



Australian Government
Australian Industrial Registry

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

Ref: FR2004/721-[128V-SA]

Mr R J Geraghty
Divisional Branch Secretary
CEPU Electrical Division
South Australian Divisional Branch
312 South Road
RICHMOND SA 5033

Dear Mr Geraghty

Financial Return - year ending 31 December, 2004

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*.

New 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.

The legislation has changed since your last return. 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: **FR2004/721**.

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 peter.mckerrow@air.gov.au or 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
20 January 2005

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
FIRST MEETING: Prepare General Purpose Financial Report (including Committee of Management Statement in accordance with C of M resolution) and Operating Report - s253(1), s254(1)	/ /	as soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	within a reasonable time of having received the GPFR
Provide full report free of charge to members. (a) if the report is to be presented before a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting, or (b) in any other case including where the report is presented to a Committee of Management meeting, the report must be provided to members within 5 months of end of financial year. <i>(obligation to provide full report may be discharged by provision of a concise report s265(1))</i>	/ / / /	
SECOND MEETING: Present full report to: (a) General Meeting of Members - s266 (1),(2), or (b) where rules of organisation allow, a Committee of Management meeting - s266 (3)	/ / / /	within 6 months of end of financial year within 6 months of end of financial year
Lodge full report (including any concise report) in the Industrial Registry together with secretary's certificate (or other officer authorised by the rules of the organisation) - s268	/ /	within 14 days of meeting

Note: The legislation makes limited provision for extensions of time concerning the provision of the full report to members and the presentation of the full report to a general meeting etc however the maximum extra time allowed can be no more than one month.

Attachment B

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:

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

(a) the secretary; or

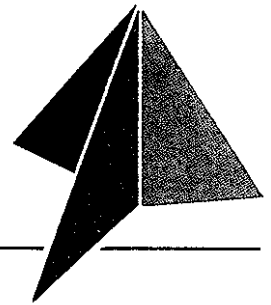
(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

²*Only applicable where a concise report is provided to members*

³*Insert whichever is applicable*

CEPU

COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION POSTAL
PLUMBING & ALLIED SERVICES UNION OF AUSTRALIA
ELECTRICAL DIVISION - S.A. BRANCH



Deputy Industrial Registrar
Australian Industrial Registry
80 William Street
East Sydney
NSW
2010



11 July 2005

Dear Deputy Registrar

Please find attached the General Purpose Financial Report (GPFR) for the CEPU Electrical Division South Australian Branch for the year ended 31st December 2004.
This report consists of:

Committee of Management Statement
Operating Report
Independent Audit Report
The Financial Accounts and notes to those accounts

The Financial Reports were presented to the Branch Committee of Management on 6th May 2005.
The Branch Committee of Management approved:
The Committee of Management Statement and authorized the Secretary to sign it
The Operating Report and authorized the Secretary to sign it
The GPFR and all its attachments be placed on the union's website and a distributed newsletter advise members of the report and the web link.

The GPFR and all its attachments were available on the web site from the 10th May, 2005 and the newsletter was distributed in the last week of May. In addition the full report was included in the ETU National News.


The final full report was adopted by the Committee of Management on the 11th of July 2005.

Yours faithfully

RJ Geraghty
S.A. Electrical Division Branch Secretary

SECRETARY'S CERTIFICATE

I, Robert John Geraghty, Branch Secretary, certify that the copies of the full report, referred to in s268 of the RAO Schedule, including, Auditors Report, accounts and statements of the Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services Union Of Australia, Electrical Division, South Australian Branch, for the year ended 31st December, 2004, as lodged herewith the Australian Industrial Registry are copies of the documents that were provided to members from the 10th May, 2005, and the full report was subsequently presented to the Branch State Executive held on the 11th July, 2005.



