



Australian Government
Australian Industrial Registry

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Mr Rhett Moxham
Industrial Relations Manager
CFMEU Construction & General Division
Qld Construction Labourers' Divisional Branch
2nd Floor, 366 Upper Roma ST
BRISBANE QLD 4000

Dear Mr Moxham

Financial Return for year ending 31 December 2004 (FR 2004/672)

I refer to your email of 8 June 2005 about an extension of time.

Before addressing your specific request, it may help if I first explain what power a Registrar has to extend time limits for reporting under sections 265 and 266 of the RAO Schedule.

This will depend on which of the following two reporting options a reporting unit chooses:

s265(5)(a) - presenting full report to members' meeting(s)

The reporting unit provides the full report (or a concise report) to members and after no less than 21 days, presents the full report to a general meeting of members. If you choose this option, the general meeting must be held within 6 months of the end of a financial year.

Power to extend time

Under s265(5), a reporting unit may apply to a Registrar to extend the period during which the general meeting must be held by no more than one month, namely from 6 months to no more than 7 months from the end of a financial year.

Effect of Extending Time by one month

The general meeting must be held with 7 months of the end of the financial year; the full or concise report must still be provided to members at least 21 days before the general meeting.

s265(5)(b) - presenting full report to committee of management meeting

The reporting unit provides the full report (or a concise report) to members and presents the full report to a meeting of its committee of management. If you choose this option, you must provide the report to members within 5 months of the end of the financial year. The committee of management meeting must be held within six months of the end of the financial year - see s265(1) and (3). This option is only available if the rules of your reporting unit provide for the matters specified in s266(3).

Power to extend time

Under s265(5), a reporting unit may apply to a Registrar to extend the period to provide the full or concise report to members by no more than one month, namely from 5 months to no more than 6 months from the end of the financial year.

Effect of Extending Time by one month

The full or concise report must be provided within 6 months of the end of the financial year and the committee of management meeting must be held within 7 months of the end of the financial year.

Making an application under s265(5)

If your reporting unit wishes to apply for an extension of time, its application should state clearly:

- whether it intends to present the full report to members' meeting or a committee of management meeting; and
- the period of extension it seeks; and
- provide reasons.

The application should be signed by an officer of the reporting unit.

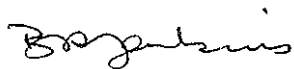
Your correspondence

I note the draft letter of the Branch Secretary attached to your email. As noted above, please clarify which of the options the Branch intends to adopt and submit a signed application. I will consider it and advise you of my decision.

I have treated your application as lodged on 8 June 2005.

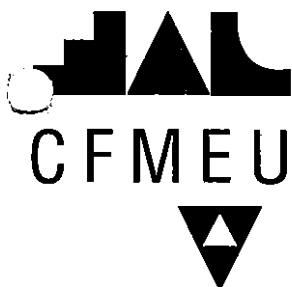
If you have any questions, please contact me or Peter McKerrow on (02) 8374 6666.

Yours sincerely



Barry Jenkins
Deputy Industrial Registrar

23 June 2005



TR/nd.returns

CONSTRUCTION

FORESTRY

MINING

ENERGY

UNION

24th June, 2005

Industrial Registrar
Australian Industrial Registry
Level 8
80 William Street
SYDNEY NSW 2011

Dear Sir/Madam,

Re: Financial Returns

Please find enclosed herewith the financial returns of the Construction Forestry Mining and Energy Union, Construction & General Division, Queensland Builders Labourers Branch, for the year ending 31st December, 2004.

Please confirm receipt at your earliest convenience.

Yours faithfully,

TOM ROBERTS
National Legal Officer

Encl.



