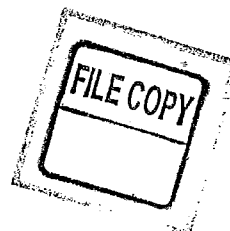




FAIR WORK
AUSTRALIA

4 July 2011

Mr Dean Hall
Secretary, Australian Capital Territory Construction and General Divisional Branch
Construction, Forestry, Mining and Energy Union
3 Rosevear Place
DICKSON ACT 2602



Dear Mr Hall

Lodgment of Financial Accounts and Statements - Construction, Forestry, Mining and Energy Union, Construction and General Division, Australian Capital Territory Branch (FR2010/2844)

Thank you for lodging the abovementioned financial accounts and statements which were received by Fair Work Australia on 6 June 2011.

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

An amount of \$205,759 is disclosed as the total of Donations expended, in the Statement of Comprehensive Income and at Note 3(b). If this amount included any single donation exceeding \$1,000, then a separate statement showing all the prescribed particulars should be lodged, pursuant to section 237 of the *Fair Work (Registered Organisations) Act 2009*, at your earliest opportunity.

Yours sincerely,

Stephen Kellett
Statutory Services Branch
Fair Work Australia

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

FR 2010/2844

CERTIFICATE OF SECRETARY

S268 of Fair Work (Registered Organisations) Act 2009

I, Dean Hall 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 Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members on May 2011; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on ~~24th~~ May 2011, in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.



Dean Hall
Branch Secretary
CFMEU
Construction and General Division
ACT Branch
Dated at Canberra, ACT this ~~24th~~ day of May 2011.



**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 2010**


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

CERTIFICATE OF SECRETARY

S268 of Fair Work (Registered Organisations) Act 2009

I, Dean Hall 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 Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members on ²⁴ May 2011; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on ²⁴ May 2011, in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.



Dean Hall
Branch Secretary
CFMEU
Construction and General Division
ACT Branch

Dated at Canberra, ACT this ²⁴ day of May 2011.

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

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 2010 is \$1,185,885 (2009: Profit \$27,578).

Significant changes

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

Members’ rights to resign

Members may resign from the Union in accordance with Section 174 of the Fair Work (Registered Organisations) Act 2009, which reads as follows:

- 1) A member of the Union may resign from membership by written notice addressed and delivered to the Secretary of the Branch of which he is a member.
- 2) A notice of resignation from membership of the Union takes effect:
 - a) Where the member ceases to be eligible to become a member of the Union:
 - i) On the day on which notice is received by the Union; or
 - ii) On the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member; Which ever is later; or
 - b) In any other case:
 - i) At the end of two (2) weeks after the notice is received by the Union; or
 - ii) On the day specified in the notice;Whichever is later.
- 3) Any dues payable but not paid by a former member of the Union, in relation to a period before the member’s resignation from the Union took effect, may be sued for and recovered in the name of the Union in a court of competent jurisdiction, as a debt due to the Union.
- 4) A notice delivered to the person mentioned in subsection (1) shall be taken to have been received by the Union when it was delivered.
- 5) A notice of resignation that has been received by the Union is not invalid because it was not addressed and delivered in accordance with subsection (1).

A resignation from membership of the Union is valid even if it is not affected in accordance with the rule if the member is informed in writing by or on behalf of the Union that the resignation has been accepted.

Officers as Trustees

No officer of the reporting unit is a trustee.

