



Fair Work Australia

Mr Les McLaughlan
State Secretary, Western Australian Electrical Divisional Branch
CEPU
PO Box 689
BALCATTWA WA 6914



Dear Mr McLaughlan

**Re: Lodgement of Financial Statements and Accounts – CEPU Electrical Division, West
Australian Branch – for year ending 31 December 2008 (FR2008/550)**

Thank you for lodging the amended Certificate of Secretary which was received by Fair Work Australia on 21 July 2009.

The amended Certificate has been added to the documents previously lodged and the return has been filed.

Yours sincerely,

Stephen Kellett
Statutory Services Branch

29 July 2009

COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY INFORMATION, POSTAL, PLUMBING AND
ALLIED WORKERS UNIO OF AUSTRALIA,
ENGINEERING AND ELETRICAL DIVISION,
WA BRANCH



CERTIFICATE OF SECRETARY OR OTHER AUTHORISED OFFICER

Section 268 of Schedule 1B *Workplace Relations Act 1996*

I *Les McLaughlan* being the *Branch Secretary* of the *Communication, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Workers Union of Australia – Engineering and Electrical Division* certify:

- that the documents lodged herewith are copies of the full report, referred to in section 268 of the RAO Schedule; and
- that the *full report* was provided to all financial members on or around 2 June 2009, via distribution of the union's *ETU Web Page* as per Notice given in the *ETU News Publications*; and
- that the *full report* was presented to a *general meeting of members / a meeting of the committee of management* of the reporting union on the 23rd June 2009, in accordance with section 266 of the RAO Schedule.

Signed at

PERTH

this

17

day of

JULY

2009.

Les McLaughlan
NAME

Branch Secretary
TITLE

SIGNATURE

FR 2008/550.



Fair Work Australia

Mr Les McLaughlan
State Secretary, Western Australian Electrical Divisional Branch
CEPU
PO Box 689
BALCATTWA WA 6914



Dear Mr McLaughlan

**Re: Lodgement of Financial Statements and Accounts – CEPU Electrical Division, West
Australian Branch – for year ending 31 December 2008 (FR2008/550)**

I refer to the abovementioned financial statements and accounts which were lodged in the Australian Industrial Registry on 29 June 2009. I must draw your attention to the following matter.

As in previous years, judging by the dating of 14 April 2009, the “Certificate of Secretary” appears to have been prepared and signed prior to the dates of provision to members (“*on or around 2 June 2009*”) and of presentation (“*23rd June 2009*”), though grammatically it purports to certify that these events have occurred. It is also unclear from the certificate whether presentation was to a general meeting or whether it was to a meeting of the committee.

This means the certification cannot, technically, be relied upon for verification of the two events as - properly read - section 268(c) of the RAO Schedule contemplates.

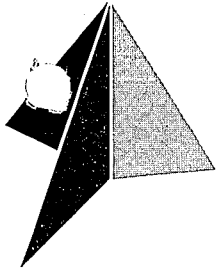
Apart from the dating inconsistency of the Secretary’s certificate, the other documents appear to meet the legislative requirements but, since the documents form a public record, I must emphasize the importance of only certifying events as having occurred once they actually have occurred, and not in anticipation. I refer you to previous correspondence on this issue.

Under the circumstances the most appropriate thing to do would be to lodge another Certificate of Secretary, certifying the facts again and dated as at the new signing. Upon its receipt, all the documents will be filed. Documents may be lodged electronically at RIASydney@fwa.gov.au.

Yours sincerely,

Stephen Kellett
Statutory Services Branch

8 July 2009



CEPU
WESTERN AUSTRALIA ABN: 84 898 932 123



ETU
Electrical Trades Union

24th June, 2009

Australian Industrial Registry,
Level 8, Terrace Towers,
80 William Street,
EAST SYDNEY
NSW 2011


Dear Sir/Madam,

Please find enclosed the financial return year ending 31 December 2008, for the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Electrical Division, WA Branch.

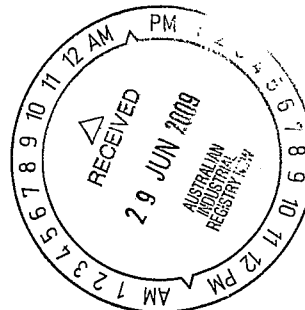
Please also find enclosed is the secretary's certificate and the statement regarding recovery of wages activity.

Any queries please do not hesitate to contact the undersigned.

Yours faithfully,



Les McLaughlan
State Secretary



24/257 Balcatta Road Balcatta WA 6021
PO Box 689 Balcatta WA 6914

Tel: (08) 9440 3522 Fax: (08) 9440 3544 Email: cepu@etuwa.com.au Website: www.etuwa.com.au

L. McLaughlan State Secretary • R. Manhood President

COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
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WA BRANCH

CERTIFICATE OF SECRETARY OR OTHER AUTHORISED OFFICER

Section 268 of Schedule 1B *Workplace Relations Act 1996*

I *Les McLaughlan* being the *Branch Secretary* of the *Communication, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia – Engineering and Electrical Division* certify:

- that the documents lodged herewith are copies of the full report, referred to in section 268 of the RAO Schedule; and
- that the *full report* was provided to all financial members on or around 2 June 2009, via distribution of the union's *ETU Web Page* as per Notice given in the *ETU News Publication*; and
- that the full report was presented to a *general meeting of members / a meeting of the committee of management* of the reporting union on the 23rd June 2009, in accordance with section 266 of the RAO Schedule.

Signed at

Perth

this

14

day of

APRIL

2009.

