



**AUSTRALIAN INDUSTRIAL REGISTRY**

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

**Ref: FR2002/802-[105N-MIN]**

Mr Bruce Watson  
General Secretary  
Mining and Energy Division  
CFMEU  
1st Floor, 365 Sussex Street  
Sydney NSW 2000

Dear Mr Watson

**Re: CFMEU - Mining and Energy Division, Divisional Office  
Financial Reporting Obligations under *Workplace Relations Act 1996***

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

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

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

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

Yours sincerely

Belinda Penna  
E-mail: [belinda.penna@air.gov.au](mailto:belinda.penna@air.gov.au)

6 February 2003



## AUSTRALIAN INDUSTRIAL REGISTRY

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

Our ref: FR2002/802

Mr Bruce Watson  
General Secretary  
CFMEU Mining & Energy Division  
1st Floor, 365 Sussex Street  
SYDNEY NSW 2000

Dear Mr Watson

**Re: CFMEU Mining & Energy Division, Divisional Office  
Outstanding Financial Documents - *Workplace Relations Act 1996***

There is no record of lodgement 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 2002.

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, lodgement of the required documents would, in the normal course, be expected before now.

Therefore, I request your written advice *by Monday 17 November 2003* 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. lodgement 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 please contact me on (02) 8374 6618.

Yours sincerely

Belinda Penna  
for Deputy Industrial Registrar

31 October 2003



## AUSTRALIAN INDUSTRIAL REGISTRY

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

Mr John Maitland  
National Secretary  
Construction Forestry Mining and Energy Union  
Level 2  
15 Wentworth Avenue  
SYDNEY NSW 2000

Dear Mr Maitland

### **Financial Reporting Obligations - various CFMEU Divisions and Branches**

A number of branches of your organisation are yet to meet their reporting obligations under the Workplace Relations Act 1996 (the Act) for the financial year ending 31 December 2002. I would appreciate your assistance in ensuring that each does so without further delay.

The relevant branches and details are:

CFMEU - Mining and Energy Division - on 31 October 2003 the Registry sought by 17 November 2003 written advice from Mr Watson, General Secretary of the Division as to when the various steps in the financial reporting process would be completed and the financial documents lodged. No response has been received to this letter. In the normal course of events lodgement of the financial documents would have been expected by 31 October 2003.

CFMEU - Forest and Forest Products Victorian Division No2 Branch - on 31 October 2003 the Registry sought by 17 November 2003 written advice from Ms Calvert, Divisional Branch Secretary as to when the various steps in the financial reporting process would be completed and the financial documents lodged. No response has been received to this letter. In the normal course of events lodgement of the financial documents would have been expected by 31 October 2003.

CFMEU - Construction and General Division Victorian Branch - on 31 October 2003 the Registry sought by 17 November 2003 written advice from Mr Kingham, Branch Secretary as to when the various steps in the financial reporting process would be completed and the financial documents lodged. No response has been received to this letter. In the normal course of events lodgement of the financial documents would have been expected by 31 October 2003.

CFMEU - Mining and Energy Division - Tasmanian District Branch - on 31 October 2003 the Registry sought by 17 November 2003 written advice from Mr Hogan, District Secretary as to when the various steps in the financial reporting process would be completed and the financial documents lodged. No response has been received to this letter. In the normal course of events lodgement of the financial documents would have been expected by 31 October 2003.

CFMEU - FFPD - Boyer Sub-Branch of Pulp & Paper Workers Branch (No. 7 Branch)

In response to the Registry's letter of 31 October 2003 seeking advice by 17 November 2003 as to when the sub-branch's financial return for the year ending 31 December 2002 would be lodged, the Vice President and Acting Secretary/Treasurer Mr Stephen Zvilis responded by e-mail on 20 November 2003 outlining the steps the sub-branch had so far taken to meet its obligations. The Registry appreciates Mr Zvilis' response. However, the sub-branch's return has not yet been lodged.

The Registry wrote to Mr Zvilis again on 2 February 2004 seeking further information by 23 February 2004.

The following two organisations are of particular concern due to their previous delay or failure in meeting reporting requirements for past financial years. In particular:

CFMEU - Mining and Energy Division - South Australia District Branch - on 31 October 2003 the Registry sought by 17 November 2003 written advice from Mr Murray, District Secretary as to when the various steps in the financial reporting process would be completed and the financial documents lodged. No response has been received to this letter. In the normal course of events lodgement of the financial documents would have been expected by 31 October 2003.

This organisation lodged its financial return for the year ending 31 December 2001 in the Registry on 18 July 2003 substantially after it was due. This followed persistent and prolonged attempts by registry officers to contact officers responsible for its preparation and lodgement to remind them of the organisation's obligations.

CFMEU - FFPD Myrtelford Sub-branch of Pulp & Paper Workers Branch (No. 7 Branch) Victoria -

This organisation has failed to lodge its financial return for the financial years ending 31 December 2001 and 2002. The 2001 return is therefore substantially overdue. In the normal course of events the 2002 return should have been lodged by now.

The Registry has initiated regular contact with this organisation in relation to both returns and has been verbally informed on a number of occasions they are being prepared. However neither has been lodged.


As you would appreciate, the financial reporting provisions of the Act are an important means of ensuring organisations are accountable to their members and operate effectively. The Registry is seeking to improve the level of compliance generally with these provisions. The timely lodgement of financial returns is essential.

The Registry also appreciates that unforeseen problems may arise in the preparation of financial reporting documents from time to time which may cause delay in meeting these requirements. The Workplace Relations Act therefore provides for the Registrar to grant extensions of time to complete certain steps in the financial return process including lodgement of the return.

If an organisation is experiencing difficulties of this nature, its secretary should inform the Registry of the nature of the difficulty, indicate why it will affect its capacity to lodge on time and the period of any expected delay. This contact can be initiated by phone to the Registry and preferably then confirmed by letter or email formally requesting the Registrar to grant an extension of time if necessary.

I would appreciate your response to these matters. If you would like to discuss any of them please phone me on 8374 6509.

