



Australian Government
Australian Industrial Registry

12 January 2009

Ms Sarah Schoonwater
Secretary, Australian Capital Territory Divisional Branch
Construction, Forestry, Mining and Energy Union
PO Box 498
DICKSON ACT 2602

Dear Ms Schoonwater



Lodgement of Financial Statements and Accounts – Australian Capital Territory Divisional Branch - Schedule 1 of *Workplace Relations Act 1996* (RAO Schedule) - for year ended 31 December 2008 (FR2008/567)

The financial year of the Australian Capital Territory Divisional Branch of the Construction and General Division of the Construction, Forestry, Mining and Energy Union has recently ended. This is a courtesy letter to remind the Branch of the obligations imposed by the RAO Schedule regarding the preparation of financial accounts and statements.

I direct your attention to our website <http://www.airc.gov.au/registered/FR/information.htm> where detailed information including Fact sheets, sample documents, the Registrar's Reporting Guidelines and the Schedule provisions and RAO Regulations may be found.

The time frame for completing the audit, presentation and lodgment of the Branch's return will expire - unless a one month extension under s265(5) is granted - on 14 July 2009.

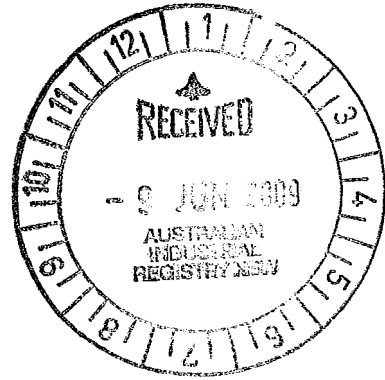
The presentation of the full report to an appropriate meeting in accordance with s266 should occur after copies of the report have been distributed, published, internet-posted or otherwise provided in accordance with s265(5) to the members of the Branch.

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

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

Yours sincerely,

Stephen Kellett
Statutory Services Branch



**CONSTRUCTION FORESTRY MINING AND ENERGY
UNION CONSTRUCTION AND GENERAL DIVISION –
ACT BRANCH**

ABN 38 491 952 173

FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2008

CERTIFICATE OF SECRETARY

S268 of Schedule 1B Workplace Relations Act 1996

I, Sarah Schoonwater being the Branch Secretary of the Construction Forestry Mining and Energy Union Construction and General Division – ACT Branch certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- that the full report was provided to members on ²⁶ ~~24~~ May 2009; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 28 April 2009, in accordance with section 266 of the RAO Schedule.

Dated at Canberra, ACT this 21 day of MAY 2009.



Sarah Schoonwater
Branch Secretary
CFMEU
Construction and General Division
ACT Branch

OPERATING REPORT

Principal Activities

CFMEU, Construction & General Division – ACT Branch (“reporting unit”) is committed to advancing the wages, conditions, and wellbeing of its membership.

The reporting unit’s principal activities during the year were:

- Representation of members on the job.
- Union-negotiated collective agreements.
- Assisting members with legal representation.
- Facilitating access to training courses.
- Informing members through the regular newsletter.
- Sale of products to union members.
- Investment of union funds.

The operating loss of the reporting unit for the year ended 31 December 2008 is \$45,413 (2007: Loss \$101,151).

Significant changes

There were no significant changes in the nature of the reporting unit’s activities during the year.

Members rights to resign

A member must provide notice in writing regarding resignation, which is required to be delivered to the Secretary. The resignation takes effect two weeks after the notice is received by the Union or the date nominated by the member – whichever is the latest.

Officers as Trustees

No officer of the reporting unit is a trustee.

Prescribed Information

- (a) the number of persons that were, at 31st December 2008, recorded in the register of members for section 230 of the RAO Schedule and who are taken to be members of the reporting unit under section 244 of the RAO Schedule was 1,707;
- (b) the number of persons who were, at 31st December 2008, employees of the reporting unit, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis was 12 employees;

OPERATING REPORT

Prescribed Information (continued)

- (c) the name of each person who has been a member of the committee of management of the reporting unit at any time during the year ended 31st December 2008, and the period for which he or she held such a position is:

<u>Name</u>	<u>Period</u>
Sarah Schoonwater	Full year
Dean Hall	Full year
Rod Driver	Full year
Max Harmer	Full year
Jason O'Mara	Full year
Mark Dymock	Full year
Jack Broaderick	Full year
Clyde Stewart	Full year
Eddy Hewitt	Full year
Phil Johnstone	Full year
Allan Dillon	Full year
Chris Zorzo	Full year
Steve Willetts	Full year
Stan Hambesis	Full year
Micheal Brown	Full year

Other Information

There is no other information that the reporting unit considers is relevant.

For and on behalf of the Committee of Management:

Dated at Canberra, ACT this 15 day of May 2009.



Sarah Schoonwater



Dean Hall

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION CONSTRUCTION AND
GENERAL DIVISION – ACT BRANCH**

ACCOUNTING OFFICER'S CERTIFICATE

I, Sarah Schoonwater, being the officer responsible for keeping the accounting records of the Construction Forestry Mining and Energy Union – Construction and General Division – ACT Branch, hereby certify that as at 31st December 2008 the number of members of the Branch was 1,707 and that in relation to the 2008 financial year, in my opinion;

- (a) the accounts annexed hereto show a true and fair view of the financial affairs of the Branch as at the end of the financial year;
- (b) a record has been kept of all monies paid by, or collected from, members of the Branch, and all monies so paid or collected have been credited to the bank account to which these monies are to be credited in accordance with the rules of the Branch;
- (c) before any expenditure was incurred by the Branch, approval for the incurring of the expenditure was obtained in accordance with the rules of the Branch;
- (d) as to funds of the Branch raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of such funds other than for the purposes for which the fund was created;
- (e) all loans or other financial benefits granted to persons holding office in the Branch were authorised in accordance with the rules of the Branch; and
- (f) the register of members of the Branch was maintained in accordance with the Act.

