



FAIR WORK  
AUSTRALIA

5 September 2012

Mr Les McLaughlan  
Secretary, Western Australian Electrical Divisional Branch  
CEPU  
PO Box 689,  
BALCATTA NSW 6914



Dear Mr McLaughlan

**Re: Lodgement of Financial Statements and Accounts – Western Australian Electrical Divisional Branch – for year ending 31 December 2011 (FR2011/2836)**

I refer to the above financial return which was received by Fair Work Australia on 26 July 2012.

The documents have been filed. However I take this opportunity to draw your attention to the following.

- (1) Your Secretary's Certificate did not make it clear whether the full report was presented to a general meeting of members or a meeting of the committee of management.
- (2) The said meeting to which the full report was presented is certified as having taken place on 11 July 2012, which was later than the six months allowed for by subsection 266(1) of the Fair Work (Registered Organisations) Act 2009, which provides, in part as follows:

*"...the reporting unit must cause the full report to be presented to a  
.....meeting.....within the period of 6 months starting at the end of the financial year  
(or such longer period as is allowed by the General Manager under subsection 265(5))."*

In the absence of an extension of time being granted by the General Manager under subsection 265(5), the Branch must take steps to ensure that the full report is presented to a meeting within this time frame, namely, no later than by 30 June of each year.

- (3) The Operating Report lists on page 4 the names of the members of the Committee of Management "at any time during the reporting period". Regulation 159(c) of the Fair Work (Registered Organisations) Regulations 2009 prescribes as information to be included in the Operating Report *"the period for which he or she held such a position."*

The list of names should therefore also include the period relevant to each person, or alternatively, an explanatory note along the lines of "All members held office for the entire year unless otherwise stated" with the period specified for any person not holding office for the entire year.

- (4) The Committee of Management Statement was signed on 15 March 2012. While it might be assumed that the resolution referred to in the opening sentence of the Statement was passed on the date the Statement was signed, it is not strictly certain that these coincided. Paragraph 26(b) of the General Manager's Reporting Guidelines states: *"The committee of management must.....specify the date of passage of the resolution"*.

The date on which the resolution is passed must therefore be specified as such in the opening sentence of Statements prepared in future years.

If you have any queries regarding the preparation of financial statements in the future, please do not hesitate to contact me on (02) 6723 7097 at any time.

Yours sincerely,



Stephen Kellett

Senior Adviser, Organisations, Research and Advice Branch



23<sup>rd</sup> July, 2012

Fair Work Australia,  
Level 8,  
80 William Street,  
EAST SYDNEY NSW 2011



**ATTENTION: Deputy Industrial Registrar**

Dear Sir/Madam,

**RE: Officers and Membership Return and Statutory Declaration**

Please find attached Audit report, Officers and Membership Return and Statutory Declaration for the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Electrical Division, WA Branch.

Any queries please do not hesitate to contact the undersigned.

Yours faithfully,

KIM STEWART  
CPA

# ETU

**Electrical Trades Union**

THE ELECTRICAL DIVISION  
of the Communications,  
Electrical, Electronic,  
Energy, Information, Postal,  
Plumbing and Allied Services  
Union of Australia (**CEPU**)

**ABN No: 78 117 032 302**

**L. McLaughlan**  
Divisional Branch Secretary  
Mobile: 0403 601 990

**J. Murie**  
Assistant Divisional  
Branch Secretary  
Mobile: 0403 601 997

## ORGANISERS

**P. Carter**  
Mobile: 0403 601 991

**J. Fiala**  
Mobile: 0403 601 996

**G. Wilton**  
Mobile: 0407 199 256

## SOUTH-WEST

**T. Hayes**  
Mobile: 0417 095 665

## NORTH-WEST

**M. Jordan**  
Mobile: 0427 601 992

Unit 24  
257 Balcatta Road  
BALCATTWA 6021  
Postal Address  
PO Box 689  
BALCATTWA 6914

Phone: (08) 9440 3522

Fax: (08) 9440 3544

Email: [cepu@etuwa.com.au](mailto:cepu@etuwa.com.au)

Website: [www.etuwa.com.au](http://www.etuwa.com.au)

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

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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 *Communications, Electrical, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Engineering and Electrical Division, WA Branch* 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 4<sup>th</sup> April 2012, 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 11<sup>th</sup> July 2012, in accordance with section 266 of the RAO Schedule.