CONSTRUCTION &
GENERAL DIVISION
ABN 46 243 168 565

JOHN SUTTON
National Secretary

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CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
QUEENSLAND BUILDERS LABOURERS
DIVISIONAL BRANCH

**Certificate by State Secretary
For The Year Ended 31 December 2004**

In accordance with the requirements of the Workplace Relations Act 1996 Schedule 1B Section 268 (c), I, Gregory Michael Simcoe certify that the attached copies of reports are copies of the documents that were provided to members on 31ST MAY 2005 and presented to a meeting of CFMEU C46 BLDIV. BRANCH EXECUTIVE on 21ST JUNE 2005 in accordance with Section 266 of the RAO Schedule.



Gregory Michael Simcoe
State Secretary
Construction, Forestry, Mining & Energy Union
Queensland Builders Labourers Divisional Branch

Date: 21.06.05

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
QUEENSLAND BUILDERS LABOURERS
DIVISIONAL BRANCH

**Operating Report
For the year ended 31 December 2004**

The Committee of Management presents the Operating Report for the financial year ended 31 December 2004:

Principal Activities

The principal activities of the Union during the year were providing industrial relations and other related services to members.

The results of those activities are continually ongoing.

There were no significant changes to the nature of those activities during the year.

Financial Affairs

There were no significant changes to the Union's financial affairs during the year.

Members' Rights

Members have the right to resign from the Union in accordance with section 174 of Schedule 1B of the Workplace Relations Act 1996.

Superannuation Fund Trustees

The officers and members listed below were trustees, or directors of a trustee company, of a Superannuation Fund as a consequence of their position with the Union:

- Gregory Michael Simcoe Trustee BUSS(Q)

Number of Members

The number of members at the end of the financial year recorded in the register of members and taken to be members of the Union was 5667 financial members.

Number of Employees

The number of full-time equivalent employees of the Union at the end of the financial year was 19.

Committee of Management

The members of the Committee of Management at any time during the financial year were as follows:

Christian, John
Ezzy, Dallas
Hanna, David
Hughes, Kevin
Kupsch, Royce
Maher, Pat

McIntyre, Terry
Olive, John
Pratt, Dean
Purcell, Carl
Simcoe, Greg
Williams, Bob

Signed on behalf of the Committee of Management by:



Gregory Michael Simcoe
State Secretary
Construction, Forestry, Mining & Energy Union
Queensland Builders Labourers Divisional Branch

Date: 10/05/05

**CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
QUEENSLAND BUILDERS LABOURERS
DIVISIONAL BRANCH**

Financial Report

For the year ended 31 December 2004

INDEX:

Statement of Financial Performance

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Committee of Management Statement

Audit Report

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
 QUEENSLAND BUILDERS LABOURERS
 DIVISIONAL BRANCH

Statement of Financial Performance
For The Year Ended 31 December 2004

	Note	2004	2003
		\$	\$
REVENUE			
Operating activities			
Contributions		2 896 192	2 403 839
Royal commission levy		-	102 812
Entrance fees		173 480	134 350
Sale of merchandise		7 582	5 513
Enterprise agreements		15 262	51 350
Consultancy income		9 434	7 727
Attendance fees		20 591	10 400
Journal advertising		82 686	81 172
Sundry income		-	15
Traineeship fund income		96 219	-
Non-operating activities			
Interest		232 792	158 703
Proceeds from sale of fixed assets		59 318	70 613
Proceeds from sale of investments		-	490 169
Rent received		66 502	67 938
		3 660 058	3 584 601
EXPENDITURE			
Affiliation fees		47 141	43 774
Auditors' remuneration - audit services		13 165	11 830
Auditors' remuneration - other services		1 195	1 095
Bank fees		13 798	12 194
CIPS		10 160	8 820
Clothing & uniform expenses		27 410	19 324
Commission - delegates		13 335	11 480
Computer expenses		18 415	13 652
Cordell reports		3 444	3 444
Country expenses		33 660	25 550
Depreciation		125 860	96 607
Donations - charity		1 629	4 160
Donations - political		1 300	3 068
Executive attendance		7 055	8 011
Federal Council attendance		-	9 105
Fringe benefits tax		12 217	13 722
Industrial campaign expenses		19 702	1 702
Industrial relations expenses		6 817	6 692
Insurance - general		730	549

