



AUSTRALIAN INDUSTRIAL REGISTRY

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990

Ref: FR2002/794-[105N-BWIU]

Mr John Sutton
National Secretary
Construction and General Division
CFMEU
PO Box Q235
Queen Victoria Building
Sydney NSW 2000

Dear Mr Sutton

**Re: Construction, Forestry, Mining and Energy Union-Construction and General Division
Financial Reporting Obligations under *Workplace Relations Act 1996***

This is a courtesy letter to remind you of the financial reporting obligations of the abovenamed body under the *Workplace Relations Act 1996* ("the Act") for the financial year ended 31 December, 2002.

The legislative scheme set out in Part IX, Division 11 of the Act is directed at ensuring that a registered organisation or a branch of such an organisation discharges obligations of accountability to its members in relation to its financial affairs through proper and regular disclosure of financial information. The various steps of the financial reporting requirements must be carried out within the time-scales prescribed by the legislation so as to ensure the relevance of the financial information provided to the members.

Now that the financial year has ended, it is timely that you put in train the various steps of the financial reporting requirements. To assist you with this process I have enclosed for your information a notice summarising these requirements including the time-scales prescribed by the legislation. Please note that a branch of an organisation may be exempted from the obligations arising under Part IX, Division 11 in respect of a financial year by satisfying a Registrar that the branch did not have any financial affairs during the financial year. An application under subsection 271A(1) of the Act must be made within 90 days (unless extended by a Registrar) after the end of the financial year.

Please do not hesitate to contact me on (02) 8374 6618 if you wish to discuss the financial reporting requirements, especially if you anticipate any difficulty in meeting any step in the time-scales prescribed.

Yours sincerely

Belinda Penna
E-mail: belinda.penna@air.gov.au

6 February 2003



Level 2, 15 Wentworth Ave
SYDNEY NSW 2000
PO Box Q235, QVB PO
SYDNEY NSW 1230
Telephone: (02) 9267 7644
Facsimile: (02) 9267 8863
ABN: 46 243 168 565

Construction Forestry Mining & Energy Union

Construction & General Division

Federal Office

TR/nd.returns

22nd October, 2003

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

Dear Sir/Madam,

Re: Financial Returns

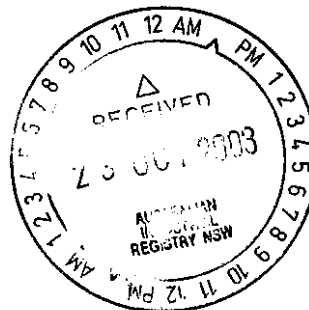
Please find enclosed herewith the financial returns of the Construction Forestry Mining and Energy Union, Construction & General Division, National Office, for the year ending 31st December, 2002.

Please confirm receipt at your earliest convenience.

Yours faithfully,

TOM ROBERTS
National Industrial Officer

Encl.



Construction, Forestry, Mining and Energy Union

(Construction and General Division)

FOR THE YEAR ENDED 31 DECEMBER, 2002.

SECRETARY'S CERTIFICATE

Pursuant to Section 280 (1) of the *Workplace Relations Act 1996*, I, John Sutton certify that the auditor's report, accounts and statements of the abovenamed Division for the year ended 31 December, 2002, annexed hereto, are copies of the documents presented to the meeting of the Divisional Conference on 14 October, 2003.



Divisional Secretary
CFMEU
Construction & General Division

21/10/03

Date

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – NATIONAL OFFICE**

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2002**

CONTENTS

1	Accounting Officer's Certificate
2	Committee of Managements' Certificate
3	Independent Audit Report to the Members
4	Statement of Financial Performance
5	Statement of Financial Position
6	Statement of Cash Flows
7 - 14	Notes to the Financial Statements
15 - 16	Detailed Statement of Financial Performance
17 - 18	Summary of the Financial Report

ACCOUNTING OFFICER'S CERTIFICATE

I, **JOHN SUTTON**, being the Officer responsible for keeping the accounting records of the Construction Forestry Mining and Energy Union, Construction and General Division - National Office ("the Union"), certify that as at 31 December 2002, the number of members of the Union was 66,433.