Les McLaughlan

NAME

Branch Secretary

TITLE



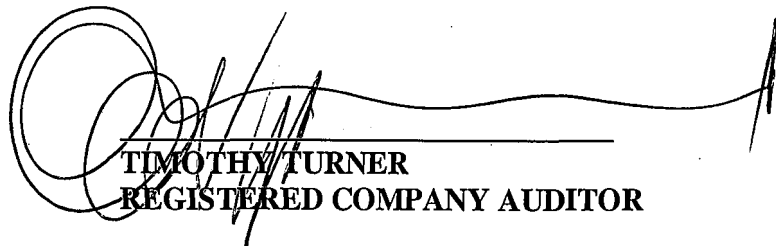
SIGNATURE

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**STATEMENT REGARDING RECOVERY OF WAGES ACTIVITY
FOR THE YEAR ENDED 31 DECEMBER 2008**

Based on representations made to us by our client and our audit work undertaken for the year ended 31 December 2008, it appears that there were no recovery of wages activity for the *Communication, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia – Engineering and Electrical Division* for the year then ended.

Signed at *Perth* . this *14th* day of *April* . 2009.


TIMOTHY TURNER
REGISTERED COMPANY AUDITOR

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

**LIST OF ELECTRICAL DIVISION WESTERN AUSTRALIAN BRANCH
OFFICES AND THE NAMES, POSTAL, ADDRESSES AND OCCUPATIONS
OF PERSONS HOLDING OFFICE
AS AT 1 JANUARY, 2009**

<u>PRESIDENT</u>	MANHOOD, R 20 Weston Drive SWAN VIEW 6056	Electrical Fitter
<u>VICE PRESIDENT</u>	WILTON, G 8 Cohn Court WILLAGEE 6156	Union Organiser
<u>SECRETARY</u>	McLAUGHLAN, L 9 Richards Close WAIKIKI 6169	Union Secretary
<u>ASSISTANT SECRETARY</u>	MURIE, J 41 Manbari Crescent WANNEROO 6065	Assistant Secretary
<u>BRANCH EXECUTIVE</u>	McLAUGHLAN, L. 9 Richards Close WAIKIKI 6169	Union Secretary
	MANHOOD, R 20 Weston Drive SWAN VIEW 6056	Electrical Fitter
	COULTER, M 47 Sail Terrace, HEATHRIDGE 6027	Linesperson
	EDMONDS, L 1 Wisbech Street BAYSWATER 6053	Legal Officer
	HAYES, T 4 Birkdale Court COOLOONGUP 6168	Union Organiser
	JONES, B 53 Silver Princess Way JANE BROOK 6056	Electrical Installer
	WILTON, G 8 Cohn Court WILLAGEE 6156	Union Organiser

<u>BRANCH STATE COUNCIL</u>	BALFOUR, J 37 Reflections Mews SAFETY BAY 6169	Electrical Installer
	CARTER, P 39 Stortford Road SOUTHERN RIVER 6110	Union Organiser
	CLANCEY, D 68 Bawdan Street WILLAGEE 6156	Electrician
	DONALDSON, M 35 Belmont Road KENWICK 6107	Moulder
	EDMONDS, L 1 Wisbech Street, BAYSWATER 6053	Legal Officer
	FIALA, J 10 McAllister Gardens MIRRABOOKA 6061	Union Organiser
	FOWLIE, D 47 Bluefin Drive GOLDEN BAY 6174	Electrical Fitter
	HAMPSON, R 22 Filburn Street SCARBOROUGH 6019	Plumber
	HAYES, T 4 Birkdale Court COOLOONGUP 6168	Union Organiser
	JONES, B 53 Silver Princess Way JANE BROOK 6056	Electrical Installer
	MANHOOD, R 20 Weston Drive SWAN VIEW 6056	Electrical Fitter
	McLAUGHLAN, L 9 Richards Close WAIKIKI 6169	Union Secretary
	O'REGAN, S 7 Riverglen Drive YUNDERUP 6208	Linesperson
	SADLER, G 24 Little Green Gdns, QUINNS ROCKS 6030	Trades Assistant
	WILTON, G 8 Cohn Court WILLAGEE 6156	Union Organiser

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

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH

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**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

OPERATING REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

Principal Activities

The principal activities of the Union during the financial year were the provision of industrial, professional and managerial services to the members consistent with the object and rules of the Union and in particular, protecting and improving the interests of members.

Results of Principal Activities

The Union's principal activities resulted in a profit for the financial year of \$271,715 (2007: \$460,029).

Significant Changes in Nature of Principal Activities

There were no significant changes in the nature of the Unions principal activities during the financial year.

Significant Changes in the Unions Financial Affairs

No matters or circumstances arose during the reporting year which significantly affected the financial affairs of the Union.

Rights of Members to Resign

Members may resign from the Union in accordance with Rule 4.5.4. which sets out the conditions for resignation of a member.

Trustee or Director of Trustee Company of Superannuation Entity or Exempt Public Sector Superannuation Scheme

The following officers of the Union held reserved positions in the following entities:

Name	Official Position	Director of	Name of Superannuation Fund
Peter Carter	Branch Councillor	Director of the Trustee company	Connect Superannuation

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

OPERATING REPORT FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)

Number of Members

The number of persons who, at the end of the financial year, were recorded on the Register of members was 7,011 (2007: 6,834).

Number of Employees

The number of persons who were, at the end of the financial year, employees of the Union was 14 (2007: 12).

