INCOME			
Interest Received		18,487	21,610
Net Surplus/(Deficit) transferred (1/3 of Net Profit/(Loss) from Ordinary Activities)		261,972	40,177
Total Income		<u>280,459</u>	<u>61,787</u>
MOVEMENT			
Surplus/(Deficit) for the Year		280,459	61,787
Surplus B/Fwd		1,653,172	1,591,385
Accumulated Surplus	12(a)	<u>1,933,631</u>	<u>1,653,172</u>
3.4 Special Purpose Fund			
INCOME			
Interest Received		17,721	20,715
Sales of t-shirts / windcheaters		16,435	21,823
Federal Office Levy		-	47,513
Total Income		<u>34,156</u>	<u>90,051</u>
EXPENDITURE			
Donations		* 56,979	60,919
Functions – staff and other		25,551	5,392
T-shirts / windcheater purchases		28,824	36,935
Federal Office Levy Payments (Forgiveness)		(141,673)	47,513
Total Expenditure		<u>(30,319)</u>	<u>150,759</u>
MOVEMENTS			
Surplus/(Deficit) for the year		64,475	(60,708)
Surplus B/Fwd		1,118,299	1,179,007
Accumulated Surplus	12(a)	<u>1,182,774</u>	<u>1,118,299</u>

* Of this amount, \$51,694 of donations were in excess of \$1,000 each.

**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 2014 (cont'd)**

3. Fund Analysis (cont'd)

General Fund

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

Incidental Fund

Pursuant to the Rules of the Union, the surplus allocatable to in the General Fund at the close of each financial period is divided into three equal parts with one part being allocated to the Incidental Fund and two parts of the General Fund. This Fund is wholly at the disposal of the Branch for any purpose whatsoever.

Defence Fund

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

Special Purpose

This reserve is used for specific purposes approved by the Divisional Council or Divisional Executive. It incorporates levies and per capita payments in respect of the Federal Office, and membership transactions.

	2014 \$	2013 \$
4. Cash and Cash Equivalents		
Cash at Bank	3,718,614	2,664,319
Cash on Hand	5,500	5,500
	3,724,114	2,669,819
5. Receivables		
Sundry Debtors and Accrued Income	50,965	54,191
GST Receivable	(43,419)	(48,055)
Amounts due from National Office and other related parties	51,825	50,000
Amounts due from Training and Education Centres	425,235	555,513
	484,606	611,649
No receivables were past due at reporting date (2013: \$nil)		
6. Other Current Assets		
Prepayments	75,462	73,215

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

7. Property, Plant and Equipment	2014 \$	2013 \$
Current		
Freehold Land – At cost	300,000	-
Buildings – At cost or recoverable value	1,095,713	-
Less: Accumulated Depreciation of Building	(41,980)	-
Total Property, Plant & Equipment (Current)	<u>1,353,733</u>	<u>-</u>

The property in St Kilda was sold on 29 May 2014. Its book value has been adjusted to reflect net sales proceeds available to the Union from the sales transaction. Given settlement in the next financial year, the property above has been classified as a current asset, as has the property in Broome, given the intention to realise that asset in the next financial year.

Non-Current		
Freehold Land		
At Valuation	1,105,650	1,105,650
At Cost	-	300,000
	<u>1,105,650</u>	<u>1,405,650</u>
Buildings on Freehold Land		
At Valuation	900,000	900,000
At Cost	551,386	1,690,994
Less: Accumulated Depreciation	(268,037)	(334,268)
	<u>1,183,349</u>	<u>2,256,726</u>
Motor Vehicles		
At Cost	641,104	529,453
Less: Accumulated Depreciation	(287,106)	(319,171)
	<u>353,998</u>	<u>210,282</u>
Furniture and Equipment		
At Cost	723,443	713,319
Less: Accumulated Depreciation	(639,850)	(558,731)
	<u>83,593</u>	<u>154,588</u>
Fixtures and Fittings		
At Cost	45,431	45,431
Less: Accumulated Depreciation	(30,116)	(26,143)
	<u>15,315</u>	<u>19,288</u>
Total Property, Plant and Equipment (Non Current)	<u>2,741,905</u>	<u>4,046,534</u>

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 2014 (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.