Signed at Balcatta this 20th day of July 2012

Les McLaughlan  
NAME

Branch Secretary  
TITLE

  
SIGNATURE

## WESTERN AUSTRALIA

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### STATUTORY DECLARATION BY BRANCH SECRETARY

I, Les McLaughlan, Branch Secretary of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Engineering and Electrical Division, WA Branch sincerely declare as follows:

As at 1 January 2012 there were 7,536 Registered Members in the of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Engineering and Electrical Division, WA Branch.

That annexed hereto as Annexure 'E' a true copy of the list of names, residential addresses, and occupations of persons holding office in the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Engineering and Electrical Division, WA Branch.

That such annexure is to the best of my knowledge a correct statement of the information contained herein.

**This declaration is true and I know that it is an offence to make a declaration knowing that it is false in a material particular.**

**This declaration is made under the *Oaths, Affidavits and Statutory Declarations Act 2005***

Declared at ..... Balcatta .....  
{place}

This ..... 20th ..... day of ..... July ..... 2012

Before me.....

..... Kim CA .....  
{Signature of authorised witness}

..... Kim Stewart .....

..... CPA .....  
{Name of authorised witness and qualification  
as such witness}

..... [Signature] .....  
{Ordinary signature of declarant}

**#THE CRIMINAL CODE S169. False statements in statements required to be under oath or solemn declaration**

Any person who, on any occasion on which a person making a statement touching any matter is required by law to make it on oath or under some sanction which may by law be substituted for an oath, or is required to verify it by solemn declaration or affirmation, makes a statement touching such matter which, in any material particular, is to his knowledge false, and verifies it on oath or under such other sanction or by solemn declaration or affirmation, is guilty of crime, and is liable to imprisonment for 7 years.

**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, 2012**

<b><u>PRESIDENT</u></b>	MANHOOD, R 20 Weston Drive SWAN VIEW 6056	Electrical Fitter
<b><u>VICE PRESIDENT</u></b>	COULTER, M 41 Rosegreen Ave BUTLER 6036	Linesperson
<b><u>SECRETARY</u></b>	McLAUGHLAN, L 9 Richards Close WAIKIKI 6169	Union Secretary
<b><u>ASSISTANT SECRETARY</u></b>	MURIE, J PO Box 1242 KARRATHA 6714	Assistant Secretary
<b><u>BRANCH EXECUTIVE</u></b>	McLAUGHLAN, L. 9 Richards Close WAIKIKI 6169	Union Secretary
	MANHOOD, R 20 Weston Drive SWAN VIEW 6056	Electrical Fitter
	BALFOUR, J 37 Reflections Mews SAFETY BAY	Electrical Installer
	COULTER, M 41 Rosegreen Ave, BUTLER 6036	Linesperson
	DELLAVANZO, J 39 Castle Road Turn JOONDALUP 6027	Electrical Fitter
	DONALDSON, M 35 Belmont Road KENWICK 6107	Moulder
	HONNER, M Unit 2/5 Pearl Road CLOVERDALE 6105	Crane Driver
	HUGHES-OWEN, J 86 Forrest Road PADBURY	Elect Fitter/Installer
	McDONALD, G 7 Warwick Road SORRENTO 6020	Plumber

**BRANCH STATE**  
**COUNCIL**

BALFOUR, 37 Reflections Mews SAFETY BAY	J 6169	Electrical Installer
CARTER, 6 St Agnes Green SOUTHERN RIVER	P 6110	Union Organiser
CLANCEY, 55 Archibald St WILLAGEE	D 6156	Electrician
COULTER, 41 Rosegreen Avenue BUTLER	M 6036	Linesperson
DALY, 134 Rutland Avenue CARLISLE	J 6101	Sprinkler Fitter
DELLAVANZO, 39 Castlerock Turn JOONDALUP	J 6027	Electrical Fitter
DONALDSON, 35 Belmont Road KENWICK	M 6107	Moulder
FIALA 10 McAllister Gardens MIRRABOOKA	J 6061	Union Organiser
FOWLIE, 47 Bluefin Drive GOLDEN BAY	D 6174	Electrical Fitter
HAYES, 4 Birkdale Court COOLOONGUP	T 6168	Union Organiser
HONNER, Unit 2/5 Pearl Road CLOVERDALE	M 6105	Crane Driver
HUGHES-OWEN, 86 Forrest Drive GOLDEN BAY	J 6174	Electrical Fitter
JONES, 53 Silver Princess Way JANE BROOK	B 6056	Electrical Installer
JORDAN, 18 Rochester Avenue BECKENAHM	M 6107	Electrical Installer
MANHOOD, 20 Weston Drive SWAN VIEW	R 6056	Electrical Fitter
McDONALD, 7 Warwick Road SORRENTO	G 6020	Plumber
McLAUGHLAN 9 Richards Close WAIKIKI	L 6169	Union Secretary
MURIE, PO Box 1242 KARRATHA	J 6714	Assistant Secretary
O'REGAN, 7 Riverglen Drive YUNDERUP	S 6208	Linesperson
REEVE, 16 Kanji Loop ATWELL	B 6156	Union Organiser
TAYLOR, 49 Legend Gardens MARANGAROO	S 6064	Elect Fitter/Installer

