



Australian Government
Australian Industrial Registry

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

Ref: FR2005/606

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

Dear Mr Williams

Financial Return - year ending 31 December, 2005

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

Legislation

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

In May 2003 the Industrial Registrar wrote to all organisations forwarding a number of facts sheets outlining the major changes made by Schedule 1B of the Workplace Relations Act 1996 ('RAO'¹). While the immediate changes affected the rules and elections in organisations, the changes affecting financial returns involve a longer lead time.

The key differences under the new legislation affecting financial returns are:

- a reduced financial reporting cycle (now maximum periods of 5 or 6 months depending on internal arrangements of organisation)
- a greater emphasis given to Australian Accounting Standards
- the introduction of a new report, known as an Operating Report (broadly similar in concept to a Director's Report under the corporations legislation)
- extensions of time are limited to one month
- restructured penalty provisions involving more extensive use of Civil Penalties
- the introduction of the Industrial Registrar's Reporting Guidelines
- organisations and their branches to report according to their financial structures, known as 'reporting units'.

We recommend you discuss the new requirements with your accountant or auditor.

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

Reporting Unit

One of the new concepts of the RAO legislation is that reporting entities are known as "*reporting units*". Where an organisation is **not** divided into branches the reporting unit is the whole of the organisation. Where an organisation is divided into branches each branch will be a reporting unit unless the Industrial Registrar has determined a division of the organisation into reporting units on an alternative basis. We can discuss this with you if you need more information.

For simplicity, we will refer to your organisation as a reporting unit in this letter.

Industrial Registrar's Guidelines

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

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

Timeline Planner and Checklist

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

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

Three Reports

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

1. **General Purpose Financial Report** - this must comply with the Australian Accounting Standards and the Industrial Registrar's Reporting Guidelines. The GPFR consists of:

Financial Statements containing:

- a profit and loss statement, or other operating statement; and
- a balance sheet; and
- a statement of cash flows; and
- any other statements required by the Australian Accounting Standards; and

Notes to the Financial Statements containing:

- notes required by the Australian Accounting Standards; and
- information required by the Industrial Registrar's *Reporting Guidelines* under section 255); and

Committee of Management Statement as required by the Registrar's Reporting Guidelines (a sample certificate for illustrative purposes is at Attachment C)

2. **Operating Report** - this report includes a review of your reporting unit's principal activities for the year and other specified information.

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

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

First Meeting (Committee of Management)

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

The Auditor

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

Informing Your Members

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

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

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

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

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

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

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

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

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

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

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

Lodge full report within 14 days of meeting

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at www.airc.gov.au). When lodging the financial return please quote: **FR2005/606**.

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

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

Complying with time limits

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

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

Extensions of Time

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

Reduced Reporting Requirements

If your reporting unit meets certain conditions, some of these reporting requirements can be reduced. Such conditions might be where the annual income of the reporting unit (where the reporting unit is the whole of the organisation) is less than \$100,000, or **where the reporting unit has no financial affairs in the financial year**, or where the financial affairs of the reporting unit are encompassed by the financial affairs of its counterpart State industrial association.

Contact the Registry

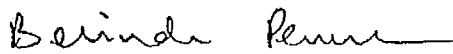
We encourage you to contact the Registry on (02) 8374 6666 or by e-mail at belinda.penna@air.gov.au as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedure but we cannot give you legal or accounting advice.

Information on AIRC Website

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

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

Yours sincerely



For Deputy Industrial Registrar
27 January 2006

Documents Checklist

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

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

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

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

Committee Of Management Statement

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

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

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

For Committee of Management: *[name of designated officer per section 243 of the RAO Schedule]*

Title of Office held:

Signature:

Date:

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

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

Certificate of Secretary or other Authorised Officer¹

s268 of Schedule 1B *Workplace Relations Act 1996*

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

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

Signature

Date:

¹RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:

(a) the secretary; or

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

²Only applicable where a concise report is provided to members

³Insert whichever is applicable



**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, ELECTRICAL DIVISION,
QUEENSLAND & NORTHERN TERRITORY DIVISIONAL 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
www.etu.org.au
info@cepuqld.asn.au

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26 Beckinsale Street
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Gladstone 4680
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Australian Industrial Relations Commission
GPO Box 373 - *5713, Central Plaza*
BRISBANE QLD 4001

Monday, 29th May 2006

Dear Sir/Madam

RE: 2005 FINANCIAL RETURNS

The documents lodged herewith are an original copy of this organisations audited Financial Statements for the year ending 31st December 2005. These were tabled at our Annual General Meeting on 22nd May 2006 (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 10th April 2006 (first meeting).

