



**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: FR2004/677-[105N-FFTV]**

Mr Leo Skourdoumbis  
Branch Secretary  
CFMEU FFPD  
Victorian FFTS Branch  
130 Errol Street  
NORTH MELBOURNE VIC 3051

Dear Mr Skourdoumbis

**Financial Return - year ending 31 December, 2004**

Our records show your organisation's financial year ended recently. This letter outlines some of the things you must do to meet your financial reporting obligations and when you have to do them. For simplicity, we will call the documents you have to lodge with us your *financial return*.

**New legislation**

This letter is intended as guide to the law applicable on the date of this letter and should not be used as a substitute for legal or accounting advice. We only summarise some of the reporting requirements in this letter. More detailed information is at the end of this letter.

The legislation has changed since your last return. In May 2003 the Industrial Registrar wrote to all organisations forwarding a number of facts sheets outlining the major changes made by Schedule 1B of the Workplace Relations Act 1996 ('RAO'<sup>1</sup>). While the immediate changes affected the rules and elections in organisations, the changes affecting financial returns involve a longer lead time.

**The key differences under the new legislation affecting financial returns are:**

- a reduced financial reporting cycle (now maximum periods of 5 or 6 months depending on internal arrangements of organisation)
- a greater emphasis given to Australian Accounting Standards
- the introduction of a new report, known as an Operating Report (broadly similar in concept to a Director's Report under the corporations legislation)
- extensions of time are limited to one month
- restructured penalty provisions involving more extensive use of Civil Penalties
- the introduction of the Industrial Registrar's Reporting Guidelines
- organisations and their branches to report according to their financial structures, known as 'reporting units'.

We recommend you discuss the new requirements with your accountant or auditor.

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<sup>1</sup> Registration and Accountability of Organisations Schedule (RAO) (Schedule 1B to the *Workplace Relations Act 1996*)

## Reporting Unit

One of the new concepts of the RAO legislation is that reporting entities are known as “*reporting units*”. Where an organisation is **not** divided into branches the reporting unit is the whole of the organisation. Where an organisation **is** divided into branches each branch will be a reporting unit unless the Industrial Registrar has determined a division of the organisation into reporting units on an alternative basis. We can discuss this with you if you need more information.

For simplicity, we will refer to your organisation as a reporting unit in this letter.

## Industrial Registrar’s Guidelines

The Industrial Registrar’s reporting guidelines set out certain disclosure requirements in addition to those prescribed by Australian Accounting Standards having in mind the nature of organisations registered under the Workplace Relations Act.

The disclosure requirements prescribed by the reporting guidelines are directed towards providing members of the reporting unit with information to enable them to gauge the performance of the committee of management and other holders of office in relation to the financial management of the reporting unit. In addition, the reporting guidelines seek to improve the quality of information available to users of the financial report about the reporting unit’s economic support of, or economic dependency on, other reporting units of the organisation.

## Timeline Planner and Checklist

We have attached a Timeline/Planner (*Attachment A*) to help you **plan** your financial return and carry out all the necessary steps. We have also attached a Document Checklist (*Attachment B*) to **check** your documents before lodging them in the Registry. Both documents are abbreviated summaries of the relevant provisions of the RAO Schedule, RAO Regulations and the Industrial Registrar’s Reporting Guidelines.

In the following section we describe some of the documents your reporting unit must prepare and the sequence of their preparation and completion.

## Three Reports

Your reporting unit must prepare two reports as soon as practicable after its financial year, which, together with the Auditor’s Report, comprise the reporting unit’s financial return.

1. **General Purpose Financial Report** - this must comply with the Australian Accounting Standards and the Industrial Registrar’s Reporting Guidelines. The GPFR consists of:

Financial Statements containing:

- a profit and loss statement, or other operating statement; and
- a balance sheet; and
- a statement of cash flows; and
- any other statements required by the Australian Accounting Standards; and

Notes to the Financial Statements containing:

- notes required by the Australian Accounting Standards; and
- information required by the Industrial Registrar's *Reporting Guidelines* under section 255); and

Committee of Management Statement as required by the Registrar's Reporting Guidelines (a sample certificate for illustrative purposes is at Attachment C)

2. **Operating Report** - this report includes a review of your reporting unit's principal activities for the year and other specified information.

Your reporting unit must appoint an auditor to audit the GPFR and to provide:

3. an **Auditor's Report**.

### **First Meeting (Committee of Management)**

For simplicity, we will call the meeting at which the committee of management first considers the GPFR the first meeting. At the first meeting your committee, if satisfied that all is in order, will resolve to express its opinion on the GPFR and complete a Committee of Management Statement.

### **The Auditor**

After the first meeting, the auditor takes the GPFR and the Committee of Management Statement and prepares a report on the GPFR. In practice, your auditor may have already completed most of his or her examination of your accounts. The auditor may only be waiting on the Committee to pass the required resolution and make the Statement before signing the report the same day.

### **Informing Your Members**

Your reporting unit must provide free of charge to the general membership, copies of the GPFR, the Operating Report and the Auditor's Report. RAO calls these the "full report". Under certain circumstances, your reporting unit can provide a more limited *concise report*.

The reporting unit can meet its obligation to provide copies of the full or concise report to members by publishing the report in a journal that is available to the members free of charge.

A reporting unit may meet this obligation in whole or in part by publication of the report in a journal published on a web site on the Internet dependent on:

- a. the extent of the accessibility of the members of the reporting unit to the Internet; and
- b. that the members are notified by the reporting unit in the usual manner in which it communicates with its members that the report has been so published at a specified Internet address.

The report must be provided within 5 or 6 months from the end of the financial year, depending on the internal arrangements of the organisation for the presentation of its financial reports.

## **The Second Meeting - if it is a General Meeting of Members**

After providing the full report to members it must be presented to a general meeting of members. For simplicity this is referred to as the *second meeting*.

Your reporting unit must always allow a minimum of 21 days for members to receive the full report before presenting it to a general meeting of members (s265(5)). The purpose of the interval and the second meeting is to enable the members to have time to consider the report and, if they wish, to attend the second meeting to discuss it.

If the rules of the organisation permit a general meeting to be a series of meetings held at different locations, the full report may be presented to such a series of meetings. In this case the 'date' of the general meeting is taken to be the date of the last meeting in the series (see s266(2)).

## **The Second Meeting - if it is a Committee of Management Meeting**

If the rules of your organisation contain a provision that allows up to 5% of members to demand a general meeting to be held consider the report (see s266(3)), it is permissible to present the report directly to a Committee of Management meeting.

### **Lodge full report within 14 days of meeting**

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at [www.airc.gov.au](http://www.airc.gov.au)). When lodging the financial return please quote: **FR2004/677**.

The Secretary (or another officer appropriately authorised under the rules of the organisation) must *certify* that the full report is a copy of the one provided to members and presented to the second meeting and provide the date of the meeting (a sample certification for illustrative purposes is at *Attachment D*).

When we receive your return we will check that it includes the information you must provide your members and that you have provided it to them correctly.

### **Complying with time limits**

This letter has outlined some of the steps in preparing and lodging your return. Many of the steps must be completed within fixed time limits.

Failure to complete them in time could make your reporting unit or its officers liable to financial or "civil penalties".

### **Extensions of Time**

We appreciate that sometimes circumstances beyond your reporting unit's control may delay completion of a financial return. If you believe your reporting unit is going to be unable to meet a time limit tell us as soon as you know. We can advise you if the step is one for which you may apply under RAO to the Industrial Registrar for extra time to complete. The maximum extra time allowed can be no more than one month.

## Reduced Reporting Requirements

If your reporting unit meets certain conditions, some of these reporting requirements can be reduced. Such conditions might be where the annual income of the reporting unit (where the reporting unit is the whole of the organisation) is less than \$100,000, or where the reporting unit has no financial affairs in the financial year, or where the financial affairs of the reporting unit are encompassed by the financial affairs of its counterpart State industrial association.

