



AUSTRALIAN INDUSTRIAL REGISTRY

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

Ref: FR2003/676-[105N-BWIU]

Mr John Sutton
Divisional Secretary
Construction, Forestry, Mining and Energy Union
Construction and General Division
PO Box Q235 Queen Victoria Building
SYDNEY NSW 1230

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, 2003.

While the accounting, auditing and reporting obligations have changed with the introduction of the *Registration and Accountability of Organisations Schedule* (the RAO Schedule) which generally came into operation on 12 May 2003, Part IX, Division 11 of the Act continues to apply in relation to a financial year of an organisation that ends on 31 December, 2003. The corresponding obligations set out in the RAO Schedule apply to each financial year of an organisation that starts on or after 1 July 2003.

Now that the financial year for 31 December, 2003 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 accounting, auditing and reporting obligations 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
12 January 2004



Australian Government
Australian Industrial Registry

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

Ref: FR2003/676 -[105N-BWIU]

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

Dear Mr Sutton

**Re: Construction, Forestry, Mining and Energy Union - Construction and General Division
Outstanding Financial Documents - *Workplace Relations Act 1996***

There is no record of lodgment in the Industrial Registry of the auditor's report, accounts and statements of the abovenamed body, prepared in accordance with Part IX, Division 11 of the *Workplace Relations Act 1996* ('the Act'), for the year ended 31 December, 2003.

While the accounting, auditing and reporting obligations have changed with the introduction of the *Registration and Accountability of Organisations* Schedule (the RAO Schedule) which generally came into operation on 12 May 2003, Part IX, Division 11 of the Act continues to apply in relation to a financial year of an organisation that ends on 31 December, 2003. The corresponding obligations set out in the RAO Schedule apply to each financial year of an organisation that starts on or after 1 July 2003.

An organisation registered under the Act or a branch of such an organisation is required after the end of its financial year to prepare accounts and statements, obtain a report from the auditor, provide copies of the auditor's report, accounts and statements to its members, present the auditor's report, accounts and statements to a meeting of members or committee of management, and lodge copies in the Industrial Registry. Having in mind the time-scales allowed by the Act to complete each of these steps, lodgment of the required documents would, in the normal course, be expected before now.

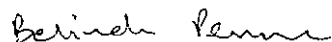
Therefore, I request your written advice **by 2 November, 2004** as to when each of the following steps is expected to be completed:-

1. preparation of the accounts and statements in compliance with section 273
2. making of the audit report in compliance with section 276(4)
3. provision of copies of the auditor's report, accounts and statements to the members in compliance with sections 279(1) and (3)
4. presentation of the financial documents to a meeting of the members or the committee of management in compliance with sections 279(6) and (7) (*following provision of copies to the members as per step 3 above*)

5. lodgment of copies of the financial documents in the Industrial Registry under cover of a certificate by you in compliance with section 280(1) - such certificate should confirm that the documents so lodged are copies of the documents presented to the meeting referred to in step 4 above - the type of meeting and the date when it was held should be specified

If you wish to discuss this letter you may contact me on (02) 8374 6618. In reply please quote: **FR2003/676**.

Yours sincerely



Belinda Penna

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

12 October, 2004

PENNA, Belinda

From: Tom Roberts [troberts@fed.cfmeu.asn.au]

Sent: Friday, 15 October 2004 9:25 AM

To: 'belinda.penna@air.gov.au'

Subject: Financial Returns

Dear Ms. Penna,

I refer to your correspondence dated 12 October 2004 in relation to the returns of the CFMEU C&G Division [FR2003/676].

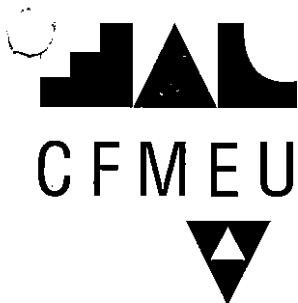
I advise that steps 1 to 3 have now been completed and the accounts are scheduled to be presented to the Divisional Executive when it next meets on 18 November, 2004 [step 4]. The accounts will be filed with the Registry as soon as possible thereafter.

In relation to the accounts of our Qld Construction Workers Divisional Branch, I confirm that these have now been filed and received by your office.