All members have received a copy of same which was included with our April 2006, Issue two, Your Rights at Work Bulletin.

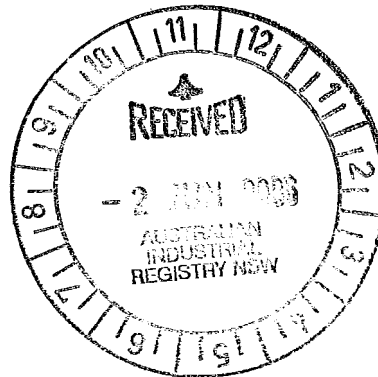
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15 Palmer Street
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Yours faithfully

Richard Williams
Divisional Branch Secretary

Encl.

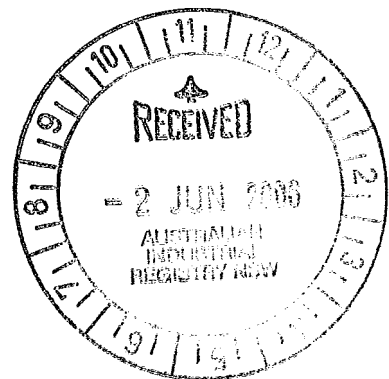


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**COMMUNICATIONS, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA
ELECTRICAL DIVISION, QUEENSLAND AND NORTHERN TERRITORY
DIVISIONAL BRANCH**

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2005



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

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2005**

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Alexander Partners

CHARTERED ACCOUNTANTS

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF

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

Scope

The financial report and Committee of Management's ("Committee") responsibility

The financial report comprises the income statement, balance sheet, statement of changes in equity, cash flow statement, accompanying notes to the financial statements and the Committee's operating report for the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Queensland and Northern Territory Divisional Branch ("Union"), for the year ended 31 December 2005.

The Committee of the Union is responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996 as amended ("Act"). 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 Union. 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 the Act and Union's Rules, including compliance with Accounting Standards 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 policies and disclosures used and the reasonableness of significant accounting estimates made by the Committee.

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

Independence

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

Audit Opinion

In our opinion:

- (1) The financial report of the Union is in accordance with:
 - a. the Act, including:
 - i. giving a true and fair view of the Union's financial position as at 31 December 2005 and of its performance for the year ended on that date; and
 - ii. complying with Accounting Standards in Australia; and
 - b. other mandatory professional reporting requirements.
- (2) The Union has kept satisfactory accounting records for the financial year including records of:
 - (i) the sources and nature of the Union's income, including membership subscriptions and other income from members; and
 - (ii) the nature of and reasons for the Union's expenditure.
- (3) All the information and explanations that officers or employees of the Union were required to provide have been provided; and
- (4) There was no deficiency, failure or shortcoming in any matters referred to in (1) to (3) above.



ALEXANDER PARTNERS
Chartered Accountants



A D FRASER
Registered Company Auditor

Brisbane

Date: 10 April, 2006

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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QUEENSLAND AND NORTHERN TERRITORY DIVISIONAL BRANCH**

**COMMITTEE OF MANAGEMENT OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2005**

Operating Report

In accordance with section 254 of the Workplace Relations Act 1996 ("Act") the Committee of Management presents its Operating Report on the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia – Electrical Division, Queensland and Northern Territory Divisional Branch ("Union"), for the year ended 31 December 2005.

Principal Activities

The principal activity of the Union was to act on behalf of members in pursuit of the Objects of the Union (detailed on page 21).

Operating Results

a) Results

The profit for the financial year amounted to \$890,381

b) Impact of Change in Billing Period

During the year, the Union changed its membership financial year and billing period to reflect the ATO financial year of 1 July to 30 June. This "once off" impact effectively brought forward income from members (contributions and levies) from the year ending 31 December 2006 into the year ended 31 December 2005. The actual amount has not been quantified; however, it is estimated that the "brought forward" income and profit impact is of the order of \$250,000 - \$350,000.

Significant Changes

There were no significant changes in the nature of the Union's activities during the financial year. However and as stated above, the Union has implemented the decision passed last year in changing the financial year for the collection of all membership dues.

Financial Affairs

As a result of the introduction of Australian equivalents to International Financial Reporting Standards (IFRS), the Union's financial report has been prepared in accordance with those standards. However, there was no material impact on the Union upon the introduction of IFRS.

Apart from the change in the membership billing period (refer above), there were no other significant changes in the Union's financial affairs during the financial year.

Members Right to Resign

The right of members to resign from the Union is set out in the Rules of the CEPU – Electrical Division and on the reverse side of the application to join form.