## Contact the Registry

We encourage you to contact the Registry on (02) 8374 6666 or by e-mail at [peter.mckerrow@air.gov.au](mailto:peter.mckerrow@air.gov.au) or [belinda.penna@air.gov.au](mailto:belinda.penna@air.gov.au) as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedure but we cannot give you legal or accounting advice.

## Information on AIRC Website

We recommend you and your accountant/auditor refer to the following documents on the Commission's website at [www.airc.gov.au](http://www.airc.gov.au):

- [RAO Schedule and RAO Regulations](#)
- [Registrar's Reporting Guidelines](#) - All GPFR's must comply with these Guidelines. Please note that the Guidelines set out requirements that are *in addition* to those required by the Australian Accounting Standards.
- [RAO Fact Sheets](#) - These Fact Sheets explain the new requirements of the RAO Schedule - many of them deal with financial reporting matters.

Yours sincerely



for Deputy Industrial Registrar  
19 January 2005



**Attachment B**

**Documents Checklist**

You can use this checklist as soon as possible after the financial year ends to ensure you have all the necessary documents prepared and that those documents contain all information required by RAO.

You can also use this checklist to ensure all documents in your financial return are complete before lodging them in the Registry.

No	Document	✓
<b>1</b>	<b>General Purpose Financial Report</b>	
	Does the report contain a Profit and Loss Statement?	
	Does the report contain a Balance Sheet?	
	Does the report contain a Statement of Cash Flows?	
	Does the report contain notes to the financial statements as required by AAS and the reporting guidelines?	
	Does the report contain all other information required by the reporting guidelines?	
<b>2</b>	<b>Committee of Management Statement</b>	
	Is the statement signed by the officer responsible for undertaking functions necessary to enable the reporting unit to comply with RAO?	
	Is the statement dated?	
	Is the statement in accordance with a resolution of the committee?	
	Does the statement specify the date of the resolution?	
	Does the statement contain declarations required by the reporting guidelines?	
<b>3</b>	<b>Auditor's Report</b>	
	Is the Report dated and signed by the auditor?	
	Is the name of the auditor clear?	
	Are the qualifications of the auditor on the report?	
	Has the auditor expressed an opinion on all matters required?	
<b>4</b>	<b>Operating Report</b>	
	Is the report signed and dated?	
	Does the report provide the number of members?	
	Does the report provide the number of employees?	
	Does the report contain a review of principal activities?	
	Does the report give details of significant changes?	
	Does the report give details of right of members to resign?	
	Does the report give details of superannuation trustees?	
	Does the report give details of membership of the committee of management?	
<b>5</b>	<b>Concise report*</b>	
<b>6</b>	<b>Certificate of Secretary or other Authorised Officer</b>	
	Is the certificate signed and dated?	
	Is the signatory the secretary or another officer authorised to sign the certificate?	
	Is the date that the report was provided to members stated?	
	Is the date of the Second Meeting at which the report was presented stated?	
	Does the certificate state that the documents are copies of those provided to members? Does the certificate state that the documents are copies of those presented to the Second Meeting?	

\* This is an optional way of providing documents to members (see RAO s265(3) and RAO Reg. 161).

Committee Of Management Statement

On *[date of meeting]* the Committee of Management of *[name of reporting unit]* passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended *[date]*:

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply\* with the Australian Accounting Standards;
- (b) the financial statements and notes comply\* with the reporting guidelines of the 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;
- (e) during the financial year to which the GPFR 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) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been\* kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - #(v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been\* furnished to the member or Registrar; and
  - #(vi) there has been\* compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: *[name of designated officer per section 243 of the RAO Schedule]*

Title of Office held:

Signature:

Date:

\* Where compliance or full compliance has not been attained - set out details of non compliance instead.

# Where not relevant these may be modified accordingly (e.g. in (vi) "No orders have been made by the Commission under section 273 of the RAO Schedule during the period."



**Certificate of Secretary or other Authorised Officer<sup>1</sup>**

s268 of Schedule 1B *Workplace Relations Act 1996*

I *[name]* being the *[title of office]* of the *[name of the organisation]* certify:

- that the documents lodged herewith are copies of the full report, *[and the concise report]<sup>2</sup>*, referred to in s268 of the RAO Schedule; and
- that the *[full report OR concise report]<sup>3</sup>*, was provided to members on *[insert date]*; and
- that the full report was presented to *[a general meeting of members OR the last of a series of general meetings of members OR a meeting of the committee of management]<sup>3</sup>* of the reporting unit on *[insert date]*; in accordance with section 266 of the RAO Schedule.

Signature

Date:

<sup>1</sup>*RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:*

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

<sup>2</sup>*Only applicable where a concise report is provided to members*

<sup>3</sup>*Insert whichever is applicable*

TAKING UP THE FIGHT!

9 May 2005

CFMEU FFPD

VICTORIAN  
**FFTS Branch**

Mr. Peter McKerrow  
Assistant Manager  
Australian Industrial Registry  
Level 8, Terrace Towers  
80 Williams Street  
**EAST SYDNEY NSW 2011**

PRESIDENT  
**JOSEPH PATTI**

SECRETARY  
**LEO SKOURDOUMBIS**

ASSISTANT SECRETARY  
**FRANK VARI**

Dear Mr. McKerrow

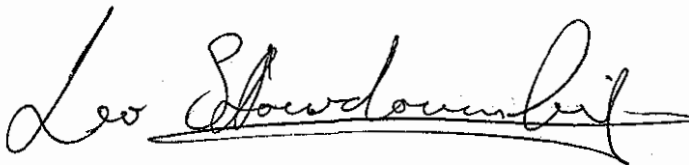
**Re: Lodgement of Financial Documents**

Please find attached the financial documents of the CFMEU FFPD - Victorian FFTS Branch for the year ended 31 December 2004.

We trust we have complied with all the requirements of the Registry.

If you have any queries please do not hesitate to contact this office.

Yours faithfully



**Leo Skourdoumbis**  
Branch Secretary  
CFMEU - FFPD - Victorian FFTS Branch



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130 ERROL STREET,  
NORTH MELBOURNE,  
VICTORIA 3051,  
AUSTRALIA

PHONE:  
(03) 9329 1577

FAX:  
(03) 9328 2228

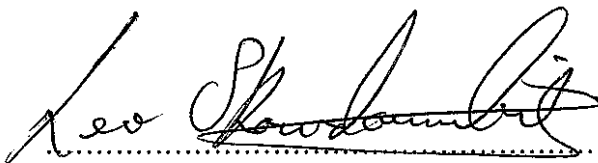
EMAIL:  
ffts@ffts.cfmeu.asn.au

**Construction Forestry Mining and Energy Union  
The Forestry Furniture Building Products & Manufacturing Division  
Victoria FFTS Branch**

**Certificate of Secretary Or Other Authorised Officer**  
(s268 of Schedule 1B Workplace Relations Act 1996)

I, Leo Skourdombis, being the Secretary of the Construction Forestry Mining and Energy Union, Forestry Furniture Building Products & Manufacturing Division Victoria, FFTS Branch certify;

- That the documents lodged herewith are copies of the full report and the concise report, referred to in Section 268 of the RAO Schedule; and
- That the concise report, was provided to the members on 8<sup>th</sup> April 2005; and
- That the full report was presented to a general meeting of members on the 10<sup>th</sup> day of May 2005 of the reporting unit in accordance with section 266 of the RAO Schedule.



