

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

COMMUNICATIONS DIVISION

**NEW SOUTH WALES
TELECOMMUNICATIONS AND SERVICES BRANCH**

ABN 69 143 175 060

FINANCIAL REPORT

FOR THE YEAR ENDED 31 MARCH 2020

OPERATING REPORT

Branch Committee of Management report in accordance with Section 254 of the Fair Work (Registered Organisations) Act 2009 for the year ended 31 March 2020.

Principal Activities

The principal activity of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia, Communications Division, New South Wales Telecommunications and Services Branch was that of a registered Trade Union.

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 & 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, and
- Management of the Unions financial and membership systems.

There have been no significant changes to the way the Union has carried out these activities during the last financial year.

Operating Result

The operating deficit of the Branch for the financial year was \$11,160 (2019: -\$83,072).

Significant Changes

The Branch took a number of decisions to significantly reduce costs and plan for a balanced budget in the 2019 - 2020 year, and for a surplus in following years. The decisions included a reduction in office staff, reduction in leased office space, rationalisation of telecommunication and IT costs and rationalisation of leases. The Branch has also rationalised its administrative support. These accounts reflect the results of those changes. The Committee of Management expect a surplus in the 2020 - 2021 year.

Rights of Members

Subject to the Rule 11 of the Union's rules and Section 174 (1) 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. In accordance with Section 174 (1) of the Fair Work (Registered Organisations) Act 2009 a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation. There was no change to this rule during the year.

OPERATING REPORT (Cont'd)

Superannuation Office Holders

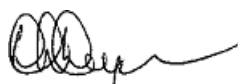
No Office Holder was a trustee of a Superannuation Scheme or a Director of a Company that is a trustee of a superannuation entity during the year ended 31 March 2020.

Membership Numbers

- (1) Under Section 230 of the Fair Work (Registered Organisations) Act 2009 the number of persons recorded in the register of members and who under Section 244 of the Fair Work (Registered Organisations) Act 2009 are taken to be members of the Branch of the Union as at 31 March 2020 was 592. There were 441 financial members.
- (2) The number of persons, both full-time and part time employees measured on a full-time basis, employed by the Branch of the Union as at 31 March 2020 was 1.2.
- (3) The names of persons who have at any time during the financial year ending 31 March 2020 been members of the CEPU T&S NSW Branch Committee of Management are detailed below. All such persons served on the committee for the period 1 April 2019 to 31 March 2020 unless otherwise indicated.

Position	Name	Period
Branch President	Lloyd Harris	1 April 2019 to 31 July 2019
Branch President	Glenn Falls	1 August 2019 to 31 March 2020
Branch Vice President (Technical)	Glenn Falls	1 April 2019 to 31 July 2019
Branch Vice President (Technical)	Lee Walkington	1 August 2019 to 31 March 2020
Branch Vice President (Technical)	Peter Wasilewski	1 April 2019 to 31 July 2019
Branch Vice President (Technical)	Michael Lennon	1 August 2019 to 31 March 2020
Branch Vice President (Operator)	Joanne King	1 April 2019 to 31 March 2020
Branch Secretary	Daniel Dwyer	1 April 2019 to 31 March 2020
Branch Assistant Secretary	Lee Walkington	1 April 2019 to 31 July 2019
Branch Assistant Secretary	Peter Wasilewski	1 August 2019 to 31 March 2020
Operator Division	Vacant	1 April 2019 to 31 March 2020
Technical Division	Randall Bye	1 April 2019 to 31 March 2020
Technical Division	Simon Vanderzeil	1 April 2019 to 31 March 2020
Technical Division	David Seychell	1 April 2019 to 31 March 2020
Technical Division	Michael Lennon	1 April 2019 to 31 July 2019
Technical Division	Peter Banner	1 April 2019 to 31 July 2019
Technical Division	John Duffey	1 April 2019 to 31 July 2019
Technical Division	David Seychell	1 April 2019 to 31 July 2019
Technical Division	Peter Dubois	1 August 2019 to 31 March 2020
Technical Division	Paul Sherley	1 August 2019 to 31 March 2020
Technical Division	Andrej Planinsic	1 August 2019 to 31 March 2020

For and on behalf of the Committee of Management:



Dan Dwyer
BRANCH SECRETARY
19 August 2020

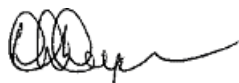
BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

On 19 August 2020 the Branch Committee of Management of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia, Communications Division, New South Wales Telecommunications and Services Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 31 March 2020.