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

OPERATING REPORT (CONT)

Prescribed Information

- (a) the number of persons that were, at 31st December 2010, recorded in the register of members for section 230 of the Fair Work (Registered Organisations) Act 2009 and who are taken to be members of the reporting unit under section 244 of the Fair Work (Registered Organisations) Act 2009 was 3,219 (2009: 2,582);
- (b) the number of persons who were, at 31st December 2010, 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 10 employees (2009: 8 employees);
- (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 2010, and the period for which he or she held such a position is:

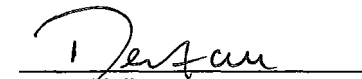
NAME	PERIOD
Sarah Schoonwater	Resigned- January 2010
Dean Hall	Full year
Rod Driver	Full year
Max Harmer	Full year
Jason O'Mara	Full year
Mark Dymock	Full year
Jack Broaderick	Full year
Eddy Hewitt	Full year
Leon Arnold	Full year
Justin Box	Resigned- March 2010
Des Marland	Full year
Halafih Kivalu	Full year
Jason Jennings	Full year
Trevor Scott	Full year
Nikola Vukelic	Full year
Cameron Hardy	Full year
Clyde Stewart	Resigned- September 2010
Matt McIntyre	Appointed- September 2010
Jeff Polsen	Appointed- March 2010

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 day of May 2011.



Dean Hall




Jason O'Mara

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

ACCOUNTING OFFICER'S CERTIFICATE

I, Dean Hall, 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 2010 the number of members of the Branch was 3,219 and that in relation to the 2010 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.



Dean Hall

Dated at Canberra, ACT this

2nd

day of May 2011.

RSM Bird Cameron

Level 1, 103-105 Northbourne Avenue Canberra ACT 2601

GPO Box 200 Canberra ACT 2601

T +61 2 6247 5988 F +61 2 6247 3703

www.rsmi.com.au

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

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

We have audited the accompanying financial report of Construction Forestry Mining and Energy Union Construction and General Division - ACT Branch ("the union"), which comprises the balance sheet as at 31 December 2010, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Committee of Management Statement.

Committee's Responsibility for the Financial Report

The Committee is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009, and for such internal control as the Committee determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

RSM Bird Cameron

Chartered Accountants

Independence

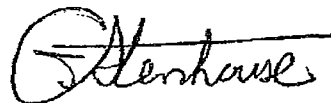
In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of the Construction Forestry Mining and Energy Union Construction and General Division- ACT Branch as at 31 December 2010 and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards including the Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009.

RSM BIRD CAMERON

Chartered Accountants



Canberra, Australian Capital Territory

Dated: 2 May 2011

GED STENHOUSE

Director

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


COMMITTEE OF MANAGEMENT STATEMENT

On the May 2011 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 2010:

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 Fair Work (Registered Organisations) Act 2009;
- 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 Fair Work (Registered Organisations) Act 2009;
 - iv) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 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 Fair Work (Registered Organisations) Act 2009.
- 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:



Dean Hall

Dated at Canberra this 2nd day of May 2011



Jason O'Mara

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

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Note	2010 \$	2009 \$
Revenue	2	1,352,129	793,753
Depreciation and amortisation expense	3	(20,067)	(1,847)
Employee benefits expense	3	(1,357,459)	(1,012,754)
Donations Expense		(205,759)	(16,397)
Administrative expense		(708,850)	(800,833)
Loss from Sale of Investments		(315,613)	787,074
Investment income from associates		69,734	278,582
Net profit / (loss) attributable to members of the Union		<u>(1,185,885)</u>	<u>27,578</u>
Other comprehensive income		-	-
Total comprehensive income attributable to members of the Union		<u><u>(1,185,885)</u></u>	<u><u>27,578</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**