Members of Committee of Management

The persons who held office as members of the Committee of Management of the union at any time during the reporting period:


Name	Title of Officer
R. Manhood	Branch President
G. Wilton	Deputy Branch President
L. McLaughan	Branch Secretary
J. Murie	Assistant Secretary
P. Carter	Branch Councillor
D. Fowlie	Branch Councillor
I. Gill	Branch Councillor
T. Hayes	Branch Councillor
J. Balfour	Branch Councillor
D. Cowan	Branch Councillor
J. Fiala	Branch Councillor
B. Jones	Branch Councillor
L. Edmonds	Branch Councillor
M. Donaldson	Branch Councillor
R. Hampson	Branch Councillor
S. O'Regan	Branch Councillor
G. Sadler	Branch Councillor
M. Jordan	Branch Councillor
D. Clancey	Branch Councillor
M. Coulter	Branch Councillor
G. McDonald	Branch Councillor
B. Reeve	Branch Councillor

COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH

OPERATING REPORT FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)

Les McLaughlan
Name

Branch Secretary
Title


Signature

14/4/2009
Date

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

COMMITTEE OF MANAGEMENT STATEMENT

The Committee of Management of The Western Australian Branch of *Communication, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia – Engineering and Electrical Division* passed the following resolution in relation to the *general purpose financial report (GPFR)* of the reporting unit for the financial year ended *31 December 2008*:

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) the financial records of the reporting unit have been kept, as far as practicable and to the best of my knowledge and belief, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) no information has been sought by a member or the Registrar under section 272 of the RAO Schedule; and
 - (vi) no orders have been made by the Commission under section 273 of the RAO Schedule during the period.

For Committee of Management: *Les McLaughlan*

Title: *Branch Secretary*

Signature: _____

Date: _____

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	NOTE	2008 \$	2007 \$
Revenues from Continuing Activities	4	2,419,408	2,706,829
Employee Benefits Expenses	5	(1,250,880)	(1,270,580)
Depreciation Expenses		(70,984)	(71,511)
Other Expenses from Continuing Activities	6	(825,829)	(904,709)
NET PROFIT ATTRIBUTABLE TO MEMBERS OF THE UNION		<u>271,715</u>	<u>460,029</u>

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The accompanying notes form part of these financial statements.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**BALANCE SHEET
AS AT 31 DECEMBER 2008**

	NOTE	2008 \$	2007 \$
CURRENT ASSETS			
Cash and Cash Equivalents	7	1,629,603	1,097,363
Trade and Other Receivables	8	34,434	288,064
TOTAL CURRENT ASSETS		<u>1,664,037</u>	<u>1,385,427</u>
NON-CURRENT ASSETS			
Financial Assets	9	782,095	711,839
Property, Plant & Equipment	10	316,258	256,609
TOTAL NON-CURRENT ASSETS		<u>1,098,353</u>	<u>968,448</u>
TOTAL ASSETS		<u>2,762,390</u>	<u>2,353,875</u>
 CURRENT LIABILITIES			
Trade and Other Payables	11	222,540	79,325
Provisions	12	692,034	698,449
TOTAL CURRENT LIABILITIES		<u>914,574</u>	<u>777,774</u>
TOTAL LIABILITIES		<u>914,574</u>	<u>777,774</u>
NET ASSETS		<u>1,847,816</u>	<u>1,576,101</u>
 MEMBERS' FUNDS			
Retained Earnings		1,847,816	1,576,101
TOTAL MEMBERS' FUNDS		<u>1,847,816</u>	<u>1,576,101</u>

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The accompanying notes form part of these financial statements.

COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH

STATEMENT OF CHANGES IN MEMBERS' FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008		2007	
	Retained Earnings	Total	Retained Earnings	Total
Balance at 1 January	1,576,101	1,576,101	1,116,072	1,116,072
Surplus attributable to members	271,715	271,715	460,029	460,029
Balance at 31 December	1,847,816	1,847,816	1,576,101	1,576,101

The accompanying notes form part of these financial statements.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
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ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2008**

	NOTE	2008 \$	2007 \$
CASH FLOWS FROM OPERATING ACTIVITES			
Wage Subsidies Received		56,241	171,641
Receipts from Member Contributions		2,119,099	1,904,149
Receipts from Members' Entrance Fees		5,842	7,055
Receipts from Levies		59,281	235,942
Interest Received		137,100	103,012
Rent Received		3,000	0
ETU Insurance Rebate		300,476	0
Other Receipts		990	183
Payments to Supplies & Employees		(1,966,145)	(2,151,861)
NET CASH PROVIDED BY OPERATING ACTIVITIES	13	715,884	270,121
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Property, Plant & Equipment		41,365	33,636
Payment for Property, Plant & Equipment		(154,753)	(100,106)
Payments for Financial Assets		(1,095,256)	(43,285)
Proceeds from Sale of Financial Assets		1,025,000	-
NET CASH PROVIDED BY INVESTING ACTIVITIES		(183,644)	(109,755)
NET CASH PROVIDED BY FINANCING ACTIVITIES		-	-
Net Increase in Cash Held		532,240	160,366
Cash at 1 January		1,097,363	936,997
CASH AT 31 DECEMBER	7	1,629,603	1,097,363

The accompanying notes form part of these financial statements.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
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WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the requirements of the Workplace Relations Act 1996.

The financial report covers the Communication, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Engineering and Electrical Division, WA Branch as an individual entity.

~~The financial report is prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, fair values of non-current assets. The accounting policies have been consistently applied, unless otherwise stated.~~

The following is a summary of the material accounting policies adopted by the Union in the preparation of the financial report:

a) Compliance with IFRSs

The financial report complies with all Australian equivalents to International Financial Reporting Standards in their entirety. Compliance with AIFRSs ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRSs).

b) Fixed Assets

Each class of property, plant and equipment is carried at cost less where applicable any accumulated depreciation and impairment losses. Cost is measured as the fair value of the assets given or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition.

Land is not depreciated. Depreciation on other assets is calculated on the straight line basis in order to write off the cost of fixed assets over their estimated useful lives, as follows:

- *Buildings - 40 years*
- *Office Equipment - 3 1/3 years*
- *Office Furniture - 10 years*
- *Motor Vehicles - 5 1/3 years*

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Fixed Assets (continued)

The gain or loss on disposal of all fixed assets, is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal and is included in operating profit of the union in the year of disposal. An asset's carrying amount is written down immediately to its recoverable amount if the assets' carrying amount is greater than its estimated recoverable amount. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employed and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amount.

c) Employee Entitlements

Annual Leave

The liability for annual leave is recognised and is measured as the amount unpaid at the reporting date at the amount expected to be paid when the liabilities are settled.