The Branch Committee of Management declares that in its opinion:

- a) the financial statements and notes comply with the Australian Accounting Standards;
- b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the **RO Act**);
- 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 RO Act; and
 - iv. where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - v. where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - vi. where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- f) during the financial year ended 31 March 2020 the branch did not participate in any recovery of wages activity.

This declaration is made in accordance with a resolution of the Committee of Management.



Dan Dwyer
BRANCH SECRETARY

19 August 2020

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC, ENERGY, INFORMATION, POSTAL,
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COMMUNICATIONS DIVISION NEW SOUTH WALES TELECOMMUNICATIONS AND SERVICES BRANCH

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STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 \$	2019 \$
REVENUE			
Members' Dues		300,749	366,916
Capitation Fees/Revenue from another reporting unit	2A	-	-
Revenue from recovery of wages activity	2E	-	-
Levies	2B	-	-
Interest	2C	3,666	6,420
Sundry Income		2,405	148
Grants and Donations	2D	-	-
TOTAL REVENUE		306,820	373,484
EXPENDITURE			
Depreciation			
Furniture, Equipment & Leasehold Improvements	3A	1,518	1,430
Employee Benefits Expenses			
Annual Leave Provision	3C	9,688	915
Fringe Benefits Tax	3B	0	-
Long Service Leave Provision	3C	3,791	1,239
Payroll Tax		4,288	15,013
Superannuation	3B	14,012	19,366
Salaries - Administration	3B	8,141	105,561
Salaries - Office Bearers	3B	113,282	94,689
Other Expenses			
Affiliation Fees	3D	3,329	3,737
Bank Charges		3,509	4,405
Collection Commissions		211	236
Computer Expenses		7,125	9,501
Divisional Conference Dues	3E	60,941	75,032
Donations	3F	0	-
Electricity		0	4,554
Equipment Rental and Maintenance		3,981	8,336
Insurance		3,873	6,635
Meeting, Seminar and Lecture Expenses	3G	1,045	431
Motor Vehicle Running Expenses		1,294	1,561
National Council Dues	3E	1,835	4,816
Office Amenities		4,429	31
Office Rent		28,209	43,564
Organising Expenses - Fares and Car Hire		6,331	3,389
Other Expenses	3G	0	-
Postage and Freight		1,636	2,593
Printing and Stationery		3,871	4,940
Professional Services	3H,3I	20,335	35,657
Sundry Expenses		331	(137)
Telephone		4,188	9,062
Net Loss from Sale of Assets		6,788	-
TOTAL EXPENDITURE		317,980	456,556
TOTAL COMPREHENSIVE SURPLUS (LOSS) FOR THE YEAR		(11,160)	(83,072)

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STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

	Note	2020 \$	2019 \$
ASSETS			
Current Assets			
Cash and Cash Equivalents	4A	21,010	12,209
Trade and Other Receivables	4B	22,558	8,162
Financial Assets	4C	215,528	232,754
Total Current Assets		259,096	253,125
Non-Current Assets			
Receivables	4B	0	10,725
Furniture, Equipment & Lease Improvements	4D	1,689	7,665
Total Non-Current Assets		1,689	18,390
TOTAL ASSETS		260,785	271,515
LIABILITIES			
Current Liabilities			
Trade and Other Payables	5A	30,406	42,416
Provision for Annual Leave	3C	10,603	915
Provision for Long Service Leave	3C	5,030	1,239
Provision for Leasehold Make Good		0	2,500
Deferred Revenue		2,978	1,517
Total Current Liabilities		49,017	48,587
Non-Current Liabilities			
Provision for Long Service Leave	3C	-	-
Total Non-Current Liabilities		-	-
TOTAL LIABILITIES		49,017	48,587
NET ASSETS		211,768	222,928
ACCUMULATED FUNDS			
General Account		211,768	222,928
Total Accumulated Funds		211,768	222,928

(The attached Notes form part of the financial report.)