In my opinion,

- (i) The attached financial report shows a true and fair view of the financial affairs of the Union as at 31 December 2002.
- (ii) A record has been kept of all monies paid by, or collected from members and all monies so paid or collected have been credited to the bank account to which those monies are to be credited, in accordance with the rules of the Union.
- (iii) Before any expenditure was incurred by the Union, approval of the incurring of the expenditure was obtained in accordance with the rules of the Union.
- (iv) With regard to funds of the Union raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated.
- (v) No loans or other financial benefits, other than remuneration in respect of their full-time employment with the Union, were made to persons holding office in the Union.
- (vi) The register of members of the Union was maintained in accordance with the Workplace Relations Act, 1996.



JOHN SUTTON

Dated this 23 day of July 2003.

COMMITTEE OF MANAGERMENTS' CERTIFICATE

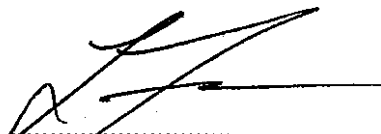
We, **JOHN SUTTON** and **LINDSAY FRASER**, being two members of the Committee of Management of the Construction Forestry Mining and Energy Union, Construction and General Division – National Office ("the Union"), do state on behalf of the Committee, and in accordance with a resolution passed by the Committee that:

- (i) In the opinion of the Committee of Management, the attached financial report shows a true and fair view of the financial affairs of the Union as at 31 December 2002.
- (ii) In the opinion of the Committee of Management, meetings of the Committee were held during the year ended 31 December 2002 in accordance with the rules of the Union.
- (iii) To the knowledge of any member of the Committee, there have been no instances where records of the Union or other documents [not being documents containing information made available to a member of the Union under Sub-Section 274(2) of the Workplace Relations Act 1996], or copies of these records or documents, or copies of the rules of the Union, have not been furnished, or made available to members in accordance with the requirements of the Workplace Relations Act, 1996, the Regulations thereto, or the rules of the Union; and
- (iv) The Union has complied with Sub-Sections 279 (1) and 279 (6) of the Act in relation to the financial report in respect of the year ended 31 December ~~2002~~ and the Independent Audit Report thereon.

2001 ~~2002~~ JS



.....
JOHN SUTTON


.....
LINDSAY FRASER

Dated this 23 day of July 2003.

INDEPENDENT AUDIT REPORT TO THE MEMBERS

SCOPE

We have audited the financial report of the Construction Forestry Mining and Energy Union, Construction and General Division – National Office ("the Union"), for the year ended 31 December 2002 as set out on pages 4 to 14. The Union's Committee of Management and Accounting Officer are responsible for the preparation and presentation of the financial report and the information it contains. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Union.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to 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 as to whether, in all material respects, the financial report is presented fairly in accordance with applicable accounting standards, other mandatory professional reporting requirements and statutory requirements, so as to present a view of the Union, which is consistent with our understanding of the Union's financial position and the results of its operations and cash flows.

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

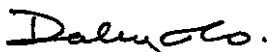
AUDIT OPINION

We have received all the information and explanations required for the purposes of our audit.

In our opinion:

- (a) Satisfactory accounting records have been kept by the Union so far as appears from our examination of these books, including:
 - (i) records of the sources and nature of the income of the Union (including income from members); and
 - (ii) records of the nature and purpose of the expenditure of the Union.
- (b) The financial report required to be prepared under Section 273 of the Workplace Relations Act 1996 has been properly drawn up so as to give a true and fair view of:
 - (i) the financial affairs of the Union as at 31 December 2002; and
 - (ii) the income and expenditure, and result of the Union for the year ended on that date.
- (c) The financial report has been prepared in accordance with Accounting Standards and other mandatory professional reporting requirements.

We have where necessary, obtained all the information and explanations that, to the best of our knowledge and belief, were necessary for the purposes of our audit.


.....
DALEY & CO
Chartered Accountants
98 Kembla Street
Wollongong NSW 2500


.....
M L Gleeson
Registered Company Auditor

Dated this 23rd day of July 2003.

