



FAIR WORK
AUSTRALIA

7 February 2011

Mr Barry Disken
Financial Controller, Forestry and Furnishing Products Division
CFMEU
148-152 Miller Street
WEST MELBOURNE VIC 3003



Dear Mr Disken

**Re: Lodgement of Financial Statements and Accounts – various –
for year ending 31 December 2008**

I refer to the financial statements and accounts for the following reporting entities, which were lodged with Fair Work Australia on 3 February 2011:

National (Divisional) Office (FR2008/565)

New South Wales Branch (FR2008/573)

South Australia Branch (FR2008/533)

Tasmania Branch (FR2008/568)

Victoria Branch (FR2008/541)

Western Australia Branch (FR2008/553)

The documents comply with the legislative requirements and have been filed.

Yours sincerely,

Stephen Kellett

Statutory Services Branch

Fair Work Australia



CONSTRUCTION
FORESTRY
MINING
ENERGY
UNION

FORESTRY &
FURNISHING
PRODUCTS
DIVISION

National Office
ABN 34 183 611 895

148 - 152 Miller Street
WEST MELBOURNE
VICTORIA 3003

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Email: admin@cfmeuffpd.org

3 February 2011

Mr S Kellett
Fair Work Australia
Level 8
80 William Street
East Sydney NSW 2011



Dear Stephen

Re: CFMEU FFPD Financial Statements for year ended 31 December 2008

Please find enclosed the following signed CFMEU FFPD Financial Statements for the year ended 31 December 2008 and Certificate by Secretary or Prescribed Designated Officer:

- National Office
- New South Wales Branch
- Pulp and Paper Workers' Branch
- South Australia Branch
- Tasmania Branch
- Victorian Forestry No 2 Branch
- Western Australia Branch

Also the following Pulp and Paper Workers' Branch Sub Branches:

- Maryvale
- Melbourne
- Millicent
- Nowra
- Sydney
- Tasmania

RECEIVED
3-2-11

Yours sincerely

Barry Disken
Financial Controller

**CERTIFICATE BY SECRETARY OR PRESCRIBED
DESIGNATED OFFICER**

S268 Fair Work (Registered Organisations) Act 2009

I, Michael O'Connor prescribed designated officer, certify that the enclosed documents lodged, consisting of the general purpose financial report of the Construction, Forestry, Mining & Energy Union Forestry, Furnishing, Building Products and Manufacturing Division – National Office for the year ended 31 December 2008.

- are copies of the documents provided to members from 20 December 2010.
- were subsequently presented to a meeting in accordance with section 266, being a meeting of committee of management held on 2 February 2011.



National Secretary
Construction, Forestry, Mining & Energy Union
Forestry, Furnishing, Building Products and Manufacturing Division

Date 2 February 2011

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND
MANUFACTURING DIVISION -
NATIONAL OFFICE**

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2008**

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

OPERATING REPORT

In accordance with Section 254 of the Fair Work (Registered Organisations) Act 2009, the Divisional Executive present their Operating Report on the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division – National Office, the Reporting Unit for the financial year ended 31 December 2008.

Principal Activities

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

- Implementation of the decisions of the Divisional Executive and National Conference.
- Implementation of the Union's organising agenda, including direct assistance and strategic advice on particular industry sector or site organising projects, the training and development of officials and assistance to Branches on planning, resourcing and conducting campaigns.
- Industrial support including representation of membership grievances, research, interpretation and advice on legal and legislative matters, and advocacy before industrial tribunal.
- Facilitation of communication within and between the Branches including the National Journal and website.
- Pursuing relevant change to the conditions of eligibility rules of the Union, and responding to other unions' rules applications where they impact on membership of FFPD.
- The interpretation and administration of Awards and Agreements, and making applications to vary Awards on behalf of Branches to upgrade or amend them.
- Management of information technology and strategic membership system designs to support organising.
- Involvement in lobbying and negotiations with different levels of Government and key industry organisations around issues of importance to FFPD members.

Operating Result

The operating loss of the Union for the financial year was \$554,267 (2007: operating profit of \$126,672). No provision for tax was necessary as the Union is exempt from income tax.

Significant Changes

There were no significant changes in the nature of activities of the Union during the year.

Pursuant to a special committee meeting dated 5 August 2008 it was resolved that the assets and liabilities of the Divisional Branches be transferred to the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division which would henceforth be responsible for all financial matters pertaining to the Divisional Branches. Separate financial reports of the Divisional Branches will no longer be prepared subsequent to 31 December 2008.

Except for the above, no matter or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, the results of those operations, or the state of affairs of the Union in future financial years.

Rights of Members

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

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

**OPERATING REPORT
Continued**

Superannuation Officeholders

Jane Calvert is the National Divisional President and Director of the Superannuation Trustee Company:
- Timber Industry Superannuation Scheme Pty Ltd (TISS Pty Ltd).

Alex Millar is the Senior National Divisional Vice President of the Union and Director of the Superannuation Trustee Company:
- Pulp & Paper Workers' Superannuation Fund Pty Ltd

Craig Smith is the National Divisional Vice President of the Union and Director of the Superannuation Trustee Company:
- Timber Industry Superannuation Scheme Pty Ltd (TISS Pty Ltd) until he resigned on the 1 March 2007.
- FIRST Superannuation Pty Ltd

Michael O'Connor is the National Divisional Secretary of the Union and Director of the Superannuation Trustee Company:
- Timber Industry Superannuation Scheme (TISS Pty Ltd).
- FIRST Superannuation Pty Ltd

Tim Woods is the Assistant National Divisional Secretary of the Union and Director of the Superannuation Trustee Company:
- Pulp and Paper Workers' Superannuation Fund Pty Ltd. until he resigned on 19 March 2008.

David Kirner is a National Divisional Trustee of the Union, and Director of the Superannuation Trustee Company:
- Timber Industry Superannuation Scheme Pty Ltd (TISS Pty Ltd)
- FIRST Superannuation Pty Ltd
- BIRST

Frank Vari is a National Divisional Trustee of the Union and Director of the Superannuation Trustee Company of FIRST Superannuation Pty Ltd.

Paul Ferreira is a National Divisional Executive Member of the Union and Director of the Superannuation Trustee Company:
- FIRST Superannuation Pty Ltd until he resigned on 30 May 2008.