Membership of Superannuation Scheme

Those who hold a position of trustee or director of an entity, scheme or company as described in s.254 (2)(d) of Schedule 1B, where a criterion of such entity is that the holder of such position must be a member or official of a registered organisation are as follows:

Walter Threlfall	Director of SMART (Sugar Manufactures of Australia Retirement Trust)
Richard Williams	Alternate Director of SPEC (Q)

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**COMMITTEE OF MANAGEMENT OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2005**

Number of Members

The number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for s.230 of the RAO Schedule and who are taken to be members of the Union under s.244 of the RAO Schedule is:

Total	13,352
Financial	10,053
Honorary and Life members	849
Unfinancial	2,450

Number of Employees

The number of persons who were, at the end of the financial year to which the report relates, employees of the Union, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis is 22.

Members of the Committee of Management

The name of each person who has been a member of the committee of management of the Union at any time during the reporting period, and the period for which he or she held such a position is as follows:

Name	Period of appointment
*Abbott, Gordon	Whole Period
Baker, Gary	Whole Period
*Bloxsom, Gary	Whole Period
*Calligan, Peter	Whole Period
Cawley, Peter	Whole Period
*Christoffel, Jeffrey	Whole Period
Cooke, Clive	Whole Period
Coxon, Michael	Whole Period
Denson, Shane	Whole Period
Dick, Peter	From 17/05/05
Eastes, Adam	Whole Period
Farmer, Michael	To 15/02/05
*Fiteni, Joseph	Whole Period
Francis, Terrie	Whole Period
Hamblyn, Gary	Whole Period
Higgins, Shawn	From 17/05/05
Jeffs, Brendan	Whole Period
Keding, Daryl	Whole Period
*List, Stephen	Whole Period
McGaw, Christopher	Whole Period
*McGaw, Daniel	Whole Period
Reichman, Scott	From 17/05/05
Simpson, Peter	Whole Period
Smith, Clinton	Whole Period
Smith, Greg	From 17/05/05
Southon, Dean	To 17/05/05
Stein, Clark	Whole Period
Strotten Christopher	To 17/05/05
Taylor, John	Whole Period
Traill, Stuart	Whole Period
*Williams, Richard	Whole Period
*Wilson, Scott	To 17/05/05
*Wolff, Darren	Whole Period

** Member of the Divisional Branch Executive*

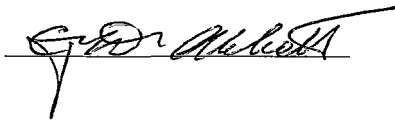
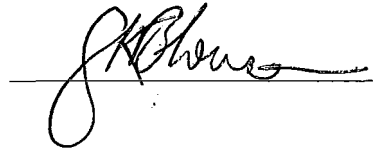
COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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QUEENSLAND AND NORTHERN TERRITORY DIVISIONAL BRANCH

COMMITTEE OF MANAGEMENT OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2005

Other Information

There is no other information that the Union considers relevant.

This report is made in accordance with a resolution of the Committee of Management.

A handwritten signature in black ink, appearing to be 'G. D. ...', written over a horizontal line.A handwritten signature in black ink, appearing to be 'J. K. ...', written over a horizontal line.

Dated this *10th* day of *April 2006*

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

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2005**

	Notes	2005 \$	2004 \$
Revenue from ordinary activities	2	5,025,670	3,936,581
Employee benefits expense	3	(1,901,429)	(1,674,648)
Depreciation and amortisation expenses	3	(189,589)	(121,722)
Finance Costs	3	(6,006)	-
Other expenses from ordinary activities	3	(2,038,265)	(1,900,909)
		<hr/>	<hr/>
Profit (Loss) from ordinary activities before income tax expense		890,381	239,302
Income tax expense relating to ordinary activities	1(e)	<hr/> -	<hr/> -
		<hr/>	<hr/>
Net profit (loss) from ordinary activities after income tax expense		890,381	239,302
		<hr/>	<hr/>
Total changes in equity		<u>890,381</u>	<u>239,302</u>

The accompanying notes form part of these financial statements

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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**BALANCE SHEET
AS AT 31 DECEMBER 2005**