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STATEMENT OF CHANGES IN ACCUMULATED FUNDS FOR THE YEAR ENDED 31 MARCH 2020

	Accumulated Funds General Account
	\$
Balance at 31 March 2018	306,000
Total Comprehensive (Loss) for Year	(83,072)
Balance at 31 March 2019	222,928
Total Comprehensive (Loss) for Year	(11,160)
Balance at 31 March 2020	211,768

(The attached Notes form part of the financial report.)

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020	2019
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Members		283,168	424,915
Payments to Suppliers and Employees		(276,650)	(528,955)
Payments to CEPU Divisional Conference			(75,032)
Payments to other Operation Activity Expense		(16,279)	-
Interest Received		3,666	6,567
NET CASH (USED IN) OPERATING ACTIVITIES	9	<u>(6,095)</u>	<u>(172,505)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts from / (Payments to) Financial Assets		-	142,246
Purchase of plant and equipment		(2,330)	
NET CASH RECEIVED FROM / (USED IN) INVESTING ACTIVITIES		<u>(2,330)</u>	<u>142,246</u>
NET INCREASE (DECREASE) IN CASH HELD		(8,425)	(30,259)
Cash at Beginning of Year		12,209	42,468
Term Deposit in 2019		232,754	
		<u>244,963</u>	<u>12,209</u>
CASH AT END OF YEAR	9	<u>236,538</u>	

(The attached Notes form part of the financial report.)

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 MARCH 2020**

Note 1	Summary of Significant Accounting Policies
Note 2	Revenue
Note 3	Expenses
Note 4	Assets
Note 5	Liabilities
Note 6	Administration Expenses
Note 7	General Funds
Note 8	Other Specific Disclosures - Funds
Note 9	Cash Flow Reconciliation
Note 10	Contingent Assets, Liabilities and Commitments
Note 11	Key management personnel
Note 12	Remuneration of Auditors
Note 13	Financial Instruments
Note 14	Events after the reporting period
Note 15	Section 272 Fair Work (Registered organisations) Act 2009
Note 16	Disclosures in respect of statement of changes in equity
Note 17	National Council – Branch Voting Rights
Note 18	Recovery of Wages Activity
Note 19	Financial Risk Management

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of the financial statements

The financial report is for the New South Wales Branch of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing & Allied Services Union of Australia as an individual entity. The Communications, Electrical, Electronic, Energy, Information Postal Plumbing & Allied Services Union of Australia is an organisation registered under the Fair Work (Registered Organisations) Act 2009. The New South Wales Telecommunications and Services Branch is a Branch of the registered organisation. In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the Branch are not subject to the Corporations Act 2001. The Branch is a not-for-profit entity for the purpose of preparing financial statements under Australian Accounting Standards.

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009.

The reporting guidelines made under Section 255 of the Fair Work (Registered Organisations) Act 2009 (the RO Act) require all reporting units to apply the Tier 1 reporting requirements as per Australian Accounting Standard AASB 1053 Application for Tiers of Australian Accounting Standards.

The following is a summary of the significant accounting policies adopted by the branch in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

a) Revenue

Members' Dues are accounted for on an accrual basis, and recorded in the year to which it relates, and to the extent that the amounts due are considered receivable.
Interest income is accounted for on an accruals basis.

b) Income Tax

No provision for Income Tax is necessary as the branch is exempt from Income Tax under Section 50 - 15 of the Income Tax Assessment Act 1997.

c) Furniture and Equipment

Furniture and equipment is carried at cost less, where applicable, any accumulated depreciation and any impairment in value.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the Branch commencing from the time the asset is ready for use.