Scott McLean is a National Divisional Executive Member of the Union and Director of the Superannuation Trustee Company:
- Timber Industry Superannuation Scheme Pty Ltd (TISS Pty Ltd)

No other officer or member of the Union acts:

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

As of 1 July 2008, the Timber Industry Superannuation Scheme and Pulp and Paper Workers' Superannuation Fund merged with the FIRST Superannuation Fund to form a combined entity known as FIRST Superannuation Fund.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

**OPERATING REPORT
Continued**

Other Prescribed Information

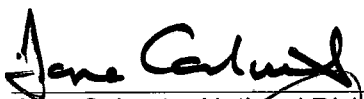
In accordance with Regulation 159 of the Fair Work (Registered Organisations) Regulations 2009:

- (a) the number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for Section 230 of the Fair Work (Registered Organisations) Act 2009 and who are taken to be members of the Union under section 244 of the Fair Work (Registered Organisations) Act 2009 was 17,481.
- (b) the number of persons who were, at the end of the financial year to which the report relates, employees of the Union, where the number of employees includes both full-time and part-time employees, measured on a full-time equivalent basis was 8.
- (c) The names of each person who have been a member of the Divisional Executive of the Union at any time during the reporting period, and the period for which he or she held such a position were;

Name	Position
Jane Calvert	National Divisional President
Alex Millar	Senior National Divisional Vice President
Craig Smith	National Divisional Vice President
Michael O'Connor	National Divisional
Leo Skourdourmbis	Assistant National Divisional Secretary
Tim Woods	Assistant National Divisional Secretary (resigned 19 March 2008)
Brad Coates	National Divisional Trustee
David Kirner	National Divisional Trustee
Kenneth Miller	National Divisional Trustee
Frank Vari	National Divisional Trustee
Vincent Breen	National Divisional Executive Member
Paul Ferreira	National Divisional Executive Member (resigned 30 May 2008)
Scott McLean	National Divisional Executive Member

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

Signed in accordance with a resolution of the Divisional Executive:



Jane Calvert – National Divisional President



Michael O'Connor – National Divisional Secretary

Melbourne 17 November 2010

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

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

	Note	2008 \$	2007 \$
Revenue	3	1,955,612	2,214,350
Administration expense	4	(404,818)	(675,472)
Affiliation fees, compulsory levies and sustentation fees	4	(169,894)	(162,116)
Depreciation expense	4	(31,401)	(35,907)
Employee benefits expense	4	(843,057)	(889,241)
Bad debts / doubtful debts		(763,467)	-
Loss on sale of fixed assets		(234)	-
Motor vehicle expense		(36,559)	(31,472)
Occupancy expense		(23,595)	(59,228)
Telephone and facsimile expense		(44,857)	(53,929)
Travel expense		(173,901)	(173,106)
Other expenses		(8,096)	(7,207)
(Loss)/Profit before income tax expense		<u>(544,267)</u>	<u>126,672</u>
Income tax expense	1(a)	<u>-</u>	<u>-</u>
Net (loss)/profit attributable to members		<u>(544,267)</u>	<u>126,672</u>

The accompanying notes form part of these financial statements

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

**BALANCE SHEET
AS AT 31 DECEMBER 2008**

	Note	2008 \$	2007 \$
CURRENT ASSETS			
Cash and cash equivalents	5	217,500	170,324
Trade and other receivables	6	313,712	856,376
Prepayments	7	<u>19,448</u>	<u>25,085</u>
TOTAL CURRENT ASSETS		<u>550,660</u>	<u>1,051,785</u>
NON CURRENT ASSETS			
Plant and equipment	8	<u>114,932</u>	<u>143,810</u>
TOTAL NON CURRENT ASSETS		<u>114,932</u>	<u>143,810</u>
TOTAL ASSETS		<u>665,592</u>	<u>1,195,595</u>
CURRENT LIABILITIES			
Trade and other payables	9	548,456	584,149
Short term provisions	10	<u>249,976</u>	<u>200,019</u>
TOTAL CURRENT LIABILITIES		<u>798,432</u>	<u>784,168</u>
TOTAL LIABILITIES		<u>798,432</u>	<u>784,168</u>
NET (LIABILITIES)/ASSETS		<u>(132,840)</u>	<u>411,427</u>
EQUITY			
Retained earnings / (accumulated losses)		<u>(132,840)</u>	<u>411,427</u>
TOTAL EQUITY		<u>(132,840)</u>	<u>411,427</u>

The accompanying notes form part of these financial statements

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Retained earnings \$	Total \$
Balance at 1 January 2007	284,755	284,755
Profit attributable to members	<u>126,672</u>	<u>126,672</u>
Balance at 31 December 2007	411,427	411,427
Loss attributable to members	<u>(544,267)</u>	<u>(544,267)</u>
Balance at 31 December 2008	<u>(132,840)</u>	<u>(132,840)</u>

The accompanying notes form part of these financial statements.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

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

	Note	2008 \$	2007 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Sustentation fees & levies		844,064	756,954
Interest received		959	1,399
Other income received		1,110,588	1,285,301
Payments to suppliers and employees		<u>(1,905,678)</u>	<u>(1,997,869)</u>
Net cash provided by operating activities	16(b)	<u>49,933</u>	<u>45,785</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for property, plant & equipment		(2,984)	(5,348)
Proceeds from disposal of property, plant & equipment		<u>227</u>	<u>-</u>
Net cash used by investing activities		<u>(2,757)</u>	<u>(5,348)</u>
Net increase in cash held		47,176	40,437
Cash at beginning of year		<u>170,324</u>	<u>129,887</u>
Cash at end of year	16(a)	<u>217,500</u>	<u>170,324</u>

The accompanying notes form part of these financial statements

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

**STATEMENT OF RECEIPTS AND PAYMENTS FOR RECOVERY OF WAGES ACTIVITY
CASH BASIS - FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008 \$	2007 \$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc	-	-
Interest received on recovered money	-	-
	-	-
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:-		
- 12 months or less	-	-
- greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:-		
- the reporting unit	-	-
- other entity	-	-
Deductions of fees or reimbursements of expenses	-	-
Payments to workers in respect of recovered money	-	-
	-	-
Total payments	-	-
Cash assets in respect of recovered money at end of year	-	-

The accompanying notes form part of these financial statements

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

**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, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009.

The financial report of Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division – National Office complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

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

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

a. Income Tax

No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 50 – 15 of the Income Tax Assessment Act 1997.

b. Revenue

Revenue from membership is recognised on a receipt basis.