**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 2011**



**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,  
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WA BRANCH**

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**OPERATING REPORT FOR THE YEAR ENDED 31 DECEMBER 2011**

**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 \$784,579 (2010: \$325,858).

**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:

<b>Name</b>	<b>Official Position</b>	<b>Director of</b>	<b>Name of Superannuation Fund</b>
Les McLaughlan	Branch Secretary	Board Member	Long Service Leave Board
Jim Murie	Assistant Secretary	Board Member	Energy Safety

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WA BRANCH**

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**OPERATING REPORT FOR THE YEAR ENDED 31 DECEMBER 2011 (continued)**

**Number of Members**

The number of persons who, at the end of the financial year, were recorded on the Register of members was 7,536 (2010: 7,126).

**Number of Employees**

The number of persons who were, at the end of the financial year, employees of the Union was 16 (2010: 16).

**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:

<b>Name</b>	<b>Title of Officer</b>
R. Manhood	Branch President
M. Coulter	Deputy Branch President
G. Wilton	Deputy Branch President <i>(replaced by new Deputy Branch President as didn't nominate in the election)</i>
L. McLaughlan	Branch Secretary
J. Murie	Assistant Branch Secretary
P. Carter	Branch Councillor
D. Fowlie	Branch Councillor
T. Hayes	Branch Councillor
J. Balfour	Branch Councillor
J. Fiala	Branch Councillor
B. Jones	Branch Councillor
M. Donaldson	Branch Councillor
S. O'Regan	Branch Councillor
G. Sadler	Branch Councillor <i>(replaced by new Councillor as didn't nominate in the election)</i>
M. Jordan	Branch Councillor
D. Clancey	Branch Councillor
M. Coulter	Branch Councillor
G. McDonald	Branch Councillor
B. Reeve	Branch Councillor
J. Hughes-Owen	Branch Councillor
S. Taylor	Branch Councillor
J. Daly	Branch Councillor
J. Dellavanzo	Branch Councillor
M. Honner	Branch Councillor

COMMUNICATION, ELECTRICAL, ELECTRONIC,  
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WA BRANCH

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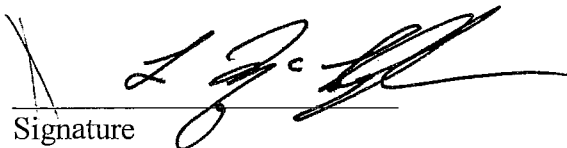
OPERATING REPORT FOR THE YEAR ENDED 31 DECEMBER 2011 (continued)

Les McLaughlan

Name

Branch Secretary

Title



Signature

15/3/2012

Date

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

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**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 2011:

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,  
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ENGINEERING AND ELECTRICAL DIVISION,  
WA BRANCH**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	NOTE	2011 \$	2010 \$
Revenue	4	3,573,566	2,927,026
Employee Benefits Expenses	5	(1,766,074)	(1,654,339)
Depreciation Expenses		(56,035)	(57,075)
Other Expenses	6	(966,878)	(889,754)
<b>Net Profit</b>		<u>784,579</u>	<u>325,858</u>
Other Comprehensive Income		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS OF THE UNION</b>		<u><u>784,579</u></u>	<u><u>325,858</u></u>

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**The accompanying notes form part of these financial statements.**

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

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2011**

	NOTE	2011 \$	2010 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	7	104,187	201,345
Trade and Other Receivables	8	69,251	54,337
<b>TOTAL CURRENT ASSETS</b>		<b>173,438</b>	<b>255,682</b>
<b>NON-CURRENT ASSETS</b>			
Other Financial Assets	9	3,713,021	2,801,307
Property, Plant & Equipment	10	476,418	444,631
<b>TOTAL NON-CURRENT ASSETS</b>		<b>4,189,439</b>	<b>3,245,938</b>
<b>TOTAL ASSETS</b>		<b>4,362,877</b>	<b>3,501,620</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	11	333,148	304,453
Provisions	12	918,652	870,669
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,251,800</b>	<b>1,175,122</b>
<b>TOTAL LIABILITIES</b>		<b>1,251,800</b>	<b>1,175,122</b>
<b>NET ASSETS</b>		<b>3,111,077</b>	<b>2,326,498</b>
<b>MEMBERS' FUNDS</b>			
Retained Earnings		3,111,077	2,326,498
<b>TOTAL MEMBERS' FUNDS</b>		<b>3,111,077</b>	<b>2,326,498</b>