Yours sincerely



Peter McKerrow  
Assistant Manager, NSW Registry

3 February 2004



**Construction Forestry Mining Energy Union  
NATIONAL OFFICE**

National Secretary: John Maitland  
Phone: (+61 2) 9267 3393  
Fax: (+61 2) 9267 2460

1st Floor  
265 Sussex Street  
SYDNEY NSW AUSTRALIA 2000

Postal Address: Q1641 Q. V. B. Post Office, Sydney NSW AUSTRALIA 1230

M2004-007  
20 February 2004

Deputy Industrial Registrar  
Australian Industrial Registry  
Level 8  
80 William St  
East Sydney 2010

by fax: 9380 6990

**attention Peter McKerrow**

Dear Sir

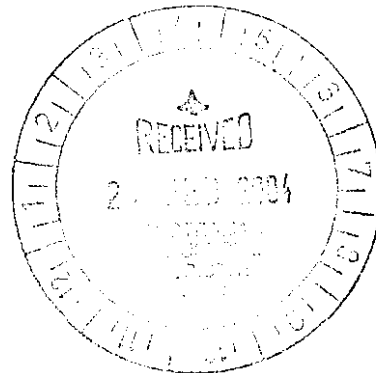
I am receipt of your correspondence dated 3 February 2004 concerning the financial reporting obligations of various CFMEU Divisions and Divisional Branches.

Please note that I have communicated with these offices and am awaiting information which shall be forwarded to you as a matter of urgency.

I must apologise for the delay in responding, as your correspondence was left sitting unattended in the wrong office and which I only received yesterday.

Yours faithfully

Rick Fowler  
Executive Officer



# MINUTE

## AUSTRALIAN INDUSTRIAL REGISTRY

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**Contact Officer:** Peter McKerrow  
**Telephone No:** 02 8374 6666  
**Facsimile No:** 02 9380 6990

**Your Reference:**  
**My Reference:**

Mr Bruce Watson, General Secretary of the CFMEU Mining and Energy Division phoned today in response to the Registry's letter to the National Secretary of the CFMEU of 3 February 2004.

He advised that the Mining and Energy Division's financial return would be lodged within a few days and that he would follow up with the Tasmanian and South Australian District Branches of the Mining and Energy Division to ensure that their returns were also lodged.

Peter McKerrow

Asst. Manager  
NSW Registry

26 February 2004



**Construction Forestry Mining Energy Union**  
NATIONAL OFFICE

National Secretary: John Maitland  
Phone: (+61 2) 9267 3393  
Fax: (+61 2) 9267 2460

1st Floor  
265 Sussex Street  
SYDNEY NSW AUSTRALIA 2000

Postal Address: Q1641 Q. V. B. Post Office, Sydney NSW AUSTRALIA 1230

L2004-037  
5 July 2004

Deputy Industrial registrar  
Australian Industrial Registrar  
80 William St  
East Sydney 2010

Attention Ms Belinda Penna

Dear Ms Penna

I refer to our recent conversation concerning the late filing of audited accounts of CFMEU Division and Divisional Accounts.

Upon contacting the relevant officials I can advise the following:

- Mining & Energy Division – accounts filed after previous communication from your office dated 3 February. If you have not received them, please contact Mr Bruce Watson who will forward a copy.
- Construction & General Division, Victorian Divisional Branch – will be forwarded to your office by the end of this week.
- Mining & Energy Division, Tasmanian Divisional District – the audit process was unnecessarily delayed by auditors, who have now been replaced. New auditors have completed the audit and the accounts will be presented to the COM in the near future. Please contact Mr Chris Hinds on 03 6331 7955, for further information.

Trusting this answers your query.

Yours faithfully

Rick Fowler  
Executive Officer



Contact Officer: Belinda Penna  
Telephone No: 02 8374 6509  
Facsimile No: 02 9380 6990

Your Reference:  
My Reference: FR2002/802

Following receipt of fax from Rick Fowler, I rang the Mining and Energy Divisional Office. Bruce Watson is on leave this week - I have left a message with his assistant Charlene.

B Penna  
5 July 2004

Spoke to Charlene again today - Bruce is not in the office this afternoon but she will speak to him about it tomorrow. I advised her I would contact her again if the return is not lodged this week.

B. Penna

19 July 2004

27/7/04: left message for Rick Fowler to call me re MIE Div. Financial documents

30/7/04 left message on Mr Watson's voice-mail requesting he call me concerning the financial report. P. McKerran

2/8/04 left message with office asking that Mr Watson contact me concerning financial return. P. McKerran

2/8/04: Mr Watson phoned; he said the return had been lodged. I said we did not yet appear to have received it. He will send a copy straight away. P. McKerran





**Australian Government**

**Australian Industrial Registry**

# File Note

**Contact Officer:** Belinda Penna  
**Telephone No:** 02 8374 6618  
**Facsimile No:** 02 9380 6990

**Your Reference:**  
**My Reference:** FR2002/802

I rang Bruce Watson's Office again today, spoke to his secretary Charlene. Bruce was in the office so she spoke to him, and advised that the documents will be sent to the Registry by courier today.

Belinda Penna

10 August 2004



# CFMEU Mining and Energy

Telephone: (+61.2) 9267 1035  
Facsimile: (+61.2) 9267 3198

Level 1, 365 Sussex Street  
Sydney NSW 2000

## CONSTRUCTION, FORESTRY, MINING & ENERGY UNION MINING & ENERGY DIVISION

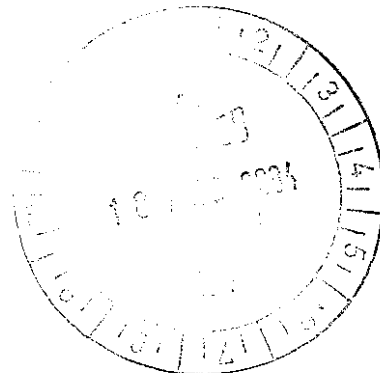
### SECRETARY'S CERTIFICATE

I, Bruce Watson, being the General Secretary of the Mining and Energy Division of the Construction, Forestry, Mining and Energy Union, do hereby state that in accordance with the Workplace Relations Act 1996 the attached documents are copies of the reports and audited accounts and financial statements for the year ending on the 31st day of December 2002 that were:

- (i) first presented to a meeting of the Central Council on 7<sup>th</sup> day of April 2003.
- (ii) supplied to members through the union journal published for the months of April/May 2003; and
- (iii) presented to a meeting of the Central Council of the Mining and Energy Division of the Construction, Forestry, Mining and Energy Union on the 3rd day of November 2003.