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2002**

		<u>2002</u>	<u>2001</u>
	NOTE	\$	\$
Revenue from Ordinary Activities	3(a)	<u>2,983,717</u>	<u>3,058,553</u>
Expenses from Ordinary Activities			
Wages and Related Costs		1,065,798	1,062,750
Depreciation and Amortisation Expenses		49,379	90,622
Other Expenses		1,851,056	2,004,539
Written Down Value of Assets Sold		<u>13,477</u>	<u>316,161</u>
		<u>2,979,710</u>	<u>3,474,072</u>
Net Profit / (Loss) Attributable to Members		<u>4,007</u>	<u>(415,519)</u>

The accompanying notes form part of this financial report

**STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2002**

	NOTE	2002 \$	2001 \$
CURRENT ASSETS			
Cash	4	722,296	413,018
Receivables	5	1,189,963	1,944,701
Investments	6(a)	3,616,332	2,904,032
Other	7	23,390	46,776
TOTAL CURRENT ASSETS		<u>5,551,981</u>	<u>5,308,527</u>
NON-CURRENT ASSETS			
Investments	6(b)	2,389,644	2,298,659
Property, Plant and Equipment	8	689,179	714,294
Other – Tasmanian Branch Loan		153,970	160,970
TOTAL NON-CURRENT ASSETS		<u>3,232,793</u>	<u>3,173,923</u>
TOTAL ASSETS		<u>8,784,774</u>	<u>8,482,450</u>
CURRENT LIABILITIES			
Accounts Payable	9	967,522	406,185
Provisions	10	421,042	688,957
Other	11	177,584	172,689
TOTAL CURRENT LIABILITIES		<u>1,566,148</u>	<u>1,267,831</u>
TOTAL LIABILITIES		<u>1,566,148</u>	<u>1,267,831</u>
NET ASSETS		<u>7,218,626</u>	<u>7,214,619</u>
ACCUMULATED FUNDS			
Accumulated Members' Funds	13	<u>7,218,626</u>	<u>7,214,619</u>

The accompanying notes form part of this financial report

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2002**

	2002	2001
NOTE	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Membership Levies	3,564,262	1,476,648
Interest Received	136,179	205,808
Sundry Income	583,160	95,515
Payments to Suppliers and Employees	(3,159,910)	(3,120,448)
NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES	16(b) 1,123,691	(1,342,477)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sale of Property, Plant and Equipment	14,718	252,034
Net (Increase) / Decrease in Investments	(712,300)	587,468
Purchase of Property, Plant and Equipment	(37,741)	(81,899)
Advances to Trust (Scanrock P/L)	(90,985)	(49,182)
Proceeds from Trust (Scanrock P/L)	-	55,636
NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES	(826,308)	764,059
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Loan Repayment	7,000	-
Construction Training Fund Receipts	4,895	5,984
NET CASH PROVIDED BY FINANCING ACTIVITIES	11,895	5,984
NET INCREASE (DECREASE) IN CASH HELD	309,278	(572,434)
CASH AT THE START OF YEAR	413,018	985,452
CASH AT THE END OF YEAR	16(a) 722,296	413,018

The accompanying notes form part of this financial report

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

1. STATEMENT OF ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with applicable Accounting Standards, Urgent Issues Group Consensus Views, other pronouncements of the Australian Accounting Standards Board and the requirements of the Workplace Relations Act, 1966.

The financial report has been prepared on an accruals basis and 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 fair values of the consideration given in exchange for assets. The accounting policies adopted have been consistently applied, unless otherwise stated.

The following is a summary of the material accounting policies adopted by the Union in the preparation of the financial report:

(a) PROPERTY, PLANT & EQUIPMENT

The Union has continued to apply the cost basis for measuring its fixed assets. Property, plant & equipment are measured on the cost basis. The carrying amount of property, plant and equipment is reviewed periodically to ensure it is not in excess of the recoverable amount from these 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 their present values in determining recoverable amounts.

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated over their useful lives to the Union commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The gain or loss on disposal of all fixed assets is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal.