Yours faithfully,

Tom Roberts
Senior National Legal Officer
CFMEU Construction & General Division
Email: troberts@fed.cfmeu.asn.au

15/10/2004



CONSTRUCTION

FORESTRY

MINING

ENERGY

UNION

24 November 2004

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

Dear Sir/Madam

Re: Financial Returns


Please find enclosed herewith the financial returns of the CFMEU Construction & General Division, for the year ending 31 December 2003.

Please confirm receipt at your earliest convenience.

Yours faithfully

John Sutton
National Secretary
Construction & General Division




CONSTRUCTION &
GENERAL DIVISION
ABN 46 243 168 565

JOHN SUTTON
National Secretary

FEDERAL OFFICE
LEVEL 2
15 WENTWORTH AVENUE
SYDNEY NSW 2000

PO BOX Q235
QUEEN VICTORIA BLDG
POST OFFICE
SYDNEY NSW 1230

PH: (02) 9267 7644

FAX: (02) 9267 8863

WEB:

www.cfmeu.asn.au/construction

Construction, Forestry, Mining and Energy Union

(Construction and General Division)

FOR THE YEAR ENDED 31 DECEMBER, 2003.

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, 2003, annexed hereto, are copies of the documents presented to the meeting of the Divisional Executive on 18th November 2004.



Divisional Secretary
CFMEU
Construction & General Division

24 November 2004.

Date

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

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2003**

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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 2003, the number of members of the Union was 68,644.

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 2003.
- (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 25th day of August 2004.

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 2003.
- (ii) In the opinion of the Committee of Management, meetings of the Committee were held during the year ended 31 December 2003 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 2003 and the Independent Audit Report thereon.



.....
JOHN SUTTON



.....
LINDSAY FRASER

Dated this *25th* day of August 2004.

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 2003 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.

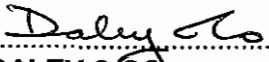
AUDIT OPINION

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 2003; 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 Kembala Street
Wollongong NSW 2500


.....
M L Gleeson
Registered Company Auditor

Dated this 25th day of August 2004.

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2003**

	NOTE	2003 \$	2002 \$
Revenue from Ordinary Activities	3(a)	<u>5,382,159</u>	<u>2,983,717</u>
Expenses from Ordinary Activities			
Wages and Related Costs		1,090,155	1,065,798
Depreciation and Amortisation Expenses		59,747	49,379
Other Expenses		2,437,343	1,851,056
Written Down Value of Assets Sold		-	13,477
		<u>3,587,245</u>	<u>2,979,710</u>
Net Profit Attributable to Members		<u>1,794,914</u>	<u>4,007</u>

The accompanying notes form part of this financial report

**STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2003**

	NOTE	2003 \$	2002 \$
CURRENT ASSETS			
Cash	4	374,611	722,296
Receivables	5	1,869,197	1,189,963
Investments	6(a)	6,857,704	3,616,332
Other	7	18,284	23,390
TOTAL CURRENT ASSETS		9,119,796	5,551,981
NON-CURRENT ASSETS			
Investments	6(b)	-	2,389,644
Property, Plant and Equipment	8	763,318	689,179
Other – Tasmanian Branch Loan		153,970	153,970
TOTAL NON-CURRENT ASSETS		917,288	3,232,793
TOTAL ASSETS		10,037,084	8,784,774
CURRENT LIABILITIES			
Accounts Payable	9	316,138	967,522
Provisions	10	524,390	421,042
Other	11	183,016	177,584
TOTAL CURRENT LIABILITIES		1,023,544	1,566,148
TOTAL LIABILITIES		1,023,544	1,566,148
NET ASSETS		9,013,540	7,218,626
ACCUMULATED FUNDS			
Accumulated Members' Funds	13	9,013,540	7,218,626