**Bruce Watson**  
**General Secretary**

10<sup>th</sup> August 2004

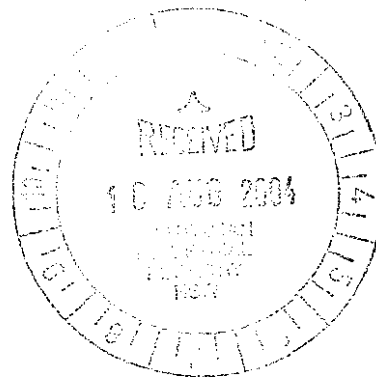


**CONSTRUCTION FORESTRY MINING AND ENERGY UNION  
MINING AND ENERGY DIVISION**

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

**CONTENTS**

- 1 Accounting Officer's Certificate
- 2 Committee of Managements' Certificate
- 3 Independent Audit Report to the Members
- 4 Statement of Financial Performance
- 5 Statement of Financial Position
- 6 Statement of Cash Flows
- 7-17 Notes to the Financial Statements
- 18 Disclaimer on Additional Financial Information
- 19-21 Detailed Statement of Financial Performance – General Fund
- 22 Detailed Statement of Financial Performance – Funeral & Eye Fund
- 23 Detailed Statement of Financial Performance – Long Service Leave Fund
- 24 Detailed Statement of Financial Performance – National Assistance Fund
- 25 Detailed Statement of Financial Performance – Legal Development Fund
- 26 Detailed Statement of Financial Performance – Recruitment & Training Fund
- 27-28 Summary of the Financial Report

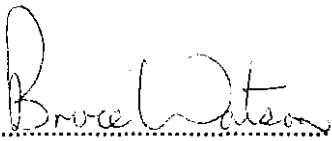


## ACCOUNTING OFFICER'S CERTIFICATE

I, Bruce Watson, being the Officer responsible for keeping the accounting records of the Construction Forestry Mining and Energy Union – Mining and Energy Division, ("the Union") certify that as at 31 December 2002, the number of members of the Union was 15,127.

In my opinion,

- (i) The attached financial report shows a true and fair view of the financial affairs of the Union as at 31 December 2002;
- (ii) A record has been kept of all the 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 Act.



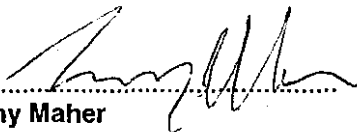
**Bruce Watson**

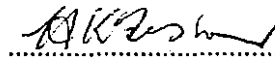
Signed this 7<sup>th</sup> day of April 2003.

## COMMITTEE OF MANAGERMENTS' CERTIFICATE

We, Tony Maher and Howard Fisher, being two members of the Central Council of the Construction Forestry Mining and Energy Union – Mining and Energy Division ("the Union"), do state on behalf of the Central Council and in accordance with a resolution passed by the Central Council that;

- (i) In the opinion of the Central Council, the attached financial report shows a true and fair view of the financial affairs of the Union as at 31 December 2002; and
- (ii) In the opinion of the Central Council, meetings of the Central Council were held during the year ended 31 December 2002 in accordance with the rules of the Union; and
- (iii) To the knowledge of any member of the Central Council, 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 those 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 Sections 279 (1) and 279 (6) of the Act in relation to the financial report in respect of the preceding financial year, and the Auditors' Report thereon.

  
.....  
Tony Maher

  
.....  
Howard Fisher

Signed this 7<sup>th</sup> day of April 2003.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

### SCOPE

We have audited the financial report of the Construction Forestry Mining and Energy Union – Mining and Energy Division ("the Union") for the year ended 31 December 2002 as set out on pages 4 to 17. The Union's Central Council is responsible for the preparation and presentation of the financial report. We have conducted an independent audit of this 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. The procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards, other mandatory professional reporting requirements and statutory requirements, so as to present a view 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

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 purposes of the expenditure of the Union; and
- (b) The financial report required to be prepared under Section 273 of the Workplace Relations Act 1996 has been properly drawn up so as to give a true and fair view of:
  - (i) the financial affairs of the Union as at 31 December 2002; and
  - (ii) the income and expenditure, and result of the Union for the year ended on that date; and
- (c) The financial report has been prepared in accordance with Applicable Accounting Standards and other mandatory professional reporting requirements.

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

  
.....  
**Daley & Co**  
Chartered Accountants  
98 Kembla Street, Wollongong NSW 2500

  
.....  
**M L Gleeson**  
Registered Company Auditor

Signed at Wollongong NSW this 7<sup>th</sup> day of April 2003.

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

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

	NOTE	2002 \$	2001 \$
<b>Revenues from Ordinary Activities</b>	2	<u>7,359,791</u>	<u>7,247,491</u>
<b>Expenses from Ordinary Activities</b>			
Employee Benefits Expense		1,498,814	1,576,777
Depreciation and Amortisation Expense		80,728	108,640
Contributions Unexpended	1(g)	2,044,669	1,047,991
National Assistance Expenditure		892,450	2,163,805
Legal Campaign Fund Expenses		655,371	855,766
Recruitment & Training Expenses		232,726	118,769
Operating Expenditure		1,557,773	1,399,434
Book Value of Investments Sold		<u>27,877</u>	<u>35,189</u>
		<u>6,990,408</u>	<u>7,306,371</u>
<b>OPERATING RESULT FOR THE YEAR</b>		<u>369,383</u>	<u>(58,880)</u>

The accompanying notes form part of this financial report

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

	NOTES	2002 \$	2001 \$
<b>CURRENT ASSETS</b>			
Cash	3	1,220,590	1,454,747
Receivables	4	1,238,293	1,155,693
Investments	5	11,153,106	8,933,114
Funds Held in Trust		700,000	700,000
Prepayments		30,802	90,255
Stock on Hand		70,624	101,432
<b>TOTAL CURRENT ASSETS</b>		<b>14,413,415</b>	<b>12,435,241</b>
<b>NON-CURRENT ASSETS</b>			
Receivables	4	1,199,970	1,113,986
Property, Plant and Equipment	6	1,639,063	1,513,251
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,839,033</b>	<b>2,627,237</b>
<b>TOTAL ASSETS</b>		<b>17,252,448</b>	<b>15,062,478</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	7	768,189	657,239
Provisions	8	2,351,249	2,410,155
Grants in Advance		23,147	12,736
Unexpended Contributions	9	11,381,000	9,622,868
<b>TOTAL CURRENT LIABILITIES</b>		<b>14,523,585</b>	<b>12,702,998</b>
<b>TOTAL LIABILITIES</b>		<b>14,523,585</b>	<b>12,702,998</b>
<b>NET ASSETS</b>		<b>2,728,863</b>	<b>2,359,480</b>
<b>ACCUMULATED FUNDS</b>			
Members Funds	11	2,728,863	2,359,480