Dated at Canberra, ACT this 15 day of May 2009.



Sarah Schoonwater



WALTERTURNBULL
your extra asset

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF THE CONSTRUCTION FORESTRY MINING
AND ENERGY UNION CONSTRUCTION AND GENERAL DIVISION –
ACT BRANCH**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2008 there have been:

- (i) no contraventions of the auditor independence requirements as in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Peter Sheville
Registered Company Auditor
WalterTurnbull
44 Sydney Avenue,
Barton, ACT

15 May 2009

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**INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF THE CONSTRUCTION FORESTRY MINING
AND ENERGY UNION CONSTRUCTION AND GENERAL DIVISION
– ACT BRANCH**

Scope

The financial report comprises the income statement, balance sheet, statement of recognised income and expenditure, cash flow statement, accompanying notes to the financial statements, and the Committee of Management statement for the Construction Forestry Mining and Energy Union Construction and General Division – ACT Branch (the Union), for the year ended 31 December 2008.

The Committee of Management of the Union are responsible for the preparation and true and fair presentation of the financial report. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the Union. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Union's financial position, and of its performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

We declare to the best of our knowledge and belief that the auditor's independence declaration set out on page 5 of the financial report has not changed as at the date of providing our audit opinion.

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Audit Opinion

In our opinion,

- (a) the financial report of the Construction Forestry Mining and Energy Union Construction and General Division – ACT Branch is in accordance with:
- i) applicable accounting standards;
 - ii) other mandatory professional reporting requirements in Australia;
 - iii) other requirements imposed by Schedule 1B, Chapter 8 of the *Workplace Relations Act 1996*; and
 - iv) the financial position of the reporting unit as at 31 December 2008, and the results of its operations and cash flows for the year ended.
- (b) there are no defects or irregularities in the general purpose financial report;
- (c) there are no deficiencies, failures or shortcomings in respect of the matter referred to in subsection (2) of section 257 or section 252 of the *Workplace Relations Act 1996*;
- (d) all the information and explanations that under section 257 of the *Workplace Relations Act 1996* were required to be provided by officers or employees of the reporting unit were provided.

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Peter Sheville
Registered Company Auditor
WalterTurnbull
44 Sydney Avenue,
Barton ACT

15 May 2009



COMMITTEE OF MANAGEMENT STATEMENT

On the 28 April 2009 the Committee of Management of the Construction Forestry Mining and Energy Union, Construction and General Division – ACT Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2008:

The Committee of Management declares in relation to the GPFR that in its opinion:


- a) the financial statements and notes comply with the Australian Accounting Standards;
- b) the financial statements and notes comply with the reporting guidelines of the Industrial registrar for the purposes of section 270 of the RAO Schedule;
- c) the financial statements and notes give a true and fair view of the income and expenses, balance sheet, changes in equity 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 when they become due and payable;
- e) during the year to which the GPFR relates and since the end of that year:
 - i) meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of the branch 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 the branch concerned;
 - iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations;
 - iv) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - v) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.
- f) no recovery of wages activities undertaken by the reporting unit resulted in any revenues or receipts paid or payable to the reporting unit. All recovered wages were paid directly to reporting unit members by relevant employers.

For Committee of Management:

Dated at Canberra this 15 day of May 2009.



Sarah Schoonwater



Dean Hall

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION CONSTRUCTION AND
GENERAL DIVISION – ACT BRANCH
ABN 38 491 952 173**

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

	Note	2008	2007
		\$	\$
Revenue from ordinary activities	2	1,550,127	766,635
Depreciation and amortisation expense	3	(4,866)	(12,681)
Employee benefits expense	3	(1,076,657)	(1,111,278)
Administrative expense		(640,632)	(1,013,799)
Investment income from associates		<u>126,615</u>	<u>1,269,972</u>
Net (loss) from ordinary activities attributable to members of the Union		<u>(45,413)</u>	<u>(101,151)</u>

The accompanying notes form part of these financial statements.

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION CONSTRUCTION AND
GENERAL DIVISION – ACT BRANCH
ABN 38 491 952 173**

**BALANCE SHEET
AS AT 31 DECEMBER 2008**

	Note	2008 \$	2007 \$
CURRENT ASSETS			
Cash and cash equivalents	5	776,593	411,909
Trade and other receivables	6	<u>128,641</u>	<u>486,722</u>
TOTAL CURRENT ASSETS		<u>905,234</u>	<u>898,631</u>
NON-CURRENT ASSETS			
Investments in associates using equity method	8	2,744,405	2,617,788
Property, plant and equipment	10	<u>3,050</u>	<u>7,916</u>
TOTAL NON-CURRENT ASSETS		<u>2,747,455</u>	<u>2,625,704</u>
TOTAL ASSETS		<u>3,652,689</u>	<u>3,524,335</u>
CURRENT LIABILITIES			
Trade and other payables	11	392,880	237,364
Provisions	12	69,387	41,615
Others		<u>23,119</u>	<u>35,713</u>
TOTAL CURRENT LIABILITIES		<u>485,386</u>	<u>314,692</u>
NON-CURRENT LIABILITIES			
Provisions	12	<u>3,073</u>	<u>-</u>
TOTAL NON-CURRENT LIABILITIES		<u>3,073</u>	<u>-</u>
TOTAL LIABILITIES		<u>488,459</u>	<u>314,692</u>
NET ASSETS		<u>3,164,230</u>	<u>3,209,643</u>
EQUITY			
Retained profits		<u>3,164,230</u>	<u>3,209,643</u>
TOTAL EQUITY		<u>3,164,230</u>	<u>3,209,643</u>

The accompanying notes form part of these financial statements.

