



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: FR2006/607-[128V-SA]

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

Dear Mr Geraghty

Financial Return - year ending 31 December, 2006

Our records show the 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*.

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.

Information on AIRC Website

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

- [RAO Schedule](#)
- [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 requirements of the RAO Schedule - many of them deal with financial reporting matters.

Reporting Unit

Under the provisions of the Registration and Accountability of Organisations Schedule (RAO), Schedule 1 of the *Workplace Relations Act 1996*, 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 use the term "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:
 - (a) 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
 - (b) 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 including disclosures related to any recovery of wages activity ; and
 - (c) Committee of Management Statement as required by the Registrar's Reporting Guidelines (a sample certificate for illustrative purposes is at Attachment C) including declarations related to the recovery of wages activity.
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 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).

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.

Contact the Registry

We encourage you to contact the Registry on (02) 8374 6618 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 procedures but we cannot give you legal or accounting advice.

Yours sincerely



For Deputy Industrial Registrar
19 January 2007

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?	
	Does the statement contain declarations relating to any recovery of wages activity?	
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.

[Add the following if any recovery of wages activity has been undertaken during the financial year]

- (f) in relation to recovery of wages activity:
 - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Industrial Registrar; and
 - (ii) the committee of management caused the auditor to include in the scope of the audit required under subsection 257(1) of the RAO Schedule all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
 - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
 - (iv) that prior to engaging in any recovery of wages activity, the organization has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and

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

For 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 - SOUTH AUSTRALIAN BRANCH



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

11 May 2007

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 2006. This report consists of:

Committee of Management Statement
Operating Report
Independent Audit Report

The Financial Accounts and notes to those accounts for the Electrical, Energy and Services Division for a full year including the now dissolved Plumbing Division.

The Financial Reports were presented to the Branch Committee of Management on 14th March 2007. The Branch Committee of Management approved:

The Committee of Management Statement and authorized the Secretary to sign it.

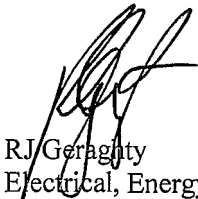
The Operating Report and authorized the Secretary to sign it.

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.

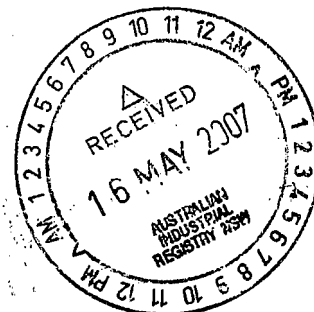
The GPFR and all its attachments were available on the web site from the 16th March, 2007 and advice to members of the web site was distributed in the April. In addition the full report was included in the ETU National News.

The final full report was adopted by the Committee of Management on the 9th of May 2007.

Yours faithfully

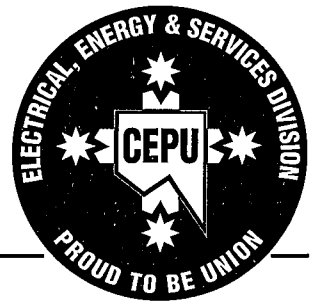


RJ Geraghty
Electrical, Energy and Services Division, SA Branch Secretary



CEPU

COMMUNICATIONS ELECTRICAL ELECTRONIC ENERGY INFORMATION POSTAL PLUMBING &
ALLIED SERVICES UNION OF AUSTRALIA - SOUTH AUSTRALIAN BRANCH



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, Energy & Services Division, South Australian Branch, for the year ended 31st December, 2006, as lodged herewith the Australian Industrial Registry are copies of the documents that were provided to members from the 2nd April, 2006, and the full report was subsequently presented to the Branch State Executive held on the 9th May, 2007.