Leo Skourdombis – Secretary

Dated this 11<sup>th</sup> day of May 2005

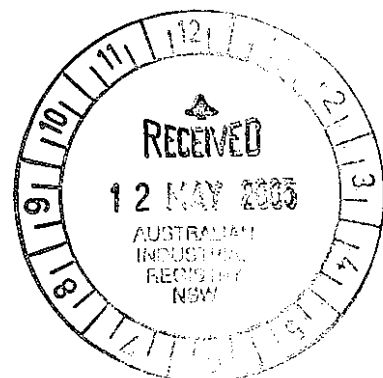
**Construction Forestry Mining and Energy Union  
The Forestry Furniture Building Products & Manufacturing Division  
Victoria FFTS Branch**

**Financial Report**

For the Year Ended 31<sup>st</sup> December 2004

**Contents**

1. Operating Report
2. Statement from Committee of Management
3. Independent Audit Report
4. Statement of Financial Position *BS*
5. Statement of Income and Expenditure *P&L*
6. Notes to and forming part of the Accounts
7. Statement of Cash Flows *✓*
8. Asset Depreciation Schedule
9. Statement of Receipts & Payment for Recovery of Wages Activity



**Construction Forestry Mining and Energy Union**  
**The Forestry Furniture Building Products & Manufacturing Division**  
**Victoria FFTS Branch**

**OPERATING REPORT**

This Operating Report covers the activities of the CFMEU/FFPD Victoria FFTS branch for the financial year ended 31<sup>st</sup> December 2004, the results of those activities and any significant changes in the nature of those activities during the year.

**1. Principal Activities of the Branch**

The principle activities of the branch are;

- Representing members in workplace and Industry wide negotiations with employers and employer organisations
- Representing members before the Australian Industrial Relations Commissions and other courts and tribunals relevant to workplace issues
- To build, strengthen and maintain a Union that protects and improves the quality of life for workers
- To promote unity and collective action
- Protect and improve workers wages, conditions and rights by achieving the maintenance and improvement of awards and enterprise agreements to improve wages and conditions
- To reform society by working through party political processes to reform the legal and social framework to create social equality
- Reform and improve industry by facilitating the development of structures that enable workers to improve their skills and have them recognised
- Recruitment and provision of members benefits

**2. Membership of the Branch**

The number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members and who are taken to be members of the branch were 7872.

**3. Members Right to Resign**

All members of the Union have the right to resign from the Union in accordance with Rule 11 of the Union rules, and Section 174 of Schedule 1B of the Workplace Relations Act, by providing written notice addressed and delivered to the State Secretary.

#### 4. Members of the Committee of Management

The following persons were members of the Committee of Management;

Mr Leo Skourdoumbis	Secretary
Mr Frank Vari	Assistant Secretary
Mr Joe Patti	President
Mr Cliff Palmer	Vice President
Mr John Pepas	Vice President
Mr John O Brien	Vice President (Retired December 2004)
Mr Les Ford	Trustee
Mr Bruce Ross	Trustee
Mr Alwin Seneviratne	Trustee
Mr Florencio Carrion	(Resigned December 2004)
Mr Jeffrey Conner	
Mr James Maine	
Mrs Penny Lintzos	
Mr Greg Wheeler	
Ms Brenda Crawford	
Mr Chis Christou	
Mr Ian Morris	
Mr Damien Cooke	
Mr Michael Doran	(Resigned December 2004)
Mr Eric Maher	(Resigned September 2004)

#### 5. Superannuation Trustees

Mr John O Brien was a member of the Committee of Management and was a Trustee and member of the board of Furniture Industry Retirement Superannuation Trust (FIRST), until his retirement during December 2004.

Mr Frank Vari is a member of the Committee of Management and was elected as John's replacement on the board of FIRST.

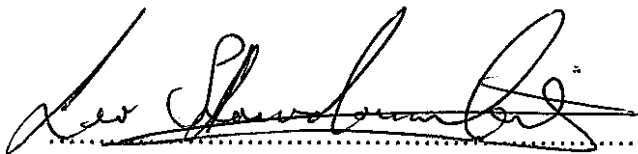
#### 6. Employees of the Branch

As at 31<sup>st</sup> December 2004, the branch had 14 full time employees and 1 casual employee throughout the year.

#### 7. Significant Changes

Matters or circumstances have not arisen during the year or since the end of the year that have significantly affected or may significantly affect the operations of the branch, or the results of the branch or the state of the branch in the subsequent financial years.

Signed in accordance with the resolution by the Committee of Management



Leo Skourdoumbis - Secretary  
Dated this 8<sup>th</sup> day of March 2005

**Construction Forestry Mining and Energy Union**  
**The Forestry Furniture Building Products & Manufacturing Division**  
**Victoria FFTS Branch**

**Committee of Management Statement**

On 8th March 2005 the Committee of Management of the CFMEU / Forestry Furniture Building Products & Manufacturing Division, Victoria FFTS Branch, passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31<sup>st</sup> December 2004:

The Committee of Management declares in relation to the GPFR that in its opinion:

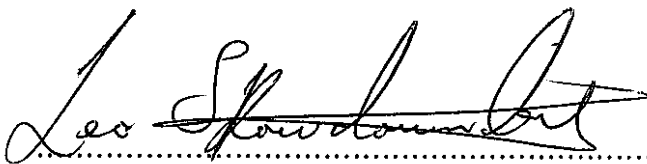
- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial 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;
- (e) during the financial year to which the GPFR 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 kept and maintained in accordance with the rules of the organisation including the rules of the 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) where the organisation consists of 2 or more reporting units; the financial records of the reporting unit have been kept as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - (v) no information has been sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule;
  - (vi) no orders have been made by the Commission under section 273 of the RAO Schedule during the period.
- (f) in relation to recovery of wages activity;
  - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Industrial Registrar; and

**Construction Forestry Mining and Energy Union  
The Forestry Furniture Building Products & Manufacturing Division  
Victoria FFTS Branch**

**Committee of Management Statement Continued**

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

For the Committee of Management:



.....  
Leo Skourdombis Branch Secretary

Dated this 8<sup>th</sup> day of March 2005



**Construction Forestry Mining and Energy Union  
The Forestry Furniture Building Products & Manufacturing Division  
Victoria FFTS Branch**

**INDEPENDENT AUDIT REPORT**

To the members of the Construction Forestry Minerals and Energy Union – Forestry Furniture Building Products & Manufacturing Division, Victoria FFTS Branch.

**SCOPE**

I have audited the financial statements, as well as inspecting the accounting records of the Construction Forestry Mining and Energy Union – Forestry Furniture Building Products & Manufacturing Division, Victoria FFTS Branch for the 12 months ended 31<sup>st</sup> December 2004. The Union's Committee of Management and Secretary are responsible for the preparation and presentation of financial statements and the information they contain therein. I have conducted an independent audit of those financial statements in order to express an opinion on them to the members of the Union and Industrial Relations Commission on their preparation and presentation.

My audit has been conducted in accordance with the Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free from material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, 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 statements are presented fairly in accordance with the Workplace Relations Act 1996, including compliance with Accounting Standards and other mandatory professional reporting requirements in Australia, so as to present a view which is consistent with my understanding of the branch's financial position and its performance as represented by the results of its operations and cash flows.