The accompanying notes form part of this financial report.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
QUEENSLAND BUILDERS LABOURERS
DIVISIONAL BRANCH

Statement of Financial Performance
For The Year Ended 31 December 2004

	Note	2004	2003
		\$	\$
Journal expenses		92 913	72 807
Leave - annual leave		43 011	32 866
Leave - long service		22 890	26 263
Labour day expenses		13 067	8 622
Legal fees		31 213	68 957
Meeting expenses		44 738	21 874
Mortuary payments		900	2 100
Office administration		1 946	13 715
Office equipment rent and repairs		18 295	19 402
Payroll tax		56 772	38 557
Photography & film		2 513	3 487
Postage		25 167	26 059
Printing & stationery		57 383	56 569
Promotional goods		13 003	7 570
Rent & maintenance - Brisbane office		19 866	21 160
Rent, rates & maintenance - other properties		47 114	49 446
Royal commission expenses		7 880	5 591
Salaries - officials		897 510	782 668
Salaries - others		226 203	217 449
Superannuation - all staff		-	229 396
Superannuation - officials		218 688	-
Superannuation - others		29 939	-
Staff training		4 736	3 984
Sundry expenses		2 889	-
Sustentation fees - CFMEU National Office		220 505	204 590
Telephone & communication		55 439	48 425
Traineeship fund expenses		96 219	-
Travel & accomodation		36 685	8 011
T-shirts & merchandise		8 450	-
Vehicle running costs		71 957	66 389
Veterans expenses		6 444	6 891
Workers' general insurance		3 311	4 772
Written down value of fixed assets disposed		61 272	66 170
Carrying amount of investments sold		-	468 500
		<hr/>	<hr/>
Total expenses from ordinary activities		2 795 951	2 877 069
		<hr/>	<hr/>
Surplus (deficit) from ordinary activities before income tax expense		864 107	707 532
Income tax expense relating to ordinary activities	2	-	-
		<hr/>	<hr/>

The accompanying notes form part of this financial report.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
QUEENSLAND BUILDERS LABOURERS
DIVISIONAL BRANCH

Statement of Financial Performance
For The Year Ended 31 December 2004

	Note	2004 \$	2003 \$
Surplus (deficit) from ordinary activities after income tax expense	11	864 107	707 532
Increase (decrease) in asset revaluation reserve	10	<u>-</u>	<u>-</u>
Net surplus (deficit) attributable to the Union		<u>864 107</u>	<u>707 532</u>
Total changes in equity		<u>864 107</u>	<u>707 532</u>

The accompanying notes form part of this financial report.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
QUEENSLAND BUILDERS LABOURERS
DIVISIONAL BRANCH

Statement of Financial Position
As at 31 December 2004

	Note	2004 \$	2003 \$
Current Assets			
Cash assets	3	2 043 862	2 319 527
Investments	4	206 177	194 470
Receivables	5	47 311	40 497
Prepayments		<u>26 255</u>	<u>24 042</u>
Total current assets		<u>2 323 605</u>	<u>2 578 536</u>
Non-Current Assets			
Investments	4	2 299 586	1 096 837
Receivables	5	589 886	589 886
Property, plant and equipment	6	<u>888 107</u>	<u>850 094</u>
Total non-current assets		<u>3 777 579</u>	<u>2 536 817</u>
Total Assets		<u>6 101 184</u>	<u>5 115 353</u>
Current Liabilities			
Payables	7	311 735	286 435
Provisions	8	485 333	420 697
Income received in advance	9	7 832	-
Wage claims fund	12	-	10 000
Charity fund	13	<u>73 994</u>	<u>41 302</u>
Total current liabilities		<u>878 894</u>	<u>758 434</u>
Non-Current Liabilities			
Provisions	8	<u>1 264</u>	<u>-</u>
Total non-current liabilities		<u>1 264</u>	<u>0</u>
Total Liabilities		<u>880 158</u>	<u>758 434</u>
Net Assets		<u>5 221 026</u>	<u>4 356 919</u>
Equity			
Reserves	10	168 150	168 150
Retained Surplus (Deficit)	11	<u>5 052 876</u>	<u>4 188 769</u>
Total Equity		<u>5 221 026</u>	<u>4 356 919</u>