Long Service Leave

In the case of Long Service Leave, the accrual has been measured by reference the present value of expected future payments to be made in respect of services provided by employees.

Sick Leave

Sick leave entitlements are accumulated in a similar manner to annual leave entitlements but do not vest and are paid only upon a valid claim for sick leave by an employee. The liability for non-vesting accumulated sick leave is the component of the entitlements accumulated as at the reporting date that is expected to result in payments to the employees. Liabilities are measured at the amount expected to be paid when the liability is settled.

Retirement Benefits

Retirement benefits obligations are measured by reference to the present value of expected future payments to be made in respect of services provided by employees.

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WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Income Tax

No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 50-15 of the Income Tax Assessment Act (1997).

e) Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

f) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

g) Receivables

All sundry debtors are recognised at the amounts receivables as they are due for settlement no more than 30 days. Collectibility of debtors is reviewed on an ongoing basis and a provision is made for debts where recoverability is doubtful.

h) Creditors and Accruals

These amounts represent liabilities for goods and services provided to the entity prior to the end of the year and which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

i) Investments and other Financial Assets

The Union classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivable, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

COMMUNICATION, ELECTRICAL, ELECTRONIC,
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WA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Investments and other Financial Assets (continued)

Loans and Receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when entity provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. They are stated at amortised cost using the effective interest rate method.

Held-to-maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that management has the positive intention and ability to hold to maturity. They are stated at amortised cost using the effective interest rate method.

These are short term investments however they have been classified as non-current because they are to be rolled over continuously until needed to pay the retirement allowance and long service leave.

At each balance date where there is objective evidence that a financial asset is impaired an assessment of the impaired value is made. Impairment losses are recognised in the income statement.

j) Impairment Assets

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

Where the future economic benefits of the assets are not primarily dependent upon the assets ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is the depreciated replacement cost of an asset.

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WA BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Impairment Assets (continued)

Where it is not possible to estimate the recoverable amount of an individual asset, the union estimates the recoverable amount of the cash generating unit to which the asset belongs.

k) Comparative Figures

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

l) Critical accounting estimates and judgements

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

Key estimates - Impairments

The association assesses impairment at each reporting date by evaluating conditions specific to the association that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

There is no indicator of impairment therefore no impairment testing has been undertaken during the year ended 31 December 2008.

Key Judgements - Doubtful debts provision

The Committee of Management believe that the full amount of the debt is recoverable, and therefore no doubtful debt provision has been made at 31 December 2008.

m) Goods and Services Tax

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

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n) New Accounting Standards for application in future periods (continued)

The AASB has issued new, revised and amended standards and interpretations that have mandatory application dates for future reporting periods and which the Union has decided not to early adopt. A discussion of those future requirements and their impact on the Union is as follows:-

- AASB 3 “Business Combinations”, AASB 127 “Consolidated and Separate Financial Statements”, AASB 2008-3 “Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASBs 1,2,4,5,7,101,107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138 & 139 and Interpretations 9 & 107] (applicable for annual reporting periods commencing from 1 July 2009) and AASB 2008-7 Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate [AASB 1, AASB 118, AASB 121, AASB 127 & AASB 136] (applicable for annual reporting periods commencing from 1 January 2009). These standards are applicable prospectively and so will only affect relevant transactions and consolidations occurring from the date of application. In this regard, its impact on the Union is not able to be determined. Changes to accounting requirements include:-
 - acquisition costs incurred in a business combination will no longer be booked to goodwill but will be expensed unless the cost relates to issuing debt or equity securities;
 - contingent consideration will be measured at fair value at the acquisition date and may only be provisionally accounted for during a period of 12 months after acquisition;
 - a gain or loss of control will require the previous ownership interests to be remeasured to their fair value;
 - there shall be no gain or loss from transactions affecting a parent’s ownership interest of a subsidiary with all transactions required to be accounted for through equity (this will not represent a change to the Union’s policy);
 - dividends declared out of pre-acquisition profits will not be deducted from the cost of an investment but will be recognised as income;
 - impairment of investments in subsidiaries, joint ventures and associates shall be considered when a dividend is paid by the respective investee; and
 - where there is in substance no change to group interests, parent entities inserted above existing groups shall measure the cost of its investments at the carrying amount of its share of the equity items shown in the balance sheet of the original parent at the date of reorganisation.

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n) New Accounting Standards for application in future periods (continued)

- AASB 8 “Operating Segments” and AASB 2007-3 “Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038 (applicable for annual reporting periods commencing from 1 January 2009). This standard replaces AASB 114 and requires identification of operating segments on the basis of internal reports that are regulatory reviewed by the Union’s board for the purposes of decision making. Whilst the impact of this standard cannot be assessed at this stage, there is the potential for more segments to be identified. Given the lower economic level at which segments may be defined, and the fact that cash generating units cannot be bigger than operating segments, impairment calculations may be affected. Management presently do not believe impairment will result however.
- AASB 101 “Presentation of Financial Statements”, AASB 2007-8 “Amendments to Australian Accounting Standards arising from AASB 101”, and AASB 2007-10 “Further Amendments to Australian Accounting Standards arising from AASB 101” (all applicable to annual reporting periods commencing from 1 January 2009). The revised AASB 101 and amendments supersede the previous AASB 101 and redefines the composition of financial statements including the inclusion of a statement of comprehensive income. There will be no measurement or recognition impact on the Union. If an entity has made a prior period adjustment or reclassification, a third balance sheet as at the beginning of the comparative period will be required.
- AASB 123 “Borrowing Costs” and AASB 2007-6 “Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]” (applicable for annual reporting periods commencing from 1 January 2009). The revised AASB 123 has removed the option to expense all borrowing costs and will therefore require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. Management has determined that there will be no effect on the Union as a policy of capitalising qualifying borrowing costs has been maintained by the Union.
- AASB 2008-1 “Amendments to Australian Accounting Standard – Share based Payments: Vesting Conditions and Cancellations [AASB 2]” (applicable for annual reporting periods commencing from 1 January 2009). This amendment to AASB 2 clarifies that vesting conditions consist of service and performance conditions only. Other elements of a share based payment transaction should therefore be considered for the purposes of determining fair value. Cancellations are also required to be treated in the same manner whether cancelled by the entity or by another party.

