

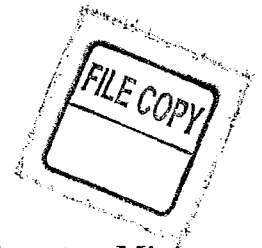


FAIR WORK
AUSTRALIA

8 July 2011

Mr Michael O'Connor
Divisional Secretary, Forestry, Furnishing Building Products and Manufacturing Division
Construction, Forestry, Mining and Energy Union
148-152 Miller Street
WEST MELBOURNE VIC 3003

Dear Mr O'Connor



**Lodgment of Financial Accounts and Statements - FFPD, Construction, Forestry, Mining
and Energy Union (FR2009/10241)**

Thank you for lodging the abovementioned financial accounts and statements which were received by Fair Work Australia on 11 June 2011.

I have noted the advice received from the Mr Wong, the auditor in respect of the qualification in his report and from Mr Barry Disken, Financial Controller, that the ground for the qualification will be rectified in the 2011 financial statements. I have also noted previous correspondence received from the Division in relation to this matter on 23 June 2010. On the basis of this advice, the documents have been filed.

I draw your attention to Note 4 on page 16 which itemizes a donation amount of \$35,000 for "ALP Candidate for BASS - Scott McLean" and of \$1,500 for "CFMEU National Conference 7th Asia Pacific Conference". As these amounts exceed \$1,000, they should be included in a separate statement showing the prescribed particulars pursuant to section 237 of the *Fair Work (Registered Organisations) Act 2009* and lodged at your earliest opportunity.

Yours sincerely,

Stephen Kellett
Statutory Services Branch
Fair Work Australia

KELLETT, Stephen

From: Barry Disken [bdisken@cfmeuffpd.org]
Sent: Friday, 8 July 2011 10:53 AM
To: KELLETT, Stephen
Subject: Qualified Audit Opinion

Hi Stephen,

I refer to your email dated 4 July 2011 regarding the qualified audit report for the year ended 31 December 2009.

The qualification relation to a sundry debtor of \$2,861,277 which is owed by a Company related to the Trade Union. This Company owns the Land and Building at 148 – 152 Miller Street West Melbourne.

The reason for the qualification is because the auditor's require financial statements for the Company to verify the debt. The financial statements are not available yet and will be completed by 31 December 2011.

The Trade Union audit for 31 December 2009 and 2010 will require this qualification. For the 31 December 2011 audit the qualification will be removed as the financial statements of the Company will be available.

The sundry debtor is recoverable when the land and building is sold. This is the reason the sundry debtor is a non current asset as the Company is not intending to sell the property.

Kind Regards

BARRY DISKEN
Accountant & Financial Controller
CFMEU - Forestry & Furnishing Products Division

Address:
148-152 Miller Street, West Melbourne VIC 3003
Tel: (03) 9274 9200
Fax: (03) 9274 9284
Email: bdisken@cfmeuffpd.org

www.cfmeu-forestdivision.com.au

CFMEU Forestry & Furnishing Products Division, National Office Disclaimer:

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KELLETT, Stephen

From: KELLETT, Stephen
Sent: Tuesday, 5 July 2011 12:17 PM
To: 'Lee Wong'
Subject: RE: Financial Report - FFPD - Qualified Audit Opinion - comments sought

Dear Lee,

Thank you for your advice in relation to the qualification. I appreciate your prompt assistance in this matter.

Yours sincerely

Stephen Kellett
Statutory Services Branch
Fair Work Australia

80 William Street
East Sydney NSW 2011

(ph) 02 6723 7097
(email) stephen.kellett@fwa.gov.au

KELLETT, Stephen

-----Original Message-----

From: Lee Wong [<mailto:LWong@raggweir.com.au>]
Sent: Tuesday, 5 July 2011 10:51 AM
To: KELLETT, Stephen
Cc: Barry Disken
Subject: Re: Financial Report - FFPD - Qualified Audit Opinion - comments sought

Hi Stephen

The sundry debtor referred to is in respect of a loan which we have been advised is made to an entity that is related to the Union. No financial statements or financial records of this entity were however available for our examination. Accordingly we have included a qualification in the audit report for the 31 December 2009 financial report of the CFMEU FFPD that we are unable to satisfy ourselves regarding the amount of the loan or its recoverability.

This sundry debtor was previously included in the balance sheet of the CFMEU PPW Branch prior to the transfer of its assets and liabilities into the CFMEU FFPD as of 1 January 2009. The financial report for the CFMEU PPW Branch for the 31 December 2008 and prior years contained a similar audit qualification.

We have been advised that the related company referred to is the registered owner of a building that is valued in excess of the amount owing. We have not been able to verify this.

Regards
Lee

Lee Wong
Partner
MSI Ragg Weir
Chartered Accountants
bh. +61 3 9819 4011
fax. +61 3 9819 6780
www.raggweir.com.au

Please note that our new business address is
LEVEL 2, 108 POWER STREET
HAWTHORN VIC 3122

There will be no changes to our postal address, phone and fax numbers

Liability limited by a scheme approved under Professional Standards Legislation

This e-mail message and accompanying data may contain information that is confidential and subject to privilege.
Any confidentiality or privilege is not waived or lost because this e-mail has been sent to you by mistake.

KELLETT, Stephen

-----Original Message-----

From: KELLETT, Stephen

Sent: Monday, 4 July 2011 5:30 PM

To: 'info@raggweir.com.au'

Subject: Attention L S Wong Re: Financial Report - FFPD - Qualified Audit Opinion - comments sought

Dear Sir

I refer to the financial report for the Forestry and Furnishing Products Division of the CFMEU for the year ended 31 December 2009 which was lodged with Fair Work Australia on 11 June 2011.

In your auditor's report, you have given a qualified audit opinion on the basis of uncertainty about the accuracy of an amount of sundry debt or its recoverability. The relevant amount was \$2,861,277 listed as Sundry Debtors. This appears to be a significant figure.

Pursuant to section 332 of the Fair Work (Registered Organisations) Act 2009 the General Manager must investigate any matter arising from an auditor's report setting out a defect or irregularity, deficiency, failure or shortcoming, unless after consultation with the reporting unit and the auditor, the General Manager is satisfied that the matter is trivial or will be remedied in the following financial year. A qualified audit opinion generally falls with the scope of s332.