**BALANCE SHEET
AS AT 31 DECEMBER 2010**

	Note	2010 \$	2009 \$
CURRENT ASSETS			
Cash and cash equivalents	5	796,813	1,028,335
Trade and other receivables	6	-	118,442
Others		45,768	11,094
TOTAL CURRENT ASSETS		<u>842,581</u>	<u>1,157,871</u>
NON-CURRENT ASSETS			
Investments in associates using equity method	7	-	305,083
Financial Assets	9	1,431	1,375
Trade and other receivables	6	733,397	1,282,404
Property, plant and equipment	10	171,966	1,204
TOTAL NON-CURRENT ASSETS		<u>906,794</u>	<u>1,590,066</u>
TOTAL ASSETS		<u>1,749,375</u>	<u>2,747,937</u>
CURRENT LIABILITIES			
Trade and other payables	11	241,202	354,406
Provisions	12	156,988	56,150
Borrowings	14	38,945	-
TOTAL CURRENT LIABILITIES		<u>437,135</u>	<u>410,556</u>
NON-CURRENT LIABILITIES			
Provisions	12	28,644	10,718
Other	13	70,676	-
Borrowings	14	72,142	-
TOTAL NON-CURRENT LIABILITIES		<u>171,407</u>	<u>10,718</u>
TOTAL LIABILITIES		<u>608,597</u>	<u>421,274</u>
NET ASSETS		<u>1,140,778</u>	<u>2,326,663</u>
EQUITY			
Retained profits		<u>1,140,778</u>	<u>2,326,663</u>
TOTAL EQUITY		<u>1,140,778</u>	<u>2,326,663</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 CHANGES IN EQUITY
AS AT 31 DECEMBER 2010**

	Retained Earnings \$	Total \$
Balance at 31 December 2008	2,299,085	2,299,085
Profit attributable to the entity	27,578	27,578
Balance at 31 December 2009	<u>2,326,663</u>	<u>2,326,663</u>
Loss attributable to the entity	(1,185,885)	(1,185,885)
Balance at 31 December 2010	<u>(1,140,778)</u>	<u>(1,140,778)</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**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Note	2010 \$	2009 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from members' subscriptions		741,980	488,246
Cash Receipts from Customers		91,875	92,777
Cash payments to suppliers and employees		(2,266,199)	(1,840,507)
Interest received		52,421	6,153
Donations received		248,500	130,000
Payment of affiliation fees, capitation fees and dispute levies		(91,369)	(66,504)
Other Revenue		423,608	186,717
Net cash used in operating activities	15	(799,184)	(1,003,118)
CASH FLOW FROM INVESTING ACTIVITIES			
Payments to related company		-	(21,817)
Loans repaid from related parties		608,603	1,276,677
Payment for Property, Plant and Equipment		(187,042)	-
Net cash provided by investing activities		421,561	1,254,860
CASH FLOW FROM FINANCING ACTIVITIES			
Net proceeds from borrowings		161,590	-
Repayment of borrowings		(15,489)	-
Net cash provided by financing activities		146,101	-
Net increase in cash held		(231,522)	251,742
Cash at beginning of the financial year		1,028,335	776,593
Cash at the end of the financial year	5	796,813	1,028,335

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**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

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 Fair Work (Registered Organisations) Act 2009.

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.

The carrying amount of plant and equipment is reviewed annually by the committee 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 statement of comprehensive income during the financial period in which they are incurred.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

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 statement of comprehensive income. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of comprehensive income 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 diminishing value 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%
Motor Vehicles	25%

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 statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

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. 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 statement of comprehensive income 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 statement of comprehensive income.

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 statement of comprehensive income.

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

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.

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

n) New Standards and Interpretations Issued but not yet Effective

At the date of this financial report the following standards and interpretations, which may impact the entity in the period of initial application, have been issued but are not yet effective:

The following Australian Accounting Standards issued or amended which are applicable to the entity but are not yet effective and have not been adopted in preparation of the financial statements at reporting date

Reference	Title	Summary	Application date (financial years beginning)	Expected Impact
AASB 9	<i>Financial Instruments</i>	Replaces the requirements of AASB 139 for the classification and measurement of financial assets. This is the result of the first part of Phase 1 of the IASB's project to replace IAS 39.	1 January 2013	Minimal
2009-11	<i>Amendments to Australian Accounting Standards arising from AASB 9</i>	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12 as a result of the issuance of AASB 9.	1 January 2013	Minimal
2010-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)</i>	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127 for amendments to AASB 9 in December 2010	1 January 2013	Minimal
AASB 124	<i>Related Party Disclosures</i>	Revised standard. The definition of a related party is simplified to clarify its intended meaning and eliminate inconsistencies from the application of the definition	1 January 2011	Disclosure only
AASB 1053	<i>Application of Tiers of Australian Accounting Standards</i>	This standard establishes a differential financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements.	1 July 2013	Minimal
2010-5	<i>Amendments to Australian Accounting Standards</i>	Amends AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042 for editorial corrections	1 January 2011	Minimal