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

**AUDIT OPINION**

In my opinion, the accounts of the Construction Forestry Mining and Energy Union - Forestry Furniture Building Products & Manufacturing Division, Victoria FFTS Branch are properly drawn up:

- (a) (i) giving a true and fair view of the branch's financial position as at 31<sup>st</sup> December 2004 and of its performance and cash flows for the year ended on that date; and
- (ii) complying with Australian Accounting Standards
- (iii) complying with any other requirements imposed by Reporting Guidelines or Part 3 of Chapter 8 of the RAO Schedule
- (b) In relation to recovery of wages activity;
  - (i) that the scope of the audit encompassed recovery of wages activity
  - (ii) that the financial statements and notes and recovery of wages activity financial report properly and fairly report all information required by the reporting guidelines of the Industrial Registrar, including;
    - 1. any fees charged to or reimbursement of expenses claimed from members and others for recovery of wages activity and
    - 2. any donations or other contributions deducted from recovery money; and
  - (iii) any other requirements imposed by these reporting guidelines or Part 3 of Chapter 8 of the RAO Schedule



**D C DOUGLAS**  
Registered Company Auditor No. 15038

Dated: 31<sup>st</sup> March 2005

**Construction Forestry Mining and Energy Union**  
**The Forestry Furniture Building Products & Manufacturing Division**  
**Victoria FFTS Branch**  
**Balance Sheet**  
**As at 31 December 2004**

	Note	2004 \$	2003 \$
<b>CURRENT ASSETS</b>			
Cash	2	334,885	731,784
Receivables	3	290,294	119,089
Investments	4	3,899,304	3,754,480
Other	5	5,563	(1,223)
<b>TOTAL CURRENT ASSETS</b>		<u>4,530,046</u>	<u>4,604,130</u>
<b>NON-CURRENT ASSETS</b>			
Property, Motor Vehicles and Equipment	6	<u>2,276,200</u>	<u>2,217,030</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>2,276,200</u>	<u>2,217,030</u>
<b>TOTAL ASSETS</b>		<u>6,806,246</u>	<u>6,821,160</u>
<b>CURRENT LIABILITIES</b>			
Creditors and Borrowings	7	156,404	179,945
Provisions	8	<u>51,553</u>	<u>45,734</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>207,957</u>	<u>225,679</u>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	8	<u>84,550</u>	<u>94,594</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>84,550</u>	<u>94,594</u>
<b>TOTAL LIABILITIES</b>		<u>292,507</u>	<u>320,273</u>
<b>NET ASSETS</b>		<u>6,513,739</u>	<u>6,500,887</u>
<b>MEMBER'S FUNDS</b>			
Opening Balance		6,500,887	5,985,495
Net Surplus/Deficit for the Year		<u>12,852</u>	<u>515,392</u>
		<u>6,513,739</u>	<u>6,500,887</u>
<b>TOTAL MEMBERS' FUNDS</b>		<u>6,513,739</u>	<u>6,500,887</u>

*The accompanying notes form part of these financial statements.  
These financial statements have not been subject to audit or review and should be read in conjunction  
with the attached Compilation Report.*

**Construction Forestry Mining and Energy Union**  
**The Forestry Furniture Building Products & Manufacturing Division**  
**Victoria FFTS Branch**  
**Profit and Loss Statement**  
**For the Period ended 31 December 2004**

	Note	2004 \$	2003 \$
<b>INCOME</b>			
EBA Processing Fees		19,350	26,450
Membership Contributions		1,535,455	1,677,097
Rent Received		177,477	154,734
Sundry Income		96,752	82,558
Interest Received	9	197,758	182,260
Gain on disposal of Non-current Assets		195	2,311
Loss on disposal of Non-current Assets		(14,811)	-
		2,012,176	2,125,410
<b>EXPENDITURE</b>			
Accounting		12,773	11,591
Affiliation Fees		21,397	20,529
Annual Leave Provided		5,819	18,907
Audit		15,551	10,000
Bank Charges		2,906	4,012
Book Publication Expense		19,091	-
Computer Software & Expenses		13,715	10,010
Conference Expenses		7,495	8,195
Contributions to Rallies, Training Schemes, Fighting Funds		4,915	11,484
Depreciation		54,566	58,775
Electricity Light and Power		4,750	5,509
Fringe Benefits Tax		18,869	19,660
General Office and Incidental Expenses		19,382	13,203
Insurance		39,276	37,682
Legal and Other Professional Costs		61,222	137,911
Long Service Leave Provided		3,956	8,143
Motor Vehicle Expenses		54,479	39,085
Newsletter Expenses		51,869	-
Organising, Lost Time, Travel & Entertainment		17,665	20,782
Payroll Tax		52,536	44,315
Picnic Day Expenses		10,232	5,043
Postage		19,936	10,807
Printing & Stationery		17,602	28,148
Rates and Cleaning		7,926	6,966
Rent Geelong Office		6,400	-
Repairs & Maintenance		6,194	5,828
Salaries - Employees		593,349	405,073
Salaries - Elected Officials		296,070	287,958
Staff Training & Recruitment Costs		-	627
Subscriptions & Journals		1,843	7,430
Sundry Expenses		19,398	6,060

*The accompanying notes form part of these financial statements.  
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conjunction with the attached Compilation Report.*

**Construction Forestry Mining and Energy Union**  
**The Forestry Furniture Building Products & Manufacturing Division**  
**Victoria FFTS Branch**  
**Profit and Loss Statement**  
**For the Period ended 31 December 2004**

	2004	2003
	\$	\$
Superannuation Contributions	157,694	119,174
Sustentation Fees - Federal Office	307,091	304,927
Telephone and Communications	41,854	32,994
Travelling Expenses	20,754	6,383
Uniforms/Clothing Purchases	10,749	20,211
<b>Total Expenditure</b>	<b>1,999,324</b>	<b>1,727,422</b>
<b>OPERATING SURPLUS FOR THE YEAR</b>	<b>12,852</b>	<b>397,988</b>
 <b>Extraordinary items</b>		
Glass Picnic Fund	-	13,983
Glass Hardship Fund	-	103,421
 Accumulated Surplus Brought Forward	 6,500,887	 5,985,495
<b>ACCUMULATED SURPLUS CARRIED FORWARD</b>	<b>6,513,739</b>	<b>6,500,887</b>

*The accompanying notes form part of these financial statements.  
These financial statements have not been subject to audit or review and should be read in  
conjunction with the attached Compilation Report.*

**Construction Forestry Mining and Energy Union**  
**The Forestry Furniture Building Products & Manufacturing Division**  
**Victoria FFTS Branch**  
**Notes to the Financial Statements**  
**For the Period ended 31st December 2004**

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**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

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

The report is also prepared under the historical cost convention and except where stated does not take into account changing money values or current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report ;

**(a) Employee Benefits**

Provision for Long Service Leave is raised against employees and Officials of the Society who have in excess of one year continuous service.

The Provision for Annual leave represents expected obligations for employee's services up to the reporting date, it provides for all employees and officials pro rata from the date of employment using current rates of pay.

**(b) Depreciation**

Depreciation of fixed assets has been calculated using both the Prime Cost and Reducing balance methods, at rates considered adequate to write such assets off over the period of their estimated economic life.

**(c) Income Tax**

No provision for Income Tax is necessary, as the Union is a branch of a Registered Industrial Trade Union that is exempt from Income Tax in accordance with the Income Tax Assessment Act 1997, as amended.

**(d) Goods and Services Tax**

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of acquisition of the Asset or as part of an item of the expense. Receivables and payables in the financial statements are shown net of GST.