The depreciation rates used for each class of asset are:

Furniture, Equipment & Leasehold Equipment 5% - 33%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in the Statement of Comprehensive Income in the year that the item is derecognised.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

d) Impairment

The carrying amounts of furniture and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised in the Statement of Comprehensive Income for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value and value in use. For the purpose of assessing value in use, this represents depreciated current replacement cost, as the Union is a not-for-profit organisation.

e) Employee Benefits

Provision is made for the Branch's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled plus related on costs. Other employee benefits payable later than one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. In the case of Long Service Leave this results in an amount not materially different to that achieved by discounting future cash flows. Contributions are made by the Branch to employee superannuation funds and are charged as expenses when incurred.

f) Cash and cash equivalents

Cash comprises cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

g) Financial Assets

The Branch classifies its financial assets into the following categories:

- a. financial assets at fair value through profit or loss
- b. amortised cost, and
- c. financial assets at fair value through other comprehensive income (previously 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 every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through profit or loss in which case the transaction costs are recognised in the income statement.

Purchases and sales of investments are recognised on trade-date, the date on which the Branch commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Branch has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance date. The quoted market price used is the current bid price.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The categories of financial assets are:

Financial assets at fair value through profit or loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the Statement of Financial Position date.

After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the income statement.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL or FVOCI): they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows, the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The entity's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as long-term deposit that were previously classified as held-to-maturity under AASB 139.

Financial assets classified as fair value through other comprehensive income (FVOCI)

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVOCI. Under FVOCI, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividend from these investments continue to be recorded as other income within the profit or loss unless the dividend clearly represents return of capital. This category was previously classified as 'available-for-sale'.

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date.

Impairment of financial assets

At each balance date the entity assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the income statement. The entity considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between: financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1'), and financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2'). 'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date. '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

h) Leasehold on premises

Leases where the lessor retains substantially all the risks and rewards of ownership of the net asset are classified as operating leases. Payments made under operating leases (net of incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

i) 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 Tax 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 on the Statement of Financial Position are shown inclusive of GST.

j) New Australian Accounting Standards

No accounting standard has been adopted earlier than the application date stated in the standard. New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on the reporting unit include:

AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 2019)

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases. The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

The Committee of Management does not believe the effects of AASB 16 will significantly affect the Union.

AASB 1058 Income of Not-for-Profit Entities

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15 Revenue from Contracts with Customers. These Standards supersede all the income recognition requirements relating to private sector NFP entities, and the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 Contributions.

Under AASB 1058, the timing of income recognition depends on whether a NFP transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

This standard applies when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. In the latter case, the entity will recognise and measure the asset at fair value in accordance with the applicable Australian Accounting Standard (e.g. AASB 116 Property, Plant and Equipment).

Upon initial recognition of the asset, AASB 1058 requires the entity to consider whether any other financial statement elements (called 'related amounts') should be recognised, such as:

- Contributions by owners;
- Revenue, or a contract liability arising from a contract with a customer;
- A lease liability;
- A financial instrument; or
- A provision.

These related amounts will be accounted for in accordance with the applicable Australian Accounting Standard.

The Union is yet to undertake a detailed assessment of the impact of AASB 1058. However, based on the Union's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 31 March 2019.

k) Accounting Standards

New standard adopted as at 1 April 2018

AASB 9 Financial Instruments

AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for impairment of financial assets.

When adopting AASB 9, the Branch has applied transitional relief and opted not to restate prior periods. There are no differences arising from the adoption of AASB 9 in relation to classification, measurement, and impairment are recognised as at 1 April 2018. On the date of initial application, 1 April 2018, the Company held financial assets of cash and cash equivalents, and trade and other receivables, and financial liabilities of trade and other payables. Under AASB 139, these financial instruments were classified and measured at amortised cost and remain consistent under AASB 9. Further, reclassifications under AASB 9 are: held to maturity financial assets under AASB 139 were reclassified at amortised cost, and available-for-sale financial assets have been reclassified to fair value through other comprehensive income (FVOCI). No restatement was required as a result of these reclassifications.

l) Going concern

The Branch is not reliant on the financial support of any other reporting units to ensure they can continue on a going concern basis.

m) Administration

The Branch has not been administered by another entity.

n) Going concern support

The Union has not agreed to provide financial support to any other reporting units to ensure they can continue on a going concern basis.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

o) Amalgamations and Restructures

There have been no amalgamations or restructures in the financial year and previous financial year. No assets or liabilities have been acquired as a result of any amalgamations or restructures.

p) Business Combinations

There have been no business combinations in the financial year.