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION CONSTRUCTION AND
GENERAL DIVISION – ACT BRANCH
ABN 38 491 952 173**

**STATEMENT OF RECOGNISED INCOME AND EXPENDITURE
AS AT 31 DECEMBER 2008**

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2007	3,310,794	3,310,794
Loss attributable to the entity	<u>(101,151)</u>	<u>(101,151)</u>
Sub-total	<u>(101,151)</u>	<u>(101,151)</u>
Balance at 31 December 2007	<u>3,209,643</u>	<u>3,209,643</u>
Profit attributable to the entity	<u>(45,413)</u>	<u>(45,413)</u>
Sub-total	<u>(45,413)</u>	<u>(45,413)</u>
Balance at 31 December 2008	<u><u>3,164,230</u></u>	<u><u>3,164,230</u></u>

The accompanying notes form part of these financial statements.

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION CONSTRUCTION AND
GENERAL DIVISION – ACT BRANCH
ABN 38 491 952 173**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Note	2008	2007
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from members' subscriptions		488,030	634,637
Cash payments to suppliers and employees		(1,553,133)	(2,159,240)
GST refunded from to ATO		14,014	3,342
Interest received		12,260	9,440
Rent received		-	10,400
Donations received		976,714	180,000
Payment of affiliation fees, capitation fees and dispute levies		<u>(53,427)</u>	<u>(55,773)</u>
Net cash (used in) operating activities	13	<u>(115,542)</u>	<u>(1,377,194)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets		-	(11,182)
Proceeds from disposal of fixed assets		-	89,274
Loans repaid from related parties		<u>480,226</u>	<u>1,384,978</u>
Net cash provided by investing activities		<u>480,226</u>	<u>1,463,070</u>
Net increase in cash held		364,684	85,876
Cash at beginning of the financial year		<u>411,909</u>	<u>326,033</u>
Cash at the end of the financial year	5	<u><u>776,593</u></u>	<u><u>411,909</u></u>

The accompanying notes form part of these financial statements.

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

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Schedule 1B of the *Workplace Relations Act 1996*.

The financial report covers the Construction Forestry Mining and Energy Union Construction and General Division – ACT Branch (the Union) as an individual entity. The Union is an unincorporated entity.

The following is a summary of material accounting policies adopted in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

Reporting Basis and Conventions

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, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Accounting Policies

a) Income Tax

The Union is exempt from income tax under the provisions of Section 50-5 of the *Income Tax Assessment Act 1997*.

b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property

Leasehold buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic valuations by external independent valuers, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Property, Plant and Equipment (cont'd)

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increase of the same asset are charged against fair value reserves directly in equity, all other decrease are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful economic lives commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

<i>Class of asset</i>	<i>Depreciation rate</i>
Office Equipment	50-66%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gain and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

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

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the entity, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

d) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transactions costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and 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 and within the requirements of AASB139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated hedges. Realised and unrealised gains or losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Impairment

At each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available for sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

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

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Impairment of Assets

At each reporting date, the Union reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those 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 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.

f) Investments in Associates

Investments in associate companies are recognised in the financial statements by applying the equity method of accounting. The equity method of accounting recognises the Union's share of post acquisition reserves of its associates.

Associated entities are those that the Committee of Management have determined that the Union has significant influence, but not controlling interest, by means of the level of equity held and the relationship to the Union and the Committee of Management members.

g) Employee Benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount, plus any related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

h) Provisions

Provisions are recognised when the Union has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

i) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

j) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to members and customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Revenue (continued)

Revenue from the rendering of a service is recognised upon the delivery of the service to the members and customers.

All revenue is stated net of the amount of goods and services tax (GST).

k) Goods and Services Tax (GST)

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 in the Balance Sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

l) Comparative figures

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

m) Critical accounting estimates and judgements

The Committee evaluate estimates and judgements 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 – Impairment

The Union assesses impairment at each reporting date by evaluating conditions specific to the Union 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.

The financial report was authorised for issue on 28 April 2009.

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

	2008	2007
	\$	\$
NOTE 2 – REVENUE		
Operating revenue:		
Membership subscriptions	422,749	446,129
Rent received	-	10,400
Donations received	976,714	180,000
Training income	-	9,010
Drug and alcohol assistance income	-	-
Sitting fees	42,808	45,951
Sundry income	95,596	65,740
	<u>1,537,867</u>	<u>757,230</u>
Other income:		
Interest	<u>12,260</u>	<u>9,405</u>
	<u>12,260</u>	<u>9,405</u>
Total Revenue	<u><u>1,550,127</u></u>	<u><u>766,635</u></u>

NOTE 3 - PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities has been determined after:

(a) Expenses

Depreciation of property, plant and equipment	<u>4,866</u>	<u>12,681</u>
Employee Benefits		
- salaries and wages - office holders	244,33	265,96
- salaries and wages - employees	661,98	639,74
- employee entitlements – annual leave	16,1	89,9
- employee entitlements – long service leave	30,8	20,3
- employee entitlements – rostered days off	31,4	7,
- superannuation	91,8	87,6
	<u>1,076,657</u>	<u>1,111,278</u>

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

	2008	2007
	\$	\$
NOTE 3 - PROFIT FROM ORDINARY ACTIVITIES (continued)		
(b) Significant Revenue and Expenses		
The following significant revenue and expense items are relevant in explaining the financial performance:		
Donations paid or payable	20,490	20,773
Loss on disposal of assets	-	7,573
Membership fees	15,948	12,054
Capitation fees	41,390	42,053
CSI – OH&S services	43,182	36,687
Travelling expenses	31,614	40,184
Bad debts expense	-	55
Redundancy	31,540	27,710