The accompanying notes form part of this financial report



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

	NOTES	2002 \$	2001 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Members		6,808,620	6,840,555
Receipts from Grants		114,700	60,295
Receipts from Interest and Dividends		490,058	546,051
Receipts from Rents		30,457	26,042
Balance of Income Received		396,622	402,936
Payments to Suppliers and Employees		(5,556,221)	(7,588,255)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>14</b>	<b>2,284,236</b>	<b>287,624</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for Property, Plant and Equipment		(234,417)	(13,293)
Proceeds from Sale of Property, Plant and Equipment		22,000	-
Movements in Investments		(2,219,992)	600,284
<b>NET CASH PROVIDED / (USED IN) INVESTING ACTIVITIES</b>		<b>(2,432,409)</b>	<b>586,991</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Movement in Loan – Upper Roma Street Trust		(85,984)	(103,569)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(85,984)</b>	<b>(103,569)</b>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>		<b>(234,157)</b>	<b>771,046</b>
<b>CASH AT THE START OF THE FINANCIAL YEAR</b>		<b>1,454,747</b>	<b>683,701</b>
<b>CASH AT THE END OF THE FINANCIAL YEAR</b>	<b>3</b>	<b>1,220,590</b>	<b>1,454,747</b>

The accompanying notes form part of this financial report

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

**1. STATEMENT OF ACCOUNTING POLICIES**

This financial report is a general purpose financial report that has been prepared in accordance with 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 do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

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

(a) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are brought to account at cost less where applicable, any accumulated depreciation. The carrying amount of property, plant and equipment is reviewed periodically by the Council 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 depreciation rates used for each class of depreciable assets are:

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i> %
Buildings	2.50 to 20.00
Furniture Fittings & Equipment	5.00 to 47.90
Motor Vehicles	22.50

(b) EMPLOYEE BENEFITS

Provision is made in respect of the Union's liability for annual leave, sick 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 with more than 5 years service. Related on-costs are included in these provisions.

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

(c) INCOME TAX

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

(d) OUTSTANDING CONTRIBUTIONS

From 1 January 1996, district contributions have been accounted for on an accrual basis. District contributions relative to the national assistance fund are accounted for on a cash basis.

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

continued

**1. STATEMENT OF ACCOUNTING POLICIES**

continued

(e) COMPARATIVE FIGURES

Where required, comparative figures have been adjusted to conform with changes in presentation in the current financial year.

(f) PROVISION FOR NATIONAL CONVENTION

Provision is made annually in respect of the Union's estimated liability for the National Convention, which is held periodically every two to four years. The provision is based on member contributions which are collected evenly over the term between conventions to cover the costs associated with the next convention.

(g) UNEXPENDED CONTRIBUTIONS

Contributions for the National Assistance, Legal Development, and Recruitment and Training Funds are recorded in the profit and loss as income in the year in which they are collected. Interest received on those contributions is recorded as income in the year in which its earned. Unexpended funds are carried forward as liabilities at balance date to cover future expenditures. This policy is adhered to in accordance with the rules of the Union that no payments are made from these funds other than for the purposes for which the fund is operated.

Where expenditures exceed contributions and/or interest in any year, the deficiency is first applied to the carried forward (unexpended) balance and any deficiency remaining is written off in the statement of financial performance.

(h) RECRUITMENT AND TRAINING FUND UNEXPENDED CONTRIBUTIONS

The Central Council may resolve from time to time to apply prior years unexpended Recruitment and Training Fund contributions against current year internal fund deficits. Such a recoupment is recognised as income in the year of resolution and does not impact on the adoption of the policy pertaining to unexpended contributions as described in Note 1(g).

(i) STOCK ON HAND

Stock on hand comprises saleable promotional items and is valued at cost price being the lower of cost and net realisable value.

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

continued

	2002	2001
	\$	\$
<b>2. OPERATING PROFIT FROM ORDINARY ACTIVITIES</b>		
Profit from ordinary activities before income tax is arrived at after taking into account		
<b>(a) REVENUE:</b>		
<i>Operating Activities</i>		
Administration Fees	82,276	25,538
Contributions	6,303,262	6,141,616
Donations Received	355	109,011
Interest Received	499,830	538,674
Grants Received	104,289	100,059
Rents Received	28,457	27,042
Refunds/Reimbursements	76,594	16,849
Income other than Listed above	242,728	251,414
	<u>7,337,791</u>	<u>7,210,203</u>
<i>Non-Operating Activities</i>		
Proceeds from Sale of Investments	22,000	37,288
	<u>7,359,791</u>	<u>7,247,491</u>
<b>(b) EXPENSES</b>		
Depreciation of Non-Current Assets		
Buildings	8,401	8,316
Plant & Equipment	72,327	100,324
Total Depreciation	<u>80,728</u>	<u>108,640</u>
Movements In Employee Entitlements	109,094	122,696
Book Value of Assets Sold	27,877	35,189
Remuneration of Auditors		
- Auditing the Financial Report	20,430	20,340
- Accounting & Taxation Services	22,782	12,832

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

continued

	2002	2001
	\$	\$
<b>3. CASH</b>		
Cash on Hand	400	400
Cash at Bank		
• General Funds	1,218,507	1,451,095
• Funeral and Eye Funds	1,683	3,252
	<u>1,220,590</u>	<u>1,454,747</u>
<b>4. RECEIVABLES</b>		
<b>Current</b>		
Contributions Receivable	1,019,519	889,965
Debtors	176,813	236,105
Accrued Interest	41,961	29,623
	<u>1,238,293</u>	<u>1,155,693</u>
<b>Non-Current</b>		
Loan to Upper Roma Street Trust	<u>1,199,970</u>	<u>1,113,986</u>
<b>5. INVESTMENTS</b>		
<b>Current</b>		
Shares in Listed Companies (At Cost)	53,000	53,000
Shares in Private Companies (At Cost)	1	-
Term Deposits	<u>11,100,105</u>	<u>8,880,114</u>
	<u>11,153,106</u>	<u>8,933,114</u>

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

continued

	2002	2001
	\$	\$
<b>6. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>NATIONAL OFFICIALS EXECUTIVE HOUSING</b>		
➤ Oyster Bay Road, Oyster Bay, NSW		
➤ Macarthur Street, Sylvania, NSW		
➤ Willowbrook Place, Sylvania, NSW		
<b>LAND</b>		
At Cost	1,016,566	1,016,566
<b>BUILDINGS</b>		
At Cost	310,582	310,582
Accumulated Depreciation	(28,106)	(19,705)
	<u>282,476</u>	<u>290,877</u>
<b>TOTAL LAND &amp; BUILDINGS</b>	<u>1,299,042</u>	<u>1,307,443</u>
<b>FURNITURE, FITTINGS AND EQUIPMENT</b>		
At Cost	456,310	447,193
Accumulated Depreciation	(300,501)	(377,329)
	<u>155,809</u>	<u>69,864</u>
<b>MOTOR VEHICLES</b>		
At Cost	290,908	219,811
Accumulated Depreciation	(106,696)	(83,867)
	<u>184,212</u>	<u>135,944</u>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<u>1,639,063</u>	<u>1,513,251</u>

**Movements In Carrying Amounts**

Movements in the carrying amounts (written down values) for each class of property, plant and equipment between the start and end of the current financial year.