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n) New Accounting Standards for application in future periods (continued)

- AASB 2008-2 “Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations Arising on Liquidation [AASB 7, AASB 101, AASB 132 & AASB 139 & Interpretation 2]” (applicable for annual reporting periods commencing from 1 January 2009). These amendments introduce an exception to the definition of a financial liability to classify as equity instruments certain puttable financial instruments and certain other financial instruments that impose an obligation to deliver a pro-rata share of net assets only upon liquidation.
- AASB 2008-5 “Amendments to Australian Accounting Standards arising from the Annual Improvements Project” (July 2008) (AASB 2008-5) and AASB 2008-6 “Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project” (July 2008) (AASB 2008-6) detail numerous non-urgent but necessary changes to accounting standards arising from the IASB’s annual improvements project. No changes are expected to materially affect the Union.
- AASB 2008-8 “Amendments to Australian Accounting Standards – Eligible Hedged Items” [AASB 139] (applicable for annual reporting periods commencing from 1 July 2009). This amendment clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation as a hedged item should be applied in particular situations and is not expected to materially affect the Union.
- AASB 2008-13 “Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners [AASB 5 & AASB 110] (applicable for annual reporting periods commencing from 1 July 2009) This amendment requires that non-current assets held for distribution to owners to be measured at the lower of carrying value and fair value less costs to distribute.
- AASB Interpretation 15 “Agreements for the Construction of Real Estate” (applicable for annual reporting periods commencing from 1 January 2009) Under the interpretation, agreements for the construction of real estate shall be accounted for in accordance with AASB 111 where the agreement meets the definition of ‘construction contract’ per AASB 111 and when the significant risks and rewards of ownership of the work in progress transfer to the buyer continuously as construction progresses. Where the recognition requirements in relation to construction are satisfied but the agreement does not meet the definition of ‘construction contract’, revenue is to be accounted for in accordance with AASB 118. Management does not believe that this will represent a change of policy to the Union.

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n) New Accounting Standards for application in future periods (continued)

- AASB Interpretation 16 “Hedges of a Net Investment in a Foreign Operation” (applicable for annual reporting periods commencing from 1 October 2008). Interpretation 16 applies to entities that hedge foreign currency risk arising from net investments in foreign operations and that want to adopt hedge accounting. The interpretation provides clarifying guidance on several issues in accounting for the hedge of a net investment in a foreign operation and is not expected to impact the Union.
- AASB Interpretation 17 “Distributions of Non-Assets to Owners” (applicable for ~~annual reporting periods commencing from 1 July 2009~~). ~~This guidance applies prospectively only and clarifies that non-cash dividends payable should be measured at the fair value of the net assets to be distributed where the difference between the fair value and carrying value of the assets is recognised in profit or loss.~~

The Union does not anticipate early adoption of any of the above reporting requirements and does not expect them to have any material effect on the Union’s financial statements.

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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 sub-sections (1), (2) and (3) of Section 272, which read 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).*

3. PRINCIPAL PLACE OF BUSINESS

The principal place of business of the Union is Unit 24, 257 Balcatta Road, Balcatta, Western Australia.

4. REVENUE FROM CONTINUING OPERATIONS

	2008	2007
	\$	\$
Members' Funding		
Members Contributions CEPU	1,969,594	1,765,633
Entrance Fees CEPU	5,842	7,055
Levies	59,281	235,942
Members Contributions Plumbing	149,506	138,516
	2,184,223	2,147,146
Interest Earned		
CBA General Account	40,730	52,022
Retirement Account	95,256	46,478
	135,986	98,500

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4. REVENUE FROM CONTINUING OPERATIONS (continued)

	2008	2007
	\$	\$
Sundries Income		
ETU Vic Insurance Rebate	45,325	258,556
Others	384	183
Wages Subsidy-Board Fees	18,604	8,175
Wages Subsidy-ACTU Coordinator	14,641	95,167
Wages Subsidy – Other	-	90,794
	<u>78,954</u>	<u>452,875</u>
Rent Received	3,000	-
	<u>3,000</u>	<u>0</u>
Profit on disposal of assets	17,245	8,308
TOTAL	<u>2,419,408</u>	<u>2,706,829</u>

The Union owns the unit at 1 / 30 Demetre Street, Karratha and it is now provided to a CEPU organiser as a non – monetary benefit.

5. EMPLOYEE BENEFIT EXPENSES

	2008	2007
	\$	\$
Net increase in provision for FBT / Super	774	733
Net Increase in Provision for Employee Entitlements	109,052	26,930
Employee Workers Compensation Insurance	11,633	14,139
Salaries & Allowances – Officers	764,637	791,395
Salaries & Allowances – Others	182,481	240,069
Super Contributions	137,385	118,795
Fringe Benefits Tax	8,927	20,581
Payroll Tax	22,799	46,328
Delegate Fees	13,192	11,610
	<u>1,250,880</u>	<u>1,270,580</u>

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6. SIGNIFICANT EXPENSES

The following significant expense items are relevant in explaining the financial performance.