NOTE 4 – REMUNERATION OF AUDITOR

Total amounts received and receivable by the auditors of the Union for:

Audit of the Union's financial report	19,000	19,250
Other services	6,240	-
	<u>25,240</u>	<u>19,250</u>

NOTE 5 – CASH AND CASH EQUIVALENTS

Cash on hand	1,300	2,400
Cash at bank	775,293	409,509
	<u>776,593</u>	<u>411,909</u>

The effective interest rate on cash at bank was 2.7% (2007: 4.7%)

Reconciliation of Cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

Cash assets and cash equivalents	<u>776,593</u>	<u>411,909</u>
----------------------------------	----------------	----------------

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

	2008	2007
	\$	\$
NOTE 6 – TRADE AND OTHER RECEIVABLES		
CURRENT		
Accounts receivable	128,641	6,496
Loans - CTUC	-	480,226
	<u>128,641</u>	<u>486,722</u>

NOTE 8 – INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Raymel Holdings Pty Limited (Note 9)	2,131,299	1,994,568
Melphomene Pty Limited (Note 9)	312,591	275,951
Wilpeema Pty Limited (Note 9)	300,515	347,269
	<u>2,744,455</u>	<u>2,617,788</u>

NOTE 9 – ASSOCIATED COMPANIES

Associate: Raymel Holdings Pty Limited
Principal Activity: Property
Ownership interest : 50%
Balance date: 30 June 2008

**(a) Movements During the Year in Equity
Accounted Investment in Associated
Company**

Balance at the beginning of the financial year:	1,994,568	985,359
Value of investment brought forward	-	-
Disposal of investments	-	-
Share of associated entities profit	136,731	1,009,209
Contributions to property trust	-	-
Drawings from property trust	-	-
Balance at the end of the financial year	<u>2,131,299</u>	<u>1,994,568</u>

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

2008 **2007**
\$ **\$**

NOTE 9 – ASSOCIATED COMPANIES (continued)

**(b) Equity Accounted Associate Profits
are Broken Down as follows:**

Share of associate's profit from ordinary activities before income tax expense	136,731	1,009,209
Share of associate's income tax expense	-	-
Share of associate's profit from ordinary activities after income tax	<u>136,731</u>	<u>1,009,209</u>

**(c) Summarised Presentation of
Aggregate Assets, Liabilities and
Performance of Associate**

Current Assets	37,394	124,450
Non-current Assets	<u>4,055,522</u>	<u>4,074,837</u>
Total Assets	<u>4,092,916</u>	<u>4,199,287</u>
Current Liabilities	11,280	7,499
Non-current Liabilities	<u>1,810,636</u>	<u>1,920,788</u>
Total Liabilities	<u>1,821,916</u>	<u>1,928,287</u>
Net Assets	<u>2,271,000</u>	<u>2,271,000</u>
Profit after income tax of associates	<u>273,461</u>	<u>2,018,418</u>

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

2008 **2007**
\$ \$

NOTE 9 – ASSOCIATED COMPANIES (continued)

Associate: Melphomene Pty Limited
Principal Activity: Property (Cypress Court)
Ownership interest : 10%
Balance date: 30 June 2008

**(a) Movements During the Year in Equity
Accounted Investment in Associated
Company**

Balance at the beginning of the financial year:	275,951	21,490
Value of investment brought forward	-	-
Disposal of investments	-	-
Share of associated entities profit	36,640	254,461
Contributions to property trust	-	-
Drawings from property trust	-	-
 Balance at the end of the financial year	 <u>312,591</u>	 <u>275,951</u>

The Union has significant influence over the trustee company due to common directorship of the Union and the trustee company.

**(b) Equity Accounted Associate Profits
are Broken Down as follows:**

Share of associate's profit from ordinary activities before income tax expense	36,640	254,461
Share of associate's income tax expense	-	-
Share of associate's profit from ordinary activities after income tax	<u>36,640</u>	<u>254,461</u>

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

	2008	2007
	\$	\$
NOTE 9 – ASSOCIATED COMPANIES (continued)		
(c) Summarised Presentation of Aggregate Assets, Liabilities and Performance of Associate		
Current Assets	45,347	134,008
Non-current Assets	<u>5,281,836</u>	<u>5,396,628</u>
Total Assets	<u>5,327,183</u>	<u>5,530,636</u>
Current Liabilities	16,800	5,757
Non-current Liabilities	<u>2,492,977</u>	<u>2,707,473</u>
Total Liabilities	<u>2,509,777</u>	<u>2,713,230</u>
Net Assets	<u>2,817,406</u>	<u>2,817,406</u>
Profit after income tax of associates	<u>366,398</u>	<u>2,544,610</u>

Associate: Wilpeema Pty Limited
Principal Activity: Property (Marcus Clark)
Ownership interest : 10%
Balance date: 30 June 2008

(a) Movements During the Year in Equity Accounted Investment in Associated Company		
Balance at the beginning of the financial year:	<u>347,269</u>	<u>340,967</u>
Value of investment brought forward	-	-
Disposal of investments	-	-
Share of associated entities (loss)/profit	(46,754)	6,302
Contributions to property trust	-	-
Drawings from property trust	<u>-</u>	<u>-</u>
Balance at the end of the financial year	<u>300,515</u>	<u>347,269</u>

The Union has significant influence over the trustee company due to common directorship of the Union and the trustee company.

