



AUSTRALIAN INDUSTRIAL REGISTRY

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

Ref: FR2002/843-[128V-QLD]

Mr R Williams
Branch Secretary
Queensland Divisional Branch
Electrical Division
CEPU
41 Peel Street
SOUTH BRISBANE QLD 4101

Dear Mr Williams

**Re: CEPU - Electrical Division, Queensland Divisional Branch
Financial Reporting Obligations under *Workplace Relations Act 1996***

This is a courtesy letter to remind you of the financial reporting obligations of the abovenamed body under the *Workplace Relations Act 1996* ('the Act') for the financial year ended 31 December, 2002.

The legislative scheme set out in Part IX, Division 11 of the Act is directed at ensuring that a registered organisation or a branch of such an organisation discharges obligations of accountability to its members in relation to its financial affairs through proper and regular disclosure of financial information. The various steps of the financial reporting requirements must be carried out within the time-scales prescribed by the legislation so as to ensure the relevance of the financial information provided to the members.

Now that the financial year has ended, it is timely that you put in train the various steps of the financial reporting requirements. To assist you with this process I have enclosed for your information a notice summarising these requirements including the time-scales prescribed by the legislation. Please note that a branch of an organisation may be exempted from the obligations arising under Part IX, Division 11 in respect of a financial year by satisfying a Registrar that the branch did not have any financial affairs during the financial year. An application under subsection 271A(1) of the Act must be made within 90 days (unless extended by a Registrar) after the end of the financial year.

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

Yours sincerely

Belinda Penna
E-mail: belinda.penna@air.gov.au
21 February 2003



CEPU

COMMUNICATIONS ELECTRICAL PLUMBING UNION
ELECTRICAL DIVISION - QUEENSLAND BRANCH

Registered Nationally as: COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL
 PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA

Registered in Queensland as: ELECTRICAL TRADES UNION OF EMPLOYEES OF AUSTRALIA Queensland Branch

REGISTERED OFFICE:
 41 Peel Street
 SOUTH BRISBANE QLD 4101

POSTAL ADDRESS:
 PO Box 3520
 SOUTH BRISBANE QLD 4101
 Please address all correspondence to the
 Secretary: R.L. Dick WILLIAMS

Telephone: (07) 3846 2477
 Facsimile: (07) 3844 9851

Ref: RLW/ELC

Australian Industrial Relations Commission
 GPO Box 373
 BRISBANE QLD 4001



Thursday, 12th June, 2003

Dear Sir

RE: 2002 FINANCIAL RETURNS

The documents lodged herewith are an original copy of this organisations audited Financial Statements for the year ending 31 Dec 2002. These were tabled at our Annual General Meeting on 28th May 2003 (second meeting) and they include the Certificate by Auditor, the Committee of Management Certificate and the Accounting Officer's Certificate, which were in accordance with a resolution, passed by the Committee at our meeting on 24th March 2003 (first meeting).

All members have received a copy of same which was included with our April 2003 Journal.

Yours faithfully

R. L. Williams
 State Secretary

Encl.



**COMMUNICATIONS, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
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ELECTRICAL DIVISION, QUEENSLAND BRANCH**

AND

**Registered in Queensland as
ELECTRICAL TRADES UNION OF EMPLOYEES OF
AUSTRALIA, QUEENSLAND BRANCH**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

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

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BRANCH**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

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Alexander Partners

CHARTERED ACCOUNTANTS

INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF THE COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL, PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, QUEENSLAND BRANCH AND REGISTERED IN QUEENSLAND AS ELECTRICAL TRADES UNION OF EMPLOYEES OF AUSTRALIA, QUEENSLAND BRANCH.

SCOPE

We have audited the attached financial statements, being a special purpose financial report, of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Queensland Branch and Registered in Queensland as the Electrical Trades Union of Employees of Australia, Queensland Branch ("Union" collectively) for the year ended 31 December 2002, set out on pages 4 to 30. The Union's Committee of Management is responsible for the preparation and presentation of the financial statements and the information they contain and have determined that the accounting policies used and described in Note 1 to the financial statements are appropriate to meet the requirements of the Workplace Relations Act 1996 and Industrial Relations Act 1999 ("Acts") and are appropriate to meet the needs of the members and the rules of the Union. We have conducted an independent audit of these financial statements in order to express an opinion on them to the members. No opinion is expressed as to whether the accounting policies used and described in Note 1 are appropriate to meet the needs of the members.

The financial statements have been prepared for distribution to members for the purpose of fulfilling the Committee of Management's financial reporting requirements under the Acts and the Union's Rules. We disclaim any assumption of responsibility for any reliance on this report or on the financial statements to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

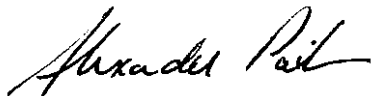
Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with the requirements of the Acts and the accounting policies described in Note 1 to the financial statements. These policies do not require the application of all accounting standards and Urgent Issues Consensus Views.