	2008	2007
	\$	\$
Legal and Arbitration Expenses	154,829	75,978
Insurance	39,024	43,519
Levy Expenditure	100,724	150,429
Auditors' Remuneration	12,507	8,038
Sustentation Fees	216,708	159,171

7. CASH AND CASH EQUIVALENTS

	2008	2007
	\$	\$
Commonwealth Bank – General Account	1,628,863	1,096,623
Petty Cash on Hand	640	640
Petty Cash on Hand – North West	100	100
	<u>1,629,603</u>	<u>1,097,363</u>

The effective interest rate on the general account is 1.25% (2007: 4.50%).
This account is at call.

8. TRADE AND OTHER RECEIVABLES

	2008	2007
	\$	\$
Accounts Receivable	34,434	29,508
Amt Receivable – ETU Vic Insurance Rebate	-	258,556
	<u>34,434</u>	<u>288,064</u>

9. FINANCIAL ASSETS

	2008	2007
	\$	\$
Held to Maturity Assets		
Adelaide Bank Retirement Account	782,095	711,839
	<u>782,095</u>	<u>711,839</u>

These deposits are held in short-term interest bearing accounts with financial institutions with an average maturity of 90 days. These deposits are specifically set aside to fund payment of the retirement allowances and long service leave and hence have been classified as a non-current asset. The effective interest rate on short term bank deposits was 6.90% (2007: 7.10%)

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10. PROPERTY, PLANT & EQUIPMENT

	2008	2007
LAND AND BUILDINGS	\$	\$
House at Cost – 1 / 30 Demetre Crescent, Karratha	102,818	102,818
Accumulated Depreciation	<u>(30,742)</u>	<u>(28,171)</u>
	<u>72,076</u>	<u>74,647</u>
 FURNITURE AND EQUIPMENT		
Furniture and Fittings at Cost	148,751	172,665
Accumulated Depreciation	<u>(127,623)</u>	<u>(158,283)</u>
	<u>21,128</u>	<u>14,382</u>
 Furniture and Fittings – Demetre Street at Cost	 5,000	 5,000
Accumulated Depreciation	<u>(5,000)</u>	<u>(5,000)</u>
	<u>0</u>	<u>0</u>
	<u>21,128</u>	<u>14,382</u>
 MOTOR VEHICLES		
Cost	261,681	221,419
Accumulated Depreciation	<u>(55,586)</u>	<u>(83,074)</u>
	<u>206,095</u>	<u>138,345</u>
 OFFICE EQUIPMENT		
Cost	94,316	91,105
Accumulated Depreciation	<u>(77,357)</u>	<u>(61,870)</u>
	<u>16,959</u>	<u>29,235</u>
 PROPERTY, PLANT & EQUIPMENT @ WDV	 <u>316,258</u>	 <u>256,609</u>

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10. PROPERTY, PLANT & EQUIPMENT (continued)

Year ended 31 December 2008

Movement in Carrying Amounts	Land & Buildings \$	Furniture & Equipment \$	Motor Vehicles \$	Office Equipment \$	Total \$
Balance at the beginning of year	74,647	14,382	138,345	29,235	256,609
Additions	-	9,225	142,317	3,211	154,753
Disposals	-	-	(24,120)	-	(24,120)
Depreciation Expense	(2,571)	(2,479)	(50,447)	(15,487)	(70,984)
Carrying amount at the end of year	<u>72,076</u>	<u>21,128</u>	<u>206,095</u>	<u>16,959</u>	<u>316,258</u>

Year ended 31 December 2007

Movement in Carrying Amounts	Land & Buildings \$	Furniture & Equipment \$	Motor Vehicles \$	Office Equipment \$	Total \$
Balance at the beginning of year	77,218	12,611	137,887	25,626	253,342
Additions	-	3,415	79,529	17,162	100,106
Disposals	-	-	(25,328)	-	(25,328)
Depreciation Expense	(2,571)	(1,644)	(53,743)	(13,553)	(71,511)
Carrying amount at the end of year	<u>74,647</u>	<u>14,382</u>	<u>138,345</u>	<u>29,235</u>	<u>256,609</u>

11. TRADE AND OTHER PAYABLES

	2008 \$	2007 \$
Trade Creditors & Accruals	222,540	79,325
	<u>222,540</u>	<u>79,325</u>

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12. PROVISIONS

	2008	2007
	\$	\$
Provision for Annual Leave	71,345	62,074
Provision for Long Service Leave	176,087	171,949
Provision for Retirement Allowance	443,096	463,694
Provision Other	1,506	732
	692,034	698,449

a) Provision for Annual Leave

Opening Balance	62,074	69,500
Annual Leave Entitlements Paid	(95,533)	(28,448)
Increase in Provision	104,804	21,022
CLOSING BALANCE	71,345	62,074

b) Provision for Long Service Leave

Opening Balance	171,949	188,520
LSL Entitlements Paid	(38,328)	(26,344)
Increase in Provision	42,466	9,773
CLOSING BALANCE	176,087	171,949

c) Provision for Retirement Allowance

Opening Balance	463,694	412,766
Retirement Allowance Entitlements Paid	(50,807)	(14,672)
Increase in Provision	30,209	65,600
CLOSING BALANCE	443,096	463,694

d) Provision – Other

Opening Balance	732	
Increase in Provision	774	732
CLOSING BALANCE	1,506	732

Total Provision for Employee Benefits

Opening Balance	698,449	670,786
Entitlements Paid	(184,668)	(69,464)
Increase in Provision	178,253	97,127
CLOSING BALANCE	692,034	698,449

RETIREMENT ALLOWANCE

The provision for Retirement Allowance discloses the potential entitlements payable should all officers and clerical staffs qualify in accordance with the rules.