**The accompanying notes form part of these financial statements.**

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

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**STATEMENT OF CHANGES IN MEMBERS' FUNDS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	<b>2011</b>		<b>2010</b>	
	<b>Retained Earnings</b>	<b>Total</b>	<b>Retained Earnings</b>	<b>Total</b>
Balance at 1 January	2,326,498	2,326,498	2,000,640	2,000,640
Profit attributable to the members	784,579	784,579	325,858	325,858
Total other comprehensive income attributable to members	-	-	-	-
<b>Balance at 31 December</b>	<b>3,111,077</b>	<b>3,111,077</b>	<b>2,326,498</b>	<b>2,326,498</b>

**The accompanying notes form part of these financial statements.**



**COMMUNICATION, ELECTRICAL, ELECTRONIC,  
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ALLIED SERVICES UNION OF AUSTRALIA,  
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WA BRANCH**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	NOTE	2011 \$	2010 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Member Contributions		3,028,608	2,609,480
Receipts from Members' Entrance Fees		5,426	5,439
Receipts from Levies		-	201
Interest Received		168,677	110,148
ETU Insurance Rebate		201,553	188,571
Wage Subsidies Received		11,226	15,644
Other Receipts		162,257	6,233
Payments to Supplies & Employees		(2,670,222)	(2,430,348)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>13</b>	<b>907,525</b>	<b>505,368</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for Property, Plant & Equipment		(92,969)	(208,611)
Payments for Financial Assets		(911,714)	(454,012)
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>		<b>(1,004,683)</b>	<b>(662,623)</b>
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>
Net Increase in Cash Held		(97,158)	(157,255)
Cash at 1 January		201,345	358,600
<b>CASH AT 31 DECEMBER</b>	<b>7</b>	<b>104,187</b>	<b>201,345</b>

**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**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Preparation**

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

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the requirements of the Workplace Relations Act 1996.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied, unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated, fair values of non-current assets.

**Accounting Policies**

**a) 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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WA BRANCH**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011 (continued)**

**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**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011 (continued)**

**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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**NOTES TO THE FINANCIAL STATEMENTS  
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**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 Union 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 2011.

*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 2011.

**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**

The AASB has issued new and amended accounting 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 follows:-

- AASB 9: Financial Instruments (December 2010) and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023, & 1038 and Interpretations 2, 5, 10, 12, 19, & 127] (applicable for annual reporting periods commencing on or after 1 January 2013).

These standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments. The Union has not yet determined any potential impact on the Financial Statements.

The changes made to accounting requirements include:

- Simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- Simplifying the requirements for embedded derivatives;
- Removing the tainting rules associated with held-to-maturity assets;
- Removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- Allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instruments; and
- Requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows.
- Requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit and loss.

The Union has not yet been able to reasonably estimate the impact of these pronouncements on its financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**n) New Accounting Standards for application in future periods (continued)**

- AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards Arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129, & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013).  
AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:
  - Tier 1: Australian Accounting Standards; and
  - Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.
- AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interests in Other Entities, AASB 127: Separate Financial Statements (August 2011), AASB 128: Investments in Associates and Joint Ventures (August 2011) and AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17] (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 10 replaces part of AASB 127: Consolidated and Separate Financial Statements (March 2008, as amended) and Interpretation 112: Consolidation – Special Purpose Entities. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. The Union has not yet been able to reasonably estimate the impact of this Standard on its financial statements.

AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either “joint operations” (whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or “joint ventures” (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed).

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint operation or associate. AASB 12 also introduces the concept of a “structured entity”, replacing the “special purpose entity” concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only is not expected to significantly impact the Union.

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

To facilitate the application of AASB's 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. These standards are not expected to significantly impact the Union.

- AASB 13: Fair Value Measurement and AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132] (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and required disclosures about fair value measurements.

AASB 13 requires:

- Inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- Enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) measured at fair value.

These Standards are not expected to significantly impact the Union.

- AASB 2011-9: Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] (applicable for annual reporting periods commencing on or after 1 July 2012).

The main change arising from this Standard is the requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

This Standard affects presentation only and is therefore not expected to significantly impact the Union.