NOTE 1.2 ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) Critical accounting estimates and assumptions

The Branch makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

b) Critical judgments in applying the Branch's accounting principles

There are no critical judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

NOTE 2 REVENUE

	2020	2019
	\$	\$

NOTE 2A: CAPITATION FEES AND OTHER REVENUE FROM ANOTHER REPORTING UNIT

Capitation fees	-	-
Other revenue from another reporting unit	-	-
Total capitation fees and revenue from other reporting unit	-	-

NOTE 2B: LEVIES

Levies	-	-
Total levies	-	-

NOTE 2C: INVESTMENT INCOME

Interest		
Deposits	3,666	6,420
Loans	-	-
Debt instruments at fair value through OCI	-	-
Dividends	-	-
Total investment income	3,666	6,420

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	2020	2019
	\$	\$
NOTE 2D: GRANTS OR DONATIONS		
Grants	-	-
Donations	-	-
Total grants or donations	-	-
NOTE 2E: REVENUE FROM RECOVERY OF WAGES ACTIVITY		
Amounts recovered from employers in respect of wages	-	-
Interest received on recovered money	-	-
Total revenue from recovery of wages activity	-	-
NOTE 3 EXPENSES		
NOTE 3A: DEPRECIATION AND AMORTISATION		
Depreciation		
Land & buildings	-	-
Property, plant and equipment	1,518	1,430
Total depreciation	1,518	1,430
Amortisation		
Intangibles	-	-
Total amortisation	-	-
Total depreciation and amortisation	1,518	1,430
NOTE 3B: EMPLOYEE EXPENSES		
Holders of office:		
Wages and salaries	113,282	94,689
Superannuation	13,294	12,803
Leave and other entitlements	15,633	(52,632)
Separation and redundancies	0	-
Fringe Benefit expenses	0	-
Other employee expenses (Payroll Tax)	4,000	7,851
Employee expenses holders of office	146,209	107,065
Employees other than office holders:		
Wages and salaries	8,141	54,940
Superannuation	718	6,562
Leave and other entitlements	0	(14,306)
Separation and redundancies	0	50,621
Fringe Benefit Expenses	0	-
Other employee expenses (Payroll Tax)	287	7,463
Employee expenses employees other than office holders	9,147	105,280
Total employee expenses	155,356	238,957

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	2020	2019
	\$	\$
NOTE 3C: EMPLOYEE PROVISIONS		
Office holders:		
Annual leave	10,603	915
Long service leave	5,030	1,239
Separations and redundancies	0	-
Other	0	-
Subtotal employee provisions—office holders	15,633	2,154
Employees other than office holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	-	-
Total employee provisions	15,633	2,154
Current	15,633	2,154
Non-current	-	-
Total employee provisions	15,633	2,154

NOTE 3D: AFFILIATION FEES		
ALP	2,913	3,392
Union Shopper	416	345
Total affiliation fees/subscriptions	3,329	3,737

NOTE 3E: CAPITATION FEES AND OTHER EXPENSE TO ANOTHER REPORTING UNIT		
Capitation fees		
Divisional Conference	60,941	75,032
National Council	1,835	4,816
Subtotal capitation fees	62,776	79,848
Other expense to another reporting unit	-	-
Total capitation fees and other expense to another reporting unit	62,776	79,848