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

AUDIT OPINION

In our opinion:

- (i) the financial statements of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Electrical Division, Queensland Branch and Registered in Queensland as Electrical Trades Union of Employees of Australia, Queensland Branch ("Union" collectively) are properly drawn up so as to give a true and fair view of:
 - (a) the financial affairs of the Union as at 31 December 2002; and
 - (b) the income and expenditure and surplus of the Union for the year ended 31 December 2002.
- (ii) the Union has kept satisfactory accounting records in relation to the financial year including:
 - (a) records of the sources and nature of its income (including income from members); and
 - (b) records of the nature and purpose of its expenditure;
- (iii) the financial statements for the year ended 31 December 2002 have been prepared in accordance with:
 - (a) Australian Accounting Standards as set out in Note 1, given effect by the Acts; and
 - (b) the Acts;
- (iv) all of the information and explanations that officers or employees of the Union were required to provide have been provided; and
- (v) there was no deficiency, failure or shortcoming for any of the matters referred to in (i) to (iv) above.



ALEXANDER PARTNERS
Chartered Accountants



A D FRASER
Partner

Brisbane
Dated *26 March, 2003*



Alexander Partners

CHARTERED ACCOUNTANTS

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BRANCH**

CERTIFICATE BY AUDITOR

FOR THE YEAR ENDED 31 DECEMBER 2002

We advise that we have audited the financial statements of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing, and Allied Services Union of Australia, Electrical Division, Queensland Branch ("Branch") for the year ended 31 December 2002.

The financial statements disclose total membership of 12,545 (8,226 financial – 4,319 un-financial) as at 31 December 2002 which is consistent with the membership records maintained by the Branch and audited by us.

ALEXANDER PARTNERS
Chartered Accountants

A D FRASER
Partner

Brisbane
Date : *24 March, 2003*

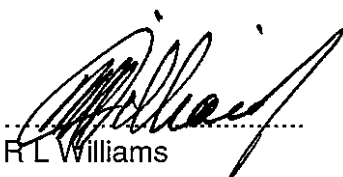
**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,
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BRANCH**

**ACCOUNTING OFFICER'S CERTIFICATE
FOR THE YEAR ENED 31 DECEMBER 2002**

I, RICHARD LAWRENCE WILLIAMS, being the Accounting Officer responsible for keeping the accounting records of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Queensland Branch and Registered in Queensland as Electrical Trades Union of Employees of Australia, Queensland Branch ("Union" collectively), certify that as at 31 December 2002 the number of financial members of the Union was 8,226 and the number of unfinancial members was 4,319.

In my opinion:

- (i) the attached financial statements show a true and fair view of the financial affairs of the Union as at 31 December 2002;
- (ii) a record has been kept of all monies paid by, or collected from, members of the Union and all monies so paid or collected have been credited to the bank account to which those monies are to be credited, in accordance with the rules of the Union;
- (iii) before any expenditure was incurred by the Union, approval of the incurring of the expenditure was obtained in accordance with the rules of the Union;
- (iv) with regard to funds of the Union raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules of the Union, no payments were made out of any such fund for a purpose other than the purpose for which the fund was operated, and if any such payment was so made, it was approved in accordance with the rules of the Union;
- (v) no loans or other financial benefits, other than remuneration in respect of their full-time employment with the Union, were granted to persons holding office in the Union; and
- (vi) the register of members of the Union was maintained in accordance with the Workplace Relations Act 1996 as amended and the Industrial Relations Act 1999 as amended.


R L Williams

Date: 24th MARCH 2003

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION,
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BRANCH**

**COMMITTEE OF MANAGEMENT CERTIFICATE
FOR THE YEAR ENDED 31 DECEMBER 2002**

We, William Gaut and Gordon Abbott, being two members of the Committee of Management ("Committee") of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Electrical Division, Queensland Branch and Registered in Queensland as Electrical Trades Union of Employees of Australia, Queensland Branch ("Union" collectively), do state on behalf of the Committee and in accordance with a resolution passed by the Committee, that –

- (i) in the opinion of the Committee, the attached financial statements show a true and fair view of the financial affairs of the Union as at 31 December 2002;
- (ii) these financial statements have been prepared in accordance with the provisions of the Workplace Relations Act 1996 as amended and the Industrial Relations Act 1999 as amended ("Acts" collectively);
- (iii) in the opinion of the Committee, the Union was solvent during the whole of the year ended 31 December 2002;
- (iv) in the opinion of the Committee, meetings of the Committee were held during the year ended 31 December 2002 in accordance with the rules of the Union;
- (v) to the knowledge of any member of the Committee, there have been no instances during the year to which the attached financial statements relate, where records of the Union or other documents, (not being documents containing information made available to a member of the Union under section 556 of the Industrial Relations Act 1999, as amended, and section 274(2) of the Workplace Relations Act 1996 as amended) or copies of those records or other documents, or copies of the rules of the Union, have not been furnished, or made available, to members of the Union in accordance with the Acts, the Regulations thereto, or the rules of the Union, as the case may be; and
- (vi) in relation to the financial statements and reports (including the Auditor's report) in respect of the year ended 31 December 2001, the Union has complied with sections 565 and 566 of the Industrial Relations Act 1999 as amended and sections 279(1) and 279(6) of the Workplace Relations Act 1996 as amended by presenting to an Annual General Meeting and providing to members the financial statements of the Union, to which are attached the consolidated financial statements of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Electrical Division, Queensland Branch and Registered in Queensland as Electrical Trades Union of Employees of Australia, Queensland Branch for the year ended 31 December 2001.