The accompanying notes form part of this financial report.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
QUEENSLAND BUILDERS LABOURERS
DIVISIONAL BRANCH

Statement of Cash Flows
For The Year Ended 31 December 2004

	Note	2004	
		\$	
Cash Flows from Operating Activities			
Receipts from members		3 376 639	
Advertising receipts		90 955	
Interest received		229 684	
Other investment income received		66 502	
Other sundry receipts		54 494	
Receipts from CFMEU C & G		3 348	
Wage claim receipts		163 167	
Charity fund receipts		173 405	
Traineeship fund receipts		114 456	
Payments to suppliers and employees		(2 610 720)	
Payments to CFMEU C & G		(10 899)	
Payments to CFMEU National Office		(232 533)	
Wage claim payments for members		(173 167)	
Charity fund payments		<u>(140 713)</u>	
Net cash provided by operating activities	17(b)	<u>1 104 618</u>	
Cash Flows from Investing Activities			
Purchase of fixed assets		(225 145)	
Payment for investments		(1 214 456)	
Proceeds from sale of fixed assets		59 318	
Proceeds from sale of investments		<u>-</u>	
Net cash provided (used) by investing activities		<u>(1 380 283)</u>	
Cash Flows from Financing Activities			
Net cash used in financing activities		<u>0</u>	
Net increase (decrease) in cash held		(275 665)	
Cash at the beginning of the year		2 319 527	
Cash at the end of the year	17(a)	<u>2 043 862</u>	<u>2 319 527</u>

The accompanying notes form part of this financial report.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
QUEENSLAND BUILDERS LABOURERS
DIVISIONAL BRANCH

**Notes to the Financial Statements
For the year ended 31 December 2004**

Note 1: Information to be Provided to Members

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of Schedule 1B section 272 which reads as follows:

- (1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

Note 2: Statement of Significant Accounting Policies

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Workplace Relations Act 1996.

The financial report covers the Construction, Forestry, Mining & Energy Union Queensland Builders Labourers Divisional Branch as an individual reporting unit.

The financial report has been prepared on a modified accruals basis of accounting where, in accordance with Schedule 1B section 252(4) of the Workplace Relations Act 1996, membership subscriptions are kept on a cash basis. The financial report is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

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

(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) Property, Plant and Equipment

Property, plant and equipment are carried at cost or fair value less, where applicable, any accumulated depreciation.

In accordance with Queensland legislation (Schedule 4 of the Industrial Relations Regulations 2000) revaluations of assets are shown as income.

Property held for investment purposes is not depreciated.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
QUEENSLAND BUILDERS LABOURERS
DIVISIONAL BRANCH

**Notes to the Financial Statements
For the year ended 31 December 2004**

Note 2: Statement of Significant Accounting Policies (cont'd)

Plant and Equipment

Plant and equipment is measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the Union 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 are depreciated on a straight line basis over the useful lives of the assets to the Union commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable asset are:

Fixed Asset	Rate
Buildings	4%
Motor Vehicles	20%
Computer Equipment	20%
Furniture and Office Equipment	10%

(c) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Union, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the Union will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments under 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) Investments

Current:

Shares and other securities listed on the Australian Stock Exchange held as current assets are valued at their market value at balance date. The gains or losses, whether realised or unrealised, are included in profit from ordinary activities.