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Branch Secretary

11th July, 2005

COMMUNICATIONS ELECTRICAL ELECTRONIC
ENERGY INFORMATION POSTAL PLUMBING &
ALLIED SERVICES UNION OF AUSTRALIA -
Electrical Division - South Australian Branch

REGISTERED UNDER THE SOUTH AUSTRALIAN INDUSTRIAL & EMPLOYEES
RELATIONS ACT 1994 AS THE ELECTRICAL TRADES UNION OF AUSTRALIA
SOUTH AUSTRALIAN BRANCH

GENERAL PURPOSE FINANCIAL REPORT
Year Ended 31st December, 2004

Income and expenditure
Operating Report
Balance Sheet
Statement of Cash Flows
Education, Training & Emergency Transport Fund

**COMMUNICATIONS ELECTRICAL ELECTRONIC
ENERGY INFORMATION POSTAL PLUMBING &
ALLIED SERVICES UNION OF AUSTRALIA
Electrical Division - South Australian Branch**

REGISTERED UNDER THE SOUTH AUSTRALIAN
INDUSTRIAL & EMPLOYEES RELATIONS ACT
1994 AS THE ELECTRICAL TRADES UNION OF

Committee Of Management Statement

On 6th May 2005 the Committee of Management of the Communication Electrical Plumbing Union, Electrical Division, South Australian Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31st December 2004.

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 the branch; and
 - (ii) the financial affairs of the branch have been managed in accordance with the rules of the organisation including the rules of the branch; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAQ Regulations; and
 - (iv) the financial records of the branch have been kept, as far as practicable, in a consistent manner to each of the other branches and national council of the organization; and
 - (v) the information sought in any request of a member of the branch or a Registrar duly made under section 272 of schedule 1B to the Workplace Relations Act 1996 has been furnished to the member or Registrar; and
 - (vi) No orders have been made by the Commission under section 273 of the RAO Schedule during the period.

For Committee of Management

.....
Signature: Robert John Geraghty, Branch Secretary

Date:6-05-2005...

COMMUNICATIONS ELECTRICAL ELECTRONIC
ENERGY INFORMATION POSTAL PLUMBING &
ALLIED SERVICES UNION OF AUSTRALIA -
Electrical Division - South Australian Branch

REGISTERED UNDER THE SOUTH AUSTRALIAN
INDUSTRIAL & EMPLOYEES RELATIONS ACT 1994
AS THE ELECTRICAL TRADES UNION OF
AUSTRALIA SOUTH AUSTRALIAN BRANCH

OPERATING REPORT

This Operating Report covers the activities of the Communication Electrical Plumbing Union, Electrical Division, South Australian Branch, for the financial year ended 31st December 2004.

1. Principal Activities of the Branch

During the 2004 year, the main activities of the Branch were as follows:

- Organising and retaining existing members and recruiting new members.
- Bargaining and negotiating and for improvements in wages and conditions of employment of members of the Union.
- Representing individual members in work related grievances or other individual matters.

As a result of the Branch's organising activity, membership in the Branch increased in net terms by exactly 100 over the course of the year. That growth is significantly due to the work of our Contacting and Power Industry organizing at the workplace. The Branch has finalized a number of new Enterprise Bargaining Agreements (EBA's) in the Power Industry contractors' area as well as finalizing a few remaining electrical contracting and lift company agreements.

Over the year, the Branch has negotiated renewal of scores of existing Enterprise Bargaining Agreements delivering improvements in wages and conditions to CEPU members.

The Branch has also lobbied and campaigned heavily to protect apprentices and to convince the state government not to abolish electrical workers registration under the *Plumbers Electricians and Gas Fitters Act 1996* and to issue their registration at no cost to the apprentice.

The Branch has also been involved in negotiations with different levels of Government around issues of importance to CEPU members. An example of this is the Branch's participation in the Vocational Training area involving:

- the start up of a new Industry Skills Board
- representation on the Construction Industry Training Board
- representation on the Plumbing Electrical Electronic Refrigeration Group Training Board
- representation on the Plumbing Electrical Electronic Refrigeration Technical Education Centre

2. The Branch's Financial Affairs

Changes to the Branch's Financial Affairs include an increase in membership fee income over the course of the year. Membership fee income has increased as a result of the net increase in membership within the Branch over the year.