.....*W.R. Gaut*
W Gaut
Date: 24.03.03

.....*Gordon Abbott*
G Abbott

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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BRANCH**

**GENERAL FUND
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2002**

	Notes	2002 \$	2001 \$
INCOME			
Un-allocated Membership Income	1(b)(i)	(61,573)	8,583
Advertising Received			1,600
Contributions Received (Nett)	1(b)(i)	2,498,024	2,275,773
Contribution Wallets		839	760
Entrance Fees		5,975	4,128
Fines		9,734	12,141
Interest Received		199,294	209,112
Levies Received	9	231,012	176,258
Merchandise Sold		9,133	2,364
Monies Overbanked		224	99
National Council Subsidy - Nth Territory		20,000	12,021
SAA Wiring Rules		230	3,489
Administration Fees – Death & Mortality & Building Fund		12,828	6,939
Refund Staff Salaries		36,651	13,172
Refunded Expenses		28,822	1,769
Other Refunds		51,598	28,860
Rents Received		75,416	69,958
Sundry Income – Prior Year Adjustment			24,482
Sundry Income – General		159,895	38,447
Sundry Income - Maintenance Peel St			48,605
		3,278,102	2,938,560
EXPENDITURE			
Accounting & Audit Fees		9,500	10,604
Advertising		295	-
Affiliation Fees		59,093	58,371
Bank Charges		22,442	17,982
Conference Expenses		12,926	54,682
D, M & B Levy Transfer		131,426	69,970
Debt Collection Fees		75,696	40,088
Delegate Expenses			
• Coal Delegates		35,289	39,319
• Other Delegates		9,646	11,666
Depreciation	1(b)(iv)	110,303	124,672
Donations		2,139	9,562
Doubtful Debt	4	22,825	-
Electrical Trades Journal and Rule Books		8,592	24,081
Electricity			1,056
Employee Leave Entitlements	1(b)(vi)	(194,107)	64,856

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BRANCH**

GENERAL FUND

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2002

	Notes	2002 \$	2001 \$
Expenses 877 Boundary Road		1,389	6,641
Fringe Benefits Tax		34,369	28,635
Honorariums			550
Insurance		32,489	30,746
Internet Expenses		3,457	2,605
Labour Day Expenses		4,216	4,179
Late Fees Paid			134
Legal Costs			
• Professional Fees		25,769	79,758
• Lodgement Fees		1,864	1,949
Loss on Fixed Asset Sales and Scrappings		65,860	4,361
Maintenance - 41 Peel Street		31,159	74,641
Meeting Fees		1,360	953
Merchandise Purchases		22,201	4,248
Motor Vehicle Expenses		54,117	57,251
National Council Fees and Expenses		287,282	275,955
Northern Territory Office – Expenses		31,912	25,933
Office Equipment, Supplies and Expenses		37,839	21,383
Organising Expenses		105,950	53,098
Payroll Tax		42,654	34,717
Postage		27,877	26,037
Printing & Stationery		36,311	42,863
Rates – 877 Boundary Road		8,426	6,929
Refund of Contributions		9,640	12,421
Rent		13,533	12,894
Salaries – Officers		539,009	432,923
Salaries – Staff		782,866	581,839
Salaries – NT		51,730	64,753
Salaries – Temp Staff and Other		113	14,172

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GENERAL FUND

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2002

	Notes	2002 \$	2001 \$
Shop Stewards Reimbursements		21,393	18,550
Staff Amenities		25,288	18,600
Storage		1,076	-
Subscriptions		8,129	3,915
Superannuation		215,859	195,705
Supply Industry Expenses		16,053	3,197
Sundry Expenses		264	2,797
Tasmania Costs		-	21,365
Telephone		75,391	103,601
Training		23,325	15,950
T'ville Petty Cash		-	56
Wages & Salaries		6,967	7,704
		<u>2,953,202</u>	<u>2,820,917</u>
Operating Surplus prior to effect of change in accounting policy	1(c)		117,643
		<u>324,900</u>	<u>117,643</u>
OPERATING SURPLUS		<u>324,900</u>	<u>117,643</u>

This Income and Expenditure Account should be read in conjunction with the Notes to and forming part of these financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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BRANCH**