Branch Secretary

11th May, 2006

COMMUNICATIONS ELECTRICAL ELECTRONIC
ENERGY INFORMATION POSTAL PLUMBING &
ALLIED SERVICES UNION OF AUSTRALIA -
Electrical, Energy and Services 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, 2006

Income and Expenditure Statement

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, Energy and Services - South Australian
Branch

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

Committee Of Management Statement

On 14th March 2007 the Committee of Management of the Communication Electrical Plumbing Union, Electrical, Energy and Services 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 2006.

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..... 11/05/2007

COMMUNICATIONS ELECTRICAL ELECTRONIC
ENERGY INFORMATION POSTAL PLUMBING &
ALLIED SERVICES UNION OF AUSTRALIA -
Electrical, Energy and Services - 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 Energy and Services Division, South Australian Branch, for the financial year ended 31st December 2006.

1. Principal Activities of the Branch

After a full year of consolidation of electrical and plumbing members, all the administration and industrial issues have progressed smoothly. The rules of this Division of the Union do not allow for "away from trade" plumbing members who paid a token amount of contribution fees. These members were offered full membership or resignation, transfer or clearance. Most decided to resign. This reflects the negative growth of our plumbing members for 2006.

The Branch has been very active in the ACTU Your Rights At Work campaign and is also heavily involved in the ACTU marginal seat campaign

A number of Sanitary Plumbing, Mechanical Services and Fire Sprinkler Fitter Union Collective Agreements were certified during the year along with the largest of the Electrical Contracting Companies and some Manufacturing Agreements.

As a result of the Branch's organising activity, membership in the Branch increased in net terms by 146 electrical members over the course of the year.

Over the year, the Branch has negotiated new Union Collective Agreements and renewed scores of existing Enterprise Bargaining Agreements.

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 protecting State Government CEPU Members from the Federal Workchoices legislation.

Vocational training continues to be a priority involving:

- Representation on the state Electrotechnology Electrical Energy and Water 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.
- Representation on the Construction Industry Long Service Leave Board (Board fees paid to the union).
- Representation on the Building Industry Redundancy Trust (Board fees paid to the union).
- Representation on the Training and Placement Scheme (a Group Training Organisation for Plumbing Apprentices).

2. The Branch's Financial Affairs

Membership fee income has increased as a result of the net increase in membership within the Branch over the year.

The Branch introduced a levy of fifty cents per week to commence in 2006 to fund the Industrial Relations campaign organised by the CEPU National Council, ACTU and SA Unions.

The Branch made a surplus of \$78,983.00

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 privatised Power Industry (no Board fees paid).

5. Membership of the Branch.

There were 3,708 members of which 3,483 were financial members of the Branch as at 31st December 2006.


6. Employees of the Branch

As at 31st December 2006 the Branch employed 4 elected officials, 2 appointed officials, 3 part time clerical employees and 2 casual employees with a total number of 8.5 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 2006;

Robert John Geraghty	1 st January 2006 to 31 st December 2006
Neville Douglas Jackson	1 st January 2006 to 31 st December 2006
Anthony Brian Elkins	1 st January 2006 to 31 st December 2006
Jason S Harrison	1 st January 2006 to 31 st December 2006
Charles C O'Neill	1 st January 2006 to 31 st December 2006
Robert K Burton	1 st January 2006 to 31 st December 2006


.....
Robert John Geraghty, Branch Secretary

Date..... 11/05/2007

INDEPENDENT AUDIT REPORT

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

SCOPE

The Financial Report and the Committee of Management's Responsibility

The financial report comprises the operating report, 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, Energy and Services Division, South Australian, for the year ended 31st December 2006.

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

I have conducted an independent audit in order to express an opinion to the Members of the Branch. My 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.

I 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 my understanding of the Branch's financial position and its performance as represented by the results of its operations and cash flows.

I formed my 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 I considered the effectiveness of Management's internal controls over financial reporting when determining the nature and extent of my procedures, my audit was not designed to provide assurance on internal controls.

INDEPENDENCE

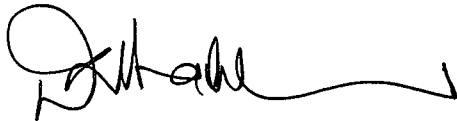
In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements and the *Workplace Relations Act 1996*.