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

	2008	2007
	\$	\$
NOTE 9 – ASSOCIATED COMPANIES (continued)		
(b) Equity Accounted Associate Profits are Broken Down as follows:		
Share of associate's profit from ordinary activities before income tax expense	(46,754)	6,302
Share of associate's income tax expense	-	-
Share of associate's (loss)/profit from ordinary activities after income tax	<u>(46,754)</u>	<u>6,302</u>
(c) Summarised Presentation of Aggregate Assets, Liabilities and Performance of Associate		
Current Assets	78,975	273,408
Non-current Assets	<u>8,339,019</u>	<u>9,260,995</u>
Total Assets	<u>8,417,994</u>	<u>9,534,403</u>
Current Liabilities	2,729	(2,962)
Non-current Liabilities	<u>5,415,265</u>	<u>6,537,365</u>
Total Liabilities	<u>5,417,994</u>	<u>6,534,403</u>
Net Assets	<u>3,000,000</u>	<u>3,000,000</u>
(Loss)/profit after income tax of associates	<u>(467,540)</u>	<u>63,020</u>

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

	2008	2007
	\$	\$
NOTE 10 - PROPERTY, PLANT AND EQUIPMENT		
Office Equipment - at cost	11,182	11,182
Less accumulated depreciation	(8,132)	(3,266)
	<u>3,050</u>	<u>7,916</u>
Total Property, Plant and Equipment	<u>3,050</u>	<u>7,916</u>

Movements in carrying amounts

Movement in the carrying amounts for property, plant and equipment between the beginning and the end of the current financial year.

	Office Equipment	Total \$
Balance at the beginning of the period	7,916	7,916
Additions	-	-
Disposals	-	-
Depreciation expense	(4,866)	(4,866)
Depreciation write-back on disposal	-	-
Carrying amount at the end of the period	<u>3,050</u>	<u>3,050</u>

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

	2008	2007
	\$	\$
NOTE 11 – TRADE AND OTHER PAYABLES		
CURRENT		
Trade creditors	142,277	1,798
Accrued expenses	28,430	48,517
Employee benefits	<u>222,173</u>	<u>187,049</u>
	<u>392,880</u>	<u>237,364</u>

NOTE 12 - PROVISIONS

	Employee Entitlements	Total
	\$	\$
Opening balance at 1 January 2007	41,615	41,615
Net provision movement during year	<u>30,845</u>	<u>30,845</u>
Balance at 31 December 2007	<u>72,460</u>	<u>72,460</u>
	2008	2007
	\$	\$
Current	69,387	41,615
Non-Current	<u>3,073</u>	<u>-</u>
	<u>72,460</u>	<u>41,615</u>

Provision for Employee Entitlements

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The recognition criteria for employee benefits has been included in Note 1.

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

	2008	2007
	\$	\$
NOTE 13 - CASH FLOW INFORMATION		
(a) Reconciliation of Cash Flows from Operations with Profit from Ordinary Activities		
Deficit from ordinary activities	(45,413)	(101,151)
Non-cash flows in profit from ordinary activities:		
Depreciation and amortisation	4,865	12,681
Loss on sale of plant and equipment	-	7,573
Profit from investments in associates	(126,617)	(1,269,972)
Changes in assets and liabilities:		
(Increase) in receivables	(126,273)	(372)
Decrease in other assets	-	4,466
Increase in payables	124,492	14,905
Increase/(Decrease) in employee provisions	65,968	(61,700)
(Decrease)/increase in other liabilities	<u>(12,564)</u>	<u>16,376</u>
Cash flows from operations	<u>(115,542)</u>	<u>(1,377,194)</u>

(b) Non-cash Financing and Investing Activities

There were no non-cash financing or investing activities during the period.

(c) Credit Stand by Arrangement and Loan Facilities

The Union has no credit stand-by or financing facilities in place.

NOTE 14 – EVENTS AFTER THE BALANCE SHEET DATE

There have been no significant events after the balance sheet date.

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

2008	2007
\$	\$

NOTE 15 – RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

(a) Sitting fees for Office Holders

ACT Building and Construction Industry Training	960	2,150
ACT Construction Industry Long Service Leave Board	16,848	9,743
ACIRT	25,000	12,500
University of Canberra Council	680	-
Cbus	-	6,763
ICT Systems	-	12,727
	<hr/>	<hr/>
	43,488	43,883

(b) Sponsorship of Agreement between Canberra Raiders and CFMEU – ACT Branch

The Canberra Tradesman’s Union’s Club has entered into a sponsorship agreement to provide funds to the Canberra Raiders on behalf of CFMEU ACT Branch. The total amount of this arrangement was \$2,145,000 for the period November 2006 to October 2008. A new sponsorship agreement was entered into for the period November 2008 to October 2011 and the total amount of the arrangement is \$990,000.

NOTE 16 – ECONOMIC DEPENDENCY

The continuing operation of the Union is dependent upon the financial support by the Canberra Tradesmen Union Club to the CFMEU ACT Branch. This support included a loan arrangement made on 1 June 2007. The amount of the loan repayment for the year ended 31 December 2008 is \$480,226 (2007:\$630,000) which was repaid in May 2008. In addition to the loan repayment the value of financial support provided to the Union for the year ended 31 December 2008 is \$1,025,853 (2007: \$378,774).

NOTE 17 - FINANCIAL INSTRUMENTS

(a) Financial Risk Management

The financial instruments consist mainly of deposits with bank, short term investments, accounts receivable and accounts payable.

Financial Risks

The main risks that the Union is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

Interest rate risk is managed with fixed rates. For further details on interest rate risk refer to Note 17(b).

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

NOTE 17 - FINANCIAL INSTRUMENTS (continued)

(a) Financial Risk Management (continued)

Liquidity Risk

The Union manages liquidity risk by monitoring forecast cash flows.