**GENERAL FUND
BALANCE SHEET
AS AT 31 DECEMBER 2002**

	Notes	2002 \$	2001 \$
ACCUMULATED FUNDS			
Retained Surplus - Prior Year		3,045,056	2,927,413
Current Year surplus		<u>324,900</u>	<u>117,643</u>
TOTAL ACCUMULATED FUNDS		<u>3,369,956</u>	<u>3,045,056</u>
REPRESENTED BY:			
CURRENT ASSETS			
Cash on Hand		1,416	1,041
Cash at Bank	3	192,680	306,609
Commercial Bills		1,087,261	1,095,866
Fixed Deposit		302,624	
GST Paid to Suppliers		6,502	14,986
Debtors	4	<u>22,756</u>	<u>54,747</u>
TOTAL CURRENT ASSETS		<u>1,613,239</u>	<u>1,473,249</u>
NON CURRENT ASSETS			
Investments	5	1,538,614	1,538,614
Loan – Distress & Mortality & Building Fund	6	680,000	680,000
Loan – WA Branch		50,000	50,000
Loan – WA Hammersley Iron	4	-	22,825
Furniture, Fittings and Equipment	7	42,595	53,548
Office Equipment	7	99,980	90,733
Motor Vehicles	7	<u>221,778</u>	<u>283,103</u>
TOTAL NON CURRENT ASSETS		<u>2,632,967</u>	<u>2,718,823</u>
TOTAL ASSETS		<u>4,246,206</u>	<u>4,192,072</u>

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BRANCH**

**GENERAL FUND
BALANCE SHEET
AS AT 31 DECEMBER 2002**

	Notes	2002 \$	2001 \$
CURRENT LIABILITIES			
Creditors		247,581	265,912
Sundry Creditors – D&M&B Fund		2,146	-
GST Collected		18,907	34,228
Payroll Liabilities		51,723	81,375
Provision for Employee Entitlements	8	<u>555,893</u>	<u>765,501</u>
TOTAL CURRENT LIABILITIES		<u>876,250</u>	<u>1,147,016</u>
TOTAL LIABILITIES		876,250	1,147,016
NET ASSETS		<u><u>3,369,956</u></u>	<u><u>3,045,056</u></u>
 Commitments & Contingencies	 12		

This Balance Sheet should be read in conjunction with the Notes to and forming part of these financial statements.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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BRANCH**

GENERAL FUND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2002

	Notes	2002 \$	2001 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Membership Income – Contributions & Entrance Fees		2,442,426	2,288,484
Membership Income – Fines & Levies		240,746	188,399
Interest Income		199,294	209,112
Refund of Expenses		117,071	39,557
Administration Charges – Distress & Mortality & Building Fund		12,828	15,793
Other Operating Receipts		<u>265,737</u>	<u>162,371</u>
		<u>3,278,102</u>	<u>2,903,716</u>
Wages Paid		(1,152,110)	(1,126,709)
Payments to Suppliers and Employees		<u>(1,806,395)</u>	<u>(1,500,899)</u>
		<u>(2,598,505)</u>	<u>(2,627,608)</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	10	<u>319,597</u>	<u>276,108</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Net Redemption (Purchase) of Commercial Bills		8,605	60,910
Purchase of Fixed Deposit		(302,624)	-
Payment for fixed asset purchases		(175,632)	(164,827)
Proceeds on Sale of Fixed Assets		36,500	55,857
Loan advanced to Distress & Mortality & Building Fund		-	(22,825)
Loan advanced to WA Branch		-	-
Loan repayments received		<u>-</u>	<u>8,454</u>
NET CASH FLOWS FROM INVESTING ACTIVITIES		<u>(433,151)</u>	<u>(62,431)</u>
Net Increase/(Decrease) in Cash held		<u>(113,554)</u>	<u>213,677</u>
Cash at the beginning of the financial year		<u>307,650</u>	<u>93,973</u>
Cash as at 31 December 2002	11	<u><u>194,096</u></u>	<u><u>307,650</u></u>

This Statement of Cash Flows should be read in conjunction with the Notes to and forming part of these financial statements.

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GENERAL FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2002

NOTE 1: ACCOUNTING METHODS

(a) Accounting Policies

It has been practice to present financial statements representing the combined operations and combined financial position of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Electrical Division, Queensland Branch ("Branch") and registered in Queensland as the Electrical Trades Union of Employees of Australia, Queensland Branch ("State") ("Union" collectively). The two entities maintain one set of accounting records.

Each entity is required by Federal and State legislation respectively to prepare and lodge financial statements recording their separate financial positions. In order to do this it would be necessary to extract from the single set of financial records such information as is required to accurately describe the individual financial position of each entity.

In August 1995, the High Court determined certain issues concerning the legal status of the State registered unions in *McJannet and Ors v White and Ors*. It now appears to be beyond doubt that the State Union is a separate legal entity from the Branch. It is therefore not appropriate to allocate fixed assets to each entity on an arbitrary division.

Accordingly investigations have been undertaken in light of the legal position explained in *McJannet v White* in order to ensure that assets and liabilities are recorded in the financial statements of the entity which is determined to be the rightful owner. Based upon the outcome of these investigations the assets and liabilities are held in and are owned by the Branch. That is, the State Union (Electrical Trades Union of Employees of Australia, Queensland Branch) has no assets and liabilities.

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GENERAL FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2002

NOTE 1: ACCOUNTING METHODS Cont...

(b) Accounting Methods Cont...