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

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Buildings	2%
Leasehold Improvements	50%
Office Furniture and Equipment	10%
Renovations	20%
Computer Equipment	20%
Motor Vehicles	15%

(b) EMPLOYEE ENTITLEMENTS

Provision is made in respect of the Union's liability for annual leave, accrued redundancy leave and long service leave arising from services rendered by officers and employees to balance date. Long service leave is accrued in respect of all officers and employees from employment date. Related on-costs are included in these provisions.

Contributions are made to employee superannuation funds and are charged as expenses when incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

1. STATEMENT OF ACCOUNTING POLICIES

(Continued)

(c) INCOME TAX

No provision for income tax is necessary, as the Union (being a registered Industrial Trade Union) is exempt from tax under s.50-15 of the Income Tax Assessment Act.

2. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act, 1996 the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 274 which read as follows:

- (a) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (b) An organisation shall, on application made under sub-section (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.
- (c) A Registrar may only make an application under sub-section (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

	NOTE	2002 \$	2001 \$
3. OPERATING PROFIT FROM ORDINARY ACTIVITIES			
Profit from ordinary activities is arrived at after taking into account:			
(a) REVENUE:			
<i>Operating Activities</i>			
Membership Levies		2,480,464	2,472,316
Interest Received		139,231	191,037
Computer Costs Reimbursed		37,165	45,164
Distributions - Scanrock		9,091	-
Meetings & Conferences		23,726	18,164
Legal Recoveries		-	6,011
Attendance Fees		51,096	42,434
Wages Reimbursements		28,226	31,393
		2,768,999	2,806,519
<i>Non-Operating Activities</i>			
Write back of other Provision Ø		200,000	-
Proceeds from Sale of Assets		14,718	252,034
		214,718	252,034
		2,983,717	3,058,553

Ø - A provision of \$200,000 previously existed (Note 10) to cover contingencies expected with the wind-up of the FEDFA. As there is now no real likelihood of such contingencies eventuating, the full provision has been reversed in the 2002 year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

	NOTE	2002 \$	2001 \$
3. OPERATING PROFIT FROM ORDINARY ACTIVITIES			
(Continued)			
(b) EXPENSES			
Depreciation of Non-Current Assets			
Buildings		10,000	12,226
Plant & Equipment		39,379	44,480
Total Depreciation		<u>49,379</u>	<u>56,706</u>
Amortisation Expense		-	33,916
Movements in Employee Entitlements		(67,915)	9,154
Written - Down Value of Assets Sold		13,477	316,161
Legal Expenses		360,715	371,664
Remuneration of Auditors			
- Auditing the Financial Report		9,200	9,100
- Other Services		8,937	6,344
		<u>18,137</u>	<u>15,444</u>
4. CASH			
Deposits at Call		351,689	223,429
Cash on Hand		1,000	1,500
Cash at Bank – Main Account		192,023	15,400
Cash at Bank - Other		177,584	172,689
		<u>722,296</u>	<u>413,018</u>
5. RECEIVABLES			
Current			
Debtors		144,254	102,042
Less: Provision for Doubtful Debts		-	11,000
		<u>144,254</u>	<u>91,042</u>
Interest Receivable		16,075	13,023
		<u>160,329</u>	<u>104,065</u>
Amounts due from Branches – Membership Levies	12	<u>1,029,634</u>	<u>1,840,636</u>
		<u>1,189,963</u>	<u>1,944,701</u>
6. INVESTMENTS			
(a) Current			
Commercial Bank Bills *		<u>3,616,332</u>	<u>2,904,032</u>
* Includes \$212,870 (2001 \$261,710) set aside to cover LSL, and Redundancy Liabilities.			
(b) Non Current			
Loan to Unlisted Company – At Cost		<u>2,389,644</u>	<u>2,298,659</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