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

	2010 \$	2009 \$
NOTE 2 – REVENUE		
Operating revenue:		
Membership subscriptions	741,980	488,246
Donations received	248,500	130,000
Sitting fees	13,236	31,449
Counselling Income	47,515	40,909
Advertising Income	29,523	21,900
EBA Lodgement Income	14,545	-
Profit on sale of assets	41,936	-
Grant Income	79,324	-
Management Fee Income	54,545	-
Sundry Income	848	75,097
	1,271,952	787,601
Other income:		
Interest	80,177	6,152
Total Revenue	1,352,129	793,753

NOTE 3 - PROFIT

Profit has been determined after:

(a) Expenses

Depreciation of property, plant and equipment	20,067	1,847
Employee Benefits		
- salaries and wages - office holders & employee	1,268,577	920,770
- superannuation	88,881	91,984
	1,357,458	1,012,754

(b) Significant Revenue and Expenses

The following significant revenue and expense items are relevant in explaining the financial performance:

Donations paid or payable	205,759	16,397
Printing & Stationery	61,299	97,953
Membership fees	11,449	14,084
Capitation fees	77,171	55,703
CSI – OH&S services	10,717	51,098
Travelling expenses	64,613	81,929
Leasing – Motor Vehicles	45,196	81,696

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

	2010 \$	2009 \$
NOTE 4 – REMUNERATION OF AUDITOR		
Total amounts received and receivable by the auditors of the Union for:		
Audit of the Union's financial report	23,000	17,000
	23,000	17,000
	23,000	17,000
NOTE 5 – CASH AND CASH EQUIVALENTS		
Cash on hand	2,000	1,300
Cash at bank	794,813	1,027,035
	796,813	1,028,335
	796,813	1,028,335
The effective interest rate on cash at bank was 0.7% (2009: 0.6%)		
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	796,813	1,028,335
	796,813	1,028,335
NOTE 6 – TRADE AND OTHER RECEIVABLES		
CURRENT		
Accounts receivable	-	118,050
Loans to related parties	-	392
	-	118,442
	-	118,442
NON CURRENT		
Loans to related parties	733,397	1,282,404
	733,397	1,282,404
	733,397	1,282,404
NOTE 7 – INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD		
Melphomene Pty Limited (Note 8)	-	305,083
	-	305,083
	-	305,083

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

NOTE 8 – ASSOCIATED COMPANIES

Associate: Melphomene Pty Limited
Principal Activity: Property (Cypress Court)
Ownership interest : 0% (2009: 10%)
Balance date: 31 December 2010

(a) Movements During the Year in Equity Accounted Investment in Associated Company	2010 \$	2009 \$
Balance at the beginning of the financial year:	305,083	312,591
Loss on disposal of Cypress Court property	-	(25,621)
Share of associated entities profit/(loss)	10,540	18,113
Unit Redemption	281,731	-
Gain/(loss) on unit redemption	(315,623)	-
Extinguishing loan on redemption	(281,731)	-
Contributions to property trust	-	-
Drawings from property trust	-	-
Balance at the end of the financial year	<u>-</u>	<u>305,083</u>
(b) Equity Accounted Associate Profits are Broken Down as follows:		
Share of associate's profit from ordinary activities before income tax expense	10,540	18,113
Share of associate's loss from sale of Cypress Court property	-	(25,621)
Share of associate's income tax expense	-	-
Share of associate's profit from ordinary activities after income tax	<u>10,540</u>	<u>(7,508)</u>
(c) Summarised Presentation of Aggregate Assets, Liabilities and Performance of Associate		
Current Assets	-	4,311,144
Non-current Assets	-	931,857
Total Assets	<u>-</u>	<u>5,243,001</u>
Current Liabilities	-	(1,779)
Non-current Liabilities	-	2,427,374
Total Liabilities	<u>-</u>	<u>2,425,595</u>
Net Assets	<u>-</u>	<u>2,817,406</u>
Profit/(Loss) after income tax of associates	<u>-</u>	<u>(75,082)</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