*These notes should be read in conjunction with the attached Compilation Report.*

**Construction Forestry Mining and Energy Union**  
**The Forestry Furniture Building Products & Manufacturing Division**  
**Victoria FFTS Branch**  
**Notes to the Financial Statements**  
**For the Period ended 31st December 2004**

	2004	2003
	\$	\$
<b>2. CASH</b>		
Petty Cash	100	100
Cash at Bank - General Fund	191,696	597,646
Cash at Bank - Glass Picnic Fund	29,552	25,991
Cash at Bank - Glass Hardship Fund	113,537	108,047
	<u>334,885</u>	<u>731,784</u>
<b>3. RECEIVABLES</b>		
<b>Current</b>		
Amounts Owing by Federal Office	248,086	119,089
Amounts Owing by Forestry Victoria	9,502	-
Receivables	32,706	-
	<u>290,294</u>	<u>119,089</u>
<b>4. INVESTMENTS</b>		
<b>Current</b>		
Commercial Bill No.1	3,869,428	3,682,245
FFTS Officers & Staff Entitlements	29,876	72,235
	<u>3,899,304</u>	<u>3,754,480</u>
<b>5. OTHER</b>		
<b>Current</b>		
Inventories	5,563	1,321
Prepayments	-	(2,544)
	<u>5,563</u>	<u>(1,223)</u>
<b>6. PROPERTY, MOTOR VEHICLES &amp; EQUIPMENT</b>		
<b>Land &amp; Buildings</b>		
Freehold Land	384,450	384,450
Buildings	1,642,594	1,642,596
Total Land & Buildings	<u>2,027,044</u>	<u>2,027,046</u>
<b>Motor Vehicles</b>		
Motor Vehicles	270,946	244,579
Less: Accumulated Depreciation	56,263	82,927
	<u>214,683</u>	<u>161,652</u>

**Construction Forestry Mining and Energy Union**  
**The Forestry Furniture Building Products & Manufacturing Division**  
**Victoria FFTS Branch**  
**Notes to the Financial Statements**  
**For the Period ended 31st December 2004**

	2004	2003
	\$	\$
<b>Equipment</b>		
Office Furniture & Equipment	418,579	403,701
Less: Accumulated Depreciation	388,264	380,054
	30,315	23,647
Furniture & Fittings	31,208	31,208
Less: Accumulated Depreciation	27,050	26,523
	4,158	4,685
Total Motor Vehicles & Equipment	249,156	189,984
<b>Total Property, Motor Vehicles &amp; Equipment</b>	2,276,200	2,217,030
<b>7. CREDITORS AND BORROWINGS</b>		
<b>Current</b>		
Creditors	58,560	44,446
GST Liability	64,588	90,170
FBT	1,512	11,955
PAYG Withholding	31,744	33,374
	156,404	179,945
<b>8. PROVISIONS</b>		
<b>Current</b>		
Employee Entitlements	51,553	45,734
	51,553	45,734
<b>Non-Current</b>		
Employee Entitlements	84,550	94,594
	84,550	94,594
<b>9. INTEREST RECEIVED</b>		
General Account	1,851	1,116
Commercial Bill No.1	187,183	166,096
Commercial Bill No.2	-	7,250
Cash Management Account	5,490	-
FFTS Officers & Staff Entitlements Account	3,121	3,127
GST Account	-	4,626
Glass Picnic Fund	113	45
	197,758	182,260

*These notes should be read in conjunction with the attached Compilation Report.*

**Construction Forestry Mining and Energy Union**  
**The Forestry Furniture Building Products & Manufacturing Division**  
**Victoria FFTS Branch**  
**Notes to the Financial Statements**  
**For the Year ended 31<sup>st</sup> December 2004**

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**10. RELATED PARTY TRANSACTIONS**

Persons holding executive positions within the Victorian Branch as member of the Committee of Management during the year: -

Mr Joseph Patti	President
Mr Leo Skourdoumbis	Secretary
Mr Frank Vari	Assistant Secretary
Mr Clifford Palmer	Vice President
Mr John O'Brien	Vice President
Mr John Pepas	Junior Vice President
Mr Les Ford	Trustee
Mr Alwin Seneviratne	Trustee
Mr Bruce Ross	Trustee

There were no related party transactions throughout the year.

**11. CONTINGENT LIABILITY**

The details and estimated maximum amounts of contingent Liabilities, classified according to party from whom the contingent liability arises are set out below. The executive are not aware of any circumstance or information which would lead them to believe that these liabilities will crystallise and consequently no provisions are included in the accounts in respect of these matters.

In respect of the Victorian Branch, there are no contingent Liabilities.

**12. INFORMATION TO BE PROVIDED TO MEMBER OR INDUSTRIAL REGISTRAR**

In accordance with the requirements of the Workplace Relations Act 1996, the attention of the members is drawn to the provisions of sub sections (1), (2) and (3) of Section 272 of the Registration and Accountability of Organisations Schedule (Schedule 1B to the Workplace Relations Act 1996) which reads as follows: -

1. A member of a reporting unit, or a Registrar, may apply to 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).



**Construction Forestry Mining and Energy Union**  
**The Forestry Furniture Building Products & Manufacturing Div**  
**Victoria FFTS Branch**  
**Depreciation Schedule**  
**For the Year Ended 31 December 2004**

Asset	Cost Price	Cost Limit	Opening W.D.V 01/01/2004	Additions Disposals	Gain/Loss on Disposal	Capital Gains	Depreciation Rate	Depreciation \$	Accum Deprec 31/12/2004	Closing W.D.V 31/12/2004
<b>MOTOR VEHICLES</b>										
Ford Falcon QQJ 045	25,289		12,315	(10,000)	214		22.5% DV	2,529		0
Ford Falcon QXM 570	25,553		13,389				22.5% DV	3,013	15,177	10,375
Mitsubishi RPS 515	26,287		18,011	(14,000)	(1,054)		22.5% DV	2,957		0
Mitsubishi RPS 516	26,287		18,011	(11,000)	(3,312)		22.5% DV	3,699		0
Mitsubishi RPS 541	26,591		18,296	(11,650)	(2,956)		22.5% DV	3,690		0
Mitsubishi RPS 529	26,287		18,150	(11,000)	(3,423)		22.5% DV	3,727		0
Mitsubishi RNU 713	29,872		20,682				22.5% DV	4,653	13,843	16,028
Mitsubishi RPQ 183	31,914		22,049				22.5% DV	4,961	14,826	17,088
Mitsubishi RYY 971	26,499		20,749	(12,500)	(4,066)		22.5% DV	4,183		0
Mitsubishi STZ 607				27,833			22.5% DV	4,876	4,876	22,957
Mitsubishi STZ 608				27,833			22.5% DV	4,876	4,876	22,957
Mitsubishi TFP 448				20,047			22.5% DV	468	468	19,579
Mitsubishi TFP 449				20,047			22.5% DV	468	468	19,579
Toyota TEX 812				29,513			22.5% DV	581	581	28,932
Toyota TEX 813				29,167			22.5% DV	574	574	28,593
Toyota TEX 814				29,167			22.5% DV	574	574	28,593
Sub-total	244,580		161,653	113,459	(14,598)			45,829	56,263	214,683
<b>OFFICE FURNITURE &amp; EQUIPMENT</b>										
Office Equipment	2,136		83				33.3% DV	28	2,081	55
Office Cabinets	3,550		1,065				10.0% PC	355	2,840	710
HP USB Scanner	1,620		173				20.0% PC	173	1,620	0
Z Tec Features & Installation	2,470						25.0% PC	0	2,470	0
Acer Notebook Computer	4,220		595				36.0% DV	214	3,839	381
Computer	2,040		314				36.0% DV	113	1,839	201
Vacuum Cleaner	475		18				20.0% PC	18	475	0
Micro Cassette Recorder	540		36				20.0% PC	36	540	0
Lexmark Laser Printer	5,707						20.0% PC	0	5,707	0
File Server	7,070						20.0% PC	0	7,070	0
Network Upgrade	3,422						20.0% PC	0	3,422	0
Network Upgrade	531						20.0% PC	0	531	0
Cabinet	6,600		3,047				10.0% PC	660	4,213	2,387
Paper Shredder	795		128				20.0% PC	128	795	0
4 Novetta Chairs	1,240		496				20.0% PC	248	992	248
Telephone System	15,340		6,136				20.0% PC	3,068	12,272	3,068
Furniture	14,080		7,744				15.0% PC	2,112	8,448	5,632
Chair - Geelong Office	1,077		836				15.0% DV	125	366	711
Mobile Phones	865		682				15.0% DV	102	285	580
Carkits	327		258				15.0% DV	39	108	219
Copier Minolta/Konica	2,160		2,035				20.0% DV	407	532	1,628
Digital Camera				455			15.0% DV	49	49	406
Photocopier				13,152			15.0% DV	329	329	12,823
Vacuum Cleaner				1,272			15.0% DV	6	6	1,266
Sub-total	76,266		23,647	14,878				8,210	60,829	30,315
<b>FURNITURE &amp; FITTINGS</b>										
Fixtures & Fittings	31,208		4,685				11.2% DV	527	27,050	4,158
Sub-total	31,208		4,685					527	27,050	4,158
<b>Total</b>	<b>352,054</b>		<b>189,985</b>	<b>128,337</b>	<b>(14,598)</b>			<b>54,566</b>	<b>144,142</b>	<b>249,156</b>