Accordingly, on behalf of the General Manager, I am writing to seek your comments on the qualification in order that the General Manager might have grounds to be satisfied that the matter identified by your qualification does not require investigation under this section.

I have raised this matter by similar email with the Division via Mr Barry Disken. A copy of my email to Barry Disken is set out below.

Your comments would be greatly appreciated and may be sent to me directly by email, and I look forward to hearing from you.

Yours sincerely

Stephen Kellett
Fair Work Australia

80 William Street
East Sydney NSW 2011-07-04

(ph) 02 6723 7097
(email) stephen.kellett@fwa.gov.au

KELLETT, Stephen

From: KELLETT, Stephen
Sent: Monday, 4 July 2011 5:21 PM
To: 'Barry Disken'
Subject: RE: Financial Report - FFPD - Qualified Audit Opinion - comments sought

Dear Barry,

I refer to the financial report for the Division for the year ended 31 December 2009 which you lodged with Fair Work Australia on 11 June 2011.

I note that the Auditor has given a qualified opinion on the basis of uncertainty about the accuracy of an amount of sundry debt or its recoverability.

The amount given is \$2,861,277 which appears to be a substantial figure.

Pursuant to section 332 of the Fair Work (Registered Organisations) Act 2009 the General Manager must investigate any matter arising from an auditor's report setting out a defect or irregularity, deficiency, failure or shortcoming, unless after consultation with the reporting unit and the auditor, the General Manager is satisfied that the matter is trivial or will be remedied in the following financial year. A qualified audit opinion generally falls with the scope of s332.

Accordingly, on behalf of the General Manager, I am writing to seek the Division's advice and comments on the qualification in order that the General Manager might have grounds to be satisfied that the qualification is not a serious matter or will be remedied in the following financial year.

Since s332(b) reads that the General Manager must consult with the auditor as well as the reporting unit, I have sent an email to the Auditor at info@raggweir.com.au seeking the Auditor's comments also.

The Division's advice may be sent to me directly by email, and I look forward to hearing from you.

Yours sincerely

Stephen Kellett
Fair Work Australia

80 William Street
East Sydney NSW 2011-07-04

(ph) 02 6723 7097
(email) stephen.kellett@fwa.gov.au

KELLETT, Stephen

From: Barry Disken [bdisken@cfmeuffpd.org]
Sent: Friday, 10 June 2011 11:48 AM
To: KELLETT, Stephen
Subject: Financial Report
Attachments: img-610113903-0001.pdf

Hi Stephen,
Copy of 31 December 2009 financial report.

Kind Regards
BARRY DISKEN
Accountant & Financial Controller
CFMEU - Forestry & Furnishing Products Division

Address:
148-152 Miller Street, West Melbourne VIC 3003
Tel: (03) 9274 9200
Fax: (03) 9274 9284
Email: bdisken@cfmeuffpd.org

www.cfmeu-forestdivision.com.au

CFMEU Forestry & Furnishing Products Division, National Office

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**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 for the year ended 31 December 2009.

- are copies of the documents provided to members from 16 May 2011.
- were subsequently presented to a meeting in accordance with section 266, being a meeting of committee of management held on 8 June 2011.



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

Date 8 June 2011

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND
MANUFACTURING DIVISION**
(Formerly known as Construction, Forestry, Mining and Energy Union
Forestry, Furnishing, Building Products and Manufacturing Division – National Office)

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2009**

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 (formerly known as 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 2009.

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 profit of the Union for the financial year was \$630,301 (2008: operating loss of \$544,267). No provision for tax was necessary as the Union is exempt from income tax.

The significant change in the financial performance this year relates to the reversal of provision for doubtful debts totalling \$666,490.

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.

The right of members to resign from the Union is set out in Rule 12 of the Rules of the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division (formerly known as Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division – National Office)

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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:
- FIRST Superannuation Pty Ltd (resigned 30 March 2010)

Alex Millar is the National Divisional Senior Vice President of the Union and Director of the Superannuation Trustee Company:
- FIRST Superannuation Pty Ltd

Craig Smith is the National Divisional Vice President of the Union and Director of the Superannuation Trustee Company:
- FIRST Superannuation Pty Ltd (resigned 20 June 2008)

Michael O'Connor is the National Divisional Secretary of the Union and Director of the Superannuation Trustee Company:
- FIRST Superannuation Pty Ltd

David Kirner is a National Divisional Trustee of the Union, and Director of the Superannuation Trustee Company:
- FIRST Superannuation Pty Ltd (appointed 30 March 2010)
- BIRST

Frank Vari is a National Divisional Vice President of the Union and Director of the Superannuation Trustee Company:
- FIRST Superannuation Pty Ltd

Kevin Millie is the Director of the Superannuation Trustee Company:
- FIRST Superannuation Pty Ltd (appointed 1 July 2008)

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.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 8,294.
- (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 47.
- (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;

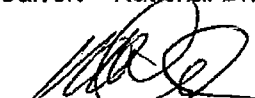
Name	Position
Jane Calvert	National Divisional President
Alex Millar	National Divisional Senior Vice President
Craig Smith	National Divisional Vice President
Frank Vari	National Divisional Vice President
Michael O'Connor	National Divisional Secretary
Leo Skourdourmbis	National Divisional Assistant Secretary
Kenneth Fraser	National Divisional Trustee (appointed 1 January 2009)
David Kirner	National Divisional Trustee
Kenneth Miller	National Divisional Trustee
Scott McLean	National Divisional Trustee
Vincent Breen	National Divisional Executive Member (resigned 1 January 2009)
Bradley Coates	National Divisional Executive Member
Damian Cooke	National Divisional Executive Member (appointed 1 January 2009)
Kim Mason	National Divisional Executive Member (appointed 1 January 2009)
Cliff Palmer	National Divisional Executive Member (appointed 1 January 2009)