- AASB 119: Employee Benefits (September 2011) and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 [AASB 1, AASB 8, AASB 101, AASB 124, AASB 134, AASB 1049 & AASB 2011-8 and Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The Union does not have any defined plans and so is not impacted by the amendment.



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

AASB 119 (September 2011) also includes changes to the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:

- (i) For an offer that may be withdrawn – when the employees accepts;
- (ii) For an offer that cannot be withdrawn – when the offer is communicated to affected employees; and
- (iii) Where the termination is associated with a restructuring of activities under AASB 137: Provisions, Contingent Liabilities and Contingent Assets, and if earlier than the first two conditions – when the related restructuring costs are recognised.

The Union has not yet been able to reasonably estimate the impact of these changes to AASB 119.

- AASB 2010-6: Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7] (applicable for annual reporting periods beginning on or after 1 July 2011).

This Standard adds and amends disclosure requirements about transfers of financial assets, especially those in respect of the nature of the financial assets involved and the risks associated with them. Accordingly, this Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards, and AASB 7: Financial Instruments: Disclosures, establishing additional disclosures requirements in relation to transfer of financial assets.

This Standard will affect certain disclosures only relating to financial instruments and is therefore not expected to significantly impact the Union.

- AASB 2010-8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112] (applies to periods beginning on or after 1 January 2012).

This Standard makes amendments to AASB 112: Income Taxes and incorporates Interpretation 121 into AASB 112.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. The presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**n) New Accounting Standards for application in future periods (continued)**

The amendments are not expected to significantly impact the Union.

- AASB 1054: Australian Additional Disclosures and AASB 2011-1: Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, AASB 5, AASB 101, AASB 107, AASB 108, AASB 121, AASB 128, AASB 132 & AASB 134 and Interpretations 2, 112 & 113] (applicable for annual reporting periods commencing on or after 1 July 2011).

AASB 1054 sets out the Australian-specific disclosures that are additional to IFRS disclosure requirements.

The disclosure requirements in AASB 1054 were previously located in other Australian Accounting Standards.

These Standards are not expected to significantly impact the Union.

The Union does not anticipate early adoption of any of the above Australian Accounting Standards.

The financial statements were authorised for issue on 4 April 2012, by members of the Committee of Management.

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**NOTES TO THE 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 AND OTHER INCOME**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
Members' Funding		
Members Contributions CEPU	2,883,102	2,454,781
Entrance Fees CEPU	5,426	5,439
Levies	0	201
Members Contributions Plumbing	145,506	154,699
	<u><b>3,034,034</b></u>	<u><b>2,615,120</b></u>
Interest Earned		
CBA General Account	6,477	6,202
Retirement Account	48,221	45,607
CBA Online Saver	109,632	74,673
	<u><b>164,330</b></u>	<u><b>126,482</b></u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**4. REVENUE AND OTHER INCOME (continued)**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
Sundries Income		
ATC Insurance Commission	7,122	0
ETU Vic Insurance Rebate	204,518	192,243
Others	2,756	(6,689)
Wages Subsidy-Board Fees	11,226	15,644
North West Funding	154,676	0
	<u><b>380,348</b></u>	<u><b>201,198</b></u>
Profit/ (loss) on disposal of assets	<u><b>(5,146)</b></u>	<u><b>(15,774)</b></u>
<b>TOTAL</b>	<u><b>3,573,566</b></u>	<u><b>2,927,026</b></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**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
Net (decrease)/increase in provision for FBT / Super	0	(3,417)
Net Increase in Provision for Employee Entitlements	261,354	248,837
Employee Services Compensation Insurance	11,256	9,342
Salaries & Allowances – Officers	996,436	960,359
Salaries & Allowances – Others	193,949	196,045
Super Contributions	225,194	207,224
Fringe Benefits Tax	10,527	20,360
Payroll Tax	53,578	0
Delegate Fees	13,780	15,589
	<u><b>1,766,074</b></u>	<u><b>1,654,339</b></u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**6. SIGNIFICANT EXPENSES**

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

	<b>Note</b>	<b>2011</b>	<b>2010</b>
		<b>\$</b>	<b>\$</b>
Travel Expenses		65,454	0
Legal and Arbitration Expenses	19	96,206	43,097
Insurance		48,429	45,140
Auditor's Remuneration		12,400	11,967
Sustentation Fees		<u>249,499</u>	<u>262,456</u>

**7. CASH AND CASH EQUIVALENTS**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
Commonwealth Bank – General Account	102,947	200,105
Petty Cash on Hand	1,140	1,140
Petty Cash on Hand – North West	100	100
	<u>104,187</u>	<u>201,345</u>

The effective interest rate on the general account is 3.50% (2010: 2.50%).  
This account is at call.