	LAND & BUILDINGS	FURNITURE, FITTINGS & EQUIPMENT	MOTOR VEHICLES	TOTAL
Balance at Start of Year	1,307,443	69,864	135,944	1,513,251
Additions	-	127,971	106,446	234,417
Disposals – Assets	-	(118,854)	(35,349)	(154,203)
Amort/Depreciation Expense	(8,401)	(41,988)	(30,339)	(80,728)
Disposals – Accum Dep'n	-	118,816	7,510	126,326
Balance at End of Year	<u>1,299,042</u>	<u>155,809</u>	<u>184,212</u>	<u>1,639,063</u>

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

continued

	2002	2001
	\$	\$
<b>7. ACCOUNTS PAYABLE</b>		
Creditors	638,858	569,334
Tax Payable (GST)	129,331	87,905
	<u>768,189</u>	<u>657,239</u>
<b>8. PROVISIONS</b>		
<b>Current</b>		
<b>Employee Benefits:</b>		
Provision for Annual Leave	266,215	265,887
Provision for Long Service Leave		
• Officials	1,545,321	1,692,325
• Employees	131,007	96,262
Provision for Sick Leave	201,885	199,050
	<u>2,144,428</u>	<u>2,253,524</u>
Employees at balance date		
• National Executives and staff	13	13
• District Executives (National LSL Fund)	21	25
Provision for National Conference	206,821	102,265
Provision for Payroll Tax	-	54,366
	<u>206,821</u>	<u>156,631</u>
<b>TOTAL PROVISIONS</b>	<u>2,351,249</u>	<u>2,410,155</u>
<b>9. UNEXPENDED CONTRIBUTIONS</b>		
Opening Balance at Start of Year	9,622,868	8,953,808
Add: Unexpended Contributions for Year	1(g)	
• National Assistance Fund	1,761,681	768,161
• Recruitment & Training Fund	157,445	279,830
• Legal Fund	125,543	-
Less: Transfer to Legal Fund (ex Recruitment & Training Fund)	1(h)	
	<u>(286,537)</u>	<u>(378,931)</u>
Closing Balance at End of Year	<u>11,381,000</u>	<u>9,622,868</u>

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

continued

	2002	2001
	\$	\$
<b>9. UNEXPENDED CONTRIBUTIONS</b>		
Continued		
Represented by:		
• National Assistance Fund	10,921,434	9,159,753
• Recruitment & Training Fund	334,023	463,115
• Legal Campaign Fund	125,543	-
	<u>11,381,000</u>	<u>9,622,868</u>
<b>10. ASSET REVALUATION RESERVE</b>		
<b>Movements For The Year</b>		
Opening Balance	-	161,525
Increment realised on sale of Property	-	-
Transfer to Retained Profits (Note 11)	-	(161,525)
	<u>-</u>	<u>-</u>
<b>CLOSING BALANCE</b>	<u>-</u>	<u>-</u>
As the Union during 2001 adopted the treatment of non-current assets to be their deemed cost as described in Note 1(a), it was considered appropriate to reverse the original revaluation amount to retained profits.		
<b>11. MEMBERS FUNDS</b>		
Opening Balance at Start of Year	2,359,480	2,256,835
Add: Results from Ordinary Activities		
General Fund	55,651	(197,474)
Funeral and Eye Fund Result	(1,568)	1,101
Long Service Leave Fund	28,763	45,099
Legal Development Fund	286,537	92,394
	<u>369,383</u>	<u>(58,880)</u>
Transfer of Asset Revaluation Reserve (Note 10)	-	161,525
	<u>2,728,863</u>	<u>2,359,480</u>
Represented by:		
• General Funds	2,727,179	2,356,228
• Funeral and Eye Fund	1,684	3,252
	<u>2,728,863</u>	<u>2,359,480</u>



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

continued

	2002	2001
	\$	\$
<b>12. SALARIES</b>		
The following analysis of salaries paid during the year ended 31 December 2002 is given in compliance with the requirements of the Workplace Relations Act, 1996.		
Paid to Office Holders	370,346	363,760
Paid to Employees	869,949	805,589
	<u>1,240,295</u>	<u>1,169,349</u>
<b>13. AUDITORS' REMUNERATION</b>		
Amounts received, or due and receivable, by the auditors for:		
• Auditing the financial report	20,430	20,340
• Accounting and taxation services	22,782	12,832
	<u>43,212</u>	<u>33,172</u>
<b>14. CASH FLOW INFORMATION</b>		
<b>RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO OPERATING RESULT</b>		
Net Operating Result from Ordinary Activities	369,383	(58,880)
<b>Non Cash Items</b>		
• Depreciation	80,728	108,640
• Provision for Annual Leave	328	19,795
• Provision for Long Service Leave	(112,257)	95,397
• Provision for Sick Leave	2,833	7,506
• Provision for Payroll Tax	50,191	91,430
• Net Loss on Disposal of Assets	5,877	-
• Profit on Disposal of Assets	-	(2,099)
<b>Changes in Assets and Liabilities</b>		
(Increase) Decrease in Contributions Receivable	(129,554)	305,686
(Increase) Decrease in Receivables	46,954	(803,170)
(Increase) Decrease in Prepayments	59,453	(9,734)
(Increase) Decrease in Inventories	30,808	7,993
Increase (Decrease) in Accounts Payable	121,361	(144,001)
Increase in Unexpended Contributions	1,758,131	669,061
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>2,284,236</u>	<u>287,624</u>

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

continued

2002                      2001  
\$                              \$

**15. CONTINGENT LIABILITIES**

A claim has been made against the Union, for unspecified damages arising out of alleged contempt of court. The action has been defended and the Union is awaiting finalisation of indemnity costs.

**16. OPERATING LEASE COMMITMENTS**

An operating lease commitment exists in respect of the sub-lease of floor area within premises situated at Sussex Street, Sydney. The maximum amount committed plus the maximum extension of options is as follows :-

2002                      2001  
\$                              \$

The total operating lease commitments are:

Due within 1 year	130,000	154,934
Due within 1-2 years	130,000	130,000
Due later than 2 years but not later than 5 years.	10,833	140,833
	<u>270,833</u>	<u>425,767</u>

**17. SPECIFIED INFORMATION**

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the following provisions of the Act:

S274

- ① A member of an organisation, or Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- ② An organisation shall, on application made under subsection (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 prescribed.
- ③ A Registrar may only make an application under subsection (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.