	Notes	2005 \$	2004 \$
CURRENT ASSETS			
Cash and Cash Equivalents	4	2,821,384	1,962,451
Trade and other Receivables	5	719	22,234
Tax Assets	6	18	16,409
Investments	8	<u>1,413,863</u>	<u>1,427,724</u>
TOTAL CURRENT ASSETS		<u>4,235,984</u>	<u>3,428,818</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment	7A	447,431	438,887
Loan Receivable	9	680,000	680,000
TOTAL NON-CURRENT ASSETS		<u>1,127,431</u>	<u>1,118,887</u>
TOTAL ASSETS		<u>5,363,415</u>	<u>4,547,705</u>
CURRENT LIABILITIES			
Trade and other payables	10	94,029	345,108
Short-term Borrowings	11	42,549	-
Short-term Provisions	12	<u>546,516</u>	<u>516,574</u>
TOTAL CURRENT LIABILITIES		683,094	861,682
NON-CURRENT LIABILITIES			
Long-term Borrowings	13	120,911	-
Long-term Provisions	14	<u>38,288</u>	<u>55,282</u>
TOTAL NON-CURRENT LIABILITIES		<u>159,199</u>	<u>55,282</u>
TOTAL LIABILITIES		<u>842,293</u>	<u>916,964</u>
NET ASSETS		<u>4,521,122</u>	<u>3,630,741</u>
MEMBERS EQUITY			
Retained Profits	15	<u>4,521,122</u>	<u>3,630,741</u>

The accompanying notes form part of these financial statements

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2005**

	Notes	Retained Earnings	Total
		\$	\$
Balance at 1 January 2004			
Retained Earnings		3,391,439	3,391,439
Profit for the year		239,302	239,302
Balance at 31 December 2004	15	<u><u>3,630,741</u></u>	<u><u>3,630,741</u></u>
Balance at 1 January 2005			
Retained Earnings		3,630,741	3,630,741
Profit for the year		890,381	890,381
Balance at 31 December 2005	15	<u><u>4,521,122</u></u>	<u><u>4,521,122</u></u>

The accompanying notes form part of these financial statements

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

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2005**

	Notes	2005 \$	2004 \$
Cash Flows from Operating Activities			
Membership Contributions	1(II)	3,889,421	3,003,247
Interest Received		266,299	275,098
Other receipts		531,745	410,447
Fines and Levies	1(II)	337,680	180,949
Salaries and Allowances		(1,507,306)	(1,309,525)
Interest Paid		(6,006)	-
Other Expenses		(2,608,914)	(2,129,554)
Net cash provided by/(used in) operating activities	16(a)	<u>902,919</u>	<u>430,662</u>
Cash Flows from Investing Activities			
Payment for Property, Plant & Equipment		(86,694)	(158,079)
Proceeds from sale of property, plant & equipment		39,091	10,000
Loan repayment received		-	50,000
MV Loan Repayments (Principal)		(14,564)	-
Advance from DMB Fund		18,181	-
Net cash provided by/(used in) investing activities		<u>(43,986)</u>	<u>(98,079)</u>
Net increase (decrease) in cash and cash equivalents		858,933	332,583
Cash and cash equivalents at the Beginning of the Financial Year		<u>1,962,451</u>	<u>1,629,868</u>
Cash and cash equivalents at the End of the Financial Year	16(b)	<u>2,821,384</u>	<u>1,962,451</u>

The accompanying notes form part of these financial statements

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005**

NOTE 1: ACCOUNTING POLICIES

(I) STATEMENT OF ACCOUNTING POLICIES

This general purpose financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Adoption of International Financial Reporting Standards

This is Union's First time Adoption of Australian Equivalents to International Financial Reporting Standards (IFRS). The financial statements have complied with all (IFRS) in their entirety unless otherwise stated.

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

(a) Principles of Preparation

This report represents the activities of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Electrical Division Queensland and Northern Territory Divisional Branch ("Union").

(b) Comparative Figures

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

(c) Plant and Equipment

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

Plant and equipment

Plant and equipment is measured on the cost basis.

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

Depreciation

The depreciable amount of all fixed assets including capitalised leased assets, is depreciated on a straight line basis over their estimated useful lives to the Union commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	5% - 40%
Motor Vehicles	20%

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005**

NOTE 1: ACCOUNTING POLICIES (cont.)

(d) Impairment of Assets

At each reporting date, the Union reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less cost to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

(e) Income Tax

The Union is exempt from income tax by virtue of s50-45 of the Income Tax Assessment Act 1997.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

(g) 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.

(h) Financial Instruments

Recognition

Financial instruments are initially measured at cost on the trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and Loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have fixed maturities, and it is the Union's intention to hold these investments to maturity. Any held-to-maturity investment is stated at amortised cost using the effective interest rate method.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005**

NOTE 1: ACCOUNTING POLICIES (cont.)

Financial Liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising the original debt less principal payments and amortisation.

(i) Employee Benefits

Provision is made for the Union's liability for employee benefits (Annual Leave and Long Service Leave) arising from services rendered by employees to balance date. Employee benefits that are 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. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

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

Annual Leave

Annual leave has been provided for as the estimated accrued entitlements of all employees on the basis of each employee's terms of employment.