The other significant change to the Branch's financial affairs results from the receipt of insurance management fees.

3. Right of Members to Resign.

All Members of the Branch have the right to resign from the Union in accordance with Section B Electrical Division Rule 4.6; namely, by providing written notice addressed and delivered to the Secretary of the Branch, including by facsimile.

4. Superannuation Trustees.

The Union is represented by Robert John Geraghty, who is an appointed trustee director on both the Connect Superannuation Board (Board fees are paid to the union), which is an Industry Scheme for the Electrical Contracting Industry and on the Electricity Industry Superannuation Scheme, which operates in the privatized Power Industry.

5. Membership of the Branch.

There were 2,978 members of which 2,887 were financial members of the Branch as at 31st December 2004.

6. Employees of the Branch

As at 31st December 2004 the Branch employed 4 elected officials, 1 appointed official, 1 full time clerical employee 1 part time clerical and 1 part time cleaner employee with a total number of 7.9 employees on a fulltime equivalent basis.

7. Committee of Management

The following persons were a member of the Committee of Management of the Branch, namely the Branch Executive, during the year ending 31st December 2004;

Robert John Geraghty	1 st January 2004 to 31 st December 2004
Neville Douglas Jackson	1 st January 2004 to 31 st December 2004
Anthony Brian Elkins	1 st January 2004 to 31 st December 2004
Jason S Harrison	1 st January 2004 to 31 st December 2004
Charles C O'Niell	1 st January 2004 to 31 st December 2004

.....
Robert John Geraghty, Branch Secretary

Date..... 6-05-2005

INDEPENDENT AUDIT REPORT

To the members of the Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services Union of Australia, Electrical Division South Australian Branch

SCOPE

The Financial Report and the Committee of Management's Responsibility

The financial report comprises the balance sheet, income and expenditure statement, statement of cash flows, the accompanying notes to the financial statements and the committee of management's statement for the Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services Union of Australia, Electrical Division South Australian, for the year ended 31st December 2004.

The Committee of Management and the Secretary of the Branch are responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996. 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 have conducted an independent audit in order to express an opinion to the members of the Branch. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance 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 Workplace Relations Act 1996" including compliance with Accounting Standards and other mandatory professional reporting requirements in Australia a view which is consistent with our understanding of the Branch's financial position and 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:

1. examining on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
2. assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Committee of Management and the Secretary of the Branch.

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

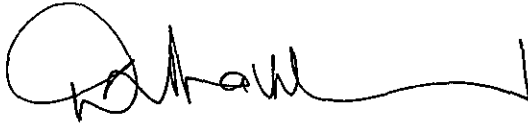
In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Workplace Relations Act 1996.

INDEPENDENT AUDIT REPORT

Audit Opinion

In our opinion the financial report of the Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services Union of Australia, Electrical Division South Australian Branch is in accordance with:

- (a) the Workplace Relations Act 1996, including:
 - (i) giving a true and fair view of the Branch's financial position as at 30th June 2004 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards; and
 - (iii) complying with any other requirements imposed by the Reporting Guidelines of Part 3 of Chapter 8 of Schedule 1 B of the Act; and
- (a) other mandatory professional reporting requirements in Australia.



.....
David Macklin
Chartered Accountant
Norwood
South Australia

Dated..... 9th May, 2005

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC
ENERGY, INFORMATION, POSTAL, PLUMBING &
ALLIED SERVICES UNION OF AUSTRALIA –
Electrical Division – South Australian Branch**

REGISTERED UNDER THE SOUTH AUSTRALIAN INDUSTRIAL & EMPLOYEES
RELATIONS ACT 1994 AS THE ELECTRICAL TRADES UNION OF AUSTRALIA –
SOUTH AUSTRALIAN BRANCH