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 9 May 2011

CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as Construction, Forestry, Mining and Energy Union
Forestry, Furnishing, Building Products and Manufacturing Division – National Office)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	2009 \$	2008 \$
Revenue	3	6,166,869	1,955,612
Administration expense	4	(998,567)	(404,818)
Affiliation fees, compulsory levies and sustentation fees	4	(228,909)	(169,894)
Bad debts		(10,060)	-
Depreciation expense	4	(100,581)	(31,401)
Employee benefits expense	4	(3,754,137)	(843,057)
Doubtful debts provision		666,490	(763,467)
Interest paid		(20,927)	-
Loss on sale of fixed assets		(8,089)	(234)
Motor vehicle expense		(323,033)	(36,559)
Occupancy expense		(179,148)	(23,595)
Telephone and facsimile expense		(167,263)	(44,857)
Travel expense		(407,942)	(173,901)
Other expenses		(4,402)	(8,096)
Profit/(Loss) before income tax expense		<u>630,301</u>	<u>(544,267)</u>
Income tax expense	1(a)	<u>-</u>	<u>-</u>
Net profit/(loss) attributable to members		<u>630,301</u>	<u>(544,267)</u>

The accompanying notes form part of these financial statements

CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as Construction, Forestry, Mining and Energy Union
Forestry, Furnishing, Building Products and Manufacturing Division – National Office)

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2009

	Note	2009 \$	2008 \$
CURRENT ASSETS			
Cash and cash equivalents	5	3,935,684	217,500
Trade and other receivables	6	275,774	289,682
Prepayments	7	<u>68,977</u>	<u>19,448</u>
TOTAL CURRENT ASSETS		<u>4,280,435</u>	<u>526,630</u>
NON CURRENT ASSETS			
Trade and other receivables	6	2,861,277	24,030
Plant and equipment	8	709,754	114,932
Financial assets	9	<u>122,055</u>	<u>-</u>
TOTAL NON CURRENT ASSETS		<u>3,693,086</u>	<u>138,962</u>
TOTAL ASSETS		<u>7,973,521</u>	<u>665,592</u>
CURRENT LIABILITIES			
Trade and other payables	10	1,737,940	548,456
Short term provisions	11	1,219,730	249,976
Short term borrowings	12	<u>51,418</u>	<u>-</u>
TOTAL CURRENT LIABILITIES		<u>3,009,088</u>	<u>798,432</u>
NON CURRENT LIABILITIES			
Long term borrowings	12	<u>450,000</u>	<u>-</u>
TOTAL NON CURRENT LIABILITIES		<u>450,000</u>	<u>-</u>
TOTAL LIABILITIES		<u>3,459,088</u>	<u>798,432</u>
NET (LIABILITIES)/ASSETS		<u>4,514,433</u>	<u>(132,840)</u>
EQUITY			
Retained earnings / (accumulated losses)		<u>4,514,433</u>	<u>(132,840)</u>
TOTAL EQUITY		<u>4,514,433</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
(Formerly known as 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 2009

	Asset Revaluation Reserve \$	Capital Reserve \$	PPW Support Fund \$	Retained earnings \$	Total \$
Balance at 1 January 2008	-	-	-	411,427	411,427
(Loss) attributable to members	-	-	-	(544,267)	(544,267)
Balance at 31 December 2008	-	-	-	(132,840)	(132,840)
Transfer from CFMEU Branches:					
- CFMEU FFPD NSW Branch	-	-	-	(532,564)	(532,564)
- CFMEU FFPD Tasmanian Branch	-	-	-	(221,445)	(221,445)
- CFMEU FFPD SA Branch	-	-	-	(41,786)	(41,786)
- CFMEU FFPD Vic. No. 2 Branch	359,793	96,853	-	(59,292)	397,354
- CFMEU FFPD WA Branch	-	-	-	(220,409)	(220,409)
- CFMEU Pulp & Paper Workers Branch	717,550	-	1,472,882	1,041,860	3,232,292
- CFMEU PPW Melbourne Sub-Branch	-	-	-	255,599	255,599
- CFMEU PPW Millicent Sub Branch	-	-	-	798,572	798,572
- CFMEU PPW Maryvale Sub Branch	-	-	-	217,194	217,194
- CFMEU PPW Sydney Sub Branch	-	-	-	36,295	36,295
- CFMEU PPW Tasmania Sub Branch	-	-	-	(11,930)	(11,930)
- CFMEU PPW Nowra Sub Branch	-	-	-	107,800	107,800
Transfer of reserves	(1,077,343)	(96,853)	-	1,174,196	-
Profit attributable to members	-	-	-	630,301	630,301
Transfer to PPW Support Fund	-	-	121,725	(121,725)	-
Balance at 31 December 2009	-	-	1,594,607	2,919,826	4,514,433

The accompanying notes form part of these financial statements.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as Construction, Forestry, Mining and Energy Union
Forestry, Furnishing, Building Products and Manufacturing Division – National Office)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Note	2009 \$	2008 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Memberships & levies		3,764,860	844,064
Interest received		128,456	959
Other income received		2,278,768	1,110,588
Payments to suppliers and employees		<u>(5,847,345)</u>	<u>(1,905,678)</u>
Net cash provided by operating activities	18(b)	<u>324,739</u>	<u>49,933</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for property, plant & equipment		(444,392)	(2,984)
Proceeds from disposal of property, plant & equipment		<u>30,215</u>	<u>227</u>
Net cash used by investing activities		<u>(414,177)</u>	<u>(2,757)</u>
Net increase/(decrease) in cash held		(89,438)	47,176
Cash at beginning of year		217,500	170,324
Transfers from CFMEU Branches:			
- CFMEU FFPD NSW Branch		56,672	-
- CFMEU FFPD SA Branch		243,148	-
- CFMEU FFPD TAS Branch		2,415	-
- CFMEU FFPD WA Branch		9,738	-
- CFMEU FFPD Vic Branch		332,395	-
- CFMEU PPW Branch		1,668,403	-
- CFMEU PPW Melbourne Sub Branch		505,406	-
- CFMEU PPW Maryvale Sub Branch		573,287	-
- CFMEU PPW Millicent Sub Branch		410,571	-
- CFMEU PPW Nowra Sub Branch		<u>5,587</u>	<u>-</u>
Cash at end of year	18(a)	<u>3,935,684</u>	<u>217,500</u>

The accompanying notes form part of these financial statements

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009**

	2009 \$	2008 \$
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	-	-
	<hr/>	<hr/>
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	-	-
	<hr/>	<hr/>
Total payments	-	-
Cash assets in respect of recovered money at end of year	<hr/>	<hr/>

The accompanying notes form part of these financial statements

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009**

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.