INDEPENDENT AUDIT REPORT

Audit Opinion

In my opinion the financial report of the Communications Electrical Electronic Energy Information Postal Plumbing and Allied Services Union of Australia, Electrical, Energy and Services 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 31st December, 2006 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
- (b) other mandatory professional reporting requirements in Australia.



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

Dated..... 11th May, 2007

COMMUNICATIONS, ELECTRICAL, ELECTRONIC
ENERGY, INFORMATION, POSTAL, PLUMBING &
ALLIED SERVICES UNION OF AUSTRALIA –
Electrical, Energy and Services – 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 2006				
INCOME			<u>2006</u> \$	<u>2005</u> \$
Members total contributions			1,069,477	878,600
Entrance fees received			3,008	2,040
Contributions Owing			30,397	34,096
IR Campaign Levy			74,967	-
Other Income -				
Trading Account			938	1,280
Interest received			35,858	29,027
Rent received			40,307	-
Sundry income			3,571	1,661
Director's fees			10,400	9,420
Management Fees - Insurance			45,807	101,138
Administration - Plumbers			-	11,000
TOTAL INCOME			1,314,730	1,068,322
EXPENDITURE				
Payments to Members & Others				
Sustentation Fees – National		91,451		87,222
Affiliation Fees – UTLC, MFTU, ALP		26,579		24,197
YRAW Industrial Campaign		49,483		3,051
Payments to members – lost time		270		340
National Office levies		2,039		1,267
Ambulance service		8,569		4,857
Donations		1,840		-
			180,231	120,934
Executive & Other Expenses				
Motor Vehicle Expenses:				
• Registration & Insurance		9,294		6,843
• Running & Repairs		20,156		20,380
• Depreciation		50,444		35,481
			79,894	62,704
Officers Travelling expenses		17,130		9,773
Executive reimbursement		9,761		7,288
Employers deduction commission		160		142
Conference expenses – State		140		3,606
Training Officer		5,610		7,664
			32,801	28,473

COMMUNICATIONS, ELECTRICAL, ELECTRONIC
ENERGY, INFORMATION, POSTAL, PLUMBING &
ALLIED SERVICES UNION OF AUSTRALIA –
Electrical, Energy and Services – 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 2006			<u>2006</u>	<u>2005</u>
Brought forward:				
General Expenses				
Subscriptions to ETU News		4,066		4,845
Advertising		2,500		1,300
Debt Collection Expenses		6,338		4,655
Legal & Court charges		4,466		2,691
			17,370	13,491
Employment Expenses				
Salaries – Officials		431,249		363,262
Salaries – Employees		97,327		87,923
Superannuation		144,216		126,317
Long Service Leave Provision		29,388		17,748
Insurance Workcover		11,479		9,644
Payroll Tax		10,755		10,158
Fringe Benefits Tax		12,042		18,353
Annual Leave Provision		<u>26,600</u>		<u>11,112</u>
			763,056	644,517
Administration Expenses				
Meetings & Assoc. expenses		5,773		2,153
Power & Lighting		14,004		12,283
Cleaning & Waste removal		1,518		1,311
Postage		9,078		9,232
Telephone & Facsimile		21,854		22,255
Printing & Stationery		20,379		15,971
Photocopying expenses		4,363		4,728
Computer Service & Software		2,498		5,242
Publication & Journals		869		1,251
Office Facilities - Depreciation		8,808		9028
Accounting & Audit fees		5,885		5,560
Bank charges & tax		12,043		9,075
Staff amenities & reimbursement		768		754
Subscriptions		5,144		525
Sundry expenses		273		2,025
Insurance – General		<u>4,525</u>		<u>2,813</u>
			117,782	104,206

COMMUNICATIONS, ELECTRICAL, ELECTRONIC
ENERGY, INFORMATION, POSTAL, PLUMBING &
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Electrical, Energy and Services – South Australian Branch