**8. TRADE AND OTHER RECEIVABLES**

	<b>2011</b>	<b>2010</b>
		<b>\$</b>
Accounts Receivable	37,783	36,818
Accounts paid in advance	31,468	17,519
	<u>69,251</u>	<u>54,337</u>

None of the accounts receivable is past due nor impaired. No collateral is held over accounts receivable

**Credit Risk**

The Union has no significant concentrations of credit risk with respect to any single counterparty or group of counterparties.

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The following table details the Union's receivables exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as "past due" when the debt has not been settled within the terms and conditions agreed between the Union and the member or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining their willingness to pay and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Union.

The balances of receivables that remain initial terms (as detailed in the table) are considered to be a high credit quality.

2011	Gross Amount	Past Due and Impaired	Past Due but Not Impaired (Days Overdue)				Within Initial Trade Terms
			< 30	31-60	61-90	>90	
	\$	\$	\$	\$	\$	\$	\$
Other receivable	69,251	-	-	-	-	-	69,251
<b>Total</b>	<b>69,251</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69,251</b>

2010	Gross Amount	Past Due and Impaired	Past Due but Not Impaired (Days Overdue)				Within Initial Trade Terms
			< 30	31-60	61-90	>90	
	\$	\$	\$	\$	\$	\$	\$
Other receivable	54,337	-	-	-	-	-	54,337
<b>Total</b>	<b>54,337</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54,337</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. OTHER FINANCIAL ASSETS**

	2011 \$	2010 \$
Held to Maturity Assets		
CBA Retirement Account	920,244	-
Adelaide Bank Retirement Account	-	865,651
CBA Online Saver Account	2,792,777	1,935,656
	<u><b>3,713,021</b></u>	<u><b>2,801,307</b></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 weighted average interest rate on short term deposits was 4.54% (2010: 4.91%)

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**NOTES TO THE FINANCIAL STATEMENTS  
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**10. PROPERTY, PLANT & EQUIPMENT**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>LAND AND BUILDINGS</b>		
House at Cost – 1 / 30 Demetre Crescent, Karratha	102,818	102,818
Accumulated Depreciation	(38,453)	(35,882)
	<u>64,365</u>	<u>66,936</u>
Strata Unit - Rockingham	135,526	135,526
Accumulated Depreciation	(5,376)	(1,987)
	<u>130,150</u>	<u>133,539</u>
	<u><b>194,515</b></u>	<u><b>200,475</b></u>
<b>FURNITURE AND EQUIPMENT</b>		
Furniture and Fittings at Cost	126,998	126,809
Accumulated Depreciation	(105,029)	(101,606)
	<u>21,969</u>	<u>25,203</u>
Furniture and Fittings – Demetre Street at Cost	7,227	5,000
Accumulated Depreciation	(5,000)	(5,000)
	<u>2,227</u>	<u>0</u>
	<u><b>24,196</b></u>	<u><b>25,203</b></u>
<b>MOTOR VEHICLES</b>		
Cost	310,781	280,574
Accumulated Depreciation	(68,575)	(65,378)
	<u><b>242,206</b></u>	<u><b>215,196</b></u>
<b>OFFICE EQUIPMENT</b>		
Cost	85,035	85,560
Accumulated Depreciation	(69,534)	(81,803)
	<u><b>15,501</b></u>	<u><b>3,757</b></u>
<b>PROPERTY, PLANT &amp; EQUIPMENT @ WDV</b>	<u><b>476,418</b></u>	<u><b>444,631</b></u>



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**NOTES TO THE FINANCIAL STATEMENTS  
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**10. PROPERTY, PLANT & EQUIPMENT (continued)**

**Year ended 31 December 2011**

<b>Movement in Carrying Amounts</b>	<b>Land &amp; Buildings \$</b>	<b>Furniture &amp; Equipment \$</b>	<b>Motor Vehicles \$</b>	<b>Office Equipment \$</b>	<b>Total \$</b>
Balance at the beginning of year	200,475	25,203	215,196	3,757	444,631
Additions	-	2,415	116,124	14,974	133,513
Disposals	-		(45,691)	-	(45,691)
Depreciation Expense	(5,960)	(3,422)	(43,423)	(3,230)	(56,035)
<b>Carrying amount at the end of year</b>	<b>194,515</b>	<b>24,196</b>	<b>242,206</b>	<b>15,501</b>	<b>476,418</b>