The accompanying notes form part of this financial report

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2003**

	NOTE	2003 \$	2002 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Membership Levies		2,892,538	3,564,262
Interest Received		543,944	136,179
Sundry Income		1,033,186	583,160
Payments to Suppliers and Employees		(3,837,172)	(3,159,910)
NET CASH PROVIDED BY OPERATING ACTIVITIES	17(b)	<u>632,496</u>	<u>1,123,691</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale of Property, Plant and Equipment		-	14,718
Net (Increase) / Decrease in Investments		(3,241,372)	(712,300)
Purchase of Property, Plant and Equipment		(133,885)	(37,741)
Advances to Trust (Scanrock P/L)		(36,000)	(90,985)
Proceeds from Trust (Scanrock P/L)		2,425,644	-
NET CASH USED IN INVESTING ACTIVITIES		<u>(985,613)</u>	<u>(826,308)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Loan Repayment		-	7,000
Construction Training Fund Receipts		5,432	4,895
NET CASH PROVIDED BY FINANCING ACTIVITIES		<u>5,432</u>	<u>11,895</u>
NET INCREASE (DECREASE) IN CASH HELD		(347,685)	309,278
CASH AT THE START OF YEAR		<u>722,296</u>	<u>413,018</u>
CASH AT THE END OF YEAR	17(a)	<u><u>374,611</u></u>	<u><u>722,296</u></u>

The accompanying notes form part of this financial report

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003**

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, 1996.

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%
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 2003**

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	2003 \$	2002 \$
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		3,175,465	2,480,464
Interest Received		548,042	139,231
Computer Costs Reimbursed		3,189	37,165
Book "First the Verdict"		16,785	-
Distributions - Scanrock		181,265	9,091
Meetings & Conferences		28,295	23,726
Donations – Royal Commission	9	505,100	-
Attendance Fees		60,381	51,096
Wages Reimbursements		20,000	28,226
		4,538,522	2,768,999
<i>Non-Operating Activities</i>			
FEDFA Integration		843,637	-
Write back of other Provision Ø		-	200,000
Proceeds from Sale of Assets		-	14,718
		843,637	214,718
		5,382,159	2,983,717

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003**

	NOTE	2003 \$	2002 \$
3. OPERATING PROFIT FROM ORDINARY ACTIVITIES			
(Continued)			
(b) EXPENSES			
Depreciation of Non-Current Assets			
Buildings		10,000	10,000
Plant & Equipment		49,747	39,379
Total Depreciation		<u>59,747</u>	<u>49,379</u>
Movements in Employee Entitlements		103,348	(67,915)
Written - Down Value of Assets Sold		-	13,477
Legal Expenses		203,161	360,715
Remuneration of Auditors			
- Auditing the Financial Report		9,300	9,200
- Other Services		7,489	8,937
		<u>16,789</u>	<u>18,137</u>
4. CASH			
Deposits at Call		161,214	351,689
Cash on Hand		1,500	1,000
Cash at Bank – Main Account		28,881	192,023
Cash at Bank - Other		183,016	177,584
		<u>374,611</u>	<u>722,296</u>
5. RECEIVABLES			
Current			
Debtors		272,796	144,254
Less: Provision for Doubtful Debts		-	-
		<u>272,796</u>	<u>144,254</u>
Interest Receivable		20,173	16,075
		<u>292,969</u>	<u>160,329</u>
Amounts due from Branches – Membership Levies	12	<u>1,576,228</u>	<u>1,029,634</u>
		<u>1,869,197</u>	<u>1,189,963</u>
6. INVESTMENTS			
(a) Current			
Commercial Bank Bills *		<u>6,857,704</u>	<u>3,616,332</u>
* Includes \$274,244 (2002 \$212,870) set aside to cover LSL, and Redundancy Liabilities.			
(b) Non Current			
Loan to Unlisted Company – At Cost		<u>-</u>	<u>2,389,644</u>

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2003**

	NOTE	2003 \$	2002 \$
7. OTHER CURRENT ASSETS			
Prepayments		<u>18,284</u>	<u>23,390</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>127,500</u>	<u>117,500</u>
		372,500	382,500
Less Provision for Diminution in Value - Note 8(a)		<u>66,375</u>	<u>66,375</u>
		<u>306,125</u>	<u>316,125</u>
Office Furniture and Equipment - At Cost		124,806	123,267
Less Accumulated Depreciation		<u>99,295</u>	<u>87,565</u>
		<u>25,511</u>	<u>35,702</u>
Computer Equipment - At Cost		148,805	60,058
Less Accumulated Depreciation		<u>47,180</u>	<u>49,564</u>
		<u>101,625</u>	<u>10,494</u>
Motor Vehicles - At Cost		104,415	86,234
Less Accumulated Depreciation		<u>24,358</u>	<u>9,376</u>
		<u>80,057</u>	<u>76,858</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT		<u>763,318</u>	<u>689,179</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 2003**