These financial statements are a special purpose financial report. The Committee of Management has determined that the Union is not a Reporting Entity as defined in the Statement of Accounting Concepts 1: Definition of the Reporting Entity. This is because there are no users of the financial statements who would rely on the contents of the financial statements when making decisions concerning the allocation of scarce resources who are not in a position to command their preparation. Accordingly, there is no requirement to apply Accounting Standards and other Mandatory Professional Reporting Requirements in Australia in the preparation and presentation of these financial statements.

The financial statements have been prepared in accordance with the requirements of the Workplace Relations Act 1996, as amended and the Industrial Relations Act 1999 as amended. The following Australian Accounting Standards have also been applied in the preparation of these financial statements.

- AAS 5 – Materiality
- AAS 6 – Accounting Policies - Determination, Application & Disclosure
- AAS 8 – Events Occurring after Balance Date

No other Accounting Standards or other Mandatory Professional Reporting Requirements have been applied.

The financial statements are based on historic cost.

The following specific accounting policies have been adopted in the preparation of these financial statements. They are consistent with the policies of the prior period, unless otherwise stated:

(i) Accruals Basis

In accordance with regulation 43 of the Industrial Relations Regulations 2000 as amended and section 272 of the Workplace Relations Act 1996 as amended, the Union has accounted for all transactions (apart from membership income) on an accruals basis. Membership income is accounted for on a cash basis.

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Registered in Queensland as

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GENERAL FUND

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

NOTE 1: ACCOUNTING METHODS Cont...

(b) Accounting Methods Cont...

Where membership income has been received at year end but advice as to the allocation between contributions and levies is not received until subsequent to year end, these receipts are recognised in the Income and Expenditure Account as "Unallocated Membership Income".

(ii) Comparatives

Comparative figures have been reclassified where appropriate in order to comply with the presentation adopted in the 2001 year.

(iii) Income Tax

The Union is exempt from income tax by virtue of s50-15 of the Income Tax Assessment Act 1997 as amended.

(iv) Depreciation

Depreciation is charged on items of furniture and fittings, plant and equipment and motor vehicles in order to write off the cost of the assets over their estimated useful lives.

(v) Acquisition of Non Current Assets

The cost method of accounting is used for all acquisitions of assets regardless of whether shares or other assets are acquired. Cost is determined as the fair value of the assets given up at the date of acquisition plus costs incidental to the acquisition.

(vi) Employee Entitlements

Provision has been made in the financial statements for employees' annual leave, long service leave and retiring allowance entitlements on the following basis:

Annual Leave

Annual leave has been provided for as the estimated accrued entitlements of all employees in accordance with the provisions of the Union's rules.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2002

NOTE 1: ACCOUNTING METHODS Cont...

(b) Accounting Methods Cont...

(vii) Employee Entitlements Cont...

Long Service Leave

Provision for employee benefits in the form of long service leave has been made for the estimated accrued entitlements of each employee calculated in accordance with the rules of the Union.

Retiring Allowance

Retiring allowances are the estimated accrued entitlements of employees which begin to accrue after 10 years of employment. These entitlements have been calculated using the basis set out in the Union's rules and in accordance with each employee's terms of employment.

(c) Change in Accounting Policy – 2001 Year

As outlined at note 1(b)(i) for the year ended 31 December 2000 the Union adopted regulation 43 of the Industrial Relations Act 1999 as amended and section 272 of the Workplace Relations Act 1996 as amended and accounted for membership income on a cash basis.

In years prior to this, the Union was required to account for all transactions (including membership income) on an accruals basis.

Accordingly in the 2001 year no membership debtors (and related provision for doubtful debts) or prepaid membership income have been taken up in the balance sheet.

The effect of implementing this change in accounting policy has caused debtors to decrease by \$5,492,054 and the provision for doubtful debts to decrease by \$5,201,784. This has caused an amount of \$290,271 to be raised in the Income and Expense Account as an "Effect of Change in Accounting Policy" for the 2001 year.

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FOR THE YEAR ENDED 31 DECEMBER 2002

NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996 as amended and the Industrial Relations Act 1999 as amended, the attention of members is drawn to the following provisions:

(a) Workplace Relations Act 1996 - Sections 274

Sub Section (1)

A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.

Sub Section (2)

An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.

Sub Section (3)

A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of a member.

(b) Industrial Relations Act 1999 – Section 556

Sub section (1)

A member of an organisation may apply to the organisation for information that it must, under a regulation, give to its members.

Sub section (2)

An application may be made by the registrar for a member.

Sub section (3)

The organisation must give the member or, if the registrar applied for a member, the registrar, the information applied for in the way prescribed under a regulation.