2014	Freehold Land \$	Buildings \$	Motor Vehicles \$	Furniture & Equipment \$	Fixtures & Fittings \$	Total \$
Carrying amount at beginning of year	1,405,650	2,256,726	210,282	154,588	19,288	4,046,534
Additions	-	66,642	304,763	16,875	-	388,280
Disposals	-	-	(11,039)	-	-	(11,039)
Impairment Loss	-	(21,057)	-	(1,344)	-	(22,401)
Depreciation expense	-	(65,229)	(150,008)	(86,526)	(3,973)	(305,736)
Carrying amount at end of year	1,405,650	2,237,082	353,998	83,593	15,315	4,095,638

2013	Freehold Land \$	Buildings \$	Motor Vehicles \$	Furniture & Equipment \$	Fixtures & Fittings \$	Total \$
Carrying amount at beginning of year	1,405,650	2,297,009	223,961	181,756	23,338	4,131,714
Additions	-	24,028	107,660	42,766	-	174,454
Disposals	-	-	(4,455)	-	-	(4,455)
Depreciation Expense	-	(64,311)	(116,884)	(69,934)	(4,050)	(255,179)
Carrying amount at end of year	1,405,650	2,256,726	210,282	154,588	19,288	4,046,534

	2014 \$	2013 \$
8. Investment Property		
Carrying amount at the beginning of year	5,875,691	5,875,691
Less: Depreciation	(279,718)	(201,488)
Carrying amount at the end of year	5,595,973	5,674,203

* (Valued by Jones Lang LaSalle, Certified Practising Valuers on 23 March 2010 on a 'market value for mortgage security' basis).

9. Payables		
Creditors and accruals	451,673	329,571
Consideration to employers for payable deductions	-	-
Legal Costs – other matters / litigation	-	-
	<u>451,673</u>	<u>329,571</u>
10. Non Interest Bearing Liabilities		
Amount Payable to Federal Office	349,188	761,595

**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 2014 (cont'd)**

11. Provisions	2014 \$	2013 \$
<i>Current</i>		
Annual Leave	314,182	272,687
Long Service Leave and Retiring Allowances	1,373,860	966,178
	<u>1,688,042</u>	<u>1,238,865</u>
<i>Non Current</i>		
Long Service Leave and Retiring Allowances	146,835	325,868
	<u>146,835</u>	<u>325,868</u>

Of the amounts owing above, they are payable as follows:-

	Annual Leave		Long Service Leave and Retirement Allowance		Total	
	2014	2013	2014	2013	2014	2013
	\$	\$	\$	\$	\$	\$
Officeholders	67,694	55,284	455,200	386,293	522,894	441,577
Other Staff	246,488	217,403	1,065,495	905,753	1,311,983	1,123,156
Total	<u>314,182</u>	<u>272,687</u>	<u>1,520,695</u>	<u>1,292,046</u>	<u>1,834,877</u>	<u>1,564,733</u>

There are no provisions for separation and redundancy or other provisions for officeholders or other employees (2013: \$nil)

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Union does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Union does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

12. Equity	Defence	General	Incidental	Special Purpose
	\$	\$	\$	\$
(a) Accumulated Funds				
Balance at beginning of year	2,841,297	2,993,300	1,653,172	1,118,299
Surplus for year	39,033	541,151	280,459	64,475
Balance at end of year	<u>2,880,330</u>	<u>3,534,451</u>	<u>1,933,631</u>	<u>1,182,774</u>
			2014	2013
(b) Asset Revaluation Reserve			\$	\$
Opening balance			1,757,852	1,757,852
Revaluation increment arising on revaluing freehold land & buildings			-	-
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 – VICTORIA BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (cont'd)**