**Year ended 31 December 2010**

<b>Movement in Carrying Amounts</b>	<b>Land &amp; Buildings \$</b>	<b>Furniture &amp; Equipment \$</b>	<b>Motor Vehicles \$</b>	<b>Office Equipment \$</b>	<b>Total \$</b>
Balance at the beginning of year	69,506	19,771	212,918	6,676	308,871
Additions	135,526	10,207	112,688	3,382	261,803
Disposals	-	(1,994)	(66,761)	(211)	(68,966)
Depreciation Expense	(4,557)	(2,781)	(43,649)	(6,090)	(57,077)
<b>Carrying amount at the end of year</b>	<b>200,475</b>	<b>25,203</b>	<b>215,196</b>	<b>3,757</b>	<b>444,631</b>

**11. TRADE AND OTHER PAYABLES**

	<b>2011 \$</b>	<b>2010 \$</b>
Trade Creditors & Accruals	333,148	304,453
	<b>333,148</b>	<b>304,453</b>

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**12. PROVISIONS**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
Provision for Annual Leave	111,193	121,285
Provision for Long Service Leave	235,950	216,338
Provision for Retirement Allowance	571,509	533,046
	<u><b>918,652</b></u>	<u><b>870,669</b></u>
<b>a) Provision for Annual Leave</b>		
Opening Balance	121,285	82,597
Annual Leave Entitlements Paid & Increase in Provision.	(10,092)	38,688
<b>CLOSING BALANCE</b>	<u><b>111,193</b></u>	<u><b>121,285</b></u>
<b>b) Provision for Long Service Leave</b>		
Opening Balance	216,338	209,378
LSL Entitlements Paid & Increase in Provision	19,612	6,960
<b>CLOSING BALANCE</b>	<u><b>235,950</b></u>	<u><b>216,338</b></u>
<b>c) Provision for Retirement Allowance</b>		
Opening Balance	533,046	500,464
Retirement Allowance Entitlements Paid & Increase in Provision	38,463	32,582
<b>CLOSING BALANCE</b>	<u><b>571,509</b></u>	<u><b>533,046</b></u>
<b>Total Provision for Employee Benefits</b>		
Opening Balance	870,669	795,856
Entitlements Paid & Increase in Provision	47,983	74,813
<b>CLOSING BALANCE</b>	<u><b>918,652</b></u>	<u><b>870,669</b></u>

**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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**NOTES TO THE FINANCIAL STATEMENTS  
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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    | ▪ M Coulter    | ▪ M Donaldson   |
| ▪ G Wilton     | ▪ T Hayes      | ▪ M Honner      |
| ▪ L McLaughlan | ▪ S Taylor     | ▪ J Hughes-Owen |
| ▪ B Reeve      | ▪ J Balfour    | ▪ G McDonald    |
| ▪ B Jones      | ▪ J Dellavanzo |                 |

**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
M. Coulter	Deputy Branch President
L. McLaughlan	Branch Secretary
J. Murie	Assistant Branch Secretary
G. Wilton	Vice President ( <i>didn't renominate in elections</i> )
P. Carter	Branch Councillor
D. Fowlie	Branch Councillor
T. Hayes	Branch Councillor
J. Balfour	Branch Councillor
J. Fiala	Branch Councillor
B. Jones	Branch Councillor
M. Donaldson	Branch Councillor
S. O'Regan	Branch Councillor
G. Sadler	Branch Councillor ( <i>replaced by new Councillor as didn't renominate in election</i> )
M. Jordan	Branch Councillor
D. Clancey	Branch Councillor
M. Coulter	Branch Councillor
G. McDonald	Branch Councillor
B. Reeve	Branch Councillor
J. Hughes-Owen	Branch Councillor
S. Taylor	Branch Councillor
J. Daly	Branch Councillor
J. Dellavanzo	Branch Councillor
M. Honner	Branch Councillor

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011 (continued)**

**15. RELATED PARTY TRANSACTIONS (continued)**

**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
	\$	\$	\$	\$
<b>2011</b>				
Total Compensation	<u>996,436</u>	<u>186,746</u>	<u>13,670</u>	<u>1,196,852</u>
<b>2010</b>				
Total Compensation	<u>945,744</u>	<u>189,525</u>	<u>15,285</u>	<u>1,150,554</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.