Sub section (4)

If the information is given to the registrar, the registrar must give the information to the member for whom the registrar made the application.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2002

	Notes	2002 \$	2001 \$
NOTE 3: CASH AT BANK			
Commonwealth Bank of Australia:			
• Current Account		182,768	266,374
• Cash Management		8,348	38,493
• Savings Investment Account			155
• Sundry Bank Accounts - Boyne Island		1,370	1,371
Qld Country Credit Union		194	216
		<u>192,680</u>	<u>306,609</u>
NOTE 4: MISCELLANEOUS DEBTORS			
(a) Current			
Sundry Debtors		5,034	4,244
Staff Debtors		2,750	2,750
Other Debtors – D & M & B Fund		-	32,781
Other Debtors – Joint Account		14,972	14,972
		<u>22,756</u>	<u>54,747</u>
(b) Non-Current			
Loan – WA (Hammersley Iron)		22,825	22,825
Less Provision for doubtful debt		(22,825)	-
		<u>-</u>	<u>22,825</u>
NOTE 5: INVESTMENTS			
Prescribed Stock, at cost		1,538,614	1,538,614
		<u>1,538,614</u>	<u>1,538,614</u>

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2002

	Notes	2002 \$	2001 \$
NOTE 6: UNSECURED LOAN			
Loan Receivable - Distress & Mortality & Building Fund (Funds Advanced to Purchase Buildings at 41 Peel Street and 877 Boundary Road)		<u>680,000</u>	<u>680,000</u>
NOTE 7: FIXED ASSETS			
Furniture, Fittings and Equipment, at cost	1(b)(v)	222,225	222,225
Less Accumulated Depreciation	1(b)(iv)	<u>(179,630)</u>	<u>(168,677)</u>
		42,595	53,548
Office Equipment at Cost	1(b)(v)	195,100	162,429
Less Accumulated Depreciation	1(b)(iv)	<u>(95,120)</u>	<u>(71,696)</u>
		99,980	90,733
Motor Vehicles, at cost	1(b)(v)	337,977	397,142
Less Accumulated Depreciation	1(b)(iv)	<u>(116,199)</u>	<u>(114,039)</u>
		221,778	283,103
		<u>364,353</u>	<u>427,384</u>
NOTE 8: PROVISION FOR EMPLOYEE ENTITLEMENTS			
Current			
Annual Leave	1(b)(vi)	254,398	332,890
Long Service Leave	1(b)(vi)	221,385	300,215
Retiring Allowance	1(b)(vi)	<u>80,110</u>	<u>132,396</u>
		555,893	765,501

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2002

NOTE 9: MEMBERSHIP LEVIES

The following levies were paid by members during the year ended 31 December 2002:

Levy Name	Purpose of Levy	Amount Payable Per Year by Each Member \$	Total Levies Received During Financial Year \$
Occupational Health & Safety Levy (for all members)	To provide Occupational Health & Safety information to members both through the resources of the Union and by affiliation with other bodies (eg Safework)	2.00	18,516
Coal Levy (for workers in that industry only)	To offset costs incurred for organising the coal industry and to assist in the provision of training to Coal Delegates	104.00	25,848
Distress & Mortality & Building Levy	To provide death benefits to the next of kin in the event of a member's death and to a member in the event of a death of a member's partner/spouse. Surplus funds beyond the level required as determined by the Committee of Management will be used to purchase properties which will be utilised for the purpose of conducting the Union's business.	15.00	134,864
	NB This levy is periodically transferred to the Death & Mortality & Building Fund.		
Electricity Supply Industry (for workers in that industry only)	To assist in funding regular state wide conferences, seminars etc of elected delegates in order to ensure an industry wide approach to Enterprise Bargaining, safety and conditions affecting the total membership in the electricity supply industry.	26.00	47,746
Contracting Industry (for workers in that industry only)	To assist in funding regular state wide conferences, seminars etc of elected delegates in order to ensure an industry wide approach to Enterprise Bargaining, safety and conditions affecting the total membership in the electrical contracting industry.	26.00	4,038

231,012

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2002

	Notes	2002 \$	2001 \$
NOTE 10: STATEMENT OF CASH FLOWS RECONCILIATION TO OPERATING PROFIT			
Operating Surplus		<u>324,900</u>	<u>117,643</u>
Non Cash Items:			
Loss on Sale and Scrapping of Fixed Assets		65,860	4,361
Depreciation Expense		110,303	124,672
Sale of Vehicles / Employee Entitlements		<u>26,000</u>	<u>-</u>
		<u>202,163</u>	<u>129,033</u>
Changes in Operating Asset & Liability Accounts			
(Increase)/Decrease in Membership Debtors		-	(10,362)
(Increase)/Decrease in Prepaid Expenses		-	6,223
(Increase)/Decrease in Debtors		31,991	-
Increase/(Decrease) in Provision for Doubtful Debts		22,825	-
Increase/(Decrease) in Trade Creditors		(18,331)	(27,766)
Increase/(Decrease) in Sundry Creditors		2,146	-
Increase/(Decrease) in Payroll Liabilities		(29,652)	-
Increase/(Decrease) in GST Liability		(6,837)	(3,519)
Increase/(Decrease) in Employee Provisions		<u>(209,608)</u>	<u>64,856</u>
		<u>(207,466)</u>	<u>29,432</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		<u><u>319,597</u></u>	<u><u>276,108</u></u>

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2002

Notes	2002 \$	2001 \$
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NOTE 11: RECONCILIATION OF CASH

For the purposes of the Statement of Cashflows, cash includes cash on hand and cash at bank only, net of any outstanding bank overdrafts. Cash at the end of the financial year as shown in the Statement of Cash Flows, is reconciled to the related items in the Balance Sheet as follows:

Commonwealth Bank

• Cash on Hand	1,416	1,041
• Current Account	182,768	266,374
• Cash Management Account	8,348	38,493
• Savings Investment Account		155
• Sundry Bank Accounts - Boyne Island	1,370	1,371
Queensland Country Credit Union	194	216
	<u>194,096</u>	<u>307,650</u>

NOTE 12: COMMITMENTS & CONTINGENCIES

	<u>Nil</u>	<u>Nil</u>
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**DISTRESS & MORTALITY & BUILDING FUND
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2002**

	Notes	2002 \$	2001 \$
INCOME			
Interest Received		2,391	2,247
Levies	7	131,426	69,970
Sundry Income		1,292	-
		<u>135,109</u>	<u>72,217</u>
EXPENDITURE			
Administration Fees		12,828	6,939
Bank Charges		149	70
Donations		1,500	-
General Distress		17,000	24,798
Training		25,825	20,138
Ambulance Fees		44,744	34,460
Sundry Expenses		1,318	-
TOTAL EXPENSES		<u>103,364</u>	<u>86,405</u>
NET SURPLUS/ (DEFICIENCY)		<u>31,745</u>	<u>(14,188)</u>

This Income and Expenditure Account should be read in conjunction with the Notes to and forming part of these financial statements.

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DISTRESS & MORTALITY & BUILDING FUND

BALANCE SHEET

AS AT 31 DECEMBER 2002

	Notes	2002 \$	2001 \$
ACCUMULATED FUNDS			
Retained Surplus – Beginning		1,134,026	1,148,214
Surplus/(Deficiency) - Current Year		31,745	(14,188)
		<u>1,165,771</u>	<u>1,134,026</u>
Represented by:			
CURRENT ASSETS			
Cash at Bank		94,654	91,115
Sundry Debtors		2,145	2,145
Loans Receivable	3	14,506	19,081
TOTAL CURRENT ASSETS		<u>111,305</u>	<u>112,341</u>
NON CURRENT ASSETS			
Land and Buildings	5	1,734,466	1,734,466
TOTAL NON CURRENT ASSETS		<u>1,734,466</u>	<u>1,734,466</u>
TOTAL ASSETS		<u>1,845,771</u>	<u>1,846,807</u>
CURRENT LIABILITIES			
Accounts Payable		-	32,781
TOTAL CURRENT LIABILITIES		<u>-</u>	<u>32,781</u>
NON CURRENT LIABILITIES			
Loan - ETU General Fund	6	680,000	680,000
TOTAL NON CURRENT LIABILITIES		<u>680,000</u>	<u>680,000</u>
TOTAL LIABILITIES		<u>680,000</u>	<u>712,781</u>
NET ASSETS		<u>1,165,771</u>	<u>1,134,026</u>

This Balance Sheet should be read in conjunction with the Notes to and forming part of these financial statements.

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DISTRESS & MORTALITY & BUILDING FUND

STATEMENT OF CASH FLOWS

AS AT 31 DECEMBER 2002

	Notes	2002 \$	2001 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Levies		131,426	84,231
Interest and Sundry Income Received		3,683	2,247
Payment of Distress and Mortality Benefits		(17,000)	(24,798)
Payment of Ambulance Costs		(44,744)	(34,459)
Payments to Suppliers and Training		(41,620)	(36,002)
NET CASH PROVIDED BY OPERATING ACTIVITIES	8	31,745	(8,781)
CASH FLOWS FROM INVESTING ACTIVITIES			
Transfers from (to) General A/c		(32,781)	32,781
Loan Repayments received, National Council and Plumbing Division		4,574	11,665
NET CASH USED IN INVESTING ACTIVITIES		(28,207)	44,446
Net Increase/(Decrease) in Cash held		3,538	35,665
Cash at beginning of the financial year		91,116	55,451
Cash as at the end of the Financial Year	9	94,654	91,116

This Cash Flow Statement should be read in conjunction with the Notes to and forming part of these financial statements

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

NOTE 1: ACCOUNTING METHODS

These financial statements are a special purpose financial report. The Committee of Management has determined that the Branch is not a Reporting Entity as defined in the Statement of Accounting Concepts 1: Definition of the Reporting Entity. This is because there are no users of the financial statements who would rely on the contents of the financial statements when making decisions concerning the allocation of scarce resources, who are not in position to command their preparation. Accordingly, there is no requirement to apply Accounting Standards and other Mandatory Professional Reporting Requirements in the preparation and presentation of these financial statements.

The financial statements have been prepared in accordance with the requirements of the Workplace Relations Act 1996, as amended and the Industrial Relations Act 1999 as amended and the following accounting standards.

- AAS 5 – Materiality
- AAS 6 – Accounting Policies - Determination, Application & Disclosure
- AAS 8 – Events Occurring after Balance Date

No other Accounting Standards or other Mandatory Professional Reporting Requirements have been applied.

This special purpose financial report has been prepared on an accruals basis from the records of the Branch.