Long Service Leave

Provision for employee benefits in the form of long service leave has been made for the estimated accrued entitlements of employees. Official's long service leave is accrued from the date of the commencement of employment. The clerical employee's long service leave entitlements begin after 5 years of service has been performed. However, the entitlement is accrued, for accounting purposes, from the commencement of employment. Accordingly, any entitlements (for clerical employees) accrued from employment commencement to year 5 are treated as a non-current liability.

(j) Chattel Mortgages

Chattel Mortgages used to finance fixed assets, where substantially all the risks and benefits incidental to the ownership of the assets, are transferred to the Union are classified as assets. Chattel Mortgages are capitalised, recording an asset and liability equal to the present value of the minimum payments including any guaranteed residual values. The Assets (motor vehicles) are amortised on a straight-line basis over their estimated useful lives. Payments are allocated between the reduction of the liability and the interest expense of the period.

(k) Investments

Non-current investments are measured on the cost basis. The carrying amount of investments is reviewed annually by the Committee to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for shares in listed companies.

(l) Revenue

Revenue from membership contributions is recognised on a cash basis. Interest revenue is recognised on an accrual basis proportional to taking into account the interest rates applicable to the financial assets.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005**

NOTE 1: ACCOUNTING POLICIES (cont.)

(m) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised as expense in the period in which they are incurred.

(n) Goods and services tax (GST)

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

(o) Amortisation of TCV Investment

As disclosed in Note 8, the Union has prescribed stock ("Stock") in the Treasury Corporation of Victoria, which is due to mature in November 2006. This stock has a face value of \$1.4M. However because the rate of interest was (and is) significantly better than comparative interest rates the Stock was acquired for a cost of \$1,538,614. It is likely that the Union will redeem this investment at term. Accordingly the Union will amortise an amount of \$138,614 (\$1,538,614 less \$1,400,000), over the term of the investment. In respect of each of the 2005 and 2004 financial years the amount amortised was \$13,861.

(II) CHANGE IN MEMBERSHIP FINANCIAL YEAR END BILLING METHOD

During the year, the Union changed its membership financial year and billing period to reflect the ATO financial year of 1 July to 30 June. This "once off" impact effectively brought forward income from members (contributions and levies) from the year ending 31 December 2006 into the year ended 31 December 2005. The actual amount has not been quantified; however, it is estimated that the "brought forward" income and profit impact is of the order of \$250,000 - \$350,000.

(III) DISTRESS AND MORTALITY AND BUILDING FUND – QUEENSLAND AND NORTHERN TERRITORY ("Fund")

The DMB levy received by the Union on behalf of the Fund, which is a trust fund, is excluded from the income statement. Those amounts are presented in the audited financial report of the Fund. The amounts excluded are:

- levy received \$206,430 (2004:\$139,289)
- levy transferred to Fund \$207,916 (2004:\$139,289)

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005**

	Note	2005 \$	2004 \$
NOTE 2 – REVENUE FROM OPERATIONS			
General Fund			
Administration Fees - Distress, Mortality & Building Fund		19,880	13,929
Advertising received		78,112	19,727
Contributions Received (Nett)	1 (II)	3,876,457	3,006,797
Contribution Wallets		1,858	1,453
Entrance Fees		11,106	8,340
Discount Revenue		91	-
Fines		5,296	13,167
Interest Received		266,299	275,098
Levies Received	1 (II)&(III)	332,384	167,782
Merchandise Sold		12,544	5,545
Other Refunds		101,524	49,979
Profit on Sale of MV		525	-
Refund Organising Expenses		39,483	31,023
Refund Staff Salaries		6,364	16,586
Rents Received		144,654	110,972
SAA Wiring Rules		-	43
Sundry Income		106,747	114,904
Un-allocated Membership Income		22,346	101,236
		<u>5,025,670</u>	<u>3,936,581</u>

NOTE 3 – PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities before income tax has been determined after the following expenses

General Fund

Advertising	1,469	-
Accounting	5,500	3,500
Affiliation Fees	96,183	76,413
Audit Fees	18,797	13,855
Bank Charges	23,269	16,756
Conference Expenses	228,724	105,962
Debt Collection Fees	75,049	68,492
Delegate Expenses		
Coal Delegates	26,098	28,745
Other Delegates	15,359	28,999
Depreciation	175,728	107,861
Discount Expense	1,364	-
Donations	27,727	98,772
Electrical Trades Journal and Rule Books	50,391	40,702
Electricity	1,268	1,324