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 2006			<u>2006</u>	<u>2005</u>
Brought forward:				
Property Expenses				
Rates & Taxes		10,548		15,180
Insurance – Building & Contents		6,814		6981
Repairs & Maintenance		11,913		3,987
Security Services		2,175		1,115
Depreciation		<u>13,163</u>		<u>13,163</u>
			44,613	<u>40,363</u>
TOTAL EXPENDITURE			1,235,747	1,014,688
Surplus (deficit) for Year:			<u>78,983</u>	<u>53,634</u>
Transferred to General Funds				
The attached notes form part of the accounts				

COMMUNICATIONS, ELECTRICAL, ELECTRONIC
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RELATIONS ACT 1994 AS THE ELECTRICAL TRADES UNION OF AUSTRALIA –
SOUTH AUSTRALIAN BRANCH

Balance Sheet as at 31st December 2006

		<u>2006</u>	<u>2005</u>
ACCUMULATED FUNDS			
Balance 1 st January 2006		2,003,374	1,879,881
Add: Surplus (Deficit) for the year		78,983	53,634
Net Assets taken over from Plumbing Division		-	69,859
Trust Funds			
Total Funds 31st December, 2006		<u>2,082,358</u>	<u>2,003,374</u>
Represented by:			
CURRENT ASSETS			
Cash on Hand	300		300
NAB Operating	49,232		83,435
CBA Current	86,628		47,917
CBA Pt Pirie	356		356
CBA Pt Augusta	86		86
Members Equity	177,390		167,614
Sundry Debtors	77,204		36,096
Prepayments & Stock	14,492		16,943
		405,688	352,747
INVESTMENTS – Note 3			
Powerstate Credit Union - Term	415,000		380,000
Powerstate Choice - Vehicle replacement account	6,191		20,674
Commonwealth Bonds	1,000		1000
CBA - Plumbers	-		1,042
CBA Cash Management Call Account	94,911		41,232
NAB Education/Training Account	24,234		28,134
NAB - Plumbers	-		526
		541,336	472,608
FIXED ASSETS – Notes 4 & 5			
Land & Buildings	1,324,980		1,338,143
Property Leasing Expenses	4,024		4,024
Office Equipment	2,500		3,000
Office Furniture & Fittings	8,500		10,000
Office Machines	49,000		35,000
Motor Vehicles	160,795		126,687
Research Library	1,000		1,500
		<u>1,550,799</u>	<u>1,518,354</u>
TOTAL ASSETS		<u>2,497,823</u>	<u>2,343,709</u>

COMMUNICATIONS, ELECTRICAL, ELECTRONIC
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REGISTERED UNDER THE SOUTH AUSTRALIAN INDUSTRIAL &
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UNION OF AUSTRALIA – SOUTH AUSTRALIAN BRANCH

Statement of Cash Flows for the year ended 31st December, 2006

	2006	2005
CASH FLOW FROM OPERATING ACTIVITIES		
Members Contributions	1,181,548	880,537
Interest Received	35,858	29,027
Management Fees – Insurance	-	125,984
Administration – Plumbers	-	10,000
Rent Received	40,307	-
Sundry Income	16,043	7,967
Payment to Suppliers and Employees	<u>(959,192)</u>	<u>(836,011)</u>
Net Cash used in Operating Activities	<u>314,564</u>	<u>217,504</u>
CASH FLOW FROM INVESTMENT ACTIVITIES		
Sale of Fixed Assets	16,273	7,273
Cost of Relocating Plumbing Division	-	(6,255)
Investment in Term Deposit	(35,000)	-
Payment for fixed assets	<u>(121,132)</u>	<u>(43,067)</u>
Net Cash used in Investing Activities	<u>(139,856)</u>	<u>(42,049)</u>
NET INCREASE (DECREASE) IN CASH HELD	174,708	175,455
Cash at beginning of the year	<u>772,316</u>	<u>596,861</u>
Cash at end of the year	<u>947,024</u>	<u>772,316</u>