Credit risk

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, net of any provisions for impairment of those 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 economic entity.

(c) Interest Rate Risk

The Union'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 financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non Interest Bearing		Total	
	2008 %	2007 %	2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$
Financial Assets								
Cash	2.7	4.7	775,293	409,509	1,300	2,400	776,593	411,909
Accounts Receivable	-	-	-	-	128,641	486,722	128,641	486,722
Prepayments	-	-	-	-	-	-	-	-
Total Financial Assets			775,293	409,509	129,941	489,122	905,234	898,631
Financial Liabilities								
Payables	-	-	-	-	392,880	237,364	392,880	237,364
Total Financial Liabilities			-	-	392,880	237,364	392,880	237,364

(d) Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the economic entity intends to hold these assets to maturity.

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

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

NOTE 18 - CONTINGENT LIABILITIES

As at balance date the Union has no known contingent liabilities.

NOTE 19 - COMMITMENTS

	2008	2007
	\$	\$
Non-cancellable motor vehicle leases entered into prior to 31 December 2008.		
Payable – minimum lease payments		
- not later than 12 months	27,243	77,836
- between 12 months but not later than 5 years	-	27,243
- greater than 5 years	-	-
	<u>27,243</u>	<u>105,079</u>

NOTE 20 – SEGMENT REPORTING

The Union operates predominantly in one industry and geographical segment, being in the trade union sector throughout Australia.

NOTE 21 – UNION DETAILS

The registered office of the union is:

2 Badham Street
Dickson ACT 2602



WALTERTURNBULL
your extra asset

**DISCLAIMER OF OPINION
TO THE MEMBERS OF
CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – ACT BRANCH**

The additional financial data presented on pages 32 to 33 is in accordance with the books and records of Construction Forestry Mining and Energy Union Construction and General Division – ACT Branch which have been subjected to the auditing procedures applied in our audit of the Union for the year ended 31 December 2008.

It will be appreciated that our audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given.

Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than the Union) in respect of such data, including any errors or omissions therein however caused.

Peter Sheville
Registered Company Auditor
WalterTurnbull
Canberra, ACT

15 May 2009

WalterTurnbull Building
44 Sydney Avenue
Barton ACT 2600
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Canberra ACT 2601
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WalterTurnbull
ABN 90 613 256 181

BUSINESS ADVISORY SERVICES

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FRAUD & FORENSIC SERVICES

ACCOUNTING SOLUTIONS



**CONSTRUCTION FORESTRY MINING AND ENERGY UNION CONSTRUCTION AND
GENERAL DIVISION – ACT BRANCH
ABN 38 491 952 173**

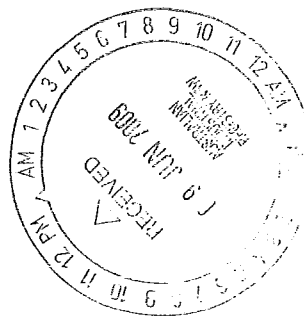
**DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008	2007
	\$	\$
Revenue		
Membership subscriptions	422,749	446,129
Rent received	-	10,400
Donations received	976,714	180,000
Training income	-	9,010
Sitting fees	42,808	46,951
Sundry income	95,596	64,740
Interest received	12,260	9,405
Investment income from associates	126,615	1,269,972
	<hr/>	<hr/>
Total Revenue	1,676,742	2,036,607
Expenditure		
Membership fees	15,948	12,055
Audit and accounting fees	32,690	49,355
Advertising and promotion costs	(3,267)	51,097
Bad debts expense	-	55
Bank charges	5,422	5,384
Building expenses	9,451	16,554
Capitation fees – National Office	41,390	42,053
CSI – OH&S services	43,182	36,686
Deed of release	-	262,000
Depreciation	4,865	12,681
Donations	20,490	20,773
Fringe Benefits Tax	(1,310)	26,246
Insurance	12,476	6,222
Journal expenses	12,181	22,969
Legal costs	4,712	9,203
Loss on sale of non-current assets	-	7,573
Meeting expenses	11,546	13,024
Affiliation fees	12,038	13,720
Motor vehicle expenses	120,432	57,716
NT special expenses	167	5,279
Payroll tax	51,757	44,693
Postage, printing and stationery	12,579	22,734
Protective clothing	4,064	5,240
Provision for employee entitlements	47,000	110,291
Provision for rostered day off	31,454	7,616
Redundancy contributions	31,540	27,710
Rent – Darwin	163	-
Rental property expenses	-	10,927
Salaries and wages – office holders	244,338	265,964
Salaries and wages – employees	661,983	639,744
Subscriptions	3,890	2,971
Sundry expenses	6,938	43,746
Superannuation contributions	91,883	87,662
Telephone	54,483	39,951
Training	6,581	8,232

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION CONSTRUCTION AND
GENERAL DIVISION – ACT BRANCH
ABN 38 491 952 173**

**DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008	2007
	\$	\$
Travelling expenses	31,614	28,003
Workers compensation	-	27,346
Refunds on membership	-	772
Computer expenses	24,004	20,422
Photocopier	31,952	19,630
Prizes	182	45
Professional fees	259	14,500
Repair and maintenance	-	3,490
Office expenses	20,744	15,494
Publication	325	7,749
Meals and incidentals	22,009	12,181
	<hr/>	<hr/>
Total Expenditure	1,722,155	2,137,758
	<hr/>	<hr/>
Operating Profit / (Loss)	(45,413)	(101,151)
	<hr/>	<hr/>





Fair Work Australia

Ms Sarah Schoonwater
Secretary, Australian Capital Territory Branch
Construction, Forestry, Mining and Energy Union
PO Box 498
DICKSON ACT 2602



Dear Ms Schoonwater

**Re: Lodgement of Financial Statements and Accounts –
Construction, Forestry, Mining and Energy Union, Construction and General Division,
Australian Capital Territory Branch – for year ending 31 December 2008 (FR2008/567)**

I refer to the abovementioned financial statements and accounts which were lodged in the Australian Industrial Registry on 9 June 2009. I draw your attention to the following matters.