Non-Current:

Non-current investments are measured at their net fair value. The carrying amount of investments is reviewed annually to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount of shares and other securities listed on the Australian Stock Exchange have been assessed from the quoted market values. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
QUEENSLAND BUILDERS LABOURERS
DIVISIONAL BRANCH

Notes to the Financial Statements
For the year ended 31 December 2004

Note 2: Statement of Significant Accounting Policies (cont'd)

(e) 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 their nominal amount. 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.

(f) Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

(g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

(h) BERT Fund

As a sponsor of the BERT Fund the Union may receive distributions of income from the Fund. In accordance with the Sponsors Deed all distributions must be loaned back to the Fund until they are expended on welfare or related assistance as agreed upon by the Sponsors. The distributions from the Fund and welfare assistance paid from the loan account are not shown as income or expenditure of the Union as the Union has no control over the funds nor are the funds available for Union purposes.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
QUEENSLAND BUILDERS LABOURERS
DIVISIONAL BRANCH

Notes to the Financial Statements
For The Year Ended 31 December 2004

	Note	2004 \$	2003 \$
Note 3: Cash Assets			
Cash on hand		1 000	1 000
Bank a/c - general account		271 256	262 831
Bank a/c - wages fund		362	10 394
Bank a/c - charity fund		74 189	40 302
Bank a/c - traineeship fund		69 980	-
Term deposits		1 627 075	2 005 000
		2 043 862	2 319 527
Note 4: Investments			
Current:			
ANZ Cash Plus fund		206 177	194 470
		206 177	194 470
Non-Current:			
Deposits and notes		1 700 000	500 000
Shares in CSTC Pty Ltd		1	1
Units in Trade Union Centre Rockhampton		22 678	22 678
Union House Partnership		2 749	-
Property:			
Manor Apartments # 15 - at management valuation 1995		225 061	225 061
Manor Apartments # 20 - at management valuation 1995		225 060	225 060
House and Land Rockhampton - at cost 1992		124 037	124 037
		2 299 586	1 096 837
Note 5: Receivables			
Current:			
Interest		25 445	22 337
CFMEU C & G		121	-
Other		21 745	18 160
		47 311	40 497
Non-Current:			
Secured loan to Construction Skills Training Centre		589 886	589 886
Note 6: Property, Plant and Equipment			
Land and Buildings			
Union House Brisbane (1/6 share) - at independent valuation 1998		500 000	500 000
Accumulated depreciation		(15 948)	-
		484 052	500 000

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
QUEENSLAND BUILDERS LABOURERS
DIVISIONAL BRANCH

Notes to the Financial Statements
For The Year Ended 31 December 2004

	Note	2004	2003
		\$	\$
Note 6: Property, Plant and Equipment (cont'd)			
Motor Vehicles - at cost		424 786	353 936
Accumulated depreciation		<u>(101 738)</u>	<u>(82 394)</u>
		323 048	271 542
Plant & Equipment		242 489	307 085
Accumulated depreciation		<u>(161 482)</u>	<u>(228 533)</u>
		81 007	78 552
Total property, plant and equipment		<u>888 107</u>	<u>850 094</u>

Movement in the carrying amounts between the beginning and the end of the current financial year:

	Land and Buildings \$	Motor Vehicles \$	Plant and Equipment \$	Total \$
Balance at start of year	500 000	271 542	78 552	850 094
Additions	-	194 312	30 834	225 146
Disposals	-	(61 273)	-	(61 273)
Depreciation	<u>(15 948)</u>	<u>(81 533)</u>	<u>(28 379)</u>	<u>(125 860)</u>
Total	<u>484 052</u>	<u>323 048</u>	<u>81 007</u>	<u>888 107</u>

	Note	2004	2003
		\$	\$
Note 7: Payables			
Accounts payable		201 290	196 484
Sundry creditors and accruals		22 297	11 009
CFMEU C & G		260	1 076
CFMEU National Office		<u>87 888</u>	<u>77 866</u>
		311 735	286 435