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

Dividend revenue is recognised when the right to receive a dividend has been established.

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

c. Leases

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.

d. Impairment of Assets

At each reporting date, the Union review the carrying value of the tangible 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.

e. 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
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

f. Plant and Equipment

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

Plant and equipment is measured on the cost basis.

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

Depreciation

The depreciable amount of all fixed assets including buildings, but excluding freehold land, is depreciated on a straight line basis or a reducing balance basis over their estimated useful lives to the Union commencing from the time the asset is held ready for use.

The depreciation rates used for each class of assets are:

Class of Fixed Asset	Depreciation Rate
Furniture, fittings and equipment	5.0% to 47.90%
Motor vehicles	22.5%

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 benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Union to an employee superannuation fund and are charged as expenses when incurred.

h. Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the Union becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at cost on trade date, which includes transaction 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
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

h. Financial Instruments continued

Derecognition

Financial assets are derecognised where the contractual rights to cash flows expires or the asset is transferred to another party whereby the Union no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities is recognised in profit or loss.

Financial Assets

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 nominal value.

Held-to-maturity investments

These investments have fixed maturities, and it is the Union's intention to hold these investments to maturity. Any held-to-maturity investments held by the Union are stated at a current value based on either amortising or revaluing the investment on a straight line basis to its face value at maturity. Any adjustment is debited or credited to interest.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

i. 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 GST component of investing and financing activities, which are disclosed as operating cash flows.

j. Grants

The Union receives grant funding from various sources for varying purposes. All funds received are isolated in the Balance Sheet, from which all expenditures are made. Given that the grant projects generally have an operating period that differs from the financial year-end, amounts are carried forward in the Balance Sheet:-

- As an asset where expenditures exceed funding received to the balance date and where such expenditures are recoverable under the Terms of the Grant
- As a liability where funding received exceeds expenditures to the balance date and the grant is ongoing.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

k. Comparative Figures

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

l. Critical Accounting Estimates and Judgements

The Divisional Executive evaluates 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

The Divisional Executive members assess 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 calculation performed in assessing recoverable amounts incorporates a number of key estimates.

Key Judgements

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

m. Going Concern

The Reporting Unit has a net current asset deficiency of \$247,772 and a net asset deficiency of \$132,840.

The continuing operations of the Reporting Unit and the ability to pay its debts as and when they fall due is dependent upon the continuing financial support of the Construction, Forestry, Mining and Energy Union ("CFMEU") Forestry, Furnishing, Building Products and Manufacturing Division.

Pursuant to a special committee meeting dated 5 August 2008 it was resolved that the assets and liabilities of the Reporting Unit be transferred to the CFMEU Forestry, Furnishing, Building Products and Manufacturing Division which would henceforth be responsible for all financial matters pertaining to the Reporting Unit.

The CFMEU Forestry, Furnishing, Building Products and Manufacturing Division has confirmed that it will provide to the Reporting Unit the financial assistance necessary to ensure that the Reporting Unit is able to pay its debts as and when they fall due and enable the Reporting Unit to continue as a going concern. If the Reporting Unit is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from those stated in the financial report.

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

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

1. A member of a reporting unit, or the General Manager of Fair Work Australia, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

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

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

2. The application must be in writing and specify the period within which, and the manner in which, the information is to be made available. The period must not be less than fourteen days after the application is given to the reporting unit.
3. A reporting unit must comply with an application under subsection (1).

	2008	2007
	\$	\$
NOTE 3: REVENUE		
Operating activities		
Sustentation fees from Branches:		
- CFMEU FFPD Branches:		
New South Wales	161,026	140,118
South Australia	157,216	154,673
Victoria	168,985	174,412
Tasmania	52,077	44,910
Western Australia	17,669	18,575
- CFMEU FFTS Branches:		
Queensland	-	14,802
Victoria	229,480	201,106
-CFMEU Pulp and Paper Workers' Branch	57,611	56,292
Trainee organisers	62,432	186,000
Directors fees	317,159	281,110
Consultancy fees	85,000	121,955
Coordinator fees	434,642	514,103
Department of Primary Industry	93,750	62,500
Training Income	-	56,500
Branch Levy to CFMEU FFPD National Office		
- CFMEU FFPD Branches		
New South Wales	-	16,035
South Australia	-	12,235
Western Australia	-	1,500
Victoria	-	15,175
Tasmania	-	4,390
- CFMEU FFTS Branches		
Queensland	-	1,235
Victoria	-	48,750
- CFMEU Pulp and Paper Workers' Branch	-	13,040
Interest received	959	1,399
Other income	117,606	73,535
Total revenue	1,955,612	2,214,350

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

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

	2008	2007
	\$	\$
NOTE 4: LOSS FOR YEAR		
Loss before income tax expense has been determined after:		
EXPENSES		
Administration expense		
Bank charges	146	489
Campaign expenses	38,939	177,160
Child Labour Support Campaign	2,892	5,020
Computer expenses	20,031	33,256
Conference Expenses	11,069	-
Consultancy expenses	33,252	11,365
Donations:		
The Heart Foundation	100	-
APHEDA Burma Appeal	1,000	-
Yallambee Retirement Village	100	-
Andrew Love Cancer Centre	100	-
CFMEU Support the 107 Special Effort	-	600
ALP Cowper Electorate	-	1,000
ALP Western Metro Region: Martin Pakula	-	395
Christine Maxfield ALP Candidate for Gippsland	-	5,148
Sid Sidebottom ALP Candidate for Braddon	-	12,000
CFMEU National Office Sydney – Progressive Ideas Network	-	10,000
Insurance	13,587	14,211
Legal expenses	98,211	247,439
Meeting expenses	18,140	-
NAC fees	37,500	75,000
Postage and freight	4,440	5,096
Printing and stationery	7,771	10,394
Promotional material	15,245	41,891
Publications and subscriptions	3,610	6,734
Repairs and maintenance	493	1,383
Sponsorship	10,000	-
Staff expenses	11,829	3,084
Sundry expenses	3,360	8,307
Remuneration of auditor		
- audit	73,003	5,500
	<u>404,818</u>	<u>675,472</u>
Affiliation fees, compulsory levies and Sustentation fees		
Affiliation fees:		
- Australian Labour Party – Victorian Branch	29,369	27,978
Sustentation fees:		
- CFMEU National Office	140,525	134,138
	<u>169,894</u>	<u>162,116</u>