Incorrect Certificate of Secretary

The Certificate of Secretary was dated 21 May 2009, which is prior to the date of provision to members (“*on 26 May 2009*”). It also states that the report was presented “*on 28 April 2009*”. Since the other key documents - the Operating Report, the Committee of Management Statement, and the Auditor’s report - are all signed “*15 May 2009*” it appears the reference to “*28 April 2009*” may be to an earlier and/or unrelated Committee meeting but in any case, not to the final presentation meeting as required.

This dating is not at all consistent with the sequence provided for in sections 265, 266 and 268 of the RAO Schedule, which, properly read together, contemplate that (a) the financial report must not be presented to a meeting in accordance with s266 until *after* it has been provided to the members, and (b) the Certificate of Secretary must not be signed until *after* the report has been so presented.

A Certificate of Secretary signed on “*21 May 2009*” cannot purport to certify, as having occurred, an event not to occur until “*26 May 2009*” and it cannot be relied upon as verification of the event. Since the documents form a public record, I must emphasize the importance of only certifying events as having occurred once they actually have occurred, and not in anticipation.

Under the circumstances the most appropriate thing to do would be to lodge another Certificate of Secretary, certifying the facts again and dated as at the new signing. If a presentation meeting has not yet been held after the date the report was provided to members, then, as a matter of procedure, the report will have to be formally presented to the committee at the earliest possible opportunity before signing the amended Certificate of Secretary.

Upon receipt of the amended Certificate of Secretary, all the documents will be filed. Documents may be lodged electronically at RIASydney@fwa.gov.au.

Donations

The Income and Expenditure Statement on page 32 shows an amount for "Donations" of \$20,490. If this amount included any individual donation exceeding \$1,000, then a separate statement showing the relevant particulars must be lodged, in accordance with s237 of the RAO Schedule. This is only necessary if this applies. I attach the relevant extract for your reference.

Auditing issues

I have written to the Auditor in relation to a query regarding the wording of the Audit Opinion and the presentation of a particular category of expense within the financial report. I enclose a copy of that correspondence for your record and information.

If you wish to discuss these or any other matters relating to the financial report with me before lodging further documentation, please do not hesitate to contact me on 0429 462 979.

Yours respectfully,



Stephen Kellett
Statutory Services Branch

8 July 2009



Fair Work
Australia

Mr Peter Sheville
Registered Company Auditor
Walter Turnbull
GPO Box 1955
CANBERRA ACT 2601



Dear Mr Sheville

**Re: Lodgement of Financial Statements and Accounts –
Construction, Forestry, Mining and Energy Union, Construction and General Division,
Australian Capital Territory Branch – for year ending 31 December 2008 (FR2008/567)**

I am writing in relation to the abovementioned financial statements and accounts which were lodged by the Branch in the Australian Industrial Registry on 9 June 2009. I have advised the Secretary, Ms Sarah Schoonwater, that I am writing to you.

Upon reviewing the documents it was brought to my attention, firstly, that the wording of the Audit Opinion which has been provided for this and the two previous financial reports of the Branch may not entirely comply with the Industrial Registrar's Financial Reporting Guidelines* issued in 2004, with s257(5) of Schedule 1 of the *Workplace Relations Act 1996*, and with the relevant Australian Accounting Standard (ASA 700 or AUS 702).

I have been advised that the correct interpretation of the above references is that the Audit Opinion should include a specific declaration as to whether or not the financial report "is presented fairly". Similar wording/phrasing was used in the preliminary paragraph headed "Audit Approach" but should also be used in the paragraph setting out the Audit Opinion.

Secondly, unless it was not considered material (or some other valid reason), the item "Meeting expenses" disclosed on page 32 in the Detailed Income and Expenditure Statement should also have been disclosed in the notes in accordance with Guideline* 11(k).

I respectfully draw these matters of presentation to your attention for addressing in future reports of the Branch. If you consider, however, that I have overlooked any relevant aspect, please do not hesitate to provide your advice or comments.

Yours sincerely,

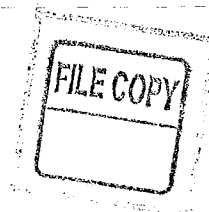
Stephen Kellett
Statutory Services Branch

8 July 2009



Fair Work Australia

Ms Sarah Schoonwater
Secretary, Australian Capital Territory Branch
Construction, Forestry, Mining and Energy Union
PO Box 498
DICKSON ACT 2602



Dear Ms Schoonwater

**Re: Lodgement of Financial Statements and Accounts –
Construction, Forestry, Mining and Energy Union, Construction and General Division,
Australian Capital Territory Branch – for year ending 31 December 2008 (FR2008/567)**

I refer to my previous letter dated 8 July 2009 in relation to the abovementioned financial statements and accounts. There is no record of any response. I attach a copy of that letter.

As the letter sets out, the dating of the Certificate of Secretary lodged was inconsistent with legislative requirements to the extent that it anticipated the events it purported to certify and referred to a meeting that could not be the meeting contemplated by s266 of the RAO Schedule.

Amongst other things, I requested that an amended and corrected Certificate of Secretary be lodged that was dated after presentation of the documents in accordance with s266.

Upon receipt of the amended Certificate of Secretary, all the documents will be filed. The Certificate may be lodged electronically at RIASydney@fwa.gov.au.