Note 8: Provisions

Provision for employee benefits - current		485 333	420 697
Provision for employee benefits - non-current		1 264	-
Number of employees at year end		<u>19</u>	<u>16</u>

Note 9: Income Received in Advance

Traineeship fund		<u>7 832</u>	-
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CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
QUEENSLAND BUILDERS LABOURERS
DIVISIONAL BRANCH

Notes to the Financial Statements
For The Year Ended 31 December 2004

	Note	2004	2003
		\$	\$
Note 10: Reserves			
Asset Revaluation Reserve			
Land and buildings:			
Movements during the year:			
Opening balance		168 150	168 150
Revaluation increment		-	-
Revaluation decrement		-	-
Transfer realised assets to retained earnings		-	-
Closing Balance		168 150	168 150

The asset revaluation reserve records revaluations of non-current assets.

Note 11: Retained Surplus

Retained surplus at the beginning of the year		4 188 769	3 481 237
Net surplus (deficit) attributable to the Union		864 107	707 532
Retained surplus at the end of the year		5 052 876	4 188 769

Note 12: Wage Claims Fund

Opening balance		10 000	
Wages recovered		163 167	
Recoveries dispersed to members		(173 167)	
Closing balance		0	10 000

Note 13: Charity Fund

Opening balance		41 302	29 597
Fundraising income		173 098	124 764
Interest received		307	166
Donations and fundraising expenses		(140 646)	(113 160)
Bank fees and charges		(67)	(65)
Closing balance		73 994	41 302

Note 14: Contingent Liabilities

There are no known contingent liabilities of a significant nature at balance date.

Note 15: Events Subsequent to Reporting Date

There have been no significant events occurring after the end of the financial year.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
QUEENSLAND BUILDERS LABOURERS
DIVISIONAL BRANCH

Notes to the Financial Statements
For The Year Ended 31 December 2004

	Note	2004	2003
		\$	\$

Note 16: Segment Reporting

The Union operates predominantly in one business and geographical segment, being a union of employees providing industrial and workplace relations services to its members in Queensland.

Note 17: Cash Flow Information

(a) Reconciliation of Cash

Cash on hand	1 000	1 000
Bank - general account	271 256	262 831
Bank - wages fund	362	10 394
Bank - charity fund	74 189	40 302
Bank - traineeship fund	69 980	-
Term deposits	1 627 075	2 005 000
	2 043 862	2 319 527

(b) Reconciliation of Net Cash provided by Operating Activities to Surplus from Ordinary Activities after Income Tax

Surplus from ordinary activities after income tax	864 107	
Non-cash flows in ordinary activities:		
Depreciation	125 860	
Net (gain) loss on disposal of fixed assets	1 954	
Net (gain) loss on disposal of investments	-	
Changes in assets and liabilities:		
(Increase) decrease in receivables	(6 814)	
(Increase) decrease in prepayments	(2 213)	
Increase (decrease) in payables	25 300	
Increase (decrease) in other liabilities	30 524	
Increase (decrease) in provisions	65 900	
Net cash provided by operating activities	1 104 618	

(c) The union has no credit stand-by or financing facilities in place.

(d) There were no non-cash financing or investing activities during the year.

Note 18: Financial Instruments

(a) Interest Rate Risk

The Union's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates is as follows:

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
QUEENSLAND BUILDERS LABOURERS
DIVISIONAL BRANCH

Notes to the Financial Statements
For The Year Ended 31 December 2004

	Note	2004 \$	2003 \$
Note 18: Financial Instruments (cont'd)			
FINANCIAL ASSETS			
Cash and bank		416 787	314 527
Term deposits		1 627 075	2 005 000
Cash management fund		206 177	194 470
Floating rate deposits and notes		1 700 000	500 000
		<u>3 950 039</u>	<u>3 013 997</u>

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

The Union does not have any material credit risk exposure to any debtors under financial instruments entered into by the Union.