	NOTE	2002 \$	2001 \$
7. OTHER CURRENT ASSETS			
Prepayments		<u>23,390</u>	<u>46,776</u>
8. PROPERTY, PLANT & EQUIPMENT			
Land and Buildings – At Cost			
Land		<u>250,000</u>	<u>250,000</u>
Buildings		500,000	500,000
Less Accumulated Depreciation		<u>117,500</u>	<u>107,500</u>
		382,500	392,500
Less Provision for Diminution in Value - Note 8(a)		<u>66,375</u>	<u>66,375</u>
		<u>316,125</u>	<u>326,125</u>
Office Furniture and Equipment - At Cost		123,267	122,250
Less Accumulated Depreciation		<u>87,565</u>	<u>71,671</u>
		35,702	50,579
Computer Equipment - At Cost		60,058	81,377
Less Accumulated Depreciation		<u>49,564</u>	<u>68,567</u>
		10,494	12,810
Motor Vehicles - At Cost		86,234	90,402
Less Accumulated Depreciation		<u>9,376</u>	<u>15,622</u>
		<u>76,858</u>	<u>74,780</u>
Leasehold Improvements – At Cost			
Wentworth Avenue		67,832	67,832
Less Accumulated Amortisation		<u>67,832</u>	<u>67,832</u>
		-	-
TOTAL PROPERTY, PLANT AND EQUIPMENT		<u>689,179</u>	<u>714,294</u>

(a) As a consequence of an independent valuation of the Swanston St property, Carlton South by Valuers Landmark White in April, 2000, the value of this property has been reduced by \$66,375. The valuation was done on a market value basis.

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2002**

8. PROPERTY, PLANT & EQUIPMENT
 (Continued)

(b) 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 \$	FURNITURE, FITTINGS & EQUIPMENT \$	MOTOR VEHICLES \$	TOTAL \$
Balance at Start of Year	576,125	63,389	74,780	714,294
Additions	-	8,731	29,010	37,741
Disposals	-	(62)	(13,415)	(13,477)
Amort/Depreciation Expense	(10,000)	(25,862)	(13,517)	(49,379)
Balance at End of Year	<u>566,125</u>	<u>46,196</u>	<u>76,858</u>	<u>689,179</u>
			2002 \$	2001 \$

9. ACCOUNTS PAYABLE

Trade Creditors and Accruals	<u>967,522</u>	<u>406,185</u>
------------------------------	----------------	----------------

Included in the above Trade Creditors and Accruals is an amount of \$505,100 (2001: Nil). This represents unallocated donations received by the National Office towards the Royal Commission costs. The National Executive is yet to determine how to allocate this amount.

10. PROVISIONS

Provision for Annual Leave	208,172	227,247
Provision for Long Service Leave	189,342	223,580
Provision for Redundancy	23,528	38,130
Provision – Other (Note 3(a))	-	200,000
	<u>421,042</u>	<u>688,957</u>

11. OTHER LIABILITIES

Borrowings		
Funds Held in Trust	<u>177,584</u>	<u>172,689</u>

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2002**

12. AMOUNTS DUE FROM BRANCHES - MEMBERSHIP LEVIES (INCL GST)

	BALANCE OWING 1/1/02 \$	ADD AMOUNTS CHARGED \$	LESS CASH RECEIVED \$	BALANCE OWING 31/12/02 \$
New South Wales	232,685	823,880	840,084	216,481
Victoria	894,453	922,338	1,316,453	500,338
Queensland	106,688	373,319	371,688	108,319
South Australia	50,574	83,860	116,989	17,445
Western Australia	272,998	169,413	369,486	72,925
Tasmania	12,435	27,511	42,135	(2,189)
Australian Capital Territory	(13,347)	58,254	30,729	14,178
Clay and Ceramics Division	23,769	60,743	52,800	31,712
Queensland Labourers	260,381	210,292	400,248	70,425
TOTAL	1,840,636	2,729,626	3,540,612	1,029,634

The amount of GST included in the "Amounts Charged" is \$248,146 (2001: \$247,232).

	2002 \$	2001 \$
13. ACCUMULATED PROFITS		
Retained Profits at Start of Year	7,214,619	7,630,138
Net Surplus/(Deficit) attributable to Members	4,007	(415,519)
Retained Profits at End of Year	<u>7,218,626</u>	<u>7,214,619</u>

14. SCANROCK PTY LIMITED

In December 1993 the company Scanrock Pty Limited was established to act as trustee of a joint venture between the CFMEU Construction and General Division National Office, the CFMEU United Mine Workers Division and the CFMEU Construction and General Division NSW Branch.