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

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

	2008	2007
	\$	\$
NOTE 4: LOSS FOR YEAR continued		
Depreciation expense		
Motor vehicles	20,609	25,206
Furniture, fittings and equipment	10,792	10,701
	31,401	35,907
 Employee benefit expense		
Salaries		
- elected officials	101,489	119,570
- employees	539,630	558,107
Superannuation		
- elected officials	15,102	14,692
- employees	78,662	68,598
Provision for annual leave		
- elected officials	(11,384)	12,665
- employees	7,164	26,762
Provision for long service leave		
- elected officials	1,279	3,012
- employees	3,187	23,594
Provision for sick leave		
- elected officials	(5,280)	1,148
- employees	19,253	3,990
Provision for RDO		
- elected officials	23,313	-
- employees	12,425	-
Termination payments:		
- employees	2,810	-
Fringe benefits tax	18,362	15,431
Payroll tax	25,673	40,566
Workcover	11,372	1,106
	843,057	889,241
 NOTE 5: CASH AND CASH EQUIVALENTS		
Cash at bank	217,500	170,324

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

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

	2008 \$	2007 \$
NOTE 6: TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade receivables:		
-CFMEU FFPD Branches Sustentation Fees:		
New South Wales	89,741	91,113
South Australia	30,111	13,982
Tasmania	124,535	64,468
Victoria	29,659	13,733
Western Australia	143,146	110,976
Pulp & Paper Workers' Branch	57,611	-
-CFMEU FFTS Branches Sustentation Fees:		
Victoria	21,607	42,516
-Other	141,766	164,636
Sundry debtors:		
- CFMEU FFPD Branches Loans and Other:		
New South Wales – Loan	100,000	100,000
New South Wales – Other	90,570	37,957
PPW Melbourne Sub Branch – Other	-	73
Pulp & Paper Workers' Branch – Other	3,514	8,059
South Australia – Other	10,339	39,448
Tasmania – Other	53,780	49,537
Tasmania - Loan	17,500	-
Victoria – Other	22,069	70,682
Western Australia – Other	2,677	14,085
Western Australia – Loan	79,961	35,111
	1,018,586	856,376
Less Provision for Doubtful Debts		
New South Wales	(270,470)	-
South Australia	(18,396)	-
Tasmania	(195,599)	-
Western Australia	(220,409)	-
	313,712	856,376

NOTE 7: OTHER CURRENT ASSETS

CURRENT		
Prepayments	19,448	25,085

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

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

	2008	2007
	\$	\$
NOTE 8: PLANT AND EQUIPMENT		
Furniture, fittings and equipment – at cost	79,951	77,478
Less accumulated depreciation	<u>(54,322)</u>	<u>(43,580)</u>
	<u>25,629</u>	<u>33,898</u>
Motor vehicles – at cost	140,620	140,620
Less accumulated depreciation	<u>(51,317)</u>	<u>(30,708)</u>
	<u>89,303</u>	<u>109,912</u>
 TOTAL PLANT AND EQUIPMENT	 <u>114,932</u>	 <u>143,810</u>

Movements In Carrying Amounts

Movements in the carrying amounts (written down values) for each class of property, plant and equipment between the start and end of the current financial year.

	Motor Vehicles	Furniture Fittings & Equipment	TOTAL
	\$	\$	\$
Balance at start of year	109,912	33,898	143,810
Additions	-	2,984	2,984
Disposals	-	(461)	(461)
Depreciation expense	<u>(20,609)</u>	<u>(10,792)</u>	<u>(31,401)</u>
Balance at end of year	<u>89,303</u>	<u>25,629</u>	<u>114,932</u>

NOTE 9: TRADE AND OTHER PAYABLES

Trade creditors & accruals:

- CFMEU FFPD Branches:

New South Wales	9,841	9,841
South Australia	22,054	6,293
Victoria	25,991	25,191
Tasmania	216	53

- CFMEU Pulp & Paper Workers' Branch

- CFMEU Pulp & Paper Workers' Melbourne Sub-Branch

- CFMEU National Office

- Other

Other payables

- CFMEU Pulp & Paper Workers' Branch

GST liability

	<u>548,456</u>	<u>584,149</u>
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**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

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

	2008	2007
	\$	\$
NOTE 10: PROVISIONS		
CURRENT		
Employee benefits:		
Annual leave		
- elected officials	5,694	17,078
- employees	51,782	44,618
Long service leave		
- elected officials	12,380	11,101
- employees	57,033	53,846
Sick leave		
- elected officials	42,668	47,948
- employees	44,681	25,428
RDO Leave		
- elected officials	23,313	-
- employees	12,425	-
	<u>249,976</u>	<u>200,019</u>
Total Current Provisions		
	<u>8</u>	<u>10</u>
Number of Employees at year end		

**NOTE 11: KEY MANAGEMENT PERSONNEL COMPENSATION
AND RELATED PARTY TRANSACTIONS**

The names of each person who have been a member of the Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position were;

Jane Calvert	National Divisional President
Alex Millar	Senior National Divisional Vice President
Craig Smith	National Divisional Vice President
Michael O'Connor	National Divisional Secretary
Leo Skourdourmbis	Assistant National Divisional Secretary
Tim Woods	Assistant National Divisional Secretary (resigned 19 March 2008)
Brad Coates	National Divisional Trustee
David Kirner	National Divisional Trustee
Kenneth Miller	National Divisional Trustee
Frank Vari	National Divisional Trustee
Vincent Breen	National Divisional Executive Member
Paul Ferreira	National Divisional Executive Member (resigned 30 May 2008)
Scott McLean	National Divisional Executive Member

(a) The aggregate amount of remuneration paid to elected officials during the financial year for salaries was \$101,489 (2007: \$119,570). The aggregate amount paid during the financial year to a superannuation plan in connection with the retirement of elected officials was \$15,102 (2007: \$14,692).

(b) There was no remuneration paid to other persons on the committee of management.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

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

**NOTE 11: KEY MANAGEMENT PERSONNEL COMPENSATION
AND RELATED PARTY TRANSACTIONS continued**

- (c) There were no other transactions between the officers of the Union other than those relating to their membership of the Union and reimbursement by the Union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

NOTE 12: EVENTS SUBSEQUENT TO REPORTING DATE

Pursuant to a special committee meeting dated 5 August 2008 it was resolved that the assets and liabilities of the CFMEU FFPD Divisional Branches be transferred to the Reporting Unit which would be responsible henceforth for all financial matters pertaining to the Divisional Branches. Separate financial reports of the CFMEU FFPD Divisional Branches will no longer be prepared subsequent to 31 December 2008.