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	2020	2019
	\$	\$
NOTE 3F: GRANTS OR DONATIONS		
Grants:		
Total expensed that were \$1,000 or less – Nil	-	-
Total expensed that exceeded \$1,000 – Nil	-	-
Donations:		
Total expensed that were \$1,000 or less – Nil	-	-
Total expensed that exceeded \$1,000 - Nil	-	-
Total grants or donations	-	-
NOTE 3G: OTHER EXPENSES		
Penalties - via RO Act or the <i>Fair Work Act 2009</i>	-	-
Delegate Meeting, Seminar and Lecture expenses	-	431
	-	431
NOTE 3H: PROFESSIONAL SERVICES		
Audit Fees	11,653	22,753
Accounting Fees	0	1,950
Bookkeeping Fees	8,682	10,955
Legal Fees	0	-
Total Professional Fees	20,335	35,657
NOTE 3I: LEGAL COSTS		
Litigation		
Other legal costs	-	-
Total legal costs	-	-
NOTE 4 CURRENT ASSETS		
NOTE 4A: CASH AND CASH EQUIVALENTS		
Cash at bank	20,789	11,745
Cash on hand	221	464
Short term deposits	0	-
Other	0	-
Total cash and cash equivalents	21,010	12,209

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	2020	2019
	\$	\$
NOTE 4B: TRADE AND OTHER RECEIVABLES		
Receivables from other reporting units		
Nil	-	-
Total receivables from other reporting units	-	-
Other receivables:		
Debtors	21,450	3,869
Prepayments	1,108	4,293
Rental Bond	-	10,725
GST Receivable	-	-
Total other receivables	22,558	18,887
Total trade and other receivables (net)	22,558	18,887
NOTE 4C: OTHER CURRENT ASSETS		
Term Deposit ME Bank	215,528	232,754
Total other current assets	215,528	232,754
NOTE 4D NON-CURRENT ASSETS - PLANT AND EQUIPMENT		
Plant and equipment:		
at cost	35,718	97,144
accumulated depreciation	(34,029)	(89,479)
Total plant and equipment	1,689	7,665
NOTE 5 CURRENT LIABILITIES		
NOTE 5A TRADE AND OTHER PAYABLES		
Trade creditors and accruals	27,845	31,678
Payroll Liabilities	1,902	
GST Net	659	
Subtotal trade creditors	30,406	31,678
Payables to other reporting unit		
CWU Divisional Conference		8,296
CEPU National Office		2,442
Subtotal payables to other reporting unit	30,406	10,738
Total trade payables	30,406	42,416
Total Other Payables are expected to be settled in:		
No more than 12 months	1,309	3,687
More than 12 months	0	0
Total other payables	1,309	3,687

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	2020	2019
	\$	\$
NOTE 6: ADMINISTRATION EXPENSES		
Total paid to employers for payroll deductions of member fees	211	236
Compulsory levies	0	-
Fees/allowances - meeting and conferences	6,331	3,389
Conference and meeting expenses	1,045	431
Contractors/consultants	20,335	35,657
Property expenses	28,209	43,564
Office expenses	23,372	36,120
Information communications technology	7,125	9,501
Other	331	1,846
Subtotal administration expenses	86,858	138,705
Operating Lease rentals:		
Operating Lease payments	0	0
Total administration expenses	0	0

NOTE 7: GENERAL FUNDS

Apart from the Operating account and term deposit, there are no other funds.

NOTE 8: OTHER SPECIFIC DISCLOSURES – FUNDS

Apart from the Operating account and term deposit, there are no other funds.

Compulsory levy/voluntary contribution fund – if invested in assets Nil

NOTE 9: CASH FLOW

Cash on Hand – Petty Cash	221	464
Cash at Bank – General Account	20,789	11,745
Cash at Call	0	-
Short Term – Term Deposits	0	-
	21,010	12,209
Reconciliation of Cash Flow from Operations with (Deficit) Surplus		
(Deficit) Surplus		
General Fund	(11,160)	(83,072)
Total (Deficit) Surplus	(11,160)	(83,072)
Non Cash Flows in (Deficit) Surplus		
Depreciation	1,518	1,430
Loss on written off Asset	6,787	
Changes in Assets and Liabilities		
Increase)/decrease in Other receivables	10,725	
Increase)/(decrease) in Employee Entitlement Provisions	13,479	(66,938)