The Trust was established for the purpose of purchasing the former FEDFA building at 424 Upper Roma Street, Brisbane. During the 2001 year the Brisbane property was sold, and a building was acquired in Regent Street, Sydney. The Sydney property is expected to be sold in the 2003 year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

15. CONTINGENT LIABILITY

Pursuant to Section 7 of the BLF (De-Recognition Act, 1985) and pursuant to an Order in Council made thereunder, a Custodian was appointed by the Victorian Government on 13 October 1987. The Custodian seized all funds and property of the BLF and placed a Queen's Caveat over the land and buildings held in the name of the Trustees of the BLF.

On the 30 March 1994, the BLF merged into the CFMEU and proceedings in the Industrial Relations Court of Australia taken by, or on behalf of, the CFMEU determined that the assets of the former BTF, including title in funds and real estate passed on that merger to the CFMEU. An appeal by the Victorian Government to the High Court was successful and further proceedings resulted in which a Full Court of the Industrial Relations Court of Australia determined that the funds did not so pass. An appeal was lodged by the CFMEU to that finding.

Before the appeal, or leave to appeal, could be determined, the Victorian Government issued another Order in Council granting to the Custodian the power to determine to whom the funds and property previously seized should be distributed. Pursuant to that further Order in Council, the Custodian has determined that the funds and assets ought to be distributed to the CFMEU.

Two sets of proceedings are extant. The CFMEU appeal to the High Court has not yet been determined or withdrawn. The proceedings by certain respondents to the above proceedings seeking the recovery of funds has not been finalised. Each of those matters are likely to be finalised and the final destination of the funds and property made certain in the ensuing twelve months.

	2002	2001
	\$	\$

16. LEASING COMMITMENTS

An operating lease commitment exists in respect of the sub-lease of floor area within the Wentworth Avenue premises. The maximum amount committed including GST is as follows:-

Due within 1 year	<u>28,829</u>	<u>39,056</u>
-------------------	---------------	---------------

17. STATEMENT OF CASHFLOWS

(a) RECONCILIATION OF CASH

For the purposes of this statement of cash flows, cash includes cash on hand and at call deposits with banks and other financial institutions. Cash at end of the financial year as shown in the Statement of Cash Flows is reconciled to items in the Statement of Financial Position as follows:

Cash	4	<u>722,296</u>	<u>413,018</u>
------	---	----------------	----------------

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

	2002	2001
	\$	\$
17. STATEMENT OF CASHFLOWS		
(Continued)		
(b) RECONCILIATION OF CASHFLOWS FROM OPERATIONS WITH NET SURPLUS/(DEFICIT) FOR YEAR		
Net Surplus/(Deficit)	4,007	(415,519)
Non-Cash Flows in Net Result		
Depreciation	49,379	56,706
Amortisation	-	33,916
(Profit)/Loss on Disposal of Non-Current Assets	(1,241)	64,127
Provision for Doubtful Debts	(11,000)	11,000
Changes in Assets and Liabilities		
(Increase)/Decrease in Amounts Due from Branches	811,002	(1,162,623)
(Increase)/Decrease in Accrued Interest	(3,052)	14,771
(Increase)/Decrease in Prepayments	23,386	(14,290)
(Increase)/Decrease in Sundry Debtors	42,212	4,879
Increase/(Decrease) in Employee Entitlements	(67,915)	13,039
Increase/(Decrease) in Creditors and Accruals	561,337	51,517
Increase/(Decrease) in Other Provisions (Note 3(a))	(200,000)	-
CASH FLOWS FROM OPERATIONS	<u>1,123,691</u>	<u>(1,342,477)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002**