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	566,125	46,196	76,858	689,179
Additions	-	115,703	18,182	133,885
Disposals	-	(25,418)	-	(25,418)
Amort/Depreciation Expense	(10,000)	(34,764)	(14,982)	(59,746)
Disposals – Accum Dep'n	-	25,418	-	25,418
Balance at End of Year	<u>556,125</u>	<u>127,135</u>	<u>80,058</u>	<u>763,318</u>

2003	2002
\$	\$

9. ACCOUNTS PAYABLE

Trade Creditors and Accruals	<u>316,138</u>	<u>967,522</u>
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During the 2002 year the Union received \$505,100 towards the Royal Commission costs. This amount was included in the above Trade Creditors and Accruals in the 2002 year, as the allocation of this amount had not been determined at the time of preparation of the 2002 accounts. However, during the 2003 year with a substantial amount of the donation spent, it was decided to recognize the full amount as income in the current year, and thus transfer the donation from Current Liabilities.

10. PROVISIONS

Provision for Annual Leave	250,146	208,172
Provision for Long Service Leave	242,019	189,342
Provision for Redundancy	32,225	23,528
	<u>524,390</u>	<u>421,042</u>

11. OTHER LIABILITIES

Borrowings		
Funds Held in Trust	<u>183,016</u>	<u>177,584</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003**

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

	BALANCE OWING 1/1/03 \$	ADD AMOUNTS CHARGED \$	LESS CASH RECEIVED \$	BALANCE OWING 31/12/03 \$
New South Wales	216,481	1,164,327	814,276	566,532
Victoria	500,338	1,030,149	1,070,000	460,487
Queensland	108,319	417,445	408,975	116,789
South Australia	17,445	115,248	79,468	53,225
Western Australia	72,925	300,046	176,517	196,454
Tasmania	(2,189)	32,630	11,083	19,358
Australian Capital Territory	14,178	56,797	64,178	6,797
Clay and Ceramics Division	31,712	66,647	71,312	27,047
Queensland Labourers	70,425	243,711	217,608	96,528
Victoria FEDFA	-	219,534	186,523	33,011
TOTAL	1,029,634	3,646,534	3,099,940	1,576,228

The amount of GST included in the "Amounts Charged" is \$331,503 (2002: \$248,146).

13. ACCUMULATED PROFITS

	2003 \$	2002 \$
Retained Profits at Start of Year	7,218,626	7,214,619
Net Surplus attributable to Members	1,794,914	4,007
Retained Profits at End of Year	<u>9,013,540</u>	<u>7,218,626</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 was sold in the 2003 year, and all advances to the company have been repaid [Note 6(b)].

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003**

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.

	2003	2002
	\$	\$

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>28,829</u>
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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>374,611</u>	<u>722,296</u>
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003**

	2003	2002
	\$	\$
17. STATEMENT OF CASHFLOWS		
(Continued)		
(b) RECONCILIATION OF CASHFLOWS FROM OPERATIONS WITH NET SURPLUS FOR YEAR		
Net Surplus	1,794,914	4,007
Non-Cash Flows in Net Result		
Depreciation	59,746	49,379
(Profit)/Loss on Disposal of Non-Current Assets	-	(1,241)
Provision for Doubtful Debts	-	(11,000)
Changes in Assets and Liabilities		
(Increase)/Decrease in Amounts Due from Branches	(546,594)	811,002
(Increase)/Decrease in Accrued Interest	(4,098)	(3,052)
(Increase)/Decrease in Prepayments	5,106	23,386
(Increase)/Decrease in Sundry Debtors	(128,542)	(42,212)
Increase/(Decrease) in Employee Entitlements	103,348	(67,915)
Increase/(Decrease) in Creditors and Accruals	(651,384)	561,337
Increase/(Decrease) in Other Provisions (Note 3(a))	-	(200,000)
CASH FLOWS FROM OPERATIONS	<u>632,496</u>	<u>1,123,691</u>