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(Increase)/decrease in Sundry Debtors and Prepayments	(14,395)	372
Increase/(decrease) in Accrued expense	(5,935)	
Increase/(decrease) in Accrued Interest		(1,662)
Increase/(decrease) in Sundry Creditors	(3,016)	(23,398)
Increase/(decrease) in other provisions	(2,500)	-
Increase/(decrease) in other payables	(3,059)	
Increase/(decrease) in Unbilled Revenue	1,461	763
CASH FLOWS FROM OPERATIONS	(6,095)	(172,505)

NOTE 10 CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

Operating lease commitments—as lessee

Future minimum rentals payable under non-cancellable operating leases as at 31 March are	-	34,352
Within one year		
After one year but not more than five years	-	-
More than five years	-	-
	-	34,352

Other contingent assets or liabilities (i.e. legal claims) Nil

NOTE 11: RELATED PARTIES AND KEY MANAGEMENT PERSONNEL

Key management persons are those persons having authority and responsibility for planning, directing and controlling the activities of the Branch, directly or indirectly, including any member of the Committee of Management.

Number of KMP	2	2
Salary (including annual leave taken)	113,282	147,321
Superannuation	13,294	12,803
Separation and Redundancies	0	-
Payroll Tax	4,000	7,851
Leave and other entitlements (Movement)	13,479	(52,632)
Total short-term employee benefits	144,055	115,343

The following items as prescribed under the reporting guidelines of the Fair Work (Registered Organisation) Act, 2009 are not applicable;

- a) Outstanding balances at the end of the financial year
- b) Doubtful debt provisions raised against any related party balances
- c) No interest bearing loans

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NOTE 12 REMUNERATION OF AUDITORS

	2020	2019
Value of the services provided		
Financial statement audit services	11,653	19,652
Other services	-	1,200
Total remuneration of auditors	11,653	20,852

NOTE 13 FINANCIAL INSTRUMENTS

The Branch has a Term deposit with ME Bank. The interest received is reinvested. There are no other Instruments.

Categories of Financial Instruments

Financial assets

Fair value through profit or loss:

Term Deposit ME Bank	215,528	232,754
Total	215,528	232,754

NOTE 14 EVENTS AFTER THE REPORTING PERIOD

There were no events that occurred after 31 March 2020, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch.

NOTE 15 SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or Commissioner:

- 1) A member of a reporting unit, or the Commissioner, 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).

NOTE 16 DISCLOSURES IN RESPECT OF STATEMENT OF CHANGES IN EQUITY

The following equity items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a) No separate fund or account operated in respect of compulsory levies raised by the Union or voluntary contributions collected from members of the Union.
- b) No monies in respect of compulsory levies raised or voluntary contributions collected from members of the Union have been invested in any assets.
- c) No separate fund or account which is required by the rules of the Union or rules of a Branch of the Union.
- d) No transfer(s) and/or withdrawal(s) to a fund, account or controlled entity, when any of these are kept for a specific purpose(s) by the Union.

NOTE 17 NATIONAL COUNCIL – BRANCH VOTING ENTITLEMENTS

For the purposes of the National Council Composition and Voting Rights, the actual membership contributions received for the financial year ended 31 March 2020 were \$300,749

NOTE 18 RECOVERY OF WAGES ACTIVITY FOR THE YEAR ENDED 31 MARCH 2020

The Branch has not undertaken recovery of wages activity. The New South Wales Branch does assist with recovery of member wages. However as and when decreed by the court we confirm that any settlement or recovery of wages is directly managed between the employer and the employee (i.e. our Union member) and at no point of time is any money banked the Union's bank account.

Reportable amounts are NIL for:

- I. any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- II. any donations or other contributions deducted from recovered money.