INCOME AND EXPENDITURE STATEMENT YEAR ENDED 31 st DECEMBER 2004				
INCOME			2004 \$	2003 \$
Members total contributions			801520	749643
Entrance fees received			2666	2690
Other Income				
			(76)	(811)
Trading Account				
Interest received			23504	24805
Rent received			-	14441
Sundry income			4652	2261
Director's fees			4,000	1,000
Management Fees - Insurance			24846	24142
Administration - Plumbers			24334	-
TOTAL INCOME			885446	818171
EXPENDITURE				
Payments to Members & Others				
Sustentation Fees -- National	86292			78619
Affiliation Fees -- UTLC, MFTU, ALP	22140			22471
Industrial Campaign Hall Hire	421			1000
Payments to members -- lost time	350			492
National Office levies	1353			1400
Ambulance service	7381			5872
Donations (Federal Election)	16000			-
		133937		109845
Executive & Other Expenses				
Motor Vehicle Expenses:				
• Registration & Insurance	6293			6672
• Running & Repairs	12323			12609
• Depreciation	19754			17075
		38370		36356
Officers Travelling expenses	5798			7386
Executive reimbursement	4820			5211
Employers deduction commission	218			59
Conference expenses -- State	-			6142
Training Officer	4902			7874
		15738		26672

COMMUNICATIONS, ELECTRICAL, ELECTRONIC
ENERGY, INFORMATION, POSTAL, PLUMBING &
ALLIED SERVICES UNION OF AUSTRALIA -
Electrical Division - South Australian Branch

REGISTERED UNDER THE SOUTH AUSTRALIAN INDUSTRIAL & EMPLOYEES
RELATIONS ACT 1994 AS THE ELECTRICAL TRADES UNION OF AUSTRALIA -
SOUTH AUSTRALIAN BRANCH

INCOME AND EXPENDITURE STATEMENT YEAR ENDED 31 st DECEMBER 2004				<u>2004</u>	<u>2003</u>
Brought forward:					
General Expenses					
Subscriptions to ETU News	9387				4477
Advertising	467				1570
Debt Collection Expenses	5439				4972
Legal & Court charges	2000				1578
		17293			12597
Employment Expenses					
Salaries - Officials	320532				322280
Salaries - Employees	83959				66625
Superannuation	123223				119158
Long Service Leave Provision	8779				8659
Insurance Workcover	8759				8510
Fringe Benefits Tax	4202				5265
Annual Leave Provision	16242				19902
		565696			550399
Administration Expenses					
Meetings & Assoc. expenses	2994				1985
Power & Lighting	13252				7834
Cleaning & Waste removal	1101				1207
Postage	9322				8553
Telephone & Facsimile	19818				19779
Printing & Stationery	10883				7632
Photocopying expenses	3832				1894
Computer Service & Software	1912				2197
Publication & Journals	1184				3773
Office Facilities - Depreciation	4974				2543
Accounting & Audit fees	5500				5620
Bank charges & tax	7950				9073
Staff amenities & reimbursement	3579				3168
Sundry expenses	978				890
Insurance - General	1898				3967
		89117			80115

COMMUNICATIONS, ELECTRICAL, ELECTRONIC
ENERGY, INFORMATION, POSTAL, PLUMBING &
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REGISTERED UNDER THE SOUTH AUSTRALIAN INDUSTRIAL & EMPLOYEES
RELATIONS ACT 1994 AS THE ELECTRICAL TRADE UNION OF AUSTRALIA –
SOUTH AUSTRALIAN BRANCH

INCOME AND EXPENDITURE STATEMENT YEAR ENDED 31 st DECEMBER 2004				<u>2004</u>	<u>2003</u>
Brought forward:					
Property Expenses					
Rates & Taxes	15017				14497
Insurance – Building & Contents	6208				5320
Repairs & Maintenance	3320				3994
Security Services	2104				1578
Depreciation	13109				12969
			39758		38358
TOTAL EXPENDITURE				899969	854351
Surplus (deficit) for Year:				(14523)	(36180)
Transferred to General Funds					
The attached notes form part of the accounts					

COMMUNICATIONS, ELECTRICAL, ELECTRONIC
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REGISTERED UNDER THE SOUTH AUSTRALIAN INDUSTRIAL & EMPLOYEES
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SOUTH AUSTRALIAN BRANCH