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**13. RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH
OPERATING SURPLUS**

	2008	2007
	\$	\$
(a) Operating Surplus	271,715	460,029
Non cash flows in Operating Surplus		
- Depreciation	70,984	71,511
- (Profit) on Sale of Fixed Assets	(17,245)	(8,308)
Changes in assets and liabilities		
- (Increase)/Decrease in Receivables	253,630	(287,764)
- (Increase)/Decrease in Prepaid Expenses	-	6,546
- Increase/(Decrease) in Sundry Creditors & Accruals	143,215	444
- Increase/(Decrease) in Provision for Employee Benefits	(7,189)	26,930
- Increase/(Decrease) in Provision for FBT / Super	774	733
NET CASH PROVIDED BY OPERATING ACTIVITES	715,884	270,121

(b) There are no credit facilities with banks

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14. MEMBERS OF THE EXECUTIVE COMMITTEE

The members of the Executive Committee of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Engineering and Electrical Division, WA Branch, who have held office during the financial year are:

- | | |
|-------------|----------------|
| ▪ R Manhood | ▪ L McLaughlan |
| ▪ G Wilton | ▪ D Cowan |
| ▪ B Jones | ▪ M Coulter |
| ▪ L Edmonds | ▪ T Hayes |

15. RELATED PARTY TRANSACTIONS

a) Names of officers

The following persons have held office in the Union during the reporting period:

Name	Title of Officer
R. Manhood	Branch President
L. McLaughlan	Branch Secretary
J. Murie	Assistant Secretary
G. Wilton	Vice President
J. Balfour	Branch Councillor
P. Carter	Branch Councillor
D. Clancey	Branch Councillor
D. Cowan	Branch Councillor
M. Coulter	Branch Councillor
M. Donaldson	Branch Councillor
L. Edmonds	Branch Councillor
J. Fiala	Branch Councillor
D. Fowlie	Branch Councillor
I. Gill	Branch Councillor

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15. RELATED PARTY TRANSACTIONS (continued)

a) Names of officers

T. Hayes	Branch Councillor
R. Hampson	Branch Councillor
B. Jones	Branch Councillor
M. Jordan	Branch Councillor
G. McDonald	Branch Councillor
S. O'Regan	Branch Councillor
B. Reeve	Branch Councillor
G. Sadler	Branch Councillor

b) Key Management Personnel Compensation

The aggregate amount of remuneration paid to officers during the year is disclosed in the Income Statement under Salaries of the Office Holders.

The numbers of officers whose total income was within the specified bands are as follows:

	Short Term Benefits			
	Salary and Fees	Super	Other	Total
	\$	\$	\$	\$
2008				
Total Compensation	<u>753,038</u>	<u>194,831</u>	<u>11,599</u>	<u>959,468</u>
2007				
Total Compensation	<u>773,523</u>	<u>118,795</u>	<u>11,405</u>	<u>903,723</u>

c) Other transactions

There were no other transactions between the officers and the Union other than those relating to their membership in the Union and the reimbursement by the Union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

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16. FINANCIAL INSTRUMENTS

a) Financial Instruments

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

The Union does not have any non-derivative instruments and is not exposed to any financial instrument risk at 31 December 2008.

b) Interest Rate Risk

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

31 December 2008	Floating Interest Rate \$	Fixed Interest \$	Non- Interest Bearing \$	Total \$
Financial Assets				
Cash and deposits	1,628,863	-	-	1,628,863
Held to Maturity Investments	782,095	-	-	782,095
Accounts Receivable	-	-	34,434	34,434
	2,410,958	-	34,434	2,445,392
Weighted average interest rate	3.08%			
Financial Liabilities				
Trade and other creditors	-	-	(222,540)	(222,540)
NET FINANCIAL ASSETS / (LIABILITIES)	2,410,958	-	(188,106)	2,222,852

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16. FINANCIAL INSTRUMENTS (continued)

31 December 2007	Floating Interest Rate \$	Fixed Interest \$	Non-Interest Bearing \$	Total \$
Financial Assets				
Cash and deposits	1,096,623	-	-	1,096,623
Held to Maturity Investments	711,839	-	-	711,839
Accounts Receivable	-	-	29,507	29,507
	1,808,462	-	29,507	1,837,969
Weighted average interest rate	5.52%			
Financial Liabilities				
Trade and other creditors	-	-	(79,325)	(79,325)
NET FINANCIAL ASSETS / (LIABILITIES)	1,808,462	-	(49,818)	1,758,644

Interest Rate Sensitivity Analysis

The Union has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and members funds which could result from a change in these risks.

As 31 December 2008, the effect on loss and members funds as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	Higher / (Lower) 2008 \$	Higher / (Lower) 2007 \$
<u>Change in Profit</u>		
- Increase in interest rate by 2%	48,219	36,169
- Decrease in interest rate by 2%	(48,219)	(36,169)
<u>Change in Members' Funds</u>		
- Increase in interest rate by 2%	48,219	36,169
- Decrease in interest rate by 2%	(48,219)	(36,169)

The movements in profit are due to higher / lower interest revenue from cash balances.

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**NOTES TO THE FINANCIAL STATEMENTS
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16. FINANCIAL INSTRUMENTS (continued)

c) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, is the carrying amount of the financial assets as disclosed in the balance sheet and notes to the financial statements. The Union does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Union.

d) Net Fair Values

The financial assets and liabilities as disclosed in the balance sheet and notes to the financial statements approximate their carrying values.

No financial assets and liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of the financial assets and liabilities are disclosed in the balance sheet and in the notes to and forming part of the accounts.

17. CONTINGENT LIABILITIES

In 2007, an action by McDermott Industries (Aust) Pty Ltd was filed in the Federal Court against the Federal Divisional Branch, the Australian Workers Union, the Australian Manufacturing Workers Union as well as four Union Officials including two union officials of the Federal Divisional Branch.

This action was discontinued with no orders made.

18. EMPLOYEE NUMBERS

	31/12/08	31/12/07
Number of employees at the end of financial year	<u>14</u>	<u>12</u>

19. POST BALANCE DATE EVENTS

At the date of signing this report there are no known post balance date events.