Note: This Statement is to be read in conjunction with the accompanying Notes and the Accountant's Disclaimer

**Construction Forestry Mining and Energy Union**  
**The Forestry Furniture Building Products & Manufacturing Division**  
**Victoria FFTS Branch**

**Statement of Cash Flows**  
**For the Year ended 31<sup>st</sup> December 2004**

	2004	2003
	\$	\$
<b>Reconciliation of Surplus (Deficit) to Net cash Inflow</b>		
<b>From operating Activities</b>		
Operating Surplus (Deficit)	12,852	515,392
<b>Plus (Minus) Non Cash Items</b>		
Depreciation & Amortisation	54,566	58,775
Loss on Sale of Property, Motor vehicles & Equipment	14,811	
Gain on Sale of Property, Motor Vehicles & Equipment	(195)	(2,311)
	<u>82,034</u>	<u>571,856</u>
<b>Changes in Assets &amp; Liabilities</b>		
(Increase)/decrease in Receivables	(171,205)	(35,442)
(Increase)/decrease in Investments	(144,824)	(176,474)
(Increase)/decrease in Other Assets	(6,786)	2,013
(Increase)/decrease in		
(Increase)/decrease in		
(Increase)/decrease in		
(Decrease)/increase in Payables	(23,541)	35,950
(Decrease)/increase in Provisions	(4,225)	27,050
(Decrease)/increase in		
(Decrease)/increase in		
(Decrease)/increase in		
<b>Net Cash Inflow from Operating Activities</b>	<u>(268,547)</u>	<u>424,953</u>
<b>Reconciliation of Cash</b>		
Cash on Hand	100	100
Cash at Bank	191,696	597,646
Cash at Bank	29,552	108,047
Cash at Bank	113,537	25,991
<b>Cash on Hand at End of Financial Year</b>	<u>334,885</u>	<u>731,784</u>

**Construction Forestry Mining and Energy Union  
The Forestry Furniture Building Products & Manufacturing Division  
Victoria FFTS Branch**

**Statement of Cash Flows  
For the Year ended 31<sup>st</sup> December 2004**

	2004	2003
	\$	\$
<b>Cash Flows from Operating Activities</b>		
Receipts from Members' Subscriptions & Other Activities	1,786,826	1,940,839
Interest Received	197,758	182,260
Payments to Suppliers & Employees	(2,253,131)	(1,698,146)
<b>Net Cash Inflow (Outflow) from Operating Activities</b>	<u>(268,547)</u>	<u>424,953</u>
 <b>Cash Flows from Investing Activities</b>		
Payment for Property, Motor Vehicles & Equipment	(198,502)	(28,659)
Proceeds from Sale of Property, Motor Vehicles & Equipment	70,150	23,418
<b>Net Cash Inflow (Outflow) from Investment Activities</b>	<u>(128,352)</u>	<u>(5,241)</u>
 <b>Cash Flows from Financing Activities</b>		
<b>Net Cash Inflow (Outflow) from Financing Activities</b>	<u>          </u>	<u>          </u>
Net Increase (Decrease) in Cash Held	(396,899)	419,712
Cash At Beginning of Year	<u>731,784</u>	<u>312,072</u>
<b>Cash at End of Financial Year</b>	<u>334,885</u>	<u>731,784</u>

**Construction Forestry Mining and Energy Union  
The Forestry Furniture Building Products & Manufacturing Division  
Victoria FFTS Branch**

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**Statement of Receipts and Payments for Recovery of Wages Activity  
Cash Basis for year ended 31<sup>st</sup> December 2004**

	Note	2004 \$
<b>Cash assets in respect of recovered money at beginning of year</b>		0
<b>Receipts</b>		
Amounts recovered from employers in respect of wages etc	1	25,000
Interest received on recovered money		<u>0</u>
<b>Total receipts</b>		<u>25,000</u>
<b>Payments</b>		
Deductions of amounts due in respect of membership for;		
• 12 months or less		0
• greater than 12 months		0
Deductions of donations or other contributions to accounts or funds of;		
• the reporting unit		0
• other reporting unit of the organisation		0
• other entity		0
Deductions of fees or reimbursements of expenses		0
Payments to workers in respect of recovered money		<u>25,000</u>
<b>Total payments</b>		<u>25,000</u>
<b>Cash assets in respect of recovered money at end of year</b>		<u>0</u>

**Notes;**

1. The number of workers to which the moneys recovered relates to is, one.

**Construction Forestry Mining and Energy Union**  
**The Forestry Furniture Building Products & Manufacturing Division**  
**Victoria FFTS Branch**

**Balance Sheet Summary as at 31<sup>st</sup> December 2004**

	2004	2003
	\$	\$
<b>ASSETS</b>		
Cash	334,885	731,784
Prepayments and Sundry Debtors	5,563	(1,223)
Debtor – Federal Office	290,294	119,089
Property, Motor Vehicles & Equipment	2,276,200	2,217,030
Investments	3,899,304	3,754,480
<b>TOTAL ASSETS</b>	<u>6,806,246</u>	<u>6,821,160</u>
<b>LIABILITIES</b>		
Creditors and Accruals	156,404	179,945
Provisions for Employee Entitlements	136,103	140,328
<b>TOTAL LIABILITIES</b>	<u>292,507</u>	<u>320,273</u>
<b>NET ASSETS</b>	<u>6,513,739</u>	<u>6,500,887</u>

**Statement of Income and Expenditure**  
**For the Year Ended 31<sup>st</sup> December 2004**

<b>INCOME</b>		
Membership Contributions	1,535,455	1,677,097
Interest	197,758	182,260
Other Income	278,963	266,053
	<u>2,012,176</u>	<u>2,125,410</u>
<b>EXPENDITURE</b>		
Staff Remuneration	593,349	405,073
Officials' Remuneration	296,070	287,958
Affiliation Fees	21,397	20,529
Organising, Conferences & Travelling	25,160	28,977
Depreciation	54,566	58,775
Motor Vehicle Expenses	54,479	39,085
General Administration Expenses	489,518	462,924
Sustentation Fees	307,091	304,927
Superannuation Fund Contributions	157,694	119,174
	<u>1,999,324</u>	<u>1,727,422</u>
<b>EXCESS OF INCOME OVER EXPENDITURE</b>	12,852	397,988
Extraordinary items	-	117,404
Accumulated Funds at Beginning of the Year	<u>6,500,887</u>	<u>5,985,495</u>
<b>ACCUMULATED FUNDS AT END OF YEAR</b>	<u>6,513,739</u>	<u>6,500,887</u>

**Summary of the Financial Accounts of  
Construction Forestry Mining and Energy Union  
The Forestry Furniture Building Products & Manufacturing Division  
Victoria FFTS Branch  
For the Year Ended 31<sup>st</sup> December 2004**

To the members of the Construction Forestry Minerals and Energy Union – Forestry Furniture Building Products & Manufacturing Division, Victoria FFTS Branch.

**SCOPE**

I have audited the financial statements, as well as inspecting the accounting records of the Construction Forestry Mining and Energy Union – Forestry Furniture Building Products & Manufacturing Division, Victoria FFTS Branch for the 12 months ended 31<sup>st</sup> December 2004. The Union's Committee of Management and Secretary are responsible for the preparation and presentation of financial statements and the information they contain therein. I have conducted an independent audit of those financial statements in order to express an opinion on them to the members of the Union and Industrial Relations Commission on their preparation and presentation.