Balance Sheet as at 31st December 2004

			<u>2004</u>	<u>2003</u>
CURRENT ASSETS				
Cash on Hand		300		300
Cash at Bank:				
• Adelaide: NAB, CBA,	48280			61596
• Pt Pirie	356			444
• Pt Augusta	86			86
Sundry Debtors - Plumbers	25802			-
		74524		62126
Accounts Receivable & Pre-payments		19022		11615
INVESTMENTS – Note 3				
Powerstate Credit Union		410527		416199
Commonwealth / National Banks:				
• Term Deposit – Pt Pirie	1000			1000
Savings Investment Accounts				
• CBA Cash Management Call Account	38821			60959
• NAB Education/Training Account	35791			71945
• Members Equity	61700			23529
		137312		157433
FIXED ASSETS – Notes 4 & 5				
Land & Buildings	1355330			1334859
Office Equipment	3000			3,500
Office Furniture & Fittings	10000			12,000
Office Machines	32,500			32,000
Motor Vehicles	123839			123981
Research Library	1,500			1,500
		1526169		1507777
OTHER NON-CURRENT ASSETS				
Loans:				
• Trades Hall Adelaide Inc.		-		4,244
TOTAL ASSETS CARRIED FORWARD:			2167854	2159695

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REGISTERED UNDER THE SOUTH AUSTRALIAN INDUSTRIAL & EMPLOYEES
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SOUTH AUSTRALIAN BRANCH

Balance Sheet as at 31st December 2004

TOTAL ASSETS Brought Forward:			<u>2004</u>	<u>2003</u>
Less – Current Liabilities & Provisions			2167854	2159695
Provisions for Annual Leave	91033			74791
GST owing	12849			-
Accounts Payable	92558			110227
Provisions for Long Service Leave	91533			82754
			287973	267772
NET ASSETS EQUAL TO TOTAL ACCUMULATED FUNDS			<u>1879881</u>	<u>1891923</u>
Note: Arrears to Subscriptions & Fines estimated to be recoverable			25,000	20000
The attached notes form part of the Accounts				

COMMUNICATIONS, ELECTRICAL, ELECTRONIC
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REGISTERED UNDER THE SOUTH AUSTRALIAN INDUSTRIAL & EMPLOYEES
RELATIONS ACT 1994 AS THE ELECTRICAL TRADES UNION OF AUSTRALIA -
SOUTH AUSTRALIAN BRANCH

Balance Sheet as at 31st December 2004

ACCUMULATED FUNDS			<u>2004</u>	<u>2003</u>
General Funds as at 1 st January 2004			1819978	1827051
Add: Surplus (Deficit) for year			(14523)	(36180)
			1805455	1790871
Add:				
Transfers between Funds			36154	29107
WA Branch Loan Repayment			6725	-
Trades Hall Loan Write Off			(4244)	-
Total General Funds at 31 st December 2004			1844090	1819978
Trust Funds:				
• Education, Training & Emergency Transport			35791	71945
TOTAL FUNDS AT 31st DECEMBER 2004			<u>1879881</u>	<u>1891923</u>
Represented by Net Assets				

COMMUNICATIONS, ELECTRICAL, ELECTRONIC
ENERGY, INFORMATION, POSTAL, PLUMBING &
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REGISTERED UNDER THE SOUTH AUSTRALIAN INDUSTRIAL &
EMPLOYEES RELATIONS ACT 1994 AS THE ELECTRICAL TRADES
UNION OF AUSTRALIA – SOUTH AUSTRALIAN BRANCH