	2010 \$	2009 \$
NOTE 9 – FINANCIAL ASSETS		
Shares in listed corporations - available for sale	1,431	1,375
	1,431	1,375
 NOTE 10 - PROPERTY, PLANT AND EQUIPMENT		
Office Equipment - at cost	13,099	11,182
Less accumulated depreciation	(10,935)	(9,978)
	2,164	1,204
 Motor Vehicles – at cost	 185,125	 -
Less accumulated depreciation	(15,323)	-
	169,802	-
 Total Property, Plant and Equipment	171,966	1,204

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.

	Motor Vehicles	Office Equipment	Total
Balance at the beginning of the period	-	1,203	1,203
Additions	237,602	1,918	239,520
Disposals	(52,477)	-	(52,477)
Depreciation expense	(19,110)	(957)	(20,067)
Depreciation write-back on disposal	3,787	-	3,787
Carrying amount at the end of the period	169,802	2,164	171,966

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

	2010	2009
	\$	\$
NOTE 11 – TRADE AND OTHER PAYABLES		
CURRENT LIABILITIES		
Trade creditors	174,160	55,992
Accrued expenses	67,042	59,270
Employee benefits	-	239,144
	<u>241,202</u>	<u>354,406</u>

	Employee Entitlements	Total
	\$	\$
NOTE 12 - PROVISIONS		
Opening balance at 1 January 2010	66,868	66,868
Net provision movement during year	118,764	118,764
	<u>185,632</u>	<u>185,632</u>

	2010	2009
	\$	\$
Current	156,988	56,150
Non-Current	28,644	10,718
	<u>185,632</u>	<u>66,868</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.

	2010	2009
	\$	\$
NOTE 13 – OTHER NON-CURRENT LIABILITIES		
Grant liability		
Staff Costs	37,336	-
Car Lease	11,054	-
Website	636	-
Education Material	12,000	-
Printing and Distribution	9,650	-
	<u>70,676</u>	<u>-</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

	2010 \$	2009 \$
NOTE 14 – BORROWINGS		
Hire Purchase Agreements		
Current	38,945	-
Non-Current	72,142	-
	111,087	-
 NOTE 15 - CASH FLOW INFORMATION		
(a) Reconciliation of Cash Flows from Operations with Profit		
Profit / (Loss)	(1,185,885)	27,578
Non-cash flows in profit from ordinary activities:		
Depreciation and amortisation	16,280	1,846
Shares brought to account	-	(1,333)
Profit on Sale of Investments	315,613	(787,074)
Profit from investments in associates	(69,734)	(278,582)
Expenses paid from CTUC	-	72,085
Dividends received (DRP)	(92)	(42)
Changes in operating assets and liabilities:		
(Increase)/Decrease in receivables	118,050	10,591
(Increase)/Decrease in other assets	(34,674)	(11,094)
Increase/(Decrease) in payables	173,020	(48,957)
Increase/(Decrease) in employee provisions	(131,761)	11,380
(Decrease)/increase in other liabilities		484
	(799,183)	(1,003,118)

(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 16 – EVENTS AFTER THE BALANCE SHEET DATE

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

2010
\$

2009
\$

NOTE 17 – 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	700	2,288
ACT Construction Industry Long Service Leave Board	36	11,526
ACIRT	12,500	17,635
	13,236	31,449

(b) Sponsorship 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 is \$660,000 and covers the period November 2008 to October 2010.