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

continued

**18. RELATED PARTY INFORMATION**

**MEMBERS OF THE CENTRAL COUNCIL**

Persons holding positions within the Union and as members of the Central Council during the year:

**NATIONAL OFFICIALS**

- Mr T Maher (General President)
- Mr B Watson (General Secretary)
- Mr R Coates (General Vice President)

**CENTRAL COUNCIL**

- Mr A Drew (NSW Energy President)
- Mr M Watson (NSW Northern President)
- Mr A Vickers (Queensland President)
- Mr H Fisher (NSW South Western President)
- Mr G Day (South Australian President)
- Mr J Borlini (West Australian President)
- Mr C Hinds (Tasmanian President)
- Mr L Van Der Meulen (Victorian President)
- Mr J Parkes (Central Councillor North)
- Mr L Plunkett (Central Councillor North)
- Mr R Whittaker (Central Councillor North)
- Mr G Walsh (Central Councillor QLD)
- Mr J Noonan (Central Councillor QLD)
- Mr G Osborne (Central Councillor South Western)

**19. JOINT VENTURE AGREEMENT**

In accordance with the terms of a joint venture agreement dated 27 May 1991 the Division has acquired land, the cost of which totalled \$1,516,294. This amount has been provided by the other party to the agreement.

The land is provided by the Division to the joint venture, free of charge, for the purpose of coal mining operations. The Joint Venture Agreement provided that certain royalties are payable to the Division in respect of such operations. These royalties are paid to the Mineworker's Trust, (a trust formed to directly or indirectly benefit Mineworker's, their families or dependants). Subject to the retention by the Division of 20% thereof as reimbursement of expenses incurred by the Division. At this date the value of land is uncertain and thus it has not been included in the accounts as an asset. Additionally, the Division is the beneficial owner of 27,750 share of \$1 of each in Mount Thorely Coal Loading Limited, and 8,909 shares of \$1 each in Newcastle Coal Shippers Pty Limited. These shares are not included in the Financial Report.

At 31 December 2002, the Division has incurred Capital Costs together with interest thereon represented a loan account of \$6,151,876 (2001 \$4,389,523) which is then only repayable by the Division under certain circumstances and then only from the Division's Proceeds (including, under certain circumstances, the sale of the land referred to above) as defined by the Joint Venture Agreement. The amount has been provided by the other party to the agreement. This loan is not included in the Financial Report.

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

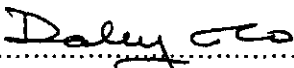
continued

	2002	2001
	\$	\$
<b>20. SCHEDULE OF CAMPAIGN EXPENSES</b>		
Gordonstone	72,275	1,566
Award Simplification	7,625	213,605
Blair Athol	69,313	43,898
BHP		
• Pilbara	11,890	70,907
• Bargaining Campaign	1,079	421,501
• Contempt of Court	72,712	-
• BHP Steel	97,630	-
Barrier Industrial Council	6,450	-
Bulga Coal	7,040	-
Cumnock	5,600	-
Capricorn Coal	1,118	-
General Expenditures	633	1,888
Glutaraldehyde Inquiry	-	2,627
Hill Inquest	-	4,064
Superannuation Campaign	48,844	9,795
Pasminco	9,016	11,195
Rio Tinto		
• General	41,393	4,636
• Hunter Valley No 1	121,931	47,440
• Mt Thorley	30,601	41,785
Royal Commission Rally	10,000	-
Victorian Energy	7,573	98,160
Weipa	523	12,050
<b>TOTAL</b>	<b>623,246</b>	<b>985,117</b>
<b>21. SCHEDULE OF DONATIONS</b>		
CFMEU – National Construction & General Division	500,000	1,800
ACTU – Ansett Workers	-	1,000
Australian Labor Party	-	480,000
Maritime Union of Australia	-	100,000
Queensland Junior Rugby League	5,000	5,000
Jubilee Foundation	-	1,000
Southern District Retired Miners	-	3,000
General Donations (individually less than \$1,000)	7,553	8,669
<b>TOTAL</b>	<b>512,553</b>	<b>600,469</b>

## DISCLAIMER ON ADDITIONAL FINANCIAL INFORMATION

The additional financial information presented on pages 19 to 26 is in accordance with the books and records of the Construction Forestry Mining and Energy Union – Mining and Energy Union ("The Union"), which have been subjected to the auditing procedures applied in our statutory audit of the Union for the year ended 31 December 2002. It will be appreciated that our statutory audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the Union) in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.

  
.....  
Daley & Co  
Chartered Accountants  
Wollongong NSW 2500

Signed this 7<sup>th</sup> day of April 2003

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

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

	2002	2001
	\$	\$
<b>GENERAL FUNDS</b>		
<b>INCOME</b>		
Administration Fees	82,276	25,258
Book Sales	900	1,700
Common Cause Sales and Advertising	17,000	51,000
Contributions	2,159,048	1,891,713
Entitlements Transferred In	20,938	-
Grants		
• Occupational Health & Safety Officer	102,200	90,000
• Oral History	2,089	10,059
• District Check Inspector Assistance	50,000	50,000
Dividends Received	2,566	3,332
Donations	355	470
Interest Received	57,676	46,138
Profit on Sale of Shares	-	2,099
Refunds and Reimbursements	31,060	12,503
Royalty – United Trust	134,421	79,465
Rent		
• NSW Energy	12,000	10,000
• Executive Housing	2,657	4,042
• MacArthur Street	13,000	13,000
• Willowbrook Place	800	-
Sales – Promotional	16,903	15,737
<b>TOTAL INCOME</b>	<u>2,705,889</u>	<u>2,306,516</u>
<b>EXPENDITURE</b>		
Affiliation Fees	36,776	47,760
Auditors Remuneration	43,212	35,092
Bad Debts	17,290	-
Bank Charges	2,402	6,835
Building Expenses	24,830	8,613
Conferences and Meeting Expenses		
• Central Council & Executive Meetings	101,704	116,231
• CFMEU – National Conference	33,221	27,529
Common Cause		
• Freight and Cartage	94,678	90,519
• Printing and Productions	72,453	104,945