**DETAILED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2003**

	NOTE	2003 \$	2002 \$
INCOME			
Membership Levies	12	3,175,465	2,480,464
Interest		548,042	139,231
Distributions – Scanrock Pty Limited		181,265	9,091
Donations – Royal Commission	9	505,100	-
Sundry Income		97,167	79,322
TOTAL INCOME		<u>4,507,039</u>	<u>2,708,108</u>
EXPENDITURE			
Annual Leave – Increase (Decrease) in Provision		41,974	(14,443)
Affiliation Fees		55,510	49,229
Audit Remuneration		16,789	18,137
Bank Charges		1,479	1,250
CFMEU			
• Capitation Fees		454,139	389,262
• Levies		2,154	2,504
Cleaning		10,797	9,871
Computer Expenses		177,337	137,802
Depreciation		59,746	49,379
Delegation Expenses		34,766	31,991
Donations		6,784	28,051
Doubtful Debts & Increase (Decrease) in Provision		-	(11,000)
Electricity		8,523	9,844
Fringe Benefits Tax		23,284	19,664
General Expenses		30,056	27,467
Insurance		17,113	12,822
Internet Expenses		11,034	(750)
Legal Expenses		203,162	360,715
Long Service Leave – Increase (Decrease) in Provision		52,677	(17,934)
Media Consultants		108,856	82,250
Meeting and Conference Expenses		391,561	241,554
Merchandise		3,342	10,404
Monitoring Expenses		17,320	12,259
Motor Vehicle Expenses		11,272	10,412
Payroll Tax		51,811	57,611
Postage and Freight		11,932	7,152
Printing and Stationery		15,456	17,330
Production of Book		14,685	10,767
Publications		21,475	19,999
Publicity		392,276	89,477
Redundancy – Increase (Decrease) in Provision		8,697	(14,602)
Redundancy Contributions		31,357	21,112
Rent		153,943	135,691
	CARRIED FORWARD	<u>2,441,307</u>	<u>1,805,277</u>

The accompanying notes form part of this financial report

**DETAILED STATEMENT OF FINANCIAL PERFORMANCE
 FOR THE YEAR ENDED 31 DECEMBER 2003**

continued

	NOTE	2003 \$	2002 \$
EXPENDITURE			
Continued			
BROUGHT FORWARD		2,441,307	1,805,277
Repairs and Maintenance		2,245	8,436
Salaries and Allowances			
• Officials		312,508	223,981
• Employees		642,780	716,871
Superannuation		122,048	117,050
Telephone		34,874	33,727
TOTAL EXPENDITURE		<u>3,555,762</u>	<u>2,905,342</u>
 OPERATING SURPLUS FOR YEAR		 <u>951,277</u>	 <u>(197,234)</u>
 FEDFA Integration		 843,637	 -
Surplus (Deficit) on Disposal of Non-Current Assets		-	1,241
Write back of Provision no longer required	3(a)	-	200,000
		<u>843,637</u>	<u>201,241</u>
 NET SURPLUS FOR YEAR		 <u>1,794,914</u>	 <u>4,007</u>

The accompanying notes form part of this financial report

**SUMMARY OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2003**

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 2003**

	2003	2002
	\$	\$
Membership Contributions	3,175,465	2,480,464
Other Income	2,175,211	227,644
TOTAL INCOME	<u>5,350,676</u>	<u>2,708,108</u>
LESS TOTAL EXPENDITURE	<u>3,555,762</u>	<u>2,704,101</u>
SURPLUS FOR THE YEAR	<u>1,794,914</u>	<u>4,007</u>

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2003**

ACCUMULATED FUNDS	<u>9,013,540</u>	<u>7,218,626</u>
Represented by:		
Current Assets	9,119,796	5,551,981
Non-Current Assets	917,288	3,232,793
TOTAL ASSETS	<u>10,037,084</u>	<u>8,784,774</u>
TOTAL LIABILITIES	<u>1,023,544</u>	<u>1,566,148</u>
NET ASSETS	<u>9,013,540</u>	<u>7,218,626</u>

**SUMMARY OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2003**
(Continued)

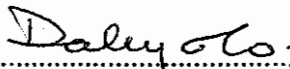
INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

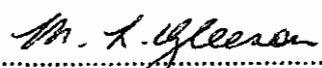
In accordance with the requirements of the Workplace Relations Act, 1996, the attention of members is drawn to the provisions of Sub-sections (1), (2) and (3) of Section 274 which read as follows:

- 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 2003. Our Auditor's Report to the members dated 25th of August 2004 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
Chartered Accountants
Wollongong


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

Dated this 25th day of August 2004.