NOTE 13: CONTINGENT LIABILITIES

The CFMEU FFPD National Office is committed to providing the necessary financial assistance to its Divisional Branches to ensure that its Branches are able to pay their debts as and when they fall due. As at 31 December 2008, the New South Wales, South Australia, Western Australia and Tasmania Branches are in a cumulative net asset deficiency amounting to \$1,016,204. Also included in the assets of the Victorian and Pulp and Papers Workers' Branches are receivables amounting to \$1,811,859 for which the auditors have not been able to obtain the necessary information to assess for recoverability.

Pursuant to the authority given to the Divisional Executive under the Union's Rules, the CFMEU FFPD National Office and the CFMEU FFPD Divisional Branches have joint and several responsibilities for the liabilities of the CFMEU FFPD Divisional Branches.

Liabilities incurred on behalf of CFMEU FFPD Divisional Branches by the National Office are not recognised in the CFMEU FFPD National Office financial statements as it is not probable that the CFMEU FFPD National Office will have to meet those liabilities. A full assessment of the CFMEU Divisional Branches' net assets as at 31 December 2008 has been performed and a conclusion reached that it is not probable that the National Office will have to meet these obligations.

NOTE 14: ECONOMIC DEPENDENCE

The principle source of income for the Union is from membership fees. The Union is economically dependent upon the membership levels and fees.

NOTE 15: SEGMENT REPORTING

The Union operates predominantly in one industry, being the Forestry, Furnishing, Building Products and Manufacturing sector.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

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

	2008 \$	2007 \$
NOTE 16: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:		
Cash at bank	<u>217,500</u>	<u>170,324</u>
b. Reconciliation of Net Cash provided by (used in) Operating Activities to Net (Loss) / Profit		
Net (loss) / profit	(544,267)	126,672
Non Cash Items		
Depreciation	31,401	35,907
Loss on disposal of fixed assets	234	-
Changes in Assets and Liabilities		
(Increase)/decrease in receivables	542,664	(170,697)
(Increase)/decrease in prepayments	5,637	21,417
Provision for employee entitlements	49,957	71,171
Increase/(decrease) in payables	<u>(35,693)</u>	<u>(38,685)</u>
Cash flows provided by / (used in) operations	<u>49,933</u>	<u>45,785</u>
c. Credit Stand-by Arrangement and Loan Facilities		
There are no credit or loan facilities.		
d. There were no non-cash financing or investing activities during the period.		
e. Net cash inflows relating to another reporting unit of the organisation are as follows:		
CFMEU – Pulp & Paper Workers' Branch (included within sustentation fees & levies and other income)	72,069	
CFMEU – Forest & Forestry Products Division Vic Branch No.2 (included within sustentation fees & levies and other income)	255,432	
CFMEU – Forest & Forestry Products Division Western Australia Branch (included within sustentation fees & levies and other income)	(41,449)	
CFMEU – Forest & Forestry Products Division New South Wales Branch (included within sustentation fees & levies and other income)	275,706	
CFMEU - Forest & Forestry Products Division South Australia Branch (included within sustentation fees & levies and other income)	229,587	
CFMEU – Pulp and Paper Workers' Melbourne Sub Branch (included within sustentation fees & levies and other income)	1,838	
CFMEU - Forest & Forestry Products Division Tasmania Branch (included within sustentation fees & levies and other income)	<u>6,372</u>	
	<u>799,555</u>	

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

NOTE 17: FINANCIAL RISK MANAGEMENT

a. Financial Risk Management Policies

The Union's financial instruments consist mainly of deposits with banks, local money market instruments, accounts receivable and payable.

The Union does not have any derivative instruments at 31 December 2008.

i. Treasury Risk management

A finance committee consisting of senior management meet on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The committee's overall risk management strategy seeks to assist the Union in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The finance committee operates under policies approved by the senior committee members. Risk management policies are approved and reviewed by the committee on a regular basis. These include the use of credit risk policies and future cash flow requirements.

ii. Financial Risk Exposures and Management

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

Foreign Currency Risk

The Union is not exposed to fluctuations in foreign currencies.

Liquidity Risk

The association manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

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 receivable or group of receivables under financial instruments entered into by the association.

Price Risk

The Union is not exposed to any material commodity price risk.

b. Financial Instrument Composition and Maturity Analysis

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, amounts may not reconcile to the balance sheet.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
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NATIONAL OFFICE**

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

NOTE 17: FINANCIAL RISK MANAGEMENT continued

	Note	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	Fixed Interest Rate Maturing			TOTAL \$
				Within 1 Year \$	1 to 5 Years \$	Non- interest bearing \$	
2008							
Financial Assets							
Cash at bank	5	0.4%	217,500	-	-	-	217,500
Receivables	6	N/a	-	-	-	313,712	313,712
Total Financial Assets			217,500	-	-	313,712	531,212
Financial Liabilities							
Payables	9	N/a	-	-	-	548,456	548,456
Total Financial Liabilities			-	-	-	548,456	548,456
Net Financial Assets/ (Liabilities)			217,500	-	-	(234,744)	(17,244)
2007							
Financial Assets							
Cash at bank	5	0.45%	170,324	-	-	-	170,324
Receivables	6	N/a	-	-	-	856,376	856,376
Total Financial Assets			170,324	-	-	856,376	1,026,700
Financial Liabilities							
Payables	9	N/a	-	-	-	584,149	584,149
Total Financial Liabilities			-	-	-	584,149	584,149
Net Financial Assets/(Liabilities)			170,324	-	-	272,227	442,551

c. 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.

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.

Sensitivity Analysis

Interest rate risk

The Union has performed sensitivity analysis relating to its exposure to interest rate risk at balance sheet date. This sensitivity analysis demonstrated the effect on current year results and equity which could result from a change in this risk.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

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

NOTE 17: FINANCIAL RISK MANAGEMENT continued

As at 31 December 2008, the effect on profit and equity as a result of changes in interest rates, with all other variables remaining constant would be as follows:

	Profit \$	Equity \$
Year Ended 31 December 2008 +/- 2% in interest rate basis points	4,350	4,350
Year Ended 31 December 2007 +/- 2% in interest rate basis points	3,406	3,406

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

No sensitivity analysis has been performed in foreign currency risk as the Union is not exposed to foreign currency fluctuations.