	NOTE	2002 \$	2001 \$
INCOME			
Membership Levies	12	2,480,464	2,472,316
Interest		139,231	191,037
Distributions – Scanrock Pty Limited		9,091	-
Sundry Income		79,322	79,838
TOTAL INCOME		<u>2,708,108</u>	<u>2,743,191</u>
EXPENDITURE			
Annual Leave – Increase (Decrease) in Provision		(14,443)	3,274
Affiliation Fees		49,229	44,072
Amortisation		-	33,916
Audit Remuneration		18,137	15,444
Bank Charges		1,250	3,416
CFMEU			
• Capitation Fees		389,262	389,262
• Levies		2,504	7,797
Cleaning		9,871	10,429
Computer Expenses		137,802	142,272
Depreciation		49,379	56,706
Delegation Expenses		31,991	4,591
Donations		28,051	187,854
Doubtful Debts & Increase (Decrease) in Provision		(11,000)	11,000
Electricity		9,844	10,369
Fringe Benefits Tax		19,664	32,227
General Expenses		27,467	38,091
Insurance		12,822	11,098
Internet Expenses		(750)	3,757
Legal Expenses		360,715	371,664
Library		-	5,893
Long Service Leave – Increase (Decrease) in Provision		(17,934)	1,942
Media Consultants		82,250	-
Meeting and Conference Expenses		241,554	244,030
Merchandise		10,404	-
Monitoring Expenses		12,259	10,601
Motor Vehicle Expenses		10,412	13,576
Payroll Tax		57,611	52,601
Postage and Freight		7,152	11,292
Printing and Stationery		17,330	16,596
Production of Book		10,767	-
Publications		19,999	17,800
Publicity		89,477	88,507
Redundancy – Increase (Decrease) in Provision		(14,602)	7,823
Redundancy Contributions		21,112	20,636
Rent		135,691	133,095
	CARRIED FORWARD	<u>1,805,277</u>	<u>2,001,631</u>

The accompanying notes form part of this financial report

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2002**

continued

	NOTE	2002 \$	2001 \$
EXPENDITURE			
Continued			
BROUGHT FORWARD		1,805,277	2,001,631
Repairs and Maintenance		8,436	7,229
Salaries and Allowances			
• Officials		223,981	271,018
• Employees		716,871	666,536
Superannuation		117,050	115,744
Telephone		33,727	32,425
TOTAL EXPENDITURE		<u>2,905,342</u>	<u>3,094,583</u>
OPERATING SURPLUS / (DEFICIT) FOR YEAR		<u>(197,234)</u>	<u>(351,392)</u>
Surplus (Deficit) on Disposal of Non-Current Assets		1,241	(64,127)
Write back of Provision no longer required	3(a)	200,000	-
		<u>201,241</u>	<u>(64,127)</u>
NET SURPLUS / (DEFICIT) FOR YEAR		4,007	(415,519)
ACCUMULATED FUNDS AT START OF YEAR		<u>7,214,619</u>	<u>7,630,138</u>
ACCUMULATED FUNDS AT END OF YEAR		<u>7,218,626</u>	<u>7,214,619</u>

The accompanying notes form part of this financial report

**SUMMARY OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2002**

The financial report of the Construction, Forestry, Mining and Energy Union, Construction and General Division – National Office has been audited in accordance with the provisions of the Workplace Relations Act 1996, and the following summary is provided for members in accordance with Section 279 (2) of the Act.

A copy of the Financial Report, including the Auditor's Report and Statements, will be supplied free of charge to members who request the same.

Certificates required to be given under the Act by the Accounting Officer and the Committee of Management have been completed in accordance with the provisions of the Act and contain no qualifications.

**INCOME AND EXPENDITURE
FOR THE YEAR ENDING 31 DECEMBER 2002**

	2002	2001
	\$	\$
Membership Contributions	2,480,464	2,472,316
Other Income	227,644	270,875
TOTAL INCOME	<u>2,708,108</u>	<u>2,743,191</u>
LESS TOTAL EXPENDITURE	<u>2,704,101</u>	<u>3,158,710</u>
SURPLUS (DEFICIT) FOR THE YEAR	<u>4,007</u>	<u>(415,519)</u>

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2002**

ACCUMULATED FUNDS	<u>7,218,626</u>	<u>7,214,619</u>
Represented by:		
Current Assets	5,551,981	5,308,527
Non-Current Assets	3,232,793	3,173,923
TOTAL ASSETS	<u>8,784,774</u>	<u>8,482,450</u>
TOTAL LIABILITIES	<u>1,566,148</u>	<u>1,267,831</u>
NET ASSETS	<u>7,218,626</u>	<u>7,214,619</u>

