

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC,  
ENERGY, INFORMATION, POSTAL, PLUMBING  
AND ALLIED SERVICES UNION OF AUSTRALIA,  
COMMUNICATIONS DIVISION,  
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)  
ABN 13 511 341 559**

**CONCISE FINANCIAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2011**

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,  
PLUMBING AND ALLIED SERVICES UNION OF AUSTRALIA, COMMUNICATIONS DIVISION,  
TELECOMMUNICATIONS AND SERVICES BRANCH (VICTORIA)  
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**OPERATING REPORT**

In accordance with Section 254 of the Fair Work (Registered Organisations) Act 2009 ("Act"), the Committee of Management present their Operating Report on the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Telecommunications and Services Branch (Victoria) (the Union), the relevant Reporting Unit for the financial year ended 31 March 2011.

**Principal Activities**

The principal activities of the Union during the past year fell into the following categories:

- Promoting the interests of Telecommunications and Postal workers.
- Implementing the decisions of the Divisional Branch Committee of Management, Divisional Executive, Divisional Conference and National Council.
- Implementing the Union's organising and industrial agenda, including direct assistance and strategic advice to members, assistance to members on planning and resourcing campaigns, bargaining, training and development of shop stewards and officials.
- Support and representation of individual member grievances, advice on legal and legislative matters.
- Lobbying and negotiations with different levels of Government and key industry organisations around issues of importance to Telstra workers.
- Management of the Union's financial and membership systems.

**Operating Result**

The operating loss of the Union for the financial year was \$248,885 (2010: \$365,677). No provision for tax was necessary as the Union is exempt from income tax.

**Significant Changes**

No significant changes in the Union's state of affairs occurred during the financial year.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, the results of those operations, or the state of affairs of the Union in future financial years.

**Rights of Members**

Subject to Rule 11 of the Union's rules and Section 174 of the Fair Work (Registered Organisations) Act 2009, members of the Union have the right to resign from membership by providing written notice addressed to and delivered to the Secretary of the Union.

**Superannuation Officeholders**

No officer or member of the reporting unit:

- (a) is a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (b) is a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

**Other Prescribed Information**

In accordance with Regulation 159 of the Fair Work (Registered Organisations) Act 2009:

- (a) the number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for Section 230 of the Act and who are taken to be members of the Union under section 244 of the Act was 2,607 (2010: 2,454).

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**OPERATING REPORT continued**

**Other Prescribed Information continued**

- (b) the number of persons who were, at the end of the financial year to which the report relates, employees of the Union, where the number of employees includes both full-time and part-time employees, measured on a full-time equivalent basis was 5.
- (c) the names of each person who have been a member of the Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position were;

<b>Name</b>	
Paul Lightfoot	Branch President
Roger Bland	Branch Vice-President Technical Division
Fiona Crouch	Branch Vice-President Operator Division
Leonard Cooper	Branch Secretary
Christopher John Ellery	Branch Assistant Secretary
Darren Evans	Committee of Management Technical Division
Neil Johnson	Committee of Management Technical Division
Mike Virant	Committee of Management Technical Division
Kelvin Welbourn	Committee of Management Technical Division
Rosemary Church	Committee of Management Technical Division
Anthony Meade	Committee of Management Technical Division
Robert Parker	Committee of Management Technical Division
Ian McCallum	Committee of Management Technical Division
David Smithwick	Committee of Management Technical Division
John Ball	Committee of Management Technical Division
Noelene Brassington	Committee of Management Operator Division
David Irons	Committee of Management Operator Division

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

- (d) The following persons were members of the Branch Executive, during the year ended 31 March 2011:

<b>Name</b>	<b>Position</b>
Paul Lightfoot	Branch President
Roger Bland	Branch Vice-President Technical Division
Fiona Crouch	Branch Vice-President Operator Division
Leonard Cooper	Branch Secretary
Christopher John Ellery	Branch Assistant Secretary

Branch Executive members have been in office since the start of the financial year to the date of this report unless otherwise stated.

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**OPERATING REPORT continued**

Signed in accordance with a resolution of the Committee of Management:

For Committee of Management: Leonard Cooper  
Title of Office held: Branch Secretary

Signature

A handwritten signature in black ink, appearing to read 'L Cooper', written in a cursive style.