NOTE 18: CHANGES TO AUSTRALIAN ACCOUNTING STANDARDS

The following Australian Accounting Standards issued or amended may be applicable to the Branch but not yet effective and have not been adopted in the preparation of the financial statements at the reporting date.

AASB Amendment	Standards Affected	Outline of Amendment	Application Date of Standard	Application Date for Sub-Branch
AASB 2007-3: Amendments to Australian Accounting Standards	AASB 5: Non-current Assets Held for Sale and Discontinued Operations AASB 107: Cash Flow Statements AASB 119: Employee Benefits AASB 127: Consolidated and Separate Financial Statements AASB 136: Impairment of Assets AASB 1023: General Insurance Contracts	The disclosure requirements of AASB 1114: Segment Reporting will involve changes to segment reporting disclosures within the financial report. However, it is anticipated there will be no direct impact on recognition and measurement criteria amounts included in the financial report, as the entity does not fall within the scope of AASB 8.	01.01.2009	01.07.2009
AASB 8: Operating Segments	AASB 114: Segment Reporting	As above.	01.01.2009	01.07.2009

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
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NATIONAL OFFICE**

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

NOTE 18: CHANGES TO AUSTRALIAN ACCOUNTING STANDARDS continued

AASB 2007-6 Amendments to Australian Accounting Standards	AASB 1: First time adoption of AIFRS AASB 101: Presentation of Financial Statements AASB 107: Cash Flow Statements AASB 116: Property, Plant and Equipment	The revised AASB 123: Borrowing Costs issued in June 2007 has removed the option to expense all borrowing costs. This amendment will require the capitalisation of all borrowing costs directly attributable to the acquisition, construction of production of a qualifying asset. However, there will be no direct impact to the amounts included in the financial statements as the Union already capitalises borrowing costs relating to qualifying assets.	01.01.2009	01.07.2009
AASB 123: Borrowing Costs	AASB 123: Borrowing Costs	As above.	01.01.2009	01.07.2009
AASB 2007-8 Amendments to Australian Accounting Standards	AASB 101: Presentation of Financial Statements	The revised AASB 101: Presentation of Financial Statements issued in September 2007 requires the presentation of a statement of comprehensive income and makes changes to the statement of changes in equity.	01.01.2009	01.07.2009
AASB 101	AASB 101: Presentation of Financial Statements	As above.	01.01.2009	01.07.2009

NOTE 19: ENTITY DETAILS

The registered office is:
148-152 Miller Street
West Melbourne
Victoria
3003

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

DIVISIONAL EXECUTIVE CERTIFICATE

On 17 November 2010 the Divisional Executive of the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division ("Union/Reporting Unit") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2008:

The Divisional Executive 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 General Manager of Fair Work Australia;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the Divisional Executive were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) the information sought in any request of a member of the reporting unit or the General Manager duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or the General Manager; and
 - (vi) there has been compliance with any order for inspection of financial reports made by the Tribunal under section 273 of the Fair Work (Registered Organisations) Act 2009.

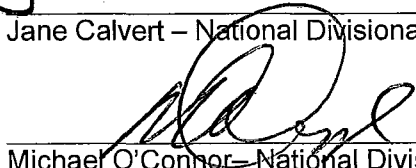
**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

**DIVISIONAL EXECUTIVE CERTIFICATE
continued**

- (f) in relation to recovery of wages activity:
- (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager; and
 - (ii) the committee of management caused the auditor to include in the scope of the audit required under subsection 257(1) of the Fair Work (Registered Organisations) Act 2009 all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
 - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
 - (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
 - (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.



Jane Calvert – National Divisional President



Michael O'Connor – National Divisional Secretary

Melbourne: 17 November 2010

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION – NATIONAL OFFICE

We have audited the accompanying financial report of Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division – National Office (the reporting unit), which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the committee of management's declaration of the reporting unit during the financial year.

Committee of management's responsibility for the financial report

The reporting unit's committee of management 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. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, 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 of management, 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.

INDEPENDENT AUDITOR'S REPORT continued

**TO THE MEMBERS OF CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

Independence

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

Auditor's opinion

In our opinion the financial report of the reporting unit:

- (a) is in accordance with the provisions of the Fair Work (Registered Organisations) Act 2009, other requirements imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009, including:
 - (i) presenting fairly the reporting unit's financial position as at 31 December 2008 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and International Financial Reporting Standards as disclosed in Note 1.

- (b) properly and fairly report all information in relation to recovery of wages activity required by the reporting guidelines of the General Manager of Fair Work Australia, including:
 - (i) any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity; and
 - (ii) any donations or other contributions deducted from recovered money.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

L.S. Wong

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

Melbourne: 17 November 2010

COMPILATION REPORT

TO THE CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION – NATIONAL OFFICE

Scope

On the basis of the information provided by the Divisional Executive of Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division – National Office we have compiled, in accordance with APS 9: Statement of Compilation of Financial Reports the special purpose financial report comprising the Detailed Profit and Loss Statement of Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division – National Office for the year ended 31 December 2008 as set out on page 30 to 32.

The specific purpose for which the special purpose financial report has been prepared is to provide financial information to the Divisional Executive. No Accounting Standards and other mandatory professional reporting requirements have been adopted in the preparation of the special purpose financial report.

The Divisional Executive is solely responsible for the information contained in the special purpose financial report and has determined that the accounting policies used are consistent and are appropriate to satisfy the needs of the Divisional Executive.