NOTE 18 – ECONOMIC DEPENDENCY

The continuing operation of the Union is dependent upon the financial support by the Canberra Tradesmen's Union Club and the Woden Tradesmen's Union Club to the CFMEU ACT Branch. The support from Canberra Tradesmen's Union Club included a loan repayment totalling \$783,072 for the year ended 31 December 2010 and donations of \$178,500. The value of financial support from Woden Tradesmen's Union Club was \$70,000 for the year ended 31 December 2010.

NOTE 19 – FINANCIAL RISK MANAGEMENT

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

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2010 \$	2009 \$
Financial Assets			
Cash and cash equivalents	5	796,813	1,028,335
Available for sale financial assets			
— Shares in listed corporations	9	1,431	-
Receivables	6	-	118,050
Loans to related parties	6	733,397	1,282,796
		1,531,641	2,429,181
Financial Liabilities			
Financial liabilities at amortised cost			
— Trade and other payables	11	241,202	354,406
		241,202	354,406

Financial Risk Management Policies

Consisting of senior committee members, the finance and investment committee's overall risk management strategy seeks to assist the union in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the finance committee on a regular basis. These include credit risk policies and future cash flow requirements.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

NOTE 19 – FINANCIAL RISK MANAGEMENT (continued)

Specific Financial Risk Exposures and Management

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

a. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

b. Liquidity risk

Liquidity risk arises from the possibility that the union might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The union manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- investing only in surplus cash with major financial institutions; and
- Comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Financial liability and financial asset maturity analysis

	Note	Within 1 Year		1 to 5 Years		Over 5 Years		Total contractual cash flow	
		2010	2009	2010	2009	2010	2009	2010	2009
		\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment									
Trade and other payables (excluding estimated annual leave and deferred income)	11	241,202	115,262	-	-	-	-	241,202	115,262
Borrowings	14	38,945	-	72,142	-	-	-	111,087	-
Total expected outflows		<u>280,147</u>	<u>115,262</u>	<u>72,142</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>241,202</u>	<u>115,262</u>
Financial assets — cash flows realisable									
Cash and cash equivalents	5	796,813	1,028,335	-	-	-	-	796,813	1,028,335
Trade, term and loans receivables	6	733,397	1,400,846	-	-	-	-	733,397	1,400,846

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

NOTE 19 – FINANCIAL RISK MANAGEMENT (continued)

Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the balance sheet. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the company. Most of these instruments which are carried at amortised cost are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the company.

		2010		2009	
	Footnote	Net Carrying Value	Net Fair Value	Net Carrying Value	Net Fair Value
		\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	(i)	796,813	796,813	1,028,335	1,028,335
Trade and other receivables	(i)	-	-	118,050	118,050
Loans receivable	(i)	733,397	733,397	392	392
Investments – available-for-sale	(ii)	1,431	1,431	1,375	1,375
Total financial assets		1,531,641	1,531,641	1,148,152	1,148,152
Financial liabilities					
Trade and other payables	(i)	241,202	241,202	115,262	115,262
Loans payable	(i)	111,087	111,087	-	-
Total financial liabilities		352,289	352,289	115,262	115,262

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for relating to annual leave and deferred income which is not considered a financial instrument.
- (ii) For listed available-for-sale financial assets, closing quoted bid prices at reporting date are used.
- (iii) Fair values are determined using a discounted cash flow model incorporating current commercial borrowing rates. The fair values of fixed rate lease liability will differ to the carrying values.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

NOTE 19 – FINANCIAL RISK MANAGEMENT (continued)

Sensitivity Analysis

The following table illustrates sensitivities to the union's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Financial Assets	
	Profit	Equity
	\$	\$
Year Ended 31 December 2010		
+/- 2% in interest rates	15,936	15,936
+/- 10% in listed investments	143	143
Year Ended 31 December 2009		
+/- 2% in interest rates	20,566	20,566
+/- 10% in listed investments	138	138

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

No sensitivity analysis has been performed on foreign exchange risk, as the union is not exposed to foreign currency fluctuations.