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 reviews 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
(Formerly known as 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 2009**

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
Buildings	2.0%
Office equipment	10.0% to 33.33%
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

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Union commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified at fair value through profit or loss in which case transaction costs are expensed to profit or loss immediately.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

h. Financial Instruments continued

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- i) the amount at which the financial asset or financial liability is measured at initial recognition
- ii) less principal repayments
plus or minus the cumulative amortisation of the difference, if any, between the amount initially
- iii) recognised and the maturity amount calculated using the effective interest method; and
- iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The Union does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

- i) **Financial assets at fair value through profit or loss**
Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.
- ii) **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 subsequently measured at amortised cost. Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

h. Financial Instruments continued

iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Union's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period, which will be classified as current assets.

iii) Held-to-maturity investments continued

If during the period the Union sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire category of held-to-maturity investments would be tainted and would be reclassified as available-for-sale.

iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period, which will be classified as current assets.

v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

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.

Impairment

At each reporting date, the Union assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the income statement.

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party whereby the consolidated group 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 expire. 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 assumed, is recognised in profit or loss.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009**

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.

Comparative figures include those of the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division – National Office only before the transfer of the assets and liabilities of the Divisional Branches as of 31 December 2008.

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 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. Adoption of New and Revised Accounting Standards

During the current year, the Union has adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these Standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these Standards and Interpretations has had on the financial statements of the Construction, Forestry, Mining and Energy Union – Forestry, Furnishing, Building Products and Manufacturing Division.

AASB 101: Presentation of Financial Statements

In September 2007, the Australian Accounting Standards Board revised AASB 101, and as a result there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the consolidated group's financial statements.

Disclosure impact

Terminology changes — The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

Statement of comprehensive income — The revised AASB 101 requires all income and expenses to be presented in either one statement — the statement of comprehensive income, or two statements — a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The Union's financial statements now contain a statement of comprehensive income.

CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

m. Adoption of New and Revised Accounting Standards continued

Other comprehensive income — The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expense that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

n. New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the Union has decided not to early adopt. A discussion of those future requirements and their impact on the Union is as follows:

- AASB 3: Business Combinations, AASB 127: Consolidated and Separate Financial Statements, AASB 2008-3: Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASBs 1, 2, 4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138 & 139 and Interpretations 9 & 107] and AASB 2008-11: Amendments to Australian Accounting Standard — Business Combinations Among Not-for-Profit Entities [AASB 3] (applicable for annual reporting periods commencing from 1 July 2009).

These Standards are applicable prospectively and will therefore only affect relevant transactions and consolidations occurring after the date of application. As such, the Union is unable to determine any potential impact on the financial statements.

- AASB 2008-5: Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 7, 101, 102, 107, 108, 110, 116, 118, 119, 120, 123, 127, 128, 129, 131, 132, 134, 136, 138, 139, 140, 141, 1023 & 1038] (applicable for annual reporting periods commencing from 1 January 2009) and AASB 2008-6: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1 & AASB 5] (applicable for annual reporting periods commencing from 1 July 2009).

These amendments detail numerous non-urgent but necessary changes to Accounting Standards arising from the IASB's annual improvements project. No changes are expected to materially affect the Union.

- AASB 2008-8: Amendments to Australian Accounting Standards — Eligible Hedged Items [AASB 139] (applicable for annual reporting periods commencing from 1 July 2009).

This amendment clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation as a hedged item should be applied in particular situations and is not expected to materially affect the Union.

- AASB 2009-4: Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 2 and AASB 138 and AASB Interpretations 9 & 16] (applicable for annual reporting periods commencing from 1 July 2009) and AASB 2009-5: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139] (applicable for annual reporting periods commencing from 1 January 2010).

These amendments detail numerous non-urgent but necessary changes to Accounting Standards arising from the IASB's annual improvements project. No changes are expected to materially affect the Union.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009**

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

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

1. A member of a reporting unit, or the General Manager of Fair Work Australia, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
2. The application must be in writing and specify the period within which, and the manner in which, the information is to be made available. The period must not be less than fourteen days after the application is given to the reporting unit.
3. A reporting unit must comply with an application under subsection (1).

	2009	2008
	\$	\$
NOTE 3: REVENUE		
Operating activities		
Membership dues received	3,523,664	-
Sustentation fees from Branches:		
- CFMEU FFPD Branches:		
New South Wales	-	161,026
South Australia	-	157,216
Victoria	-	168,985
Tasmania	-	52,077
Western Australia	-	17,669
- CFMEU FFTS Branches:		
Victoria	241,196	229,480
-CFMEU Pulp and Paper Workers' Branch	-	57,611
Support Fund Levy: Pulp and Paper Workers' Branch	155,341	-
Trainee organisers	-	62,432
Directors fees	289,035	317,159
Consultancy fees	172,547	85,000
Coordinator fees	957,566	434,642
Department of Primary Industry	31,250	93,750
Training Income	271	-
Sponsorship Income	86,705	70,432
Contributions – OHS & E	223,199	-
Contributions – Industry Skills Development	112,000	-
Conference registrations	30,717	-
Dividends received	622	-
Representation fees	149,869	-
Transfer of employee entitlements from FIRST Super	18,239	-
Interest received	128,456	959
Other income	46,192	47,174
Total revenue	6,166,869	1,955,612

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009**

	2009 \$	2008 \$
NOTE 4: PROFIT FOR YEAR		
Profit before income tax expense has been determined after:		
EXPENSES		
Administration expense		
Accounting fees	2,544	-
Bank charges	8,643	146
Campaign expenses	15,890	38,939
Child Labour Support Campaign	6,489	2,892
Computer expenses	97,757	20,031
Conference expenses	97,074	11,069
Consultancy expenses	77,131	33,252
Donations:		
The Heart Foundation	-	100
APHEDA Burma Appeal	-	1,000
Yallambee Retirement Village	-	100
Andrew Love Cancer Centre	-	100
Bomaderry Hotel Social Golf Club – Peter Graham Memorial Golf Day	300	-
Caritas Christian Pallative and Aged Care	100	-
ALP Tasmanian	125	-
ALP Candidate for BASS - Scott McLean	35,000	-
CFMEU National Office – 7 th Asia Pacific Conference	1,500	-
Honoraria	31,568	-
Insurance	53,389	13,587
Legal expenses	103,267	98,211
Meeting expenses	88,762	18,140
Member benefits	29,974	-
Membership system expenses	63,896	-
NAC fees	-	37,500
Postage and freight	21,518	4,440
Printing and stationery	42,275	7,771
Promotional material	88,245	15,245
Publications and subscriptions	19,987	3,610
Repairs and maintenance	6,584	493
Sponsorship	-	10,000
Staff expenses	9,957	11,829
Sundry expenses	360	3,360
Remuneration of auditor		
- audit	25,000	73,003
Training:		
- Employees	26,550	-
- Members & other	44,682	-
	<u>998,567</u>	<u>404,818</u>

CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009

	2009 \$	2008 \$
NOTE 4: PROFIT FOR YEAR continued		
Affiliation fees, compulsory levies and Sustentation fees		
Affiliation fees:		
- Australian Labour Party		
- South Australia	9,088	-
- Tasmania	2,602	-
- Victoria	45,933	29,369
- Ballarat Trades Hall Council	811	-
- Geelong Trades Hall Council	305	-
- NSW Labour Council	6,819	-
- S A Union	10,185	-
- Unions WA	924	-
- South West T&LC	138	-
- Victorian Trades Hall Council	11,667	-
- International Federation of Chemical, Energy, Mine and General Workers' Union	3,633	-
- South Australian May Day Committee	182	-
Compulsory levies:		
- Victorian Trades Hall Council		
- Campaign levy	1,195	-
- Women's levy	676	-
- Young unionists levy	451	-
Sustentation fees:		
- CFMEU National Office	134,300	140,525
	228,909	169,894
Depreciation expense		
Motor vehicles	67,676	20,609
Furniture, fittings and equipment	6,799	10,792
Buildings	2,069	-
Office equipment	24,037	-
	100,581	31,401
Employee benefit expense		
Salaries		
- elected officials	659,086	101,489
- employees	2,322,143	539,630
Superannuation		
- elected officials	89,145	15,102
- employees	285,747	78,662
Provision for annual leave		
- elected officials	28,511	(11,384)
- employees	34,321	7,164
Provision for long service leave		
- elected officials	61,111	1,279
- employees	62,956	3,187

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009**

	2009	2008
	\$	\$
NOTE 4: PROFIT FOR YEAR continued		
Employee benefit expense continued		
Provision for sick leave		
- elected officials	(17,746)	(5,280)
- employees	8,501	19,253
Provision for RDO		
- elected officials	772	23,313
- employees	3,994	12,425
Provision for severance:		
- employee	(16,392)	-
Termination payments:		
- employees	-	2,810
Fringe benefits tax	45,742	18,362
Payroll tax	142,593	25,673
Workcover	43,653	11,372
	<u>3,754,137</u>	<u>843,057</u>

NOTE 5: CASH AND CASH EQUIVALENTS

Cash at bank	3,933,404	217,500
Cash on hand	2,280	-
	<u>3,935,684</u>	<u>217,500</u>

NOTE 6: TRADE AND OTHER RECEIVABLES

CURRENT

Trade receivables:

-CFMEU FFPD Branches Sustentation Fees:

New South Wales	-	89,741
South Australia	-	30,111
Tasmania	-	124,535
Victoria	-	29,659
Western Australia	-	143,146
Pulp & Paper Workers' Branch	-	57,611

-CFMEU FFTS Branches Sustentation Fees:

Victoria	-	21,607
-Other	119,445	117,736

Sundry debtors:

- CFMEU FFPD Branches Loans and Other:

New South Wales – Loan	-	100,000
New South Wales – Other	-	90,570
Pulp & Paper Workers' Branch – Other	-	3,514
South Australia – Other	-	10,339

- CFMEU FFPD Branches Loans and Other:

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009**

	2009 \$	2008 \$
NOTE 6: TRADE AND OTHER RECEIVABLES continued		
CURRENT		
- CFMEU FFPD Branches Loans and Other continued:		
Tasmania – Other	-	53,780
Tasmania - Loan	-	17,500
Victoria – Other	-	22,069
Western Australia – Other	-	2,677
Western Australia – Loan	-	79,961
- Other	<u>194,713</u>	<u>-</u>
	314,158	994,556
 Less Provision for Doubtful Debts		
New South Wales	-	(270,470)
South Australia	-	(18,396)
Tasmania	-	(195,599)
Western Australia	-	(220,409)
Other	<u>(38,384)</u>	<u>-</u>
	<u>275,774</u>	<u>289,682</u>
 NON-CURRENT		
- Sundry Debtors	<u>2,861,277</u>	<u>24,030</u>

(i) Provision for Impairment of Receivables

Current trade receivables are generally on 30-day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts have been included in other expense items.

Movement in the provision for impairment of receivables is as follows:

		\$
Provision for impairment as at 1 January 2008	-	-
- Charge for the year	704,874	704,874
- Written off	-	-
Provision for impairment as at 31 December 2008	<u>704,874</u>	<u>704,874</u>
- Charge for the year	(666,490)	(666,490)
- Written off	-	-
Provision for impairment as at 31 December 2009	<u>38,384</u>	<u>38,384</u>

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009**

NOTE 6: TRADE AND OTHER RECEIVABLES continued

(ii) Credit Risk – Trade and Other Receivables

The Union does not have any material credit risk exposure to any single receivable or group of receivables.

The following table details the Union's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Union and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining the solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Union.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross Amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			< 30	31 -60	61-90	> 90	
	\$	\$	\$	\$	\$	\$	\$
2009							
Trade receivables	119,445	38,384	-	-	-	-	81,061
Other receivables	194,713	-	-	-	-	-	194,713
Total	314,158	38,384	-	-	-	-	275,774
2008							
Trade receivables	614,146	324,464	-	-	-	-	289,682
Other receivables	380,410	380,410	-	-	-	-	-
Total	994,556	704,874	-	-	-	-	289,682

The Union does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

There are no balances within trade receivables that contain assets that are not impaired and are past due. It is expected that these balances will be received when due.

CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009

	2009	2008
	\$	\$
NOTE 7: OTHER CURRENT ASSETS		
CURRENT		
Prepayments	<u>68,977</u>	<u>19,448</u>
 NOTE 8: PLANT AND EQUIPMENT		
Land– at cost	<u>14,000</u>	<u>-</u>
Buildings – at cost	103,453	-
Less accumulated depreciation	<u>(23,104)</u>	<u>-</u>
	<u>80,349</u>	<u>-</u>
Office equipment – at cost	333,284	79,951
Less accumulated depreciation	<u>(287,453)</u>	<u>(54,322)</u>
	<u>45,831</u>	<u>25,629</u>
Furniture, fittings and equipment – at cost	136,655	-
Less accumulated depreciation	<u>(106,950)</u>	<u>-</u>
	<u>29,705</u>	<u>-</u>
Motor vehicles – at cost	712,972	140,620
Less accumulated depreciation	<u>(173,103)</u>	<u>(51,317)</u>
	<u>539,869</u>	<u>89,303</u>
 TOTAL PLANT AND EQUIPMENT	 <u>709,754</u>	 <u>114,932</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.

	Land & Buildings \$	Office Equipment \$	Motor Vehicles \$	Furniture Fittings & Equipment \$	TOTAL \$
Balance at start of year	-	25,629	89,303	-	114,932
Transfer from CFMEU Branches	96,418	25,367	125,120	43,323	290,228
Transfer between classes	-	6,954	-	(6,954)	-
Additions	-	12,083	432,173	135	444,391
Disposals	-	(165)	(39,051)	-	(39,216)
Depreciation expense	<u>(2,069)</u>	<u>(24,037)</u>	<u>(67,676)</u>	<u>(6,799)</u>	<u>(100,581)</u>
Balance at end of year	<u>94,349</u>	<u>45,831</u>	<u>539,869</u>	<u>29,705</u>	<u>709,754</u>

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009**

	2009	2008
	\$	\$
NOTE 9: FINANCIAL ASSETS		
NON-CURRENT		
Shares in listed public companies (at market value)	2,231	-
Shares in unlisted companies (at cost)	2	-
Equity Partner - NLDA	119,822	-
	122,055	-
 NOTE 10: TRADE AND OTHER PAYABLES		
Trade creditors & accruals:		
- CFMEU FFPD Branches:		
New South Wales	-	9,841
South Australia	-	22,054
Victoria	-	25,991
Tasmania	-	216
- CFMEU Pulp & Paper Workers' Branch	-	21,270
- CFMEU Pulp & Paper Workers' Melbourne Sub-Branch	-	409
- Other	284,015	275,680
Other payables		
- CFMEU Pulp & Paper Workers' Branch	-	128,845
Sundry creditors		
- Other	770,255	-
John Curtin Fund	435,003	-
Relief funds held in trust	12,891	-
Levy Balances Payable to Members	152,189	-
SA District Trust Account	19,141	-
GST liability	64,446	64,150
	1,737,940	548,456

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009**

	2009 \$	2008 \$
NOTE 11: PROVISIONS		
CURRENT		
Employee benefits:		
Annual leave		
- elected officials	121,565	5,694
- employees	265,219	51,782
Long service leave		
- elected officials	162,599	12,380
- employees	312,502	57,033
Severance leave		
- employees	24,366	-
Sick leave		
- elected officials	101,384	42,668
- employees	155,389	44,681
RDO Leave		
- elected officials	38,800	23,313
- employees	37,906	12,425
Total Current Provisions	1,219,730	249,976
 Number of Employees at year end	 47	 8

	Annual Leave	Long Service Leave	Personal Leave	Rostered Days-Off
Opening balance at 1 January 2009	57,476	69,413	87,349	35,738
Transfer from CFMEU Branches	266,475	281,622	178,768	36,202
Additional provision raised during the year	320,032	129,316	137,057	128,244
Amounts used	(257,199)	(5,250)	(146,401)	(123,478)
Balance at 31 December 2009	386,784	475,101	256,773	76,706

	Severance Leave	Total
Opening balance at 1 January 2009	-	249,976
Transfer from CFMEU Branches	40,759	803,826
Additional provision raised during the year	7,253	721,902
Amounts used	(23,646)	(555,974)
Balance at 31 December 2009	24,366	1,219,730

NOTE 12: BORROWINGS

CURRENT		
Bank loan - secured	51,418	-
 NON CURRENT		
John Curtin Fund - Unsecured	450,000	-

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009**

NOTE 13: PULP AND PAPER WORKERS' SUPPORT FUND

Balance at 1 January 2009	1,472,882	1,244,339
<u>Income</u>		
Contributions	155,340	202,917
Interest received	56,940	81,308
<u>Expenditure</u>		
Mortuary benefit fund	-	(1,500)
Legal expenses	(55,532)	(54,182)
Provision for Doubtful Debts	(35,023)	-
Balance at 31 December 2009	1,594,607	1,472,882

**NOTE 14: 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	National Divisional Senior Vice President
Craig Smith	National Divisional Vice President
Frank Vari	National Divisional Vice President
Michael O'Connor	National Divisional Secretary
Leo Skourdourmbis	National Divisional Assistant Secretary
Kenneth Fraser	National Divisional Trustee (appointed 1 January 2009)
David Kirner	National Divisional Trustee
Kenneth Miller	National Divisional Trustee
Scott McLean	National Divisional Trustee
Vincent Breen	National Divisional Executive Member (resigned 1 January 2009)
Bradley Coates	National Divisional Executive Member
Damian Cooke	National Divisional Executive Member (appointed 1 January 2009)
Kim Mason	National Divisional Executive Member (appointed 1 January 2009)
Cliff Palmer	National Divisional Executive Member (appointed 1 January 2009)

(a) The aggregate amount of remuneration paid to elected officials during the financial year for salaries was \$659,086 (2008: \$101,489). The aggregate amount paid during the financial year to a superannuation plan in connection with the retirement of elected officials was \$89,145 (2008: \$15,102).

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

(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.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009**

NOTE 15: EVENTS SUBSEQUENT TO REPORTING DATE

No significant events or conditions to the date of the signing of this report have occurred which impact these financial statements.