13. Interest Bearing Debt	2014 \$	2013 \$
Current	12,463	9,475
Non Current	69,864	80,456
	<u>82,327</u>	<u>89,931</u>

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

14. Employee Benefits	Elected Officials		Employees		Total	
Employee benefits paid/accrued during the year	2014 \$	2013 \$	2014 \$	2013 \$	2014 \$	2013 \$
Wages and Salaries	455,693	380,842	2,717,814	2,649,518	3,173,507	3,030,360
Annual Leave	8,631	14,494	32,864	57,256	41,495	71,750
Long Service Leave and Retirement Allowance	98,740	100,051	231,493	231,247	330,233	331,298
Superannuation	63,322	74,297	397,122	381,632	460,444	455,929
Total	<u>626,386</u>	<u>569,684</u>	<u>3,379,293</u>	<u>3,319,653</u>	<u>4,005,679</u>	<u>3,889,337</u>

No separation or redundancy costs or other expenses were incurred this year (2013: \$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 2014 (cont'd)**

15. Cash Flow Information

		2014	2013
		\$	\$
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:-			
Cash at Bank		3,718,614	2,664,319
Cash on Hand		5,500	5,500
		<u>3,724,114</u>	<u>2,669,819</u>
b. Reconciliation of Net Cash Provided by Operating Activities to Net Profit			
Net Profit / (Loss)	Notes		
Defence Fund	3.1	39,033	72,778
General Fund	3.2	541,151	116,120
Incidental Fund	3.3	280,459	61,787
Special Purpose Fund	3.4	64,475	(60,708)
		<u>925,118</u>	<u>189,977</u>
Non Cash Items			
Depreciation		383,966	333,409
Provisions		270,144	347,155
Forgiven Loan – TAS & ACT Branch		(2,437)	131,982
Federal Office Loan Forgiven		(141,673)	-
(Profit) / Loss on Disposal of Non Current Assets		(56,731)	818
Impairment Loss		22,401	-
Changes in Operating Assets and Liabilities			
(Increase)/Decrease in Prepayments		(2,247)	(8,005)
(Increase)/Decrease in Inventories		3,020	5,200
Increase/(Decrease) in Trade Creditors and Accruals		124,539	(192,584)
(Increase)/Decrease in Sundry Debtors and Training Centre Receivables		133,504	28,389
(Increase)/Decrease in GST Receivables		(4,636)	(5,787)
Net Cash Provided by Operating Activities		<u>1,654,968</u>	<u>830,554</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 2014 (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	
N. McCubbin	
S. Bamford	
D. Saunders	
R. Menzies	

- b. Amounts received or due and receivable (ie. wages paid to E Setches, R Vaughan, P McCrudden and committee fees paid) to members of the Committee of Management were \$455,693 (2013 : \$380,842). Annual leave provisions to these personnel during the year, long service leave and retirement allowances are disclosed in Note 14. There were no bonuses or termination benefits paid to officeholders. There were no loans to/from officeholders (2013: \$nil). Amounts paid on behalf of the Secretary, Assistant Secretary and Committee Members to the Building Union Superannuation Scheme in respect to the retirement of Committee of Management members were \$63,322 (2013: \$74,297).

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

- c. Amounts paid to key officers this year:-

Remuneration of Key Officers	Short-term Benefits Remuneration	Post – Employment Benefits	Other Benefits
E. Setches	167,230	19,807	-
P. McCrudden	159,146	19,940	-
TOTAL	326,376	39,747	-

Annual leave and long service leave provisions accrued during year:-

	Annual Leave \$	Long Service Leave \$
E. Setches	825	21,632
P. McCrudden	(2,250)	16,411
TOTAL	(1,425)	38,043

No termination benefit or share based payments were received by key personnel or other officeholders.

The officeholders received no 'non cash' benefits not included in remuneration (2013: \$nil). No officeholder of the Branch during the year and/or the prior year had any material personal interest in a matter that he/she has or did acquire, or a relative of the officeholder has or did acquire.

**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 2014 (cont'd)**

16. Related Party Information (cont'd)

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

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

Directors fees received by officeholders in their positions as directors of other entities and passed on directly to the Branch amounted to \$111,793 (2013: \$106,799).