Statement of Cash Flows for the year ended 31st December, 2004

	2004	2003
CASH FLOW FROM OPERATING ACTIVITIES		
Members Contributions	801520	749643
Interest Received	23504	24805
Management Fees – Insurance	24846	24142
Administration – Plumbers	24334	-
Sundry Income	11242	19581
Payment to Suppliers and Employees	<u>(887989)</u>	<u>(832216)</u>
Net Cash used in Operating Activities	<u>(2543)</u>	<u>(14045)</u>
 CASH FLOW FROM INVESTMENT ACTIVITIES		
Proceeds from maturing investments	12850	(15976)
Payment for fixed assets	<u>(56229)</u>	<u>(33377)</u>
Net Cash used in Investing Activities	<u>(43379)</u>	<u>(49353)</u>
 CASH FLOW FROM FINANCIAL ACTIVITIES		
Repayment of WA Branch loan	<u>6725</u>	<u>-</u>
Net Cash Flow from financing activities	<u>6725</u>	<u>-</u>
 NET INCREASE (DECREASE) IN CASH HELD	 <u>(39197)</u>	 <u>(63398)</u>
Cash at beginning of the year	<u>636058</u>	<u>699456</u>
Cash at end of the year	<u>596861</u>	<u>636058</u>

COMMUNICATIONS, ELECTRICAL, ELECTRONIC
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UNION OF AUSTRALIA – SOUTH AUSTRALIAN BRANCH

EDUCATION, TRAINING & EMERGENCY TRANSPORT

Revenue Statement for year ended 31st December 2004

		<u>2004</u>	<u>2003</u>
Receipts:			
Contributions - Insurance Management Fees		24846	24142
Interest – Bank		<u>1341</u>	<u>1553</u>
		26187	<u>25695</u>
Less Expenses:			
Bank Fees		-	6
Ambulance cover		<u>5495</u>	<u>4622</u>
		<u>5495</u>	<u>4628</u>
Surplus (Deficit) for year		<u>20692</u>	<u>21067</u>
Accumulated Funds as at 1 st January 2004		71945	68723
Surplus (Deficit) for year		20692	21067
Transfers Net		15099	(17845)
BALANCE AS AT 31 st DECEMBER 2004		<u>35791</u>	<u>71945</u>
Represented by the following Assets:			
National Bank Cash Management		35791	71945
TOTAL ASSETS		<u>35791</u>	<u>71945</u>

COMMUNICATIONS ELECTRICAL ELECTRONIC
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NOTES TO, AND FORMING PART OF THE FINANCIAL ACCOUNTS, FOR THE YEAR ENDED 31st
DECEMBER, 2004

1. ACCOUNTING METHODS

The financial statements have been prepared in accordance with applicable Accounting Standards, other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and the Workplace Relations Act, 1996. The financial statements have also been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the economic entity in the preparation of the accounts:-

- (a) Depreciation of fixed assets is calculated on the straight line basis in order to write the assets off over their useful life.
- (b) Provision for employee benefits in the form of accrued Long Service Leave, and accrued Annual Leave have been made for the estimated accrued entitlements of all employees on the basis of their terms of employment. In the case of Long Service Leave, the accrual has been measured by reference to periods of service and current salary rates, as it is considered that this results in an amount not materially different to that achieved by discounting estimated future cash flows.
- (c) No provision for income tax is necessary, as industrial "Trade Unions" are exempt from income tax under Section 50.15 of the Income Tax Assessment Act 1997.

2. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act, 1996, the attention of members is drawn to the provisions of Section 272 of Schedule 1B, which reads as follows:

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

COMMUNICATIONS ELECTRICAL ELECTRONIC
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NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS FOR THE YEAR
ENDED 31st DECEMBER, 2004

3. <u>INVESTMENTS</u>	<u>2004</u>	<u>2003</u>
Employee Entitlements –		
Leave Entitlements (Powerstate term deposit)	380,000	380,000
Other Investments –	<u>167839</u>	<u>170103</u>
Interest bearing deposits	<u>547839</u>	<u>573632</u>
Note: All Retirement Allowance liabilities are funded by a capital guaranteed pooled superannuation fund policy managed by ING		
4. <u>FIXED ASSETS – REAL PROPERTY</u>		
South Road Premises –		
Book Value 1 st January 2004	1334859	1336216
Add: Air conditioning	33580	11612
Less: Depreciation	<u>(13109)</u>	<u>(12969)</u>
Book Value as at 31 st December, 2004	<u>1355330</u>	<u>1334859</u>