*Continued Over Page*

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

	NOTES	2002 \$	2001 \$
<b>GENERAL FUNDS</b>			
<b>EXPENDITURE</b>			
<i>Continued</i>			
Contributions – CFMEU National Office		90,000	90,000
Contributions – Funeral and Eye Fund		3,000	-
Depreciation		77,963	108,640
Donations	21	11,780	23,149
District Check Inspector Grants		50,000	50,000
Electricity		5,912	8,649
Fringe Benefit Tax		68,648	46,741
Gifts and Floral Tributes		10,430	7,365
Insurance		32,972	33,297
Interest Expense		9,172	3,894
Legal and Professional Expenses		26,677	8,706
Loss on Sale of Fixed Assets		5,877	-
Motor Vehicle Expenses		17,830	19,294
National Conference Provision		104,557	90,347
National Officials Executive Housing			
• Insurance		1,519	3,372
• Telephone		5,902	7,232
• Rates		5,794	6,383
• Maintenance		2,340	5,132
• Relocation Costs		6,866	-
• Rental Assistance Payments		23,880	20,790
Oral History Costs		2,089	10,059
Payroll Tax		57,650	44,878
Petty Cash		2,884	4,617
Postage, Freight, Printing and Stationery		92,596	89,877
Promotional Material		58,025	22,314
Provision for Annual Leave		(13,721)	8,982
Provision for Long Service Leave		27,029	5,726
Provision for Sick Leave		(16,331)	3,492
Provision for Doubtful Debts		7,413	-
Reference Material		959	2,936
Rent		167,412	155,923
Salaries and Wages – Officers	12	370,346	363,760
Salaries and Wages – Employees	12	545,454	449,267
Staff Expenses		7,525	6,830
Subscriptions		36,453	34,198

*Continued Over Page*

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

	2002	2001
	\$	\$
<b>GENERAL FUNDS</b>		
<b>EXPENDITURE</b>		
<i>continued</i>		
Superannuation Contributions	103,149	93,929
Telephone and Facsimile	48,378	37,679
Training Expenses	-	500
Travelling Expenses		
• National Office – Mining & Energy	140,243	163,870
• National CFMEU ICEM Contribution	25,000	25,000
Union Election	-	9,638
<b>TOTAL EXPENDITURE</b>	<u>2,650,238</u>	<u>2,503,990</u>
<b>OPERATING RESULT FOR THE YEAR</b>	<u>55,651</u>	<u>(197,474)</u>



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

	2002	2001
	\$	\$
<b>FUNERAL AND EYE FUND</b>		
<b>INCOME</b>		
Contributions	5,730	3,925
Interest Received	3	4
<b>TOTAL INCOME</b>	<u>5,733</u>	<u>3,929</u>
<b>EXPENDITURE</b>		
Bank Charges	1	28
Eye Benefit	1,300	1,300
Funeral Benefit	6,000	1,500
<b>TOTAL EXPENDITURE</b>	<u>7,301</u>	<u>2,828</u>
<b>OPERATING RESULT FOR THE YEAR</b>	<u>(1,568)</u>	<u>1,101</u>

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

	2002	2001
	\$	\$
<b>LONG SERVICE LEAVE FUND</b>		
<b>INCOME</b>		
Contributions	67,482	57,788
Interest Received	49,215	93,934
LSL Transfers Received	-	49,708
<b>TOTAL INCOME</b>	<u>116,697</u>	<u>201,430</u>
<b>EXPENDITURE</b>		
Bank Charges	-	20
Provision for Long Service Leave	(147,004)	76,987
Long Service Leave	234,938	79,324
<b>TOTAL EXPENDITURE</b>	<u>87,934</u>	<u>156,331</u>
<b>OPERATING RESULT FOR THE YEAR</b>	<u>28,763</u>	<u>45,099</u>

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

	NOTES	2002 \$	2001 \$
<b>NATIONAL ASSISTANCE FUND</b>			
<b>INCOME</b>			
Contributions		2,654,131	2,947,619
Refunds / Reimbursements		-	4,347
<b>TOTAL INCOME</b>		<u>2,654,131</u>	<u>2,951,966</u>
<b>EXPENDITURE</b>			
Donations	21	500,000	575,000
Mortality Donations			
• K Davies		-	70,000
• B & R Keenan		-	75,000
• M Danger		75,000	-
• A Maher		75,000	-
• A Maughan		72,650	-
Site Assistance			
• Appin		-	2,240
• Crinum		7,400	134,200
• Chain Valley		13,500	-
• Blair Athol		11,000	51,500
• Cordeaux		-	9,568
• Gregory Lodge		-	53,600
• Hay Point		-	31,000
• Hunter Valley No 1		137,900	206,943
• Muja		-	32,750
• Norwick Park		-	207,810
• Peak Downs		-	456,704
• Saraji		-	253,365
• Tower		-	24,125
<b>TOTAL EXPENDITURE</b>		<u>892,450</u>	<u>2,183,805</u>
Result Before Unexpended Contributions		1,761,681	768,161
Less: Contributions Unexpended	1(g)	<u>(1,761,681)</u>	<u>(768,161)</u>
<b>OPERATING RESULT FOR THE YEAR</b>		<u>-</u>	<u>-</u>

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

	NOTES	2002 \$	2001 \$
<b>LEGAL DEVELOPMENT FUND</b>			
<b>INCOME</b>			
Contributions		1,416,871	1,240,571
Donations Received		-	109,011
Refunds/Reimbursements		45,534	281
<b>TOTAL INCOME</b>		<u>1,462,405</u>	<u>1,349,863</u>
<b>EXPENDITURE</b>			
Campaign Expenses	20	623,246	985,117
Legal/Research Officers			
• District/Pilbara Officers		115,956	53,141
• Salary and Wages	12	324,495	345,544
• Staff Training		4,002	9,248
• Superannuation		29,526	28,650
• Fringe Benefits Tax		20,435	3,518
• Payroll Tax		23,547	18,599
• Provision for Annual Leave		14,049	10,814
• Provision for Sick Leave		19,167	4,011
• Provision for Long Service Leave		7,717	12,684
• Motor Vehicle Expenses		4,996	3,706
• Travel and Expenses		93,210	116,912
Other Expenses			
• Conferences and Meeting Expenses		226	2,871
• Donations & Gifts	21	773	2,320
• Interest Expense		3,746	-
• Postage, Printing & Stationery		9,030	7,044
• Reference Material		1,239	300
• Subscriptions		35,296	25,419
• Telephone		6,206	6,502
<b>TOTAL EXPENDITURE</b>		<u>1,336,862</u>	<u>1,636,400</u>
Result Before Unexpended Contributions		125,543	(286,537)
Less: Contributions Unexpended	1(g)	(125,543)	-
Add: Prior Year Loss recouped from Recruitment & Training Unexpended Interest	1(h)	286,537	378,931
<b>OPERATING RESULT FOR THE YEAR</b>		<u>286,537</u>	<u>92,394</u>

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

	NOTES	2002 \$	2001 \$
<b>RECRUITMENT AND TRAINING FUND</b>			
<b>INCOME</b>			
Interest Received		392,936	398,599
<b>TOTAL INCOME</b>		<u>392,936</u>	<u>398,599</u>
<b>EXPENDITURE</b>			
Conferences and Meeting Expenses		111,821	-
Depreciation		2,765	-
Motor Vehicle Expenses		4,264	-
Organising Works Project		63,318	-
Training Expenses		48,509	118,769
Travelling Expenses		4,814	-
<b>TOTAL EXPENDITURE</b>		<u>235,491</u>	<u>118,769</u>
Result Before Unexpended Interest Revenue		157,445	279,830
Less: Interest Unexpended	1(g)	<u>(157,445)</u>	<u>(279,830)</u>
<b>OPERATING RESULT FOR THE YEAR</b>		<u>-</u>	<u>-</u>

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

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

A copy of the Auditors' Report and Financial Report 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 Central Council have been completed in accordance with the provisions of the Act and contain no qualifications.