Our procedures use accounting expertise to collect, classify and summarise the financial information which the Divisional Executive provided into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the reporting unit, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared for the benefit of the reporting unit and its members and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

Melbourne: 17 November 2010

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

**DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	2008	2007
	\$	\$
INCOME		
Sustentation fees from Branches:		
- CFMEU FFPD Branches		
New South Wales	161,026	140,118
South Australia	157,216	154,673
Victoria	168,985	174,412
Tasmania	52,077	44,910
Western Australia	17,669	18,575
- CFMEU FFTS Branches		
Queensland	-	14,802
Victoria	229,480	201,106
- CFMEU Pulp and Paper Workers' Branch	57,611	56,292
Branch levy to CFMEU FFPD National Office		
- CFMEU FFPD Branches		
New South Wales	-	16,035
South Australia	-	12,235
Western Australia	-	1,500
Victoria	-	15,175
Tasmania	-	4,390
- CFMEU FFTS Branches		
Queensland	-	1,235
Victoria	-	48,750
- CFMEU Pulp and Paper Workers' Branch	-	13,040
Consultancy fees	85,000	121,955
Coordinator fees	434,642	514,103
Department of Primary Industry	93,750	62,500
Directors fees	317,159	281,110
Interest received	959	1,399
Sponsorship	70,432	52,914
Reimbursement of Trainee Organisers	62,431	186,000
Rent and relocation reimbursements	-	127
Employee contribution FBT	2,720	5,047
Sitting Fees	11,447	-
Surplus WIMD01 Conference	9,182	-
Sundry income	23,826	15,447
Training income	-	56,500
TOTAL INCOME	<u>1,955,612</u>	<u>2,214,350</u>

This statement should be read in conjunction with the attached compilation report on page 29

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

**DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008	2007
	\$	\$
EXPENDITURE		
Affiliation fees		
- Australian Labour Party – Victorian Branch	29,369	27,978
- CFMEU National Office	140,525	134,138
Auditors Remuneration	73,003	5,500
Bad Debts	763,467	-
Bank charges	147	489
Campaigns	38,939	177,160
Child Labour Support Campaign	2,892	5,020
Cleaning	526	-
Computer expenses	20,031	33,256
Conference & travelling expenses	184,970	173,106
Consultancy expenses	33,252	11,365
Depreciation	31,401	35,907
Divisional executive expense	598	3,613
Donations:		
The Heart Foundation	100	-
APHEDA Burma Appeal	1,000	-
Yallambee Retirement Village	100	-
Andrew Love Cancer Centre	100	-
CFMEU Support the 107 Special Effort	-	600
ALP Cowper Electorate	-	1,000
ALP Western Metro Region: Martin Pakula	-	395
Christine Maxfield ALP Candidate for Gippsland	-	5,148
Sid Sidebottom ALP Candidate for Braddon	-	12,000
CFMEU National Office Sydney – Progressive Ideas Network	-	10,000
Fringe benefits tax	18,361	15,431
Insurance	13,587	14,211
Legal fees	98,211	247,439
Light & power	35	265
Loss on sale of fixed asset	234	-
Meeting expenses	18,140	4,978
Motor vehicle expenses	36,559	31,472
NAC fees	37,500	75,000
Payroll tax	25,673	40,566
Postage and freight	4,440	5,096
Printing and stationery	7,771	10,394
Promotional items	15,245	41,891
Provision for annual leave		
- elected officials	(11,385)	12,665
- employees	7,164	26,762
Provision for long service leave		
- elected officials	1,279	3,012
- employees	3,186	23,594

This statement should be read in conjunction with the attached compilation report on page 29

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NATIONAL OFFICE**

**DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	2008	2007
	\$	\$
Provision for sick leave		
- elected officials	(5,279)	1,147
- employees	19,252	3,990
Provision for RDO leave		
- elected officials	23,313	-
- employees	12,426	-
Publications and subscriptions	3,610	6,734
Rent and outgoings	22,974	57,580
Repairs, maintenance and outgoings	552	1,383
Salaries and wages:		
- elected officials	101,489	119,570
- employees	539,630	558,107
Sponsorships	10,000	-
Staff expenses	1,555	-
Sundry expenses	9,406	8,307
Superannuation contributions:		
- elected officials	15,102	14,692
- employees	78,661	68,598
Termination payments:		
- Employees	2,810	-
Training & education	11,728	3,084
Telephone and facsimile	44,859	53,929
Workcover	11,371	1,106
	<hr/>	<hr/>
TOTAL EXPENDITURE	2,499,879	2,087,678
	<hr/>	<hr/>
NET PROFIT/ (LOSS) FOR YEAR	(544,267)	126,672

This statement should be read in conjunction with the attached compilation report on page 29



CONSTRUCTION
FORESTRY
MINING
ENERGY
UNION

FORESTRY &
FURNISHING
PRODUCTS
DIVISION

National Office
ABN 91 691 430 210

148 - 152 Miller Street
WEST MELBOURNE
VICTORIA 3003

PH: (03) 9274 9200
FAX: (03) 9274 9284

Freecall: 1800 080 556

Email: admin@cfmeuffod.org

23rd December 2009
Stephen Kellett
Statutory Services Branch
AIR
L 8, Terrace Towers
80 Williams St
East Sydney
NSW 2011
By email: stephen.kellett@airc.gov.au

Dear Stephen,

Lodgement of Financial Statements & Accounts for the years ended 31 December 2007 and 31 December 2008, FFPD Division & Branches & Sub Branches; Fair Work (Registered Organisations) Act 2009

As you are aware these reports have been delayed because of the major organisational restructure we have undertaken. We are still finalising the reports but here is an update on progress.

2007

In relation to the following entities:

- FFPD National Office; FFPD Branches of NSW, Vic Forestry, Sth Australian, Tasmanian, Western Australian and PPW; PPW Sub Branches of Maryvale, Melbourne, Millicent, Nowra, Sydney, Burnie, Boyer, Wesley Vale and Tasmania

These reports are well advanced and we expect to be able to lodge them in March 2010.

2008

In relation to the following entities:

- FFPD National Office; FFPD Branches of NSW, Vic Forestry, Sth Australian, Tasmanian, Western Australian and PPW; PPW Sub Branches of Maryvale, Melbourne, Millicent, Nowra and Sydney.

We expect to be able to lodge these reports in June 2010.

We will keep you informed of our progress.

In the meantime please contact me if you need further information or wish to discuss this matter.

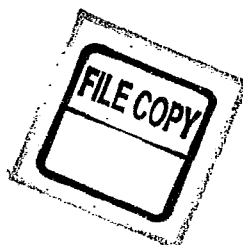
Sincerely

Jane Calvert
CFMEU FFPD
National President
(03) 9274 9200
email jcalvert@cfmeuffpd.org



Fair Work
Australia

Mr Michael O'Connor
National Secretary, FFPD Division
Construction, Forestry, Mining and Energy Union
148-152 Miller Street
WEST MELBOURNE VIC 3003



Dear Mr O'Connor,

**Lodgment of outstanding Financial Statements and Accounts – FFPD Division and
Branches - Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule) –
for years ended 31 December 2007 and 31 December 2008**

I write to seek your formal advice in relation to the outstanding financial returns for the above years.