NOTE 20 – CAPITAL MANAGEMENT

Management control the capital of the union to ensure that adequate cash flows are generated to fund its operations and that returns from investments are maximised. Management ensures that the overall risk management strategy is in line with this objective.

Management operates under policies approved by the Committee of Management. Risk management policies are approved and reviewed by the Committee on a regular basis. These include credit risk policies and future cash flow requirements.

There have been no changes to the strategy adopted by management to control the capital of the union since previous year.

NOTE 21 – CONTINGENT LIABILITIES

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

NOTE 22 – COMMITMENTS

	2010	2009
	\$	\$
Hire Purchase Liability		
Payable – minimum lease payments		
- not later than 12 months	46,346	-
- between 12 months but not later than 5 years	77,243	-
- greater than 5 years	-	-
Less future finance charges	(12,502)	-
	111,087	-

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

NOTE 22 – SEGMENT REPORTING

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

NOTE 23 – UNION DETAILS

The registered office of the union is:

2 Badham Street
Dickson ACT 2602

RSM Bird Cameron

Level 1, 103-105 Northbourne Avenue Canberra ACT 2601

GPO Box 200 Canberra ACT 2601

T +61 2 6247 5988 F +61 2 6247 3703

www.rsmi.com.au

AUDITOR'S DISCLAIMER

The additional financial data presented in the following pages is in accordance with the books and records of the Construction Forestry Mining and Energy Union Construction and General Division – ACT Branch (CFMEU) which have been subjected to the auditing procedures applied in our audit of the CFMEU for the year ended 31 December 2010. 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 to the CFMEU), in respect of such data, including any errors or omissions therein however caused.

RSM BIRD CAMERON

Chartered Accountants



Canberra, Australian Capital Territory

Dated: 2 May 2011

GED STENHOUSE

Director

**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 2010**

	2010 \$	2009 \$
Revenue		
Membership subscriptions	741,980	488,246
Grant Income	79,324	-
Donations received	248,500	130,000
Sitting fees	13,236	31,449
EBA Lodgement Income	14,545	-
Management Fee Income	54,546	-
Sundry income	848	75,097
Interest received	80,177	6,153
Counselling Income	47,515	40,909
Advertising	29,522	21,900
Profit on Sale of Assets	41,936	-
Total Revenue	<u>1,352,129</u>	<u>1,859,410</u>
Expenditure		
Membership fees	11,449	14,084
Audit and accounting fees	26,265	31,960
ACIRT	26,865	26,315
Advertising and promotion costs	37,452	25,879
Bank charges	6,034	6,068
Bad Debts expense	4,562	-
Investment income from associates	(69,734)	(278,582)
Capitation fees – National Office	77,171	55,703
Loss on sale of investments	315,613	-
CSI – OH&S services	10,717	51,098
Depreciation	20,067	1,846
Donations	205,759	16,397
Fringe Benefits Tax	27,653	14,662
Interest	3,108	-
Insurance	11,588	11,437
Publications	318	3,364
Legal costs	23,046	22,095
Meeting expenses	7,935	5,835
Affiliation fees	14,198	10,801
Motor vehicle expenses	95,899	121,135
Payroll tax	73,167	85,146
Postage, printing and stationery	68,076	104,025
Protective clothing	10,701	2,141
Salaries and wages – office holders & employees	1,268,577	920,770
Subscriptions	801	16,794
Sundry expenses	3,020	1,003
Superannuation contributions	88,880	91,984
Telephone	34,668	56,910
Training	1,410	1,051
Travelling & accommodation expenses	64,613	81,929
Workers compensation	2,155	2,155
Computer expenses	33,189	17,451
Repair and maintenance	3,442	2,872
Office expenses	10,219	28,922
Trainee expenses	19,131	-
Total Expenditure	<u>2,538,014</u>	<u>1,831,832</u>
Operating Profit / (Loss)	<u>(1,185,885)</u>	<u>27,578</u>