Yours respectfully,

Stephen Kellett
Statutory Services Branch

17 August 2009

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

s268 Fair Work (Registered Organizations) Act 2009
(formerly s268 of Schedule 1 Workplace Relations Act 1996)

I, **Sarah Schoonwater**,

a prescribed designated officer of the Construction, Forestry, Mining and Energy Union, Construction and General Division, Australian Capital Territory Branch, certify that the financial statements and accounts for the year ended 31 December 2008 which were lodged in the Australian Industrial Registry on 9 June 2009 are:

- copies of the full report referred to in s268 of the RAO Schedule
- copies of the documents provided to members on 15 May 2009 and subsequently presented to a meeting in accordance with section 266 held on 26 May 2009



Date 25 August 2009

Sarah Schoonwater
Branch Secretary
CFMEU
Construction and General Division
ACT Branch

COMMITTEE OF MANAGEMENT STATEMENT

On the 15 May 2009 the Committee of Management of the Construction Forestry Mining and Energy Union, Construction and General Division – ACT Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2008:

The Committee of Management declares in relation to the GPFR that in its opinion:

- a) the financial statements and notes comply with the Australian Accounting Standards;
- b) the financial statements and notes comply with the reporting guidelines of the Industrial registrar for the purposes of section 270 of the RAO Schedule;
- c) the financial statements and notes give a true and fair view of the income and expenses, balance sheet, changes in equity 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 when they become due and payable;
- e) during the year to which the GPFR relates and since the end of that year:
 - i) meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of the branch 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 the branch concerned;
 - iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations;
 - iv) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - v) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.
- f) no recovery of wages activities undertaken by the reporting unit resulted in any revenues or receipts paid or payable to the reporting unit. All recovered wages were paid directly to reporting unit members by relevant employers.

For Committee of Management:

Dated at Canberra this

25th day of August 2009.



Sarah Schoonwater



Dean Hall



Fair Work Australia

Ms Sarah Schoonwater
Secretary, Australian Capital Territory Branch
Construction, Forestry, Mining and Energy Union
PO Box 498
DICKSON ACT 2602



Dear Ms Schoonwater

**Re: Lodgement of Financial Statements and Accounts –
Construction, Forestry, Mining and Energy Union, Construction and General Division,
Australian Capital Territory Branch – for year ending 31 December 2008 (FR2008/567)**

I refer to the amended s268 Certificate and Committee of Management Statement which were received by Fair Work Australia on 26 August 2009.

The legislative requirements have been met and there is no further action necessary. The documents have been added to those previously lodged and the return has been filed.

Yours respectfully,

Stephen Kellett
Statutory Services Branch

27 August 2009



WALTERTURNBULL
your extra asset

3 September 2009

Mr Stephen Kellett
Statutory Services Branch
Fair Work Australia
Level 8, 80 William Street
EAST SYDNEY NSW 2011



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ABN 90 613 256 181

Dear Mr Kellett

Re: Lodgement of Financial Statements and Accounts – Construction, Forestry, Mining and Energy Union, Construction and General Division, Australian Capital Territory Branch – for year ending 31 December 2008.

In response to your letter dated 8 July 2009, we would like to address the two issues raised regarding the wording of the Audit Opinion and disclosure of meeting expenses. We would also like to notify Fair Work Australia that we are no longer acting as auditors for the Construction, Forestry, Mining and Energy Union, Construction and General Division, Australian Capital Territory Branch (CFMEU). However we have provided a copy of this letter to the CFMEU and the incoming auditor for their information.

BUSINESS ADVISORY SERVICES
ASSURANCE SERVICES
MANAGEMENT CONSULTING
FINANCIAL PLANNING
FRAUD & FORENSIC SERVICES
ACCOUNTING SOLUTIONS

Issue 1 – Wording of the Audit Opinion

We agree that our Audit Opinion does not specifically state that the financial report "is presented fairly", however we believe the Audit Opinion provides reasonable assurance for users to be satisfied the financial statements are in accordance with applicable accounting standards and free from material misstatement. However to ensure compliance with the Industrial Registrar's Financial Reporting Guidelines we will advise the incoming auditor to ensure that the Audit Opinion for the year ended 31 December 2009 makes reference that the financial report "is presented fairly."

Issue 2 – Disclosure of Meeting Expenses

The CFMEU had not separately disclosed Meeting Expenses within Note 3 of the financial statements for the year ended 31 December 2008 for the amount of \$11,546 (2007: \$13,024). This was considered immaterial for our audit. However to ensure compliance with the Industrial Registrar's Financial Reporting Guidelines we will advise the incoming auditor to ensure that the Meeting Expenses for the year ended 31 December 2009 are separately disclosed in Note 3 of the financial statements.





If you have any queries about the matters raised in this letter, please do not hesitate to contact Russell Livermore or myself on (02) 6247 6200.

Yours sincerely

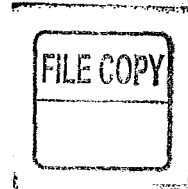
Peter Sheville
Partner

cc Ms Sarah Schoonwater – Secretary CFMEU ACT Branch
Mr Ged Stenhouse – Partner RSM Bird Cameron



Fair Work
Australia

Mr Peter Sheville
Registered Company Auditor
Walter Turnbull
GPO Box 1955
CANBERRA ACT 2601



Dear Mr Sheville

**Re: Lodgement of Financial Statements and Accounts –
Construction, Forestry, Mining and Energy Union, Construction and General Division,
Australian Capital Territory Branch – for year ending 31 December 2008 (FR2008/567)**

Thank you for your letter dated 3 September providing your response regarding the audit of the above statements and accounts.

Your advice has been noted and the letter filed.

Yours sincerely,

Stephen Kellett
Statutory Services Branch

9 September 2009