20. CAPITAL COMMITMENTS

At the date of signing this report, there are no known outstanding capital commitments.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
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WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)**

21. SEGMENT REPORTING

The union operates predominantly in one business and geographical segment, providing industrial, professional and managerial services to its members.

22. ERROR IN PREVIOUS PERIODS

An amount of \$258,556 (GST Exclusive) was received from Protect Insurance on 9 April 2008. This amount was for:

Management Fees - Severance 1 July 2006 to 30 June 2007; and
Income Protection Fees - 1 January 2007 to 31 December 2007

These fee revenues were not accrued in the 2007 audited accounts. The comparatives for 2007 have been re-stated as follows, in the financial statements for the year ended 31 December 2008, to account for this transaction:

	2007	2007 re-stated
<u>BALANCE SHEET</u>	\$	\$
Trade and Other Receivables	29,508	288,064
Retained Earnings	1,317,545	1,576,101

	2007	2007 re-stated
<u>INCOME STATEMENT</u>		
Revenues from continuing activities	2,448,273	2,706,829
Net Profit attributable to Members of the Union	201,473	460,029

	2007	2007 re-stated
<u>NOTE 13 - RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH OPERATING SURPLUS</u>		
Operating Surplus	201,473	460,029
(Increase)/Decrease in Receivables	(29,208)	(287,764)

END OF NOTES TO THE FINANCIAL STATEMENTS

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION, WA BRANCH**

Suite 4, 1st Floor
63 Shepperton Road
Victoria Park
Western Australia 6100
Telephone: (08) 9362 5855
Facsimile: (08) 9362 5186
Email: htg@htgbdc.com
Website: www.htgbdc.com
ABN: 78 607 011 001
PO Box 199
Victoria Park
Western Australia 6979

Report on the Financial Report

We have audited the accompanying financial report of the Communication, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia – Engineering and Electrical Division, comprising the Balance Sheet as at 31 December 2008, and the Income Statement, Statement of Changes in Members' Funds and Cash Flow Statement for the year ended on that date, a Summary of Significant Accounting Policies and Other Explanatory Notes and the Committee of Management Statement, for the year ended 31 December 2008.

Committee's Responsibility for the Financial Report

The Committee of Management of the Union is responsible for the preparation and fair presentation of the financial report with the Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In Note 1, the Committee of Management also states, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian Equivalents to International Financial Reporting Standards (IFRS), ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**HEWITT
TURNER &
GELEVITIS**



**BUSINESS
DEVELOPMENT
CONSULTANTS**

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Wealth Creation
Asset Protection
Audit Assurance
Taxation Advisors
Strategic Planning
Accounting Services
Management Consultancy*

PRINCIPALS

*Timothy Turner
B.BUS (ACC), FCPA,
FTIA
Registered Company Auditor*

*Vick Gelevitis
B.BUS (ACC), FCPA,
NTAA, FTIA*

*Darryl Rodrigues
B.Sc, B.BUS (ACC), CPA*

Hewitt Turner & Gelevitis
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
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(continued)**

Suite 4, 1st Floor
63 Shepperton Road
Victoria Park
Western Australia 6100
Telephone: (08) 9362 5855
Facsimile: (08) 9362 5186
Email: htg@htgbdc.com
Website: www.htgbdc.com
ABN: 78 607 011 001
PO Box 199
Victoria Park
Western Australia 6979

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 (RAO Schedule) of the Workplace Relations Act 1996.

**HEWITT
TURNER &
GELEVITIS**



Signed at Perth, this 14th day of April, 2009.


**HEWITT TURNER & GELEVITIS
AUDIT ASSURANCE DIVISION**

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**TIMOTHY TURNER
REGISTERED COMPANY AUDITOR**

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Australian Government
Australian Industrial Registry

8 January 2009

Mr Les McLaughlan
Secretary, Western Australian Branch (Electrical, Energy & Services Division)
CEPU
24/257 Balcatta Road
BALCATTWA WA 6021



Dear Mr McLaughlan

Lodgment of Financial Statements and Accounts for year ended 31 December 2008 (FR2008/550)
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)

The financial year of the Western Australian Branch of the Electrical, Energy and Services Division of the CEPU has recently ended. This is a courtesy letter to remind you of the obligations imposed by the RAO Schedule regarding the preparation of financial accounts and statements.

As you are aware, the RAO Schedule sets out a particular chronological order in which financial documents and statements must be prepared, made available to members and presented to a meeting. All of these events must occur within particular timeframes that are also set out in the Schedule.

Detailed information can be found on our website at
<http://www.airc.gov.au/registered/FR/information.htm>, including:

- Fact sheets – the following fact sheets provide information regarding financial reporting:
 - Sheet 6 – Accounting, Auditing and Reporting Obligations;
 - Sheet 7 – Information Needs of Members;
 - Sheet 8 – Financial Reporting Process and Time Limits;
 - Sheet 9 – Diagrammatic Summary of Financial Reporting Process and Time Limits; and
 - Sheet 10 – Auditors.
- Sample Documents – a sample Committee of Management Statement and Designated Officer's Certificate is available;
- RAO Schedule and RAO Regulations;
- Registrar's Reporting Guidelines – the Guidelines set out requirements that must be met *in addition to* those required by Australian Accounting Standards; and
- Document Checklist and Timeline Planner to assist with meeting timeframes.

The Registry strongly encourages you to lodge documents electronically by sending an email with the documents attached to orgs@airc.gov.au. Alternatively, you may wish to send the documents by fax to (02) 9380 6990.

If you need any further information or assistance or if you do not believe that the documents will be lodged within the timeframes specified by the RAO Schedule please contact me on 0429 462 979 or by email at stephen.kellett@airc.gov.au.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'SK', written in a cursive style.

Stephen Kellett
Statutory Services Branch