FAIR WORK
AUSTRALIA

11 January 2011

Ms Sarah Schoonwater
Branch Secretary
Construction, Forestry, Mining and Energy Union-Construction and General Division, Australian
Capital Territory Divisional Branch
sarah@cfmeu.asn.au

Dear Ms Schoonwater,

**Lodgement of Financial Documents for year ended 31 December 2010 [FR2010/2844]
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Construction, Forestry, Mining and Energy Union - Construction and General Division, Australian Capital Territory Divisional Branch (the "reporting unit") has recently ended. This is a courtesy letter to remind you of the obligation to prepare and process the reporting unit's financial documents. The full financial report must be lodged with Fair Work Australia within a period of 6 months and 14 days of the end of the financial year.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. The attached *Timeline/Planner* summarises these requirements, but I also describe the sequence here.

When the accounts have been prepared ready for the auditor, you or other officers of the Committee of Management must complete, sign and date a "Committee of Management Statement". This Statement effectively approves the accounts for audit and is usually completed at a "first" Committee meeting.

When the auditor has completed his or her audit, he or she must sign and date the "Auditor's Report". The signing and dating of the Auditor's Report may coincide with the date of the "first" Committee Meeting.

Only when the Auditor's Report has been signed and dated is the financial report ready for distribution or publication for the members. This is because the members must be able to see that the report has been audited.

The final event is a formal presentation of the financial report to a "second" meeting. This can be a general meeting of the members, or a separate meeting of the Committee. A general meeting of the members is the default format unless your rules provide for members to petition a special general meeting to consider the report, in which case you can avail itself of the convenience of a Committee meeting instead (see s266).

If you intend to present the report to a general meeting, you must not hold the meeting until at least 21 days have elapsed since distributing or publishing the report to your members. (see s265(5)) If you intend and are permitted to present the report to a Committee meeting, this can be held at any time after the Auditor has signed his report. But this must be a "second" Committee meeting, separate from that at which the various documents were originally signed.

The documents must be lodged within 14 days of the "second" meeting. Your Certificate should provide the date the report was distributed/made available to the members and the date of presentation to the "second" meeting. This will enable Fair Work Australia to be satisfied that you have complied with the relevant sections of the Act

For additional information, if you need it, financial reporting fact sheets and sample documents can be found on our Fair Work Australia website (www.fwa.gov.au). You will find that the legislative requirements remain largely unchanged to that of the former requirements under Schedule 1 of the Workplace Relations Act 1996. The information can be viewed at [FWA Registered Organisations Fact Sheets](#)

This office encourages you to lodge all financial reports electronically (e.g. as pdf files) at RIASydney@fwa.gov.au. Alternatively, you can forward the documents by fax to (02) 9380 6990 .

If you need any further information or if you believe you will be unable to lodge the full financial report within the period mentioned above please contact me on (02) 8374 6666 or by email at RIASydney@fwa.gov.au.

Yours sincerely,



Steve Teece
Registered Organisations – New South Wales
Fair Work Australia

TIMELINE/ PLANNER

Financial reporting period ending:	/ /
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Prepare financial statements and Operating Report.
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(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.	/ /
(b) A #designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).	

As soon as practicable after end of financial year

Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /
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*Within a reasonable time of having received the GPFR
(NB: Auditor's report must be dated on or after date of Committee of Management Statement)*

Provide full report free of charge to members – s265 The full report includes: <input type="checkbox"/> the General Purpose Financial Report (which includes the Committee of Management Statement); <input type="checkbox"/> the Auditor's Report; and <input type="checkbox"/> the Operating Report.	/ /
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*(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,
or
(b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.*

Present full report to:	
(a) General Meeting of Members - s266 (1),(2); OR	/ /
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /

<i>Within 6 months of end of financial year</i>
<i>Within 6 months of end of financial year</i>

Lodge full report with Fair Work Australia, together with the #Designated Officer's certificate++ – s268	/ /
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<i>Within 14 days of meeting</i>

* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.