My audit has been conducted in accordance with the Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free from material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, 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 statements are presented fairly in accordance with the Workplace Relations Act 1996, including compliance with Accounting Standards and other mandatory professional reporting requirements in Australia, so as to present a view which is consistent with my understanding of the branch's financial position and its performance as represented by the results of its operations and cash flows.

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

**AUDIT OPINION**

In my opinion, the accounts of the Construction Forestry Mining and Energy Union - Forestry Furniture Building Products & Manufacturing Division, Victoria FFTS Branch are properly drawn up:

- (a) (i) giving a true and fair view of the branch's financial position as at 31<sup>st</sup> December 2004 and of its performance and cash flows for the year ended on that date; and
- (ii) complying with Australian Accounting Standards
- (iii) complying with any other requirements imposed by Reporting Guidelines or Part 3 of Chapter 8 of the RAO Schedule
- (b) In relation to recovery of wages activity;
  - (i) that the scope of the audit encompassed recovery of wages activity
  - (ii) that the financial statements and notes and recovery of wages activity financial report properly and fairly report all information required by the reporting guidelines of the Industrial Registrar, including;
    - 1. any fees charged to or reimbursement of expenses claimed from members and others for recovery of wages activity and
    - 2. any donations or other contributions deducted from recovery money; and
  - (iii) any other requirements imposed by these reporting guidelines or Part 3 of Chapter 8 of the RAO Schedule



**D C DOUGLAS**

Registered Company Auditor No. 15038

Dated: 31<sup>st</sup> March 2005

16 May 2005

Mr. Peter McKerrow  
Assistant Manager  
Australian Industrial Registry  
Level 8, Terrace Towers  
80 Williams Street  
**EAST SYDNEY NSW 2011**

Dear Mr. McKerrow

**Re: Lodgement of Financial Documents**

Please find attached the concise report of the CFMEU FFPD  
- Victorian FFTS Branch for the year ended 31 December  
2004.

We trust we have complied with all the requirements of the  
Registry.

If you have any queries please do not hesitate to contact  
this office.

Yours faithfully

**Leo Skourdoumbis**  
**Branch Secretary**  
**CFMEU - FFPD - Victorian FFTS Branch**



**TAKING UP THE FIGHT!**

**CFMEU FFPD**

**VICTORIAN**  
**FFTS Branch**

**PRESIDENT**  
**JOSEPH PATTI**

**SECRETARY**  
**LEO SKOURDOUMBIS**

**ASSISTANT SECRETARY**  
**FRANK VARI**



130 ERROL STREET,  
NORTH MELBOURNE,  
VICTORIA 3051,  
AUSTRALIA

PHONE:  
(03) 9329 1577

FAX:  
(03) 9328 2228

EMAIL:  
ffts@ffts.cfmeu.asn.au

**Summary of the Financial Accounts of  
Construction Forestry Mining and Energy Union  
The Forestry Furniture Building Products & Manufacturing Division  
Victoria FFTS Branch  
For the Year Ended 31<sup>st</sup> December 2004**

To the members of the Construction Forestry Minerals and Energy Union – Forestry Furniture Building Products & Manufacturing Division, Victoria FFTS Branch.

**SCOPE**

I have audited the financial statements, as well as inspecting the accounting records of the Construction Forestry Mining and Energy Union – Forestry Furniture Building Products & Manufacturing Division, Victoria FFTS Branch for the 12 months ended 31<sup>st</sup> December 2004. The Union's Committee of Management and Secretary are responsible for the preparation and presentation of financial statements and the information they contain therein. I have conducted an independent audit of those financial statements in order to express an opinion on them to the members of the Union and Industrial Relations Commission on their preparation and presentation.

My audit has been conducted in accordance with the Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free from material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, 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 statements are presented fairly in accordance with the Workplace Relations Act 1996, including compliance with Accounting Standards and other mandatory professional reporting requirements in Australia, so as to present a view which is consistent with my understanding of the branch's financial position and its performance as represented by the results of its operations and cash flows.

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

**AUDIT OPINION**

In my opinion, the accounts of the Construction Forestry Mining and Energy Union - Forestry Furniture Building Products & Manufacturing Division, Victoria FFTS Branch are properly drawn up:

- (a) (i) giving a true and fair view of the branch's financial position as at 31<sup>st</sup> December 2004 and of its performance and cash flows for the year ended on that date; and
- (ii) complying with Australian Accounting Standards
- (iii) complying with any other requirements imposed by Reporting Guidelines or Part 3 of Chapter 8 of the RAO Schedule
- (b) In relation to recovery of wages activity;
  - (i) that the scope of the audit encompassed recovery of wages activity
  - (ii) that the financial statements and notes and recovery of wages activity financial report properly and fairly report all information required by the reporting guidelines of the Industrial Registrar, including;
    - 1. any fees charged to or reimbursement of expenses claimed from members and others for recovery of wages activity and
    - 2. any donations or other contributions deducted from recovery money; and
  - (iii) any other requirements imposed by these reporting guidelines or Part 3 of Chapter 8 of the RAO Schedule



**D C DOUGLAS**

Registered Company Auditor No. 15038

Dated: 31<sup>st</sup> March 2005



**Construction Forestry Mining and Energy Union  
The Forestry Furniture Building Products & Manufacturing Division  
Victoria FFTS Branch**

**OPERATING REPORT**

This Operating Report covers the activities of the CFMEU/FFPD Victoria FFTS branch for the financial year ended 31<sup>st</sup> December 2004, the results of those activities and any significant changes in the nature of those activities during the year.

**1. Principal Activities of the Branch**

The principle activities of the branch are;

- Representing members in workplace and Industry wide negotiations with employers and employer organisations
- Representing members before the Australian Industrial Relations Commissions and other courts and tribunals relevant to workplace issues
- To build, strengthen and maintain a Union that protects and improves the quality of life for workers
- To promote unity and collective action
- Protect and improve workers wages, conditions and rights by achieving the maintenance and improvement of awards and enterprise agreements to improve wages and conditions
- To reform society by working through party political processes to reform the legal and social framework to create social equality
- Reform and improve industry by facilitating the development of structures that enable workers to improve their skills and have them recognised
- Recruitment and provision of members benefits

**2. Membership of the Branch**

The number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members and who are taken to be members of the branch were 7872.

**3. Members Right to Resign**

All members of the Union have the right to resign from the Union in accordance with Rule 11 of the Union rules, and Section 174 of Schedule 1B of the Workplace Relations Act, by providing written notice addressed and delivered to the State Secretary.

#### 4. Members of the Committee of Management

The following persons were members of the Committee of Management;

Mr Leo Skourdombis	Secretary
Mr Frank Vari	Assistant Secretary
Mr Joe Patti	President
Mr Cliff Palmer	Vice President
Mr John Pepas	Vice President
Mr John O Brien	Vice President (Retired December 2004)
Mr Les Ford	Trustee
Mr Bruce Ross	Trustee
Mr Alwin Seneviratne	Trustee
Mr Florencio Carrion	(Resigned December 2004)
Mr Jeffrey Conner	
Mr James Maine	
Mrs Penny Lintzos	
Mr Greg Wheeler	
Ms Brenda Crawford	
Mr Chis Christou	
Mr Ian Morris	
Mr Damien Cooke	
Mr Michael Doran	(Resigned December 2004)
Mr Eric Maher	(Resigned September 2004)

#### 5. Superannuation Trustees

Mr John O Brien was a member of the Committee of Management and was a Trustee and member of the board of Furniture Industry Retirement Superannuation Trust (FIRST), until his retirement during December 2004.

Mr Frank Vari is a member of the Committee of Management and was elected as John's replacement on the board of FIRST.