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



Australian Government
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
National Secretary
CFMEU Construction & General Division
PO Box Q235
Queen Victoria Building Post Office
SYDNEY NSW 1230

Dear Mr Sutton

Re: Lodgement of Financial Statements and Accounts for the Construction & General Division, Divisional Office for the year ending 31 December 2003 (FR2003/676)

Receipt is acknowledged of the abovementioned financial documents which were lodged in the Registry on 26 November 2004. Before the documents can be filed some further information is required.

Supply of Documents to Members

Please advise the date, and the method used, to supply the summary of the financial report to the members.

Loans Grants and Donations

The income and expenditure statement also identifies an amount of \$6,784 as Donations.

Section 269 of the *Workplace Relations Act 1996* requires that a statement be lodged in the Registry showing particulars of each donation of an amount exceeding \$1,000 that was made by your organisation during the financial year.

The relevant particulars required about each of these donations are:

- the amount of each donation
- the purpose for which each was made
- the name and address of the person to whom each amount was paid (except in cases of donations made to relieve members of severe financial hardship).

If you have made any individual donations which exceed \$1000, please lodge a separate statement setting out the particulars, as the statement will be held in a file which is not for public viewing other than by members of your organisation.

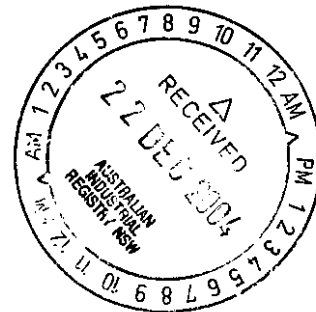
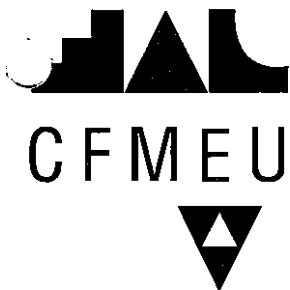
If you have any enquiries about this letter please contact me 02 8374 6618, or by email at belinda.penna@air.gov.au.

Yours sincerely,

A handwritten signature in cursive script that reads "Belinda Penna".

Belinda Penna
for Deputy Industrial Registrar

26 November 2004



CONSTRUCTION

FORESTRY

MINING

ENERGY

UNION

16 December 2004

Australian Industrial Registry
Level 8
80 William Street
EAST SYDNEY NSW 2010

Attn: Ms B Penna

Dear Ms Penna

**Re: Accounts C&G Divisional Office
FR 2003/676**

I refer to your letter dated 26 November 2004.

I advise that the summary of the financial report was provided to members by publication in the September edition of the union journal.

A statement in relation to loans, grants and donations is enclosed.

Should you have any further enquiries please 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

FEDERAL OFFICE
LEVEL 2
15 WENTWORTH AVENUE
SYDNEY NSW 2000

PO BOX Q235
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SYDNEY NSW 1230

PH: (02) 9267 7644

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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
Senior National Legal Officer
CFMEU Construction & General Division
PO Box Q235 QVB Post Office
SYDNEY NSW 1230

Dear Mr Roberts

Re: Lodgement of Financial Statements & Accounts for the CFMEU Construction & General Division, Divisional Office for the year ending 31 December 2003 (FR2003/676)

Thank you for your letter dated 16 December 2004, supplying details of the date that the summary of the financial report was provided to members.

Following the receipt of this information, the documents have been filed, and may be viewed on the internet at www.e-airc.gov.au/105nbwiu/financial.

I would like to take this opportunity to remind you that information about the new financial reporting obligations under the Registration and Accountability of Organisations Schedule (Schedule 1B to the *Workplace Relations Act 1996*) which now apply to your organisation can be found at www.airc.gov.au/fact_sheets/factsheets.html.

Yours sincerely,

A handwritten signature in cursive script that reads 'Belinda Penna'.

Belinda Penna
for Deputy Industrial Registrar

22 December 2004