- 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

	2014	2013
Per Capital Payment		
During the year, the Victorian Branch of the Union paid to the Federal Office a per capital payment calculated in accordance with the rules.	171,238	347,068
Loan forgiveness by Federal Office to the Branch during the year.	(141,673)	-
Loan forgiveness to Tasmania and Canberra branches during the year	-	131,982
Rental Income on Investment Property - Plumbing Joint Training Fund Ltd	564,899	612,330
f. Related Party balances at year end		
Amounts receivable/(payable) at reporting date – Federal office and other branches		
Federal	(349,188)	(761,595)
Tasmania	-	2,437
Canberra	-	-
WA	1,825	-
	<hr/>	<hr/>
Fees receivable – related entity Plumbing Joint Trading Fund Limited	238,743	213,734
	<hr/>	<hr/>
Fees payable to Branch – related entity NUDJ Plumbing Services Ltd (movement for year represents doubtful debt)	57,786	115,572
	<hr/>	<hr/>

17. Commitments

Capital expenditure commitments as at 31 March 2014 – \$nil, 2013 : \$nil

18. Contingent Liability

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

There was no contingent liability at 31 March 2014 (2013 : \$nil)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (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 Victoria.

20. Other Matters

The Union does not have any formal agreement to provide financial support to another reporting unit to ensure its ability to continue as a going concern. It did not receive any financial support from any other reporting unit.

The Union did not acquire an asset or liability as a result of an amalgamation, restructure or alternative reporting unit determination or revocation.

The Union did not acquire assets or liabilities as part of a business combination.

21. Union's Details

The principal place of business of the branch is:

52 Victoria Street
CARLTON VIC 3053

22. Financial Instruments

a. Financial Risk Management

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

The Union's does not have any derivative instruments at 31 March 2014.

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 Union's is exposed to through its financial instruments are liquidity risk, interest rate risk and credit risk.

Foreign Currency

The Union's is not exposed to fluctuations in foreign currency.

Liquidity Risk

The Union's 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 \$425,235 (2013 : \$555,513) 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 2014 (cont'd)**

22. Financial Instruments (cont'd)

a. 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	
		2014 \$	2013 \$	2014 \$	2013 \$	2014 \$	2013 \$	2014 \$	2013 \$	2014 \$	2013 \$	2014 %	2013 %
(i)	Financial Assets												
	Cash and Cash Equivalents	3,718,614	2,664,319	-	-	-	-	5,500	5,500	3,724,114	2,669,819	3.1	3.75
	Receivables	-	-	-	-	-	-	484,606	611,649	484,606	611,649		
	Other Financial Assets	-	-	-	-	-	-	-	-	-	-	N/A	N/A
	Total	3,718,614	2,664,319	-	-	-	-	490,106	617,149	4,208,720	3,281,468		
(ii)	Financial Liabilities												
	Interest Bearing Debt	-	-	12,483	9,475	69,864	80,456	-	-	82,347	89,931	5.67	6.00
	Payables	-	-	-	-	-	-	451,673	329,571	451,673	329,571		
	Non Interest Bearing Liabilities	-	-	-	-	-	-	349,188	761,595	349,188	761,595		
	Total	-	-	12,483	9,475	69,864	80,456	800,861	1,091,166	883,208	1,181,097		
	Net Financial Assets/(Liabilities)	3,718,614	2,664,319	(12,483)	(9,475)	(69,864)	(80,456)	(310,755)	(474,017)	3,325,512	2,100,371		

**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 2014 (cont'd)**

22. Financial Instruments (cont'd)

c. Net Fair Values

The net fair value of the investments in commercial bills/securities at 31 March 2014 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 assets and liabilities as disclosed above and recognised in the statement of financial position as at 31 March 2014.

d. Sensitivity Analysis

Interest rate risk

The Union 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 2014, the effect on profit and equity as a result of changes in the interest, with all other variable remaining constant, would be as follows:

	2014 \$	2013 \$
Change in surplus		
Increase in interest rate by 2%	72,725	51,488
Decrease in interest rate by 2%	(72,725)	(51,488)
Change in equity		
Increase in interest rate by 2%	72,725	51,488
Decrease in interest rate by 2%	(72,725)	(51,488)

23. Events Subsequent to Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, the results of those operations, or the state of affairs of the Union in future financial years.