**SUMMARY OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2002**
(Continued)

INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act, 1996, the attention of members is drawn to the provisions of Sub-sections (1), (2) and (3) of Section 274 which read as follows:

- ① A member of an organisation, or a Registrar, may apply to the organisation for a specified prescribed information in relation to the organisation.
- ② An organisation shall, on application made under Sub-section (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such a manner, and within such time, as is prescribed.
- ③ A Registrar may only make an application under Sub-section (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

AUDITORS CERTIFICATE

We certify that the above summary is a fair and accurate of the Financial Report and Statements of the Construction, Forestry, Mining and Energy Union, Construction and General Division – National Office for the year ended 31 December 2002. Our Auditor's Report to the members dated *23rd of July* 2003 on the Financial Report, did not contain any particulars of any deficiency, failure or shortcoming as referred to in the Workplace Relations Act 1996.

Daley & Co.
.....
DALEY & CO
Chartered Accountants
Wollongong

M. L. Gleeson
.....
M L Gleeson
Registered Company Auditor
Partner

Dated this *23rd* day of *July*, 2003.

The liability of Daley & Co is limited by, and to the extent of, the Accountants' Scheme under the Professional Standards Act 1994 (NSW)



AUSTRALIAN INDUSTRIAL REGISTRY

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990

Mr John Sutton
Divisional Secretary
Construction & General Division
CFMEU
PO Box Q235 QVB PO
SYDNEY NSW 1230

by facsimile: 02 9267 8863
Attn: Tom Roberts, National Industrial Officer

Dear Mr Sutton

Re: Lodgement of Financial Statements and Accounts for the CFMEU Construction & General Division, Divisional Office for the year ending 31 December 2002

Receipt is acknowledged of the abovementioned financial statements and accounts which were lodged in the Registry on 27 October 2003.

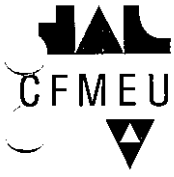
Before the documents can be filed please advise the date that the summary of the accounts was supplied to the members.

If you would like to discuss this letter please contact me on 02 8374 6618.

Yours sincerely,

Belinda Penna
for Deputy Industrial Registrar

27 October 2003



Level 2, 15 Wentworth Ave
SYDNEY NSW 2000
PO Box Q235, QVB PO
SYDNEY NSW 1230
Telephone: (02) 9267 7644
Facsimile: (02) 9267 8863
ABN: 46 243 168 565

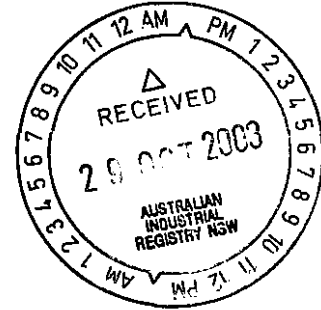
Construction Forestry Mining & Energy Union

Construction & General Division

Federal Office

27 October 2003

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



Attn. Ms B Penna

Dear Ms Penna

Re: CFMEU (C&G Division) National Office Accounts 2002

We refer to your letter dated 27 October 2003 and advise that the summary of the accounts was published in the union's journal which was provided to members in the week commencing 15 September 2003.

Yours faithfully

Tom Roberts
Senior National Legal Officer
Construction & General Division



AUSTRALIAN INDUSTRIAL REGISTRY

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990

Mr Tom Roberts
Senior National Legal Officer
Construction & General Division
CFMEU
PO Box Q235 QVB PO
SYDNEY NSW 1230

Dear Mr Roberts

Re: Lodgement of Financial Statements and Accounts for the CFMEU Construction & General Division, Divisional Office for the year ending 31 December 2002

Receipt is acknowledged of your letter dated 27 October 2003, in which you advise that the summary of the accounts was supplied to the members by way of the union journal in the week commencing 15 September 2003. Your letter was lodged in the Registry on 29 October 2003.

Following the receipt of this information the financial documents have now been filed.

Thank you for your attention to this matter.

Yours sincerely,

Belinda Penna
for Deputy Industrial Registrar

29 October 2003