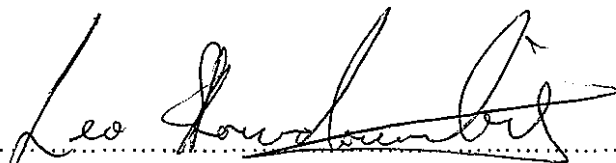
#### 6. Employees of the Branch

As at 31<sup>st</sup> December 2004, the branch had 14 full time employees and 1 casual employee throughout the year.

#### 7. Significant Changes

Matters or circumstances have not arisen during the year or since the end of the year that have significantly affected or may significantly affect the operations of the branch, or the results of the branch or the state of the branch in the subsequent financial years.

Signed in accordance with the resolution by the Committee of Management



Leo Skourdombis - Secretary

Dated this 8<sup>th</sup> day of March 2005

## McKERRROW, Peter

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**From:** McKERRROW, Peter  
**Sent:** Friday, 20 May 2005 9:24 AM  
**To:** 'ffts@ffts.cfmeu.asn.au'  
**Subject:** FFTS Victorian Branch - financial return 31 December 2004 - FR2004/677 - Attn: Mr E Landers

Mr Leo Skourdoumbis  
Secretary

Attn: Mr E Landers

Dear Mr Skourdoumbis

Thank you for faxing and mailing copies of the "concise report" provided by the Branch to its members. My apologies for not responding earlier.

I have examined the documents and it appears that they omit information which should be included in a concise report prepared under the RAO Schedule and therefore do not meet the requirements of a "concise report" in the Schedule.

As you are aware, s265(3) of the RAO Schedule and RAO Regulation 161 set out the contents of a "concise report". Regulation 161 describes the contents of the "concise financial report" which with the other matters in s265(3) comprise the complete "concise report".

From my examination of the documents the following issues arise:

Concise Financial Report (Reg. 161)

- \* Profit and Loss Statement (Statement of Income and Expenditure) - 161(1)(a) - although there is an abbreviated form of this Statement in the documents, the Statement must be presented "as in the full report"
- \* Balance Sheet - this should also be presented as in the full report although cross references to Notes can be omitted (161(a)(ii))
- \* Statement of Cash Flows - this appears to be omitted from the documents - a copy should be included - (161(a)(iii))
- \* discussion and analysis of the principal factors etc. - this does not appear to be included (161(1)(c))
- \* reports or statements mentioned in s253(2)(c) - the Reporting Guidelines provide for a Committee of Management Statement which should therefore be included in the Concise Financial Report (161(1))
- \* a statement that the concise financial report is derived from the full report and cannot be expected to provide as full information on matters as the full report ((161(1)(e))
- \* the notice specified in s272(5)

The concise report should also include:

- \* the statement by the auditor referred to in s265(3)(c)
- \* the statement referred to in s265(3)(e)

As discussed with Mr Landers, it would appear the Branch has not yet provided its members either the full report or a properly drawn up concise report.

I understand from my phone discussion with Mr Landers that it will now take steps to do so.

Once the reports have been provided and presented to a meeting under s266, a copy of should be lodged in the Registry with your certificate.

If you have any queries, please contact me by email or on (02) 8374 6666.

Peter McKerrow  
Assistant Manager  
NSW Registry  
Australian Industrial Registry

**PENNA, Belinda**

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**From:** McKERROW, Peter  
**Sent:** Wednesday, 25 May 2005 11:12 AM  
**To:** PENNA, Belinda  
**Subject:** FW: Financial Return 31 December 2004

Belinda  
Could you please attach this to the relevant file.  
Thanks  
Peter

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

**From:** Doreen French [mailto:dfrench@ffts.cfmeu.asn.au]  
**Sent:** Wednesday, 25 May 2005 11:05 AM  
**To:** peter.MCKERROW@air.gov.au  
**Subject:** Re: Financial Return 31 December 2004



25 May 2005

***Via e-mail - [peter.MCKERROW@air.gov.au](mailto:peter.MCKERROW@air.gov.au)***

Peter KcKerrow  
Australian Industrial Registry  
**SYDNEY**

Dear Peter

***Re: Financial Return 31 December 2004***

Thank you for your e-mail of 20 May 2005. Our branch has taken the following steps to provide our members with the full report.

- On 20 May 2005, the full report was published on our website [www.ffts.com.au](http://www.ffts.com.au)
- A notice was sent out to our members directing them to visit our website in order that each member can review the full report.
- A notice for a general meeting of members has been scheduled for 3pm on 21 June 2005 for the purpose of considering the full report.



It is envisaged that the Secretary will sign the Certificate as per s268 of Schedule 1B of the Workplace Relations Act 1996, on the next day after the general meeting and then lodge with the AIRC shortly after.

I trust these actions will comply with our obligations under the Act.

Yours faithfully

**Leo Skourdoumbis**

**Branch Secretary**

**CFMEU - FFPD - Victorian FFTS Branch**

TAKING UP THE FIGHT !

20 June 2005



Mr. Peter McKerrow  
Assistant Manager  
Australian Industrial Registry  
Level 8, Terrace Towers  
80 Williams Street  
EAST SYDNEY NSW 2011

Dear Mr. McKerrow

**Re: Lodgement of Financial Documents**

Please find attached a 'Certificate of Secretary' for the full report presented to members.

The full report presented is an exact copy of the report lodged with your office earlier this year.

Yours faithfully

**Leo Skourdoumbis**  
Branch Secretary  
CFMEU - FFPD - Victorian FFTS Branch

CFMEU FFPD

VICTORIAN  
**FFTS Branch**

PRESIDENT  
JOSEPH PATTI

SECRETARY  
LEO SKOURDOUMBIS

ASSISTANT SECRETARY  
FRANK VARI



130 ERROL STREET,  
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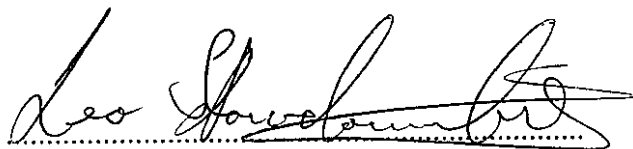
EMAIL:  
ffts@ffts.cfmeu.asn.au

**Construction Forestry Mining and Energy Union**  
**The Forestry Furniture Building Products and Manufacturing Division**  
**Victorian FFTS Branch**

**Certificate of Secretary Or Other Authorised Officer**  
(s268 of Schedule 1B Workplace Relations Act 1996)

I, Leo Skourdoumbis, being the Secretary of the Construction Forestry Mining and Energy Union, Forestry Furniture Building Products & Manufacturing Division, Victorian FFTS Branch certify:

- That the document lodged herewith are copies of the full report referred to in Section 268 of the RAO Schedule; and
- That the full report was provided to the members on 20 May 2005; and
- That the full report was presented to a general meeting of members on the 21 day of June 2005 of the reporting unit in accordance with section 266 of the RAO Schedule.



Leo Skourdoumbis – Secretary

Dated this 22<sup>nd</sup> day of June 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](mailto:sydney@air.gov.au)

Mr Leo Skourdombis  
Branch Secretary  
CFMEU FFPD  
Victorian FFTS Branch  
130 Errol Street  
NORTH MELBOURNE VIC 3051

Dear Mr Skourdombis

**Re: Financial Statements and Accounts for the CFMEU FFPD, Victorian FFTS Branch  
for the year ending 31 December 2004 (FR2004/677)**

I refer to your letter, and Secretary's Certificate dated 22 June 2005, which confirms that the full documents were made available to the members on 20 May 2005, and that a general meeting of members was held on 21 June 2005 in accordance with s266 of the RAO Schedule.

Following the receipt of this information, the documents have now been filed, and may be viewed on the internet at [www.e-airc.gov.au/105nfftv/financial](http://www.e-airc.gov.au/105nfftv/financial).

Thank you for your attention to this matter. If you have any enquiries please contact me on 02 8374 6618.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Belinda Penna'.

Belinda Penna  
for Deputy Industrial Registrar

24 June 2005