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 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, Cash Flow Statement, and accompanying notes to 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 2014 set out on pages 3 to 28.

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 FWC 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 Victorian 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 FWC 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.

INDEPENDENT AUDIT REPORT
(cont'd)

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 FWC, including;
 - 1. Any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity; and
 - 2. Any donations or other contributions deducted from recovered money; and
- c. Any other requirements imposed by these Reporting Guidelines or the Fair Work (Registered Organisations) Act 2009.

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

As part of our audit of the organisation for the year ended 31 March 2014, we are of the opinion that management's use of the going concern basis of accounting in the preparation of its financial statements is appropriate.



Stannards Accounting and Advisors



MB Shulman
Registered Company Auditor (163888)
Holder of Current Public Practice Certificate
Approved Auditor (FWC Act and Regulations)

Dated this 25th day of June 2014



12 June 2014

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

Sent by email: jjang@pteu.asn.au

Dear Mr Setches,

Re: Lodgement of Statements of Loans, Grants and Donations - Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union, Plumbing Division, Victorian Branch - for year ended 31 March 2014 (FR2014/56)

I acknowledge receipt of the Statement of Loans, Grants and Donations lodged pursuant to section 237 of the *Fair Work (Registered Organisations) Act 2009* with the Fair Work Commission today, 12 June 2014, in respect of the year ending 31 March 2014 for the Victorian Branch of the Plumbing Division.

The Statement has been filed and may be inspected by members of the Branch in accordance with subsections 237(4), 237(7) and 237(8) of the Act.

Yours sincerely

Stephen Kellett
Senior Adviser, Regulatory Compliance Branch

cc. Mr Junha Jang, Finance Manager



10 April 2014

Mr Earl Setches
Branch Secretary
Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services
Union of Australia-Plumbing Division Victorian Divisional Branch
Sent by email: info@pteu.asn.au

Dear Mr Setches,

**Re: Lodgement of Financial Report - [FR2014/56]
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Plumbing Division Victorian Divisional Branch of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia (the reporting unit) ended on 31 March 2014.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date, namely 15 October 2014 (being the expiry date of 6 months and 14 days from the end of the financial year), under s.268 of the RO Act.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. Further, the General Manager's updated Reporting Guidelines, that apply to all financial reports prepared on or after 30 June 2013, are also available on the website. For your convenience, a webinar on the Reporting Guidelines has also been placed on the website.

The Fair Work Commission has also developed a model set of financial statements. There is no requirement to use this model but it may be a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. All of the above information can be accessed through our website under [Financial Reporting](#).

The financial report and any statement of loans, grants or donations made during the financial year [statement must be lodged within 90 days of end of financial year] can be emailed to orgs@fwc.gov.au. A sample statement of loans, grants or donations is available at [sample documents](#).

It should be noted that s.268 is a civil penalty provision. Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$51,000 for a body corporate and \$10,200 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7936 or via email at robert.pfeiffer@fwc.gov.au.

Yours sincerely,

Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
Prepare financial statements and Operating Report.		
<p>(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.</p> <p>(b) A #designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).</p>	/ /	As soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	<p>Within a reasonable time of having received the GPFR</p> <p>(NB: Auditor's report must be dated on or after date of Committee of Management Statement</p>
<p>Provide full report free of charge to members – s265</p> <p>The full report includes:</p> <ul style="list-style-type: none"> the General Purpose Financial Report (which includes the Committee of Management Statement); the Auditor's Report; and the Operating Report. 	/ /	<p>(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,</p> <p>or</p> <p>(b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.</p>
Present full report to:		
(a) General Meeting of Members - s266 (1),(2); OR	/ /	Within 6 months of end of financial year
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	Within 6 months of end of financial year
Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268	/ /	Within 14 days of meeting

* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.