NOTE 16: 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 17: SEGMENT REPORTING

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

	2009 \$	2008 \$
NOTE 18: 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	3,933,404	217,500
Cash on hand	2,280	-
	<u>3,935,684</u>	<u>217,500</u>
b. Reconciliation of Net Cash provided by (used in) Operating Activities to Net (Loss) / Profit		
Net profit/(loss)	630,301	(544,267)
Non Cash Items		
Depreciation	100,581	31,401
Loss on disposal of fixed assets	8,089	234
Transfer of opening balances from CFMEU Branches	299,398	-
Changes in Assets and Liabilities		
(Increase)/decrease in current receivables	13,908	542,664
(Increase)/decrease in prepayments	(49,529)	5,637
(Increase)/decrease in non-current receivables	(2,837,247)	-
Increase/(decrease) in provision for employee entitlements	969,754	49,957
Increase/(decrease) in payables	1,189,484	(35,693)
	<u>324,739</u>	<u>49,933</u>
Cash flows provided by / (used in) operations		

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.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009**

	2009	2008
	\$	\$
NOTE 18: CASH FLOW INFORMATION continued		
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)	-	6,372
	-	799,555

NOTE 19: FINANCIAL RISK MANAGEMENT

The Union's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and 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:

	2009	2008
	\$	\$
Financial assets		
Cash and cash equivalents	3,935,684	217,500
Loans and receivables	275,774	289,682
Available for sale financial assets:		
- Equity investments	122,055	-
Total financial assets	4,333,513	507,182
Financial liabilities		
Financial liabilities at amortised cost:		
- Trade and other payables	1,737,940	548,456
- Borrowings	501,418	-
Total financial liabilities	2,239,358	548,456

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009**

NOTE 19: FINANCIAL RISK MANAGEMENT continued

Financial Risk Management Policies

The Union's treasurer is responsible for, among other issues, monitoring and managing financial risk exposures of the Union. The treasurer monitors the consolidated group's transactions and reviews the effectiveness of controls relating to credit risk, financial risk and interest rate risk. Discussions on monitoring and managing financial risk exposures are held bi-monthly and minuted by the committee of management.

The treasurer's overall risk management strategy seeks to ensure that the Union meets its financial targets, while minimising potential adverse effects of cash flow shortfalls.

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. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Union.

Credit risk is managed through maintaining procedures (such as the utilisation of systems for the approval, granting and removal of credit limits, regular monitoring of exposure against such limits and monitoring of the financial stability of significant customers and counterparties) ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the committee has otherwise cleared as being financially sound.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

There is no collateral held by the Union securing trade and other receivables.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 6.

The Union has no significant concentration of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of trade and other receivables are provided in Note 6.

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 entity manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- only investing surplus cash with major financial institutions; and
- proactively monitoring the recovery of unpaid subscriptions.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 2009**

NOTE 19: FINANCIAL RISK MANAGEMENT continued

No financial assets have been pledged as security for any financial liability.

c. Market risk

(i) *Interest rate risk*

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows.

(ii) *Price risk*

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held.

The Union is exposed to securities price risk on 'available-for-sale' investments. Such risk is managed through diversification of investments across industries and geographic locations.

The Union's investments are held in diversified management fund portfolios.

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 reporting at the end of the reporting period 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.

	Profit	Equity
	\$	\$
Year ended 31 December 2009		
+/- 1% in interest rates basis points	39,357	39,357
Year ended 31 December 2008		
+/- 1% in interest rates basis points	2,175	2,175

NOTE 20: 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
(Formerly known as Construction, Forestry, Mining and Energy Union
Forestry, Furnishing, Building Products and Manufacturing Division – National Office)**

DIVISIONAL EXECUTIVE CERTIFICATE

On 9 May 2011 the Divisional Executive of the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division (formerly known as Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division – National Office ("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 2009:

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
(Formerly known as 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: 9 May 2011

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as 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 (Formerly known as Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division – National Office) (the reporting unit), which comprises the statement of financial position as at 31 December 2009, and the statement of comprehensive income, statement of changes in equity and statement of cash flows 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
(Formerly known as 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.

Basis for Qualified Audit Opinion

Included in the statement of financial position are amounts owing from a debtor of \$2,861,277. We have been unable to satisfy ourselves regarding the accuracy of the amount or its recoverability as financial records and statements for this debtor are not available for our examination.

Qualified Auditor's Opinion

In our opinion, except for the effects of such adjustments if any as might have been determined to be necessary had we been able to satisfy ourselves on the sundry debtor of \$2,861,277 referred to above, the general purpose 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 2009 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
Chartered Accountants



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

Melbourne: 9 May 2011

COMPILATION REPORT

**TO THE CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
(Formerly known as 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 (formerly known as 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 Income and Expenditure Statement of Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division for the year ended 31 December 2009 as set out on page 34 to 36.

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: 9 May 2011

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as Construction, Forestry, Mining and Energy Union
Forestry, Furnishing, Building Products and Manufacturing Division – National Office)**

**DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009	2008
	\$	\$
INCOME		
Membership dues received	3,523,664	-
Sustentation fees from Branches:		
- CFMEU FFPD Branches		
New South Wales	-	161,026
South Australia	-	157,216
Victoria	-	168,985
Tasmania	-	52,077
Western Australia	-	17,669
- CFMEU FFTS Branches		
Victoria	241,196	229,480
- CFMEU Pulp and Paper Workers' Branch	-	57,611
Conference registration	30,717	-
Consultancy fees	172,547	85,000
Contributions – OHS & E	223,199	-
Contributions – Industry Skills Development	112,000	-
Coordinator fees	957,566	434,642
Department of Primary Industry	31,250	93,750
Directors fees	289,035	317,159
Dividends received	622	-
Employee contribution FBT	4,566	2,720
Interest received	128,456	959
Levies: PPW Support Fund	155,341	-
Reimbursement of Trainee Organisers	-	62,431
Representation fees	149,869	-
Sitting Fees	-	11,447
Sponsorship	86,705	70,432
Surplus WIMDOI Conference	-	9,182
Sundry income	41,626	23,826
Training income	271	-
Transfer of employee entitlements from FIRST Super	18,239	-
TOTAL INCOME	<u>6,166,869</u>	<u>1,955,612</u>

This statement should be read in conjunction with the attached compilation report on page 33.

CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as Construction, Forestry, Mining and Energy Union)
Forestry, Furnishing, Building Products and Manufacturing Division – National Office)

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
EXPENDITURE		
Accounting fees	2,544	-
Affiliation fees		
- Australian Labour Party		
South Australia	9,088	-
Victoria	2,602	-
Tasmania	45,933	29,369
- Ballarat Trades Hall Council	811	-
- Geelong Trades Hall Council	305	-
- NSW Labour Council	6,819	-
- S A Union	10,185	-
- Unions WA	924	-
- South West T&LC	138	-
- Victorian Trades Hall Council	11,667	-
- International Federation of Chemical, Energy, Mine and General Workers' Union	3,633	-
- South Australian May Day Committee	182	-
- CFMEU National Office	134,300	140,525
Auditors Remuneration	25,000	73,003
Bad Debts	10,060	-
Bank charges	8,643	147
Campaigns	15,890	38,939
Child Labour Support Campaign	6,489	2,892
Cleaning	28,326	526
Computer expenses	97,757	20,031
Conference	97,074	184,970
Consultancy expenses	77,131	33,252
Depreciation	100,581	31,401
Divisional executive expense	-	598
Donations:		
- The Heart Foundation	-	100
- APHEDA Burma Appeal	-	1,000
- Yallambee Retirement Village	-	100
- Andrew Love Cancer Centre	-	100
- Bomaderry Hotel Social Golf Club – Peter Graham Memorial Golf Day	300	-
- Caritas Christian Palliative and Aged Care	100	-
- ALP Tasmanian	125	-
- ALP Candidate for BASS - Scott McLean	35,000	-
- CFMEU National Office – 7 th Asia Pacific Conference	1,500	-
Fringe benefits tax	45,742	18,361
Honoraria	31,568	-
Insurance	53,389	13,587
Interest paid	20,927	-
Legal fees	103,267	98,211
Levy – Victorian Trades Hall Council	2,322	-

This statement should be read in conjunction with the attached compilation report on Page 33.

CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
(Formerly known as Construction, Forestry, Mining and Energy Union
Forestry, Furnishing, Building Products and Manufacturing Division – National Office)

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
Light & power	21,860	35
Loss on sale of fixed asset	8,089	234
Meeting expenses	88,762	18,140
Member benefits	29,974	-
Membership system expenses	63,896	-
Motor vehicle expenses	323,033	36,559
NAC fees	-	37,500
Payroll tax	142,593	25,673
Postage and freight	21,518	4,440
Printing and stationery	42,275	7,771
Promotional items	88,245	15,245
Provision for annual leave		
- elected officials	28,511	(11,385)
- employees	34,321	7,164
Provision for doubtful debts	(666,490)	763,467
Provision for long service leave		
- elected officials	61,111	1,279
- employees	62,956	3,186
Provision for sick leave		
- elected officials	(17,746)	(5,279)
- employees	8,501	19,252
Provision for RDO leave		
- elected officials	772	23,313
- employees	3,994	12,426
Provision for severance		
- employee	(16,392)	-
Publications and subscriptions	19,987	3,610
Rent and outgoings	128,962	22,974
Repairs, maintenance and outgoings	6,584	552
Salaries and wages:		
- elected officials	659,086	101,489
- employees	2,322,143	539,630
Sponsorships	-	10,000
Staff expenses	9,957	1,555
Sundry expenses	4,762	9,406
Superannuation contributions:		
- elected officials	89,145	15,102
- employees	285,747	78,661
Termination payments:		
- Employees	-	2,810

This statement should be read in conjunction with the attached compilation report on page 33

CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
 (Formerly known as Construction, Forestry, Mining and Energy Union
 Forestry, Furnishing, Building Products and Manufacturing Division – National Office)

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
Training & education	71,232	11,728
Telephone and facsimile	167,263	44,859
Travel expenses	407,942	-
Workcover	43,653	11,371
	<hr/>	<hr/>
TOTAL EXPENDITURE	5,536,568	2,499,879
	<hr/>	<hr/>
NET PROFIT/ (LOSS) FOR YEAR	630,301	(544,267)

This statement should be read in conjunction with the attached compilation report on page 33

11 January 2010

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



Fair Work
Australia



Dear Mr O'Connor

**Lodgment of Financial Statements and Accounts –
Construction, Forestry, Mining and Energy Union, FFPD Division - for year ended 31 December 2009
(FR2009/10241)**

The financial year of the FFPD Division has recently ended. This is a courtesy letter to remind you of the obligation to prepare the reporting unit's financial documents and to lodge audited financial accounts and statements with Fair Work Australia in accordance with the *Fair Work (Registered Organisations) Act 2009*.

I am aware that previous years' financial returns are outstanding due to the Divisional restructure and consequently that the preparation and lodgment of the above financial report will be delayed until these earlier returns have been completed. Under the circumstances I would simply encourage the Division to take steps to meet its 2009 reporting obligations as soon as possible and to inform Fair Work Australia of progress made.

The financial report for the Division for the year most recently ended should reflect the activity and financial affairs of the Division as restructured, including all and any activity of the No 1 Branch and its constituent Districts and Sub-Branches.

I draw your particular attention to

- (a) s237 which requires you to prepare and lodge *a separate statement* providing the prescribed particulars of any loan, grant or donation made during the year which exceeds \$1,000;
- (b) s265(5) which requires you to publish or otherwise *provide the members with completed/signed copies* of the audited accounts, report and statements before final presentation and lodgment; and
- (c) s266 which requires you to *present the completed documents to an eligible meeting(s)* (either of the members or of the committee, whichever applies). Note that this meeting (or series of meetings) is distinct from any initial committee meeting convened to prepare, sign or otherwise approve pre-audited documents.

Relevant references may be found at <http://www.fwa.gov.au/index.cfm?pagename=regorgsfrguidelines> and <http://www.fwa.gov.au/index.cfm?pagename=legislationfwroact>. If you are in any doubt as to the requirements or wish to clarify any aspect of the relevant legislation, or anticipate any difficulty in complying with the requirements, do not hesitate to contact Fair Work Australia.

Yours sincerely,

Stephen Kellett
Statutory Services Branch

Fair Work Australia
Level 8, 80 William Street
EAST SYDNEY NSW 2011

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