NOTE 19 FINANCIAL RISK MANAGEMENT NOTE

a. General objectives, policies, and processes

The New South Wales Telecommunications and Services Branch is exposed to risks that may arise from its use of financial instruments. This note describes the Branch's objectives, policies, and processes for managing those risks and the methods used to measure them. The New South Wales Telecommunications and Services Branch has no financial instruments relevant to the risk mentioned and this objective does not apply.

There have been no substantive changes in the Branch's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Branch's financial instruments consist mainly of deposits with banks and receivables. The main risks the Branch is exposed to through its financial instruments are interest rate risk (see section (e) below), liquidity risk and credit risk.

The Finance Committee and Branch Committee of Management have overall responsibility for the determination of the Branch's risk management objectives and policies.

b. Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Branch incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Branch.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed below:

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	2020	2019
	\$	\$
Cash and Cash Equivalents	21,010	12,209
Term Deposits		
The cash and cash equivalents and term deposits are held in a high quality Australian financial institution	215,528	232,754
Receivable – Membership Fees	21,450	3,869
Less Provision for Doubtful Debts	-	-
Sundry Debtors	-	-
Total receivables	<u>257,988</u>	<u>248,832</u>

There has been no history of default, no amounts are past due and all receivables are likely to be repaid within the expected terms.

c. Liquidity Risk

Liquidity risk is the risk that the Branch may encounter difficulties in raising funds to meet commitments associated with financial instruments.

The Branch is not significantly exposed to this risk; as at 31 March 2020 it has \$257,988 of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 31 March 2020 were \$30,406.

The Branch manages liquidity risk by monitoring cash flows.

d. Market Risk

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

e. Interest Rate Risk

The Branch's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities are summarised below:

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31 March 2020	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate Maturing		Non- Interest Bearing	Total
			Within 1 Year	1 to 5 Years		
			\$	\$		
<i>Financial Assets</i>						
Cash assets	0.425%	20,789	-	-	221	21,010
Term Deposits	-	-	215,528	-	-	215,528
Receivables	-	-	-	-	21,450	21,450
Total Financial Assets	0.425%	20,789	215,528		21,671	257,988
<i>Financial Liabilities</i>						
Payables	-	-	-	-	(30,406)	(30,406)
Net Financial Assets (Liabilities)	0.425%	20,789	215,528	-	(8,735)	227,582

31 March 2019	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate Maturing		Non- Interest Bearing	Total
			Within 1 Year	1 to 5 Years		
			\$	\$		
<i>Financial Assets</i>						
Cash assets	3.0%	11,744	-	-	465	12,209
Term Deposits	-	-	232,754	-	-	232,754
Receivables	-	-	-	-	3,869	3,869
Total Financial Assets	3.0%	11,744	232,754	-	4,334	248,832
<i>Financial Liabilities</i>						
Payables					(42,416)	(42,416)
Net Financial Assets (Liabilities)	3.0%	11,744	232,754	-	(38,082)	206,416

Sensitivity Analysis

	Carrying Amount	+0.5% (50 basis points) Profit	-0.5% (50 basis points) Loss
	\$	\$	\$
2020			
Cash Assets	21,010	105	(105)
Financial Assets	236,978	1,335	(1,335)
	257,988	1,440	(1,440)
2019			
Cash Assets	12,209	61	(61)
Financial Assets	236,623	1,183	(1,183)
	248,832	1,244	(1,244)

f. Other Price Risks

The Branch does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in price that are inherent in such a market.

g. Foreign Exchange Risk

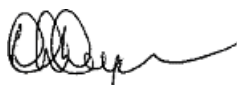
The Branch is not directly exposed to foreign exchange rate.

REPORT REQUIRED UNDER SUBSECTION 255(2A) FOR THE YEAR ENDED 31 MARCH 2020

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the reporting unit for the year ended 31 March 2020.

Descriptive form

Categories of expenditures	2020 (\$)	2019 (\$)
Remuneration and other employment-related costs and expenses	153,202	238,957
Advertising	–	–
Operating costs	102,318	217,599
Donations to political parties	–	–
Legal costs	–	–



Dan Dwyer
BRANCH SECRETARY

19 August 2020