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005**

	Note	2005 \$	2004 \$
NOTE 3 – PROFIT FROM ORDINARY ACTIVITIES (cont.)			
Employee Leave Entitlements		12,949	35,017
Expenses 877 Boundary Road		180	5,501
Fringe Benefits Tax		43,155	22,724
Insurance		38,940	36,235
Internet Expenses		6,959	5,776
Interest on MV Loan		6,006	-
Investments – write off in value of TCV	1(o)	13,861	13,861
Labour Day Expenses		15,402	6,724
Legal Costs			
Professional Fees		140,995	167,382
Lodgement Fees		14,641	222
Loan Transaction Processing Cost		1,400	-
Loss on Fixed Asset Sales and Scrapping		5,518	25,868
Maintenance – 41 Peel Street		30,006	28,427
Meeting Fees		620	1,260
Merchandise Purchases		74,041	58,323
Motor Vehicle Expenses		69,528	60,227
National Council Fees and Expenses		382,460	401,003
National Office Expenses		16,398	2,000
Northern Territory Office – Expenses		35,004	35,443
Office Equipment, Supplies and Maintenance Expenses		27,325	36,075
Organising Expenses		111,706	118,198
Payroll Tax		53,207	48,366
Postage		78,150	43,406
Printing & Stationery		90,785	94,812
Rates – 877 Boundary Road		10,240	7,940
Refund of Contributions		23,396	7,582
Rent		18,841	16,857
Salaries – Officers		560,636	379,132
Salaries – Staff		888,688	886,071
Salaries – Income Protection 1.2%		16,576	4,169
Salaries – NT		76,865	72,207
Shop Stewards Reimbursements		10,071	15,821
Staff Amenities		32,486	40,362
Storage		1,104	1,081
Subscriptions		9,355	6,165
Superannuation		302,560	275,328
Supply Industry Expenses		16,108	26,290
Sundry Expenses		34,375	-
Telephone		90,765	92,800
Training		27,061	27,004
T'ville Petty Cash		-	239
		<u>4,135,289</u>	<u>3,697,279</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005**

	Note	2005 \$	2004 \$
NOTE 4 – CURRENT ASSETS - CASH AND CASH EQUIVALENTS			
Cash on Hand		4,181	4,162
Cash at Bank		111,446	65,877
Deposit at Call (CBA)		750,394	797,241
Deposits (ME)		1,955,363	1,095,171
		<u>2,821,384</u>	<u>1,962,451</u>
NOTE 5 – CURRENT ASSETS – TRADE AND OTHER RECEIVABLES			
Trade and other Receivables		719	22,234
		<u>719</u>	<u>22,234</u>
NOTE 6 – CURRENT ASSETS – TAX ASSETS			
GST Paid	1(n)	18	16,409
		<u>18</u>	<u>16,409</u>
NOTE 7A – NON CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT (AT COST)			
	1(c)		
Furniture, Fittings and Office equipment		456,907	428,156
Accumulated Depreciation		(394,843)	(336,153)
		<u>62,064</u>	<u>92,003</u>
Motor Vehicles		518,037	453,877
Accumulated Depreciation		(132,670)	(106,993)
		<u>385,367</u>	<u>346,884</u>
Total Property, Plant & Equipment (at cost)		<u>447,431</u>	<u>438,887</u>

NOTE 7B – MOVEMENTS IN CARRYING AMOUNTS

	Motor Vehicles	Furniture, Fittings and Office Equipment	Total
Balance at the beginning of the year	346,884	92,003	438,887
Additions	234,597	38,759	273,356
Disposals/write offs	(170,438)	(10,008)	(180,446)
Accumulated Depreciation write back	81,484	9,878	91,362
Depreciation Expense	(107,160)	(68,568)	(175,728)
	<u>385,367</u>	<u>62,064</u>	<u>447,431</u>
Carrying amount at the end of the year	<u>385,367</u>	<u>62,064</u>	<u>447,431</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005**