The financial statements are prepared under the historical cost convention and in particular:

- (a) the accounts have not been adjusted to record either changes in the general purchasing power of the dollar or in the prices of specific assets;
- (b) no provision for income tax is necessary as "Trade Unions" are exempt from income tax under section 50-15 of the Income Tax Assessment Act 1997 as amended;
- (c) the Distress and Mortality and Building fund is not actuarially based; and
- (d) depreciation of buildings has not been provided for as both land and buildings have been aggregated for the purpose of the accounts and therefore to attribute a cost to each in order to account for depreciation would add no material value to the financial statements.

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DISTRESS & MORTALITY & BUILDING FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2002

NOTE 2: MORTALITY AND SICKNESS BENEFITS

- (a) In accordance with the rules of the Distress and Mortality and Building fund and at the discretion of the State Executive, a mortality benefit of \$1,000 is payable to the next of kin of a deceased member providing the deceased member was a financial member of the Union up to the date of death and the Union has received an application for payment of the mortality benefit, within a period of 2 years of date of death.
- (b) At the discretion of the State Executive, financial members shall be entitled to a payment of \$20 per week for any period of sickness not covered by an Award or Workers Compensation for a maximum of \$200 in any one calendar year.

Notes	2002	2001
	\$	\$

NOTE 3: LOANS RECEIVABLE

Current Assets

CEPU Plumbing	14,506	19,081
	<u>14,506</u>	<u>19,081</u>

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DISTRESS & MORTALITY & BUILDING FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2002

Notes	2002	2001
	\$	\$

**NOTE 4: LOAN – CEPU PLUMBING
DIVISION**

During the 1997 year, the CEPU Plumbing Division ("Division") resolved to repay to each of the CEPU Divisions, an amount which would enable the Division to increase its share of the ownership in the Building collectively owned by all of the CEPU Divisions, located at 41 Peel Street, South Brisbane. This effectively increased the CEPU Plumbing Division's share of the Building to what it should have been at the date of purchase. Accordingly, a loan was established within the Distress & Mortality & Building Fund for this amount and the value of the building within the Fund was decreased by a similar amount. These transactions were effected in the 1997 year.

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DISTRESS & MORTALITY & BUILDING FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2002

	Notes	2002 \$	2001 \$
NOTE 5: LAND AND BUILDINGS			
41 Peel Street, South Brisbane, at cost		868,654	868,654
877 Boundary Road, Coopers Plains, at cost		865,812	865,812
		<u>1,734,466</u>	<u>1,734,466</u>

In 2001, Peel Street was valued, via independent valuation, at \$3,070,000. Because the electrical division's share is approximately 41% this would take the electrical division's share to \$1,258,700. It was decided that based upon the union's method of accounting for buildings and as the union is not a reporting entity that the financial statements will not reflect the revaluation increment of approximately \$390,000.

NOTE 6: LOAN PAYABLE

This loan represents funds advanced to the Death and Mortality and Building Fund from the General Fund for the purchase of the properties detailed at Note 5 to these financial statements.

<u>680,000</u>	<u>680,000</u>
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**DISTRESS & MORTALITY & BUILDING FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

Note 7 - MEMBERSHIP LEVIES

The following levies were payable by members during the year ended 31 December 2002:

Levy Name	Purpose of Levy	Amount Payable Per Year by Each Member	Total Levies Received During Financial Year \$
		\$	
Distress, Mortality & Building Levy (for all members)	To provide death benefits to the next of kin in the event of a member's death and to a member in the event of a death of a member's spouse/partner.		
	Surplus funds beyond the level required, as determined by the Committee of Management, will be used to purchase properties, which will be utilised for the purpose of conducting the Union's business.	13.35	131,426
			<hr/> 131,426 <hr/>

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**DISTRESS & MORTALITY & BUILDING FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

	Notes	2002 \$	2001 \$
NOTE 8: STATEMENT OF CASH FLOWS RECONCILIATION TO OPERATING PROFIT			
Operating Profit (Loss)		<u>31,745</u>	<u>(14,188)</u>
Changes in Assets and Liabilities			
Increase (Decrease) in Creditors		-	(8,854)
(Increase)/Decrease in Sundry Debtors		<u>-</u>	<u>14,261</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		<u>31,745</u>	<u>(8,781)</u>

NOTE 9: RECONCILIATION OF CASH

For the purposes of the Statement of Cash Flows, cash includes Cash at Bank only, net of any outstanding bank overdrafts. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

Cash at Bank	42,898	8,193
Money Market Call Account	<u>51,756</u>	<u>82,923</u>
	<u>94,654</u>	<u>91,116</u>



AUSTRALIAN INDUSTRIAL REGISTRY

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

Mr R L Williams
Queensland Branch Secretary
CEPU Electrical Division
PO Box 3520
SOUTH BRISBANE QLD 4101

Dear Mr Williams

**Re: Lodgement of Financial Accounts and Statements for the CEPU Electrical Division,
Queensland Divisional Branch for the year ending 31 December 2002 (FR2002/843)**

Receipt is acknowledged of the abovementioned financial documents which were lodged in the Registry on 19 June 2003.

The documents have been filed.

Thank you for your attention to this matter.

Yours sincerely,

Belinda Penna
for Deputy Industrial Registrar

20 June 2003