Melbourne: 29 June 2011

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,  
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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2011**

	2011 \$	2010 \$
Revenue	985,477	970,610
Administration expense	(436,301)	(420,140)
Affiliation fees, capitation fees and compulsory levies	(230,208)	(215,529)
Depreciation expense	(7,752)	(9,123)
Employee benefits expense	(446,093)	(596,499)
Occupancy expense	(72,475)	(67,903)
Other expenses	<u>(41,533)</u>	<u>(27,093)</u>
<b>Loss before income tax expense</b>	<b>(248,885)</b>	<b>(365,677)</b>
Income tax expense	<u>-</u>	<u>-</u>
Loss for the year	<u>(248,885)</u>	<u>(365,677)</u>
<b>Other comprehensive income after income tax:</b>		
Net gain/(loss) on revaluation of financial assets	<u>14,718</u>	<u>56,367</u>
<b>Other comprehensive income for the year, net of tax</b>	<u>14,718</u>	<u>56,367</u>
<b>Total comprehensive income for the year</b>	<u>(234,167)</u>	<u>(309,310)</u>
Total comprehensive income attributable to members of the entity	<u>(234,167)</u>	<u>(309,310)</u>

**Discussion and Analysis of Statement of Comprehensive Income**

The operating result of the Union for the year was a net loss of \$234,167. This was attributed primarily to expenses related to the Telstra Enterprise Bargain Agreement campaign and recruitment assistance.

The accompanying notes form part of these financial statements.

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

	2011 \$	2010 \$
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	161,971	161,725
Trade and other receivables	19,162	11,881
Loans	247,159	231,902
Financial assets	200,000	250,905
Other current assets	5,342	4,675
<b>TOTAL CURRENT ASSETS</b>	<u>633,634</u>	<u>661,088</u>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	38,221	45,973
Financial assets	529,641	714,923
<b>TOTAL NON-CURRENT ASSETS</b>	<u>567,862</u>	<u>760,896</u>
<b>TOTAL ASSETS</b>	<u>1,201,496</u>	<u>1,421,984</u>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	195,294	181,706
Loans	247,159	231,902
Provisions	147,748	162,914
<b>TOTAL CURRENT LIABILITIES</b>	<u>590,201</u>	<u>576,522</u>
<b>TOTAL LIABILITIES</b>	<u>590,201</u>	<u>576,522</u>
<b>NET ASSETS</b>	<u>611,295</u>	<u>845,462</u>
<b>EQUITY</b>		
Retained profits	611,295	845,462
<b>TOTAL EQUITY</b>	<u>611,295</u>	<u>845,462</u>

**Discussion and Analysis of Balance Sheet**

Changes to the balance sheet are attributed to the operating result for the year which resulted in lower financial assets at the year end.

The accompanying notes form part of these financial statements.

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2011**

	Retained earnings general fund \$	Retained earnings special fund \$	Retained earnings Welfare fund \$	Financial reserves \$	Total \$
<b>Balance at 1 April 2009</b>	1,057,005	171,998	1,380	(75,611)	1,154,772
Profit/(loss) attributable to members	(307,634)	-	(58,043)	-	(365,677)
Revaluation increment	-	-	-	56,367	56,367
<b>Balance at 31 March 2010</b>	749,371	171,998	(56,663)	(19,244)	845,462
Profit/(loss) attributable to members	(230,207)	-	(18,678)	-	(248,885)
Revaluation increment	-	-	-	14,718	14,718
<b>Balance at 31 March 2011</b>	519,164	171,998	(75,341)	(4,526)	611,295

**Discussion and Analysis of Statement of Changes in Equity**

The decrease in retained earnings is mainly due to the 2011 loss for the year of \$248,885.

The accompanying notes form part of these financial statements.

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

		2011 \$	2010 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Members' dues		930,571	922,016
Distribution received		33,480	30,241
Interest received		2,764	6,854
Payments to suppliers & employees		<u>(1,217,473)</u>	<u>(1,270,490)</u>
Net cash provided by/(used in) operating activities	20b	<u>(250,658)</u>	<u>(311,379)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from redemption of investments		250,904	46,020
Purchase of fixed assets		<u>-</u>	<u>(6,245)</u>
Net cash provided by (used in) investing activities		<u>250,904</u>	<u>39,775</u>
Net increase/(decrease) in cash held		246	(271,604)
Cash at beginning of financial year		<u>161,725</u>	<u>433,329</u>
Cash at end of financial year	20a	<u>161,971</u>	<u>161,725</u>

**Discussion and Analysis of Statement of Cash Flows.**

There was an increase in cash held for the year by the Union of \$246. This is mainly due to withdrawals from investments to fund operations in the year.