**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 2011.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011 (continued)**

**16. FINANCIAL INSTRUMENTS (continued)**

**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:

<b>31 December 2011</b>	<b>Floating Interest Rate \$</b>	<b>Fixed Interest \$</b>	<b>Non-Interest Bearing \$</b>	<b>Total \$</b>
<b>Financial Assets</b>				
Cash and deposits	102,947	-	-	102,947
Held to Maturity Investments	3,713,022	-	-	3,713,022
Accounts Receivable	-	-	37,783	37,783
	<u>3,815,969</u>	<u>-</u>	<u>37,783</u>	<u>3,853,752</u>
Weighted average interest rate	4.51%			
<b>Financial Liabilities</b>				
Trade and other creditors	-	-	333,148	333,148
<b>NET FINANCIAL ASSETS / (LIABILITIES)</b>	<b><u>3,815,969</u></b>	<b><u>-</u></b>	<b><u>(295,365)</u></b>	<b><u>3,520,604</u></b>
<b>31 December 2010</b>	<b>Floating Interest Rate \$</b>	<b>Fixed Interest \$</b>	<b>Non-Interest Bearing \$</b>	<b>Total \$</b>
<b>Financial Assets</b>				
Cash and deposits	200,105	-	-	200,105
Held to Maturity Investments	2,801,307	-	-	2,801,307
Accounts Receivable	-	-	36,819	36,819
	<u>3,001,412</u>	<u>-</u>	<u>36,819</u>	<u>3,038,231</u>
Weighted average interest rate	4.75%			
<b>Financial Liabilities</b>				
Trade and other creditors	-	-	304,453	304,453
<b>NET FINANCIAL ASSETS / (LIABILITIES)</b>	<b><u>3,001,412</u></b>	<b><u>-</u></b>	<b><u>(267,634)</u></b>	<b><u>2,733,778</u></b>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011 (continued)**

**16. FINANCIAL INSTRUMENTS (continued)**

**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 2011, 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) 2011 \$	Higher / (Lower) 2010 \$
<b><u>Change in Profit</u></b>		
- Increase in interest rate by 2%	76,319	60,028
- Decrease in interest rate by 2%	(76,319)	(60,028)
<b><u>Change in Members' Funds</u></b>		
- Increase in interest rate by 2%	76,319	60,028
- Decrease in interest rate by 2%	(76,319)	(60,028)

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

**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.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011 (continued)**

**17. CONTINGENT LIABILITIES**

At the date of signing this report, there were no known contingent liabilities.

**18. EMPLOYEE NUMBERS**

	<b>31/12/11</b>	<b>31/12/10</b>
Number of employees at the end of financial year	<u>16</u>	<u>16</u>

**19. LEGAL EXPENSES**

On the Pluto Project in North Western Australia, there was a dispute over accommodation resulting in a stoppage. The stoppage was against the advice given by the CEPU.

Notwithstanding the fact that the union is not a party to the court case, the CEPU is currently paying for legal representation for its members.

The Union anticipates no liability for the Union itself, as the action is against the members individually.

Judgement is yet to be handed down.

**20. CAPITAL COMMITMENTS**

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

**21. SEGMENT REPORTING**

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

**END OF NOTES TO THE FINANCIAL STATEMENTS**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE  
COMMUNICATION, ELECTRICAL, ELECTRONIC,  
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ALLIED SERVICES UNION OF AUSTRALIA,  
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**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 Statement of Financial Position as at 31 December 2011, and the Statement of Comprehensive Income, Statement of Changes in Members' Funds and Statement of Cash Flows for the year ended then ended, notes comprising a Summary of Significant Accounting Policies and Other Explanatory Notes and the Committee of Management Statement, for the year ended 31 December 2011.

**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 the financial statements comply with International Financial Reporting Standards (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.

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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

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE  
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(continued)**

**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.

Signed at



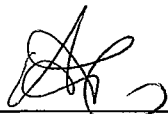
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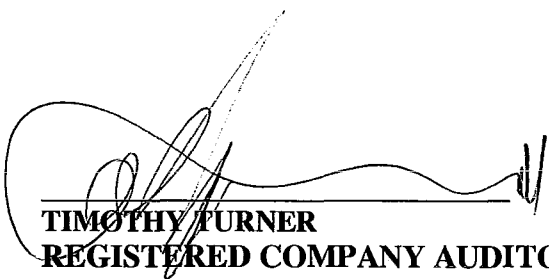
day of

March

2012.



**HEWITT TURNER & GELEVITIS  
AUDIT ASSURANCE DIVISION**



**TIMOTHY TURNER  
REGISTERED COMPANY AUDITOR**

**HEWITT  
TURNER &  
GELEVITIS**