	Note	2005 \$	2004 \$
NOTE 8 – INVESTMENTS			
TCV Investment – at cost	1(o)	1,538,614	1,538,614
Less Amortisation	1(o)	<u>(124,751)</u>	<u>(110,890)</u>
		<u>1,413,863</u>	<u>1,427,724</u>
NOTE 9 – UNSECURED LOAN			
Loan Receivable – Distress, Mortality & Building Fund		<u>680,000</u>	<u>680,000</u>
		<u>680,000</u>	<u>680,000</u>
NOTE 10 – CURRENT LIABILITIES – TRADE AND OTHER PAYABLES			
Trade Creditors		10,888	258,827
Sundry Creditors – DM&B Fund		-	2,146
GST Collected	1(n)	39,461	17,944
Other		<u>43,680</u>	<u>66,191</u>
		<u>94,029</u>	<u>345,108</u>
NOTE 11 – CURRENT LIABILITIES – BORROWINGS			
Advance from DM&B Fund		18,181	-
Motor Vehicle Loan (chattel mortgage)	1(j)	<u>24,368</u>	<u>-</u>
		<u>42,549</u>	<u>-</u>
NOTE 12 – CURRENT LIABILITIES – PROVISIONS			
Provision for Annual Leave	1(i)	277,731	269,609
Provision for Long Service Leave	1(i)	<u>268,785</u>	<u>246,965</u>
		<u>546,516</u>	<u>516,574</u>
NOTE 13 – NON CURRENT LIABILITIES – BORROWINGS			
Motor Vehicle Loans (chattel mortgage)	1(j)	<u>120,911</u>	<u>-</u>
		<u>120,911</u>	<u>-</u>
NOTE 14 – NON CURRENT LIABILITIES – PROVISIONS			
Provision for Long Service Leave	1(i)	<u>38,288</u>	<u>55,282</u>
		<u>38,288</u>	<u>55,282</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005**

	Note	2005 \$	2004 \$
NOTE 15 – MEMBERS EQUITY – ACCUMULATED FUNDS			
Balance at Beginning of Year		3,630,741	3,391,439
Net Profit for the Year		890,381	239,302
Balance at End of Year		<u>4,521,122</u>	<u>3,630,741</u>

NOTE 16 – NOTES TO THE CASH FLOW STATEMENT

(a) Reconciliation of Net Cash Provided by Operating Activities to Net Profit after Income Tax

Operating Surplus (Deficiency)		<u>890,381</u>	<u>239,302</u>
Add/(Subtract) Non-Cash Items			
Depreciation & Amortisation		189,589	121,722
Loss on Disposal		4,993	25,868
		<u>194,582</u>	<u>147,590</u>
Changes in Assets and Liabilities			
Trade Debtors		21,515	(13,343)
Others Current Assets		31,432	(5,992)
Trade Creditors		(247,939)	31,051
Provisions		12,948	32,054
		<u>(182,044)</u>	<u>43,770</u>
Net Cash provided by Operating Activities		<u>902,919</u>	<u>430,662</u>

(b) Reconciliation of Cash and Cash Equivalents

For the purposes of the Cash Flow Statement, cash and cash equivalents includes cash on hand, at banks and on deposits or any other cash held that can be readily convertible to known amount of cash and be subject to an insignificant risk of changes in value. Cash at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

Cash on Hand	4,181	4,162
Cash at Bank	111,446	65,877
Deposits (ME)	1,955,363	1,095,171
Deposit at Call (CBA)	750,394	797,241
	<u>2,821,384</u>	<u>1,962,451</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005**

	Note	2005 \$	2004 \$
NOTE 17 – COMMITMENTS AND CONTINGENCIES			
(a) Operating Lease Commitments		NIL	NIL

(b) Contingent liabilities and Commitments
There are no material contingent liabilities or Commitments

NOTE 18 – FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

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

	Weighted Average Effective Interest Rate		Fixed Interest Rate		Floating Interest Rate		Non Interest Bearing		TOTAL	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets										
Cash on hand	-	-	-	-	-	-	4,181	4,162	4,181	4,162
Cash at bank	0.95	0.6	-	-	111,446	65,877	-	-	111,446	65,877
Deposits (ME)	5.50	5.05	1,955,363	1,095,171	-	-	-	-	1,955,363	1,095,171
Deposit at Call (CBA)	4.75	4.50	750,394	797,241	-	-	-	-	750,394	797,241
Investments	10.25	10.25	1,413,863	1,427,724	-	-	-	-	1,413,863	1,427,724
Receivables			-	-	-	-	719	22,234	719	22,234
Unsecured Loan			-	-	-	-	680,000	680,000	680,000	680,000
Other			-	-	-	-	18	16,409	18	16,409
Total Financial Assets			4,119,620	3,320,136	111,446	65,877	684,918	722,805	4,915,984	4,108,818
Financial Liabilities										
Trade, other payables & Borrowings	7.91	-	145,279	-	-	-	112,210	345,108	257,489	345,108
	7.36	-								
Total Financial Liabilities			145,279	-	-	-	112,210	345,108	257,489	345,108

(b) 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 of those assets, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes the financial statements.

The Union does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Union.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005**

(c) Net Fair Values

The net fair values of listed investments have been valued at cost at balance date. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have been written down as the Union intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Balance Sheet and in the notes to the financial statements.