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UNION OF AUSTRALIA – SOUTH AUSTRALIAN BRANCH

EDUCATION, TRAINING & EMERGENCY TRANSPORT

Revenue Statement for year ended 31st December 2006

	2006	2005
Receipts:		
Interest – Bank	631	792
Less Expenses:		
Ambulance cover	4,531	3,449
Surplus (Deficit) for year	(3,900)	(2,657)
Accumulated Funds as at 1 st January 2006	28,134	35,791
Surplus (Deficit) for year	(3,900)	(2,675)
Transfers Net	-	(5,000)
BALANCE AS AT 31st DECEMBER 2006	24,234	28,134
Represented by the following Assets:		
National Bank Cash Management	24,234	28,134
TOTAL ASSETS	24,234	28,134

COMMUNICATIONS ELECTRICAL ELECTRONIC
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NOTES TO, AND FORMING PART OF THE FINANCIAL ACCOUNTS, FOR THE YEAR ENDED 31st
DECEMBER, 2006

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 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)

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TRADES UNION OF AUSTRALIA SOUTH AUSTRALIAN BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS FOR THE YEAR
ENDED 31st DECEMBER, 2006

<u>3. INVESTMENTS</u>	<u>2006</u>	<u>2005</u>
Employee Entitlements –		
All Leave Entitlements as at 31/12//2006 were \$267,414 and are invested in the Powerstate term deposit	415,000	380,000
Other Investments –	<u>303,726</u>	<u>260,222</u>
Interest bearing deposits	<u>718,726</u>	<u>640,222</u>
Note: All Retirement Allowance liabilities are funded by a capital guaranteed pooled superannuation fund policy managed by ING		
<u>4. FIXED ASSETS – REAL PROPERTY</u>		
South Road Premises –		
Book Value 1 st January 2006	1,342,167	1,355,330
Less: Depreciation	<u>(13,163)</u>	<u>(13,163)</u>
Book Value as at 31 st December, 2006	<u>1,329,004</u>	<u>1,342,167</u>

COMMUNICATIONS ELECTRICAL ELECTRONIC
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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 2005</u>	<u>Book Value 31 Dec 2006</u>
Office Furniture & Fittings	52,452	42,452	10,000	8,500
Office Equipment	78,951	75,951	3,000	2,500
Office Machines	256,465	207,465	35,000	49,000
Research Library	14,074	500	1,500	1,000
	<u>Book Value 1st Jan 2006</u>	<u>Purchases (Net) 2006</u>	<u>Depreciation 2006</u>	<u>Book Value 31 Dec 2006</u>
Motor Vehicles	126,687	84,552	50,444	160,795

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. RELATED PARTY INFORMATION

The Branch Conference delegates received expense related allowances of \$140 (\$3,606 in 2005)

Elected and appointed Officials on the State Council received superannuation/severance and salary sacrifice payments of \$132,135 in 2006 and \$118,070 in 2005.

9. IUS MANAGEMENT FEES

Revenue for the year includes \$45,807 fees earned, but not yet received, in managing income protection insurance for members in the electrical contracting industry (nil in 2005).

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

10. Statement of receipts and payments for recovery of wages activity
- Cash Basis - for year ended 31 December 2006

	Note	2006 \$	2005 \$
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 Robert Geraghty
Secretary, South Australian Branch, Electrical Division
CEPU
312 South Road
RICHMOND SA 5033

Dear Mr Geraghty

**Re: Lodgement of Financial Statements and Accounts – Electrical Division, South
Australian Branch – for year ending 31 December 2006 (FR2006/607)**

I refer to the abovementioned financial statements and accounts which were lodged in the Registry on 12 July 2006.

The legislative requirements have been met and the documents have been filed.

Yours sincerely,

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

Stephen Kellett
Statutory Services Branch

30 May 2007