(c) Net Fair Values

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

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

Note 19: Union Details

The principal place of business of the Union is:

Construction, Forestry, Mining & Energy Union Queensland Builders Labourers Divisional Branch
Level 2
366 Upper Roma Street
Brisbane Qld 4000

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
QUEENSLAND BUILDERS LABOURERS
DIVISIONAL BRANCH


**Committee of Management Statement
For the year ended 31 December 2004**

(Workplace Relations Act 1996 Cwlth)

In accordance with a resolution passed by the Committee of Management of the Construction, Forestry, Mining & Energy Union Queensland Builders Labourers Divisional Branch on 10TH MAY 2005, the Committee declares that in their opinion:

- (a) The financial statements and notes comply with Australian Accounting Standards.
- (b) The financial statements and notes comply with the reporting guidelines of the Industrial Registrar.
- (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 general purpose financial report relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) any information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (v) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

Signed on behalf of the Committee of Management by:



Gregory Michael Simcoe
State Secretary
Construction, Forestry, Mining & Energy Union
Queensland Builders Labourers Divisional Branch

Date: 10/5/2005

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
QUEENSLAND BUILDERS LABOURERS
DIVISIONAL BRANCH

**Independent Audit Report
to the Members**

Scope

We have audited the financial report of the Construction, Forestry, Mining & Energy Union Queensland Builders Labourers Divisional Branch for the year ended 31 December 2004 comprising the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Notes to the Financial Statements. The Union's Committee of Management is responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards, the Workplace Relations Act 1996 and other mandatory professional reporting requirements in Australia so as to present a view which is consistent with our understanding of the Union's financial position and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Qualification

The Construction, Forestry, Mining & Energy Union Queensland Builders Labourers Divisional Branch carries its land and buildings at fair value, with the latest revaluations on its properties being 1998 for Union House Brisbane, 1995 for the Manor Apartments and 1992 for the Rockhampton house and land. This is a departure from Australian Accounting Standard AASB 1041 Revaluation of Non-current Assets, which requires that revaluations should be made regularly, at least every three years. As a result of this, the carrying amount of land and buildings shown in the financial report may not represent their fair values as at 31 December 2004.

Qualified audit opinion

In our opinion, except for the effects on the financial report of the matter referred to in the qualification paragraph, the financial report of the Construction, Forestry, Mining & Energy Union Queensland Builders Labourers Divisional Branch presents fairly in accordance with applicable Accounting Standards, the Workplace Relations Act 1996 and other mandatory professional reporting requirements in Australia the financial position of the Construction, Forestry, Mining & Energy Union Queensland Builders Labourers Divisional Branch as at 31 December 2004 and the results of its operations and its cash flows for the year then ended.



Michael Rice
Michael Rice & Associates
Certified Practising Accountants

Brisbane
12 May 2005



Australian Government

Australian Industrial Registry

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990
Email: sydney@air.gov.au

Mr Tom Roberts
National Legal Officer
Construction Forestry Mining & Energy Union
PO Box Q235
QVB POST OFFICE NSW 1230

Dear Mr Roberts

**Queensland Construction Labourers' Divisional Branch - financial return for year ending
31 December 2004 (FR2004/672)**

I refer to the financial documents of the Branch lodged in the Registry on 27 June 2005.

Qualified Audit Report

The auditor has reported a departure by the Branch from the relevant Accounting Standard in the presentation of its general purpose financial report ("GPFR"). As you know, the Branch is required to prepare its GPFR "in accordance with the Australian Accounting Standards"¹.

The auditor has noted that the Branch carries its land and buildings at "fair value". If so, the Standard requires the Branch to revalue those assets at least every three years. The auditor reports that the latest revaluations of the three properties took place in 1992, 1995 and 1998 respectively, and notes that the carrying amount shown in the financial report may not represent their fair values as at 31 December 2004.