NOTE 19 – UNION DETAILS

The principal place of business is:

41 Peel Street
South Brisbane
Queensland 4101

NOTE 20 - INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

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

Workplace Relations Act 1996 - Sections 272 (1), (2) and (3):

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 to be made available to the person making the application.

Sub-Section (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.

Sub-Section (3)

The organisation must comply with an application made under sub section (1) above.

NOTE 21 – RELATED PARTY TRANSACTIONS

Apart from accepting receipts and payments on behalf of the Distress, Mortality and Building Fund ("Fund"), forwarding those receipts to the Fund and the amount owing by the Fund at balance date of \$680,000 (2004: \$680,000), there were no other related party transactions.

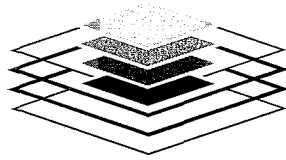
Details of the Committee of Management ("Committee") are contained in the Committee's Operating Report.

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

OBJECTS OF THE UNION

The purposes for which the Union is established are:

- (a) To advance the trade interests of members and secure a proper classification of the workers in the industry.
- (b) To obtain adequate pay for its members and the institution and maintenance of the apprenticeship system.
- (c) To afford legal protection to its members in industrial matters.
- (d) To establish and maintain an employment bureau for electrical workers.
- (e) To publish a trade union journal or newspaper.
- (f) To establish a Branch or Branches of the Union and Sub-Branches of Branches and Agencies of Branches.
- (g) To organise the electrical workers into Branches or Sub-Branches of the Union throughout the Commonwealth of Australia.
- (h) To financially assist Branches and Sub-Branches.
- (i) To provide for the acquisition or leasing of property.
- (j) To secure preference of employment of Unionists.
- (k) To advance the living and working conditions of workers and their families, and to assist kindred Unions and to support other bodies having these objects, and such projects for the advancement of Labor as the Union may determine.
- (l) The abolition and prevention of contract and piecework schemes and the restriction and control of incentive and bonus systems in industry.
- (m) To establish funds to assist members in distress through sickness or accident or who are lawfully out of employment.
- (n) To make financial provision for carrying out the objects set out herein.
- (o) To make such provision for superannuation payments or retiring allowances and/or long service leave to full-time officers and/or employees of the Union as the Union may determine.
- (p) To establish a fund for sustenance of members involved in industrial disputes.
- (q) To establish an Electrical Workers' Award.
- (r) To provide legal representation for:
 - (i) A member in a compensation claim and/or action for damages arising out of injuries sustained in the course of his employment.
 - (ii) Dependants of a deceased member at an inquest or inquiry in a compensation claim and/or action for damages arising from the death of a member.



Alexander Partners

CHARTERED ACCOUNTANTS

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

MEMBERSHIP - CERTIFICATE BY AUDITOR

FOR THE YEAR ENDED 31 DECEMBER 2005

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 and Northern Territory Divisional Branch ("Union") for the year ended 31 December 2005.

The financial statements disclose total membership of: 10,053 financial members, 849 honorary and life members and 2,450 unfinancial members as at 31 December 2005 which is consistent with the membership records maintained by the Union and audited by us.

ALEXANDER PARTNERS
Chartered Accountants

A D FRASER
Partner

10 April, 2006



Australian Government

Australian Industrial Registry

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

Mr Richard Williams
Divisional Branch Secretary, Electrical Divisional Branch, Queensland
Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied
Services Union of Australia
PO Box 3520
SOUTH BRISBANE QLD 4101

Dear Mr Williams

**Re: Lodgement of Financial Return – CEPU, Queensland Electrical Divisional Branch -
for year ending 31 December 2005 (FR2005/606)**

I refer to the abovementioned financial statements lodged in the Registry on 2 June 2006 which have been under consideration by the Registry. In the normal course of events, the Registry would have corresponded with the Branch regarding the return much sooner and I sincerely apologise for the delay.

Two issues would have been raised had the Registry replied at the time: the *first* being to remind the Branch, in view of the total amount of Donations itemised on page 14, as \$27,727, to lodge a statement setting out particulars of any individual donation exceeding \$1,000, pursuant to s237 of the RAO Schedule; and the *second* being to draw the Branch's attention to the omission of a separate Committee of Management Statement as required by the Industrial Registrar's Guidelines.

However, unless a s237 statement as described in the preceding paragraph is applicable, in view of the lapse of time, there is no further action required, and the documents have now been filed.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Stephen Kellett'.

Stephen Kellett
for Deputy Industrial Registrar.

2 June 2008