**COMMUNICATIONS ELECTRICAL ELECTRONIC
ENERGY INFORMATION POSTAL PLUMBING & ALLIED
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5. FIXED ASSETS - OTHER

	<u>Valuation at 1974 or cost since 1973</u>	<u>Accumulated Depreciation</u>	<u>Book Value 31 Dec 2004</u>	<u>Book Value 31 Dec 2003</u>
Office Furniture & Fittings	50,274	40274	10000	12000
Office Equipment	78,300	75300	3000	3500
Office Machines	227,459	194959	32500	33000
Research Library	14,074	12574	1500	1500

	<u>Book Value 1st Jan 2004</u>	<u>Purchases (Net) 2004</u>	<u>Depreciation 2004</u>	<u>Book Value 31 Dec 2004</u>
Motor Vehicles	123918	19675	19754	123839

6. CONTINGENT LIABILITIES

The Union continues to fund ambulance services for financial members, subject to certain conditions. These services are self insured by the union

7. GOODS AND SERVICES TAX

Revenues, expenses, assets and liabilities are recognised in the financial statements net of goods and services tax (GST). The net amount of GST receivable from or payable to the Australian Taxation Office at balance date is included as a separate item in the Balance Sheet.

8. DONATIONS

In accordance with 2004 CEPU Electrical Divisional Conference decision, donations totalling \$16,000 were made during the year toward the ALP Federal Election campaign (nil in 2003)

9 RELATED PARTY INFORMATION

The Branch Conference delegates received expense related allowances of nil in 2004 & \$5160 in 2003. Elected Officials on the State Council had superannuation payments of \$102,004 in 2004 and \$100,107 in 2003.

Communications Electrical Electronic Energy Information Postal Plumbing and Allied
Services Union of Australia, Electrical Division South Australian Branch

10. Statement of receipts and payments for recovery of wages activity
- Cash Basis - for year ended 30 June 2004

	Note	2004 \$	2003 \$
Cash assets in respect of recovered money at beginning of year		nil	nil
Receipts			
Amounts recovered from employers in respect of wages etc		nil	nil
Interest received on recovered money		nil	nil
Total receipts		nil	nil
Payments			
Deductions of amounts due in respect of membership for:			
. 12 months or less		nil	nil
. greater than 12 months		nil	nil
Deductions of donations or other contributions to accounts or funds of:			
. the reporting unit -			
[name of account]		nil	nil
[name of fund]		nil	nil
[name of fund]		nil	nil
. [name of other reporting unit of the organisation] -			
[name of account]		nil	nil
[name of fund]		nil	nil
[name of fund]		nil	nil
. [name of other entity] -			
[name of account]		nil	nil
[name of fund]		nil	nil
[name of fund]		nil	nil
Deductions of fees or reimbursements of expenses		nil	nil
Payments to workers in respect of recovered money		nil	nil
Total payments		nil	nil
Cash assets in respect of recovered money at end of year		nil	nil



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 R J Geraghty
Divisional Branch Secretary
CEPU Electrical Division
South Australian Divisional Branch
312 South Road
RICHMOND SA 5033

Financial Return for year ending 31 December 2004 (FR2004/721)

The Branch financial return lodged on 18 July 2005 has been filed.

Donations

Note 8 to the Financial statements states the Branch donated a total of \$16,000. Under s237 of the RAO Schedule the Branch must lodge a Statement showing details of any donation exceeding \$1,000.

This obligation is separate from the Branch's other financial reporting obligations.

The details required about each donation exceeding \$1,000 are:

- the amount
- the purpose of the donation
- the name and address of the person to whom the donation was made

The Statement is not a public document and is only available for viewing by a member of the Union at the Registry. The Statement should be signed by an officer of the Branch.

If you have any questions about this, please contact me on (02) 8374 6666.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Peter McKerrow', with a long, sweeping horizontal stroke extending to the right.

Peter McKerrow
for Deputy Industrial Registrar
27 July 2005