Under the RAO Schedule, a Registrar must investigate a matter where the report of an auditor sets out any "defect or irregularity" or "deficiency, failure or shortcoming" in financial documents lodged in the Registry².

Despite this provision, a Registrar is not required to investigate if, after consultation with the reporting unit, a Registrar is "satisfied that the matters are trivial or will be remedied the following financial year"³.

From the report of the auditor, it would seem the absence of any revaluation of the three properties for between 6 and 12 years is a relatively substantial departure from the relevant Standard and could not be reasonably described as "trivial". If however the Branch is proposing to address this matter by arranging for revaluations during this financial year so that its financial report for 31 December 2004 will be consistent with the Accounting Standards, that matter may be taken into account by a Registrar in determining if an investigation should take place.

I invite the Branch's comments on these matters and what action it proposes following the auditor's qualified report before I decide whether to investigate this matter.

¹ s253(1) of the RAO Schedule – all references are to the Schedule

² s332(1)

³ s332(2)(b)

Committee of Management Statement

The reporting guidelines of the Industrial Registrar require the Branch committee to express its opinion on whether the "financial records of [the Branch] have been kept, as far as practicable, in a consistent manner to each of the other reporting units" of the CFMEU. The Committee has not expressed its opinion on this matter. It should ensure it does when preparing its next Statement; if it cannot express an opinion in those terms, it should say why⁴.

If you have any questions, please contact Peter McKerrow on (02) 8374 6666.

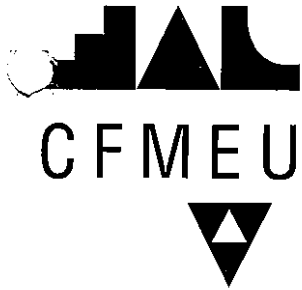
Yours sincerely



Barry Jenkins
Deputy Industrial Registrar

16 August 2005

⁴ See paragraph 17(e)(iv) of the Guidelines under s253 of May 2003



CONSTRUCTION

FORESTRY

MINING

ENERGY

UNION

22 November 2005

Deputy Industrial Registrar
Australian Industrial Registry
80 William Street
EAST SYDNEY NSW 2010

Attn: Mr B Jenkins

Dear Sir

Re: Financial Returns – Queensland (FR 2004/672 & 696)

We refer to your correspondence relating to the above returns and apologise for the delay in responding.

In relation to the qualified audit report we have now confirmed with each of the Divisional branches concerned that the relevant properties have been revalued and that the details of this revaluation will appear in the returns for these Divisional Branches in the returns for the year ending 31 December 2005. Accordingly that aspect of the returns for 2005 will be consistent with Australian Accounting Standards.

On that basis we would submit that an investigation into the matter by a Registrar would be unnecessary and unwarranted.

Thank you for drawing this matter to our attention. Should you require any further information please do not hesitate to contact this office.

Yours faithfully

Tom Roberts
Senior National Legal Officer
Construction & General Division




CONSTRUCTION &
GENERAL DIVISION
ABN 46 243 168 565

JOHN SUTTON
National Secretary

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Mr Tom Roberts
National Legal Officer
Construction Forestry Mining & Energy Union
PO Box Q235
QVB POST OFFICE NSW 1230

Dear Mr Roberts

**Queensland Construction Labourers' Divisional Branch - financial return –
for year ending 31 December 2004 (FR2004/672)**

Thank you for your letter dated 22 November 2005 regarding matters arising from the auditor's report and which I raised in my letter dated 16 August 2005.

Having regard to your advice that the relevant properties have been re-valued and that the revaluations will be disclosed in the Branch's returns for the year ending 31 December 2005, I am satisfied that the matters I raised will be remedied in the following year and that as a consequence, no investigation is necessary.

The documents have been filed.

Yours sincerely,

A handwritten signature in cursive script that reads 'Barry Jenkins'.

Barry Jenkins
Deputy Industrial Registrar

16 December 2005