The accompanying notes form part of these financial statements.

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**STATEMENT OF RECEIPTS AND PAYMENTS FOR RECOVERY OF WAGES ACTIVITY  
CASH BASIS - FOR THE YEAR ENDED 31 MARCH 2011**

	2011 \$	2010 \$
<b>Cash assets in respect of recovered money at beginning of year</b>	-	-
<b>Receipts</b>		
Amounts recovered from employers in respect of wages etc	-	-
Interest received on recovered money	-	-
	-	-
<b>Total receipts</b>	-	-
<b>Payments</b>		
Deductions of amounts due in respect of membership for:-		
- 12 months or less	-	-
- greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:-		
- the reporting unit	-	-
- other entity	-	-
Deductions of fees or reimbursements of expenses	-	-
Payments to workers in respect of recovered money	-	-
	-	-
<b>Total payments</b>	-	-
<b>Cash assets in respect of recovered money at end of year</b>	-	-

**Discussion and Analysis of Statement of Receipts and Payments for Recovery of Wages Activity**

The union did not collect any wages on behalf of members throughout the year ended 31 March 2011.

The accompanying notes form part of these financial statements.

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

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Preparation**

The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Report and the Fair Work (Registered Organisations) Act 2009 ("Act").

The concise financial report, including the financial statements and specific disclosure included in the concise financial report has been derived from the full financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Telecommunications and Services Branch (Victoria).

**Financial Reporting Framework**

A full description of the accounting policies adopted by Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) is provided in the 2011 financial report. These policies have been consistently applied to all the periods presented, unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

**NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR FAIR WORK AUSTRALIA**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272 of the Act, which read as follows:-

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, 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 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).

**NOTE 3: FINANCIAL STATEMENTS**

The Union will provide a copy of the full financial report for the year ended 31 March 2011, free of charge to any member who requests it.

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**COMMITTEE OF MANAGEMENT CERTIFICATE**

On 29 June 2011 the Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Communications Division, Telecommunications and Services Branch (Victoria) ("Union/Reporting Unit") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 March 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 Fair Work Australia;
- (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; and
- (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 Fair Work (Registered Organisations) Act 2009 ("Act") and the Fair Work (Registered Organisations) Regulations 2009 ("Regulations"); and
  - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - (v) the information sought in any request of a member of the reporting unit or the General Manager of Fair Work Australia duly made under section 272 of the Act has been furnished to the member and Fair Work Australia; and
  - (vi) there has been compliance with any order for inspection of financial reports made by Fair Work Australia under section 273 of the Act.

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COMMITTEE OF MANAGEMENT CERTIFICATE  
continued

(f) in relation to recovery of wages activity:

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

(g) that the members receive a copy of the concise financial report.

Signed in accordance with a resolution of the Committee of Management:

For Committee of Management: Leonard Cooper  
Title of Office held: Branch Secretary

Signature:



Melbourne: 29 June 2011

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY,  
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We have audited the concise financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union Of Australia, Communications Division, Telecommunications and Services Branch (Victoria) for the year ended 31 March 2011, as set out on pages 4 to 11 in order to express an opinion on it to the members of the Union. The Union's Committee of Management is responsible for the concise financial report.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the concise financial report is free of material misstatement. We have also performed an independent audit of the full financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) for the year ended 31 March 2011. Our audit report on the full financial report was signed on 29 June 2011 and was not subject to any qualification.

Our procedures in respect of the audit of the concise financial report included testing that the information in the concise financial report is consistent with the full financial report, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the full financial report. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report is presented fairly in accordance with Accounting Standards and the Fair Work (Registered Organisations) Act 2009.

The audit opinion expressed in this report has been formed on the above basis.

### **Independence**

In conducting our audit, we followed applicable independence requirements of Australian Professional Ethical pronouncements.

### **Audit Opinion**

In our opinion, the concise financial report of Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Communications Division, Telecommunications and Services Branch (Victoria) complies with Accounting Standard AASB 1039: Concise Financial Reports and the Fair Work (Registered Organisations) Act 2009.



**MSI RAGG WEIR**  
Chartered Accountants



**L S WONG CA**  
Partner  
Member of the Institute of Chartered Accountants in Australia and  
holder of a current public practice certificate

Melbourne: 29 June 2011