I understand from a conversation on the telephone in May with Mr Barry Disken that extended delays in lodgment were resulting from the Division's auditors' requirements for their preparation.

I would greatly appreciate it if I could be advised in writing of the circumstances affecting the preparation of the reports and broadly when you anticipate being in a position to lodge them.

Yours sincerely,

Stephen Kellett
Statutory Services Branch

7 July 2009



Australian Government
Australian Industrial Registry

12 January 2009

Mr Michael O'Connor
National Secretary, FFPD Division
Construction, Forestry, Mining and Energy Union
PO Box 661
CARLTON SOUTH VIC 3053

Dear Mr O'Connor



Lodgment of Financial Statements and Accounts for year ended 31 December 2008 – FFPD Division and Branches - Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)

The financial year of the Forestry, Furnishing, Building Products and Manufacturing Division of the Construction, Forestry, Mining and Energy Union and its Branches has recently ended. This is a courtesy letter to remind the Division of the obligations imposed by the RAO Schedule regarding the preparation of financial accounts and statements. As I understand from discussions last year that Mr Disken is co-ordinating the preparation and lodgement of the financial returns for the reporting units of the previous Divisional structure, I have written to him also.

Our records show that the following financial returns for the various reporting units under the previous Divisional structure are required to be prepared in respect of the financial year ended 31 December 2008:

- (1) the FFPD Divisional Office (FR2008/565);
- (2) the Queensland FFTS Divisional Branch (FR2008/577);
- (3) the Victorian FFTS Divisional Branch (FR2008/635);
- (4) the NSW Divisional Branch (FR2008/573);
- (5) the South Australian Divisional Branch (FR2008/533);
- (6) the Tasmanian Divisional Branch (FR208/568);
- (7) the Victorian Divisional Branch (FR2008/541);
- (8) the West Australian Divisional Branch (FR2008/553);
- (9) the Pulp and Paper Workers' Divisional Branch (FR2008/537);
- (10) the Pulp & Paper Workers' Maryvale Sub-Branch (FR2008/564);
- (11) the Pulp & Paper Workers' Melbourne Sub-Branch (FR2008/552);
- (12) the Pulp & Paper Workers' Millicent Sub-Branch (FR2008/540);

(13) the Pulp & Paper Workers' Nowra Sub-Branch (FR2008/539);

(14) the Pulp & Paper Workers' Sydney Sub-Branch (FR2008/538);

(15) the Pulp & Paper Workers' Tasmanian Sub-Branch (FR2008/645).

The time frame for completing the audit, presentation and lodgment of the above returns will expire - unless a one month extension under s265(5) is granted - on 14 July 2009. The Registry is aware that the 2007 financial returns for most of the above reporting units are still in process and their late lodgement may impact on the 2008 audits so applications for extensions may be helpful if the Division considers them appropriate.

You will naturally be familiar with the general requirements under the RAO Schedule but I direct your attention in any case to our website at <http://www.airc.gov.au/registered/FR/information.htm>,

The presentation of the full reports to appropriate meetings – as they can be arranged given the structural and office changes effective from January 2009 - 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 respective former branches and sub-branches.

If you need any further information or assistance or wish to discuss the returns at any time in the coming months, please do not hesitate to contact me on 0429 462 979 or by email at stephen.kellett@airc.gov.au.

Yours sincerely,



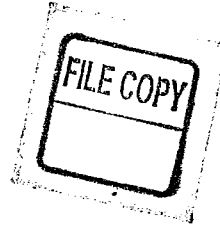
Stephen Kellett
Statutory Services Branch



Australian Government
Australian Industrial Registry

12 January 2009

Mr Barry Disken
Financial Controller, FFPD Division
Construction, Forestry, Mining and Energy Union
PO Box 661
CARLTON SOUTH VIC 3053



Dear Mr Disken

Lodgment of Financial Statements and Accounts for year ended 31 December 2008 – FFPD Division and Branches - Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)

The financial year of the Forestry, Furnishing, Building Products and Manufacturing Division of the Construction, Forestry, Mining and Energy Union and its Branches has recently ended. This is a courtesy letter to remind the Division of the obligations imposed by the RAO Schedule regarding the preparation of financial accounts and statements. As I understand from our discussion last year you are co-ordinating the preparation and lodgment of the financial returns for the reporting units of the previous Divisional structure, I am writing to you as well as to the Divisional Secretary.

Our records show that the following financial returns are required to be prepared in respect of the financial year ended 31 December 2008:

- (1) the FFPD Divisional Office (FR2008/565);
- (2) the Queensland FFTS Divisional Branch (FR2008/577);
- (3) the Victorian FFTS Divisional Branch (FR2008/635);
- (4) the NSW Divisional Branch (FR2008/573);
- (5) the South Australian Divisional Branch (FR2008/533);
- (6) the Tasmanian Divisional Branch (FR208/568);
- (7) the Victorian Divisional Branch (FR2008/541);
- (8) the West Australian Divisional Branch (FR2008/553);
- (9) the Pulp and Paper Workers' Divisional Branch (FR2008/537);
- (10) the Pulp & Paper Workers' Maryvale Sub-Branch (FR2008/564);
- (11) the Pulp & Paper Workers' Melbourne Sub-Branch (FR2008/552);
- (12) the Pulp & Paper Workers' Millicent Sub-Branch (FR2008/540);

- (13) the Pulp & Paper Workers' Nowra Sub-Branch (FR2008/539);
- (14) the Pulp & Paper Workers' Sydney Sub-Branch (FR2008/538);
- (15) the Pulp & Paper Workers' Tasmanian Sub-Branch (FR2008/645).

The time frame for completing the audit, presentation and lodgment of the above returns will expire - unless a one month extension under s265(5) is granted - on 14 July 2009. The Registry is aware that the 2007 financial returns for most of the above reporting units are still in process and their late lodgement may impact on the 2008 audits so applications for extensions may be helpful if the Division considers them appropriate.

You will naturally be familiar with the general requirements under the RAO Schedule but I direct your attention in any case to our website at <http://www.airc.gov.au/registered/FR/information.htm>,

The presentation of the full reports to appropriate meetings – as they can be arranged given the structural and office changes effective from January 2009 - 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 respective former branches and sub-branches.

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 wish to discuss the returns at any time in the coming months, please do not hesitate to contact me on 0429 462 979 or by email at stephen.kellett@airc.gov.au.

Yours sincerely,



Stephen Kellett
Statutory Services Branch