In accordance with the requirements of the Act, the attention of members is drawn to the provisions of subsections (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 specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application under subsection (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 prescribed.
- (3) A Registrar may only make an application under subsection (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.

	2002	2001
	\$	\$
<b>STATEMENT OF FINANCIAL POSITION</b>		
<b>AS AT 31 DECEMBER 2002</b>		
ACCUMULATED FUNDS	<u>2,728,863</u>	<u>2,359,480</u>
Represented by:		
<b>ASSETS</b>		
Cash and Investments	12,373,696	10,387,861
Receivables	2,469,065	2,359,934
Funds Held in Trust	700,000	700,000
Stock on Hand	70,624	101,432
Property, Plant and Equipment	<u>1,639,063</u>	<u>1,513,251</u>
TOTAL ASSETS	<u>17,252,448</u>	<u>15,062,478</u>
<b>LIABILITIES</b>		
Creditors	768,189	639,239
Provisions	2,351,249	2,428,155
Unexpended Funds	<u>11,404,147</u>	<u>9,635,604</u>
TOTAL LIABILITIES	<u>14,523,585</u>	<u>12,702,998</u>
NET ASSETS	<u>2,728,863</u>	<u>2,359,480</u>

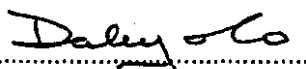
**SUMMARY OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2002**

continued

	2002	2001
	\$	\$
<b>STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2002</b>		
Contributions	6,303,262	6,141,616
Other Income	877,084	794,312
	<u>7,180,346</u>	<u>6,935,928</u>
Less: Expenditure	4,923,739	6,226,647
Contributions Unexpended	1,887,224	768,161
	<u>369,383</u>	<u>(58,880)</u>
<b>OPERATING RESULT FOR THE YEAR</b>		

**AUDITORS CERTIFICATE**

We certify that the above summary is a fair and accurate summary of the financial report of the Construction, Forestry, Mining and Energy Union – Mining and Energy Division, for the year ended 31 December 2002. Our Auditors' Report dated 7<sup>th</sup> April 2003 on the Financial Report, did not contain any particulars of any deficiency, failure or shortcoming as referred to in the Workplace Relations Act 1996.

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

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

Signed this 7<sup>th</sup> day of April 2003.

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



**Australian Government**  
**Australian Industrial Registry**

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

Mr Bruce Watson  
General Secretary  
CFMEU Mining & Energy Division  
PO Box Q1641  
SYDNEY NSW 1230

Dear Mr Watson

**Re: Lodgement of the Financial Statements and Accounts for the Mining & Energy Division  
for the year ending 31 December 2002 (FR2002/802)**

Receipt is acknowledged of the abovenamed financial documents which were lodged in the Registry on 10 August 2004.

Schedule of Donations

I refer to Item 21 of the Notes to the Accounts (page 17), which lists donations exceeding \$1,000 that were made by your organisation during the financial year, being to the CFMEU - National Construction & General Division and the Queensland Junior Rugby League.

I have enclosed a copy of s269 for your information. The relevant particulars required about each of these donations are:

- the **amount** of each - you have specified this
- the **purpose** for which each was made
- the **name and address** of the person to whom each amount was paid - please advise the **address** of the recipients of each payment.

This information is required before the financial documents can be filed.

If you have any queries about this letter please contact me on 02 8374 6618.

Yours sincerely,

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

Belinda Penna  
for Deputy Industrial Registrar

27 September 2004



## 269 Organisations to notify particulars of loans, grants and donations

- (1) An organisation shall, as soon as practicable after the end of each financial year, lodge in the Industrial Registry a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 made by the organisation during the financial year.
- (2) A statement lodged in the Industrial Registry under subsection (1) shall be signed by an officer of the organisation.
- (3) A statement lodged in the Industrial Registry under subsection (1) may be inspected at any registry, during office hours, by a member of the organisation concerned.
- (4) The relevant particulars, in relation to a loan made by an organisation, are:
  - (a) the amount of the loan;
  - (b) the purpose for which the loan was required;
  - (c) the security given in relation to the loan; and
  - (d) except where the loan was made to relieve a member of the organisation, or a dependant of a member of the organisation, from severe financial hardship—the name and address of the person to whom the loan was made and the arrangements made for the repayment of the loan.
- (5) **The relevant particulars, in relation to a grant or donation made by an organisation, are:**
  - (a) **the amount of the grant or donation;**
  - (b) **the purpose for which the grant or donation was made; and**
  - (c) **except where the grant or donation was made to relieve a member of the organisation, or a dependant of a member of the organisation, from severe financial hardship—the name and address of the person to whom the grant or donation was made.**
- (6) Where an organisation is divided into branches:
  - (a) this section applies in relation to the organisation as if loans, grants or donations made by a branch of the organisation were not made by the organisation; and
  - (b) this section applies in relation to each of the branches as if the branch were itself an organisation.
- (7) For the purposes of the application of this section in accordance with subsection (6) in relation to a branch of an organisation, the members of the organisation constituting the branch shall be taken to be members of the branch.



Contact Officer: Belinda Penna  
Telephone No: 02 8374 6618  
Facsimile No: 02 9380 6990

Your Reference:  
My Reference:

Outstanding Information - Financial Returns

Mining & Energy Division - Divisional Office - y/e 31 Dec 2002 (FR2002/802)

M&E Div - South Australian District Branch - y/e 31 Dec 2003 (FR2003/703)

I spoke to Fran today in the Mining and Energy Divisional Office regarding outstanding information for these returns.

Schedule of Donations for Divisional Office (FR2002/802) will be sent this week.

Fran is still waiting on further information from the South Australian District Branch - she will try to chase it up before she goes on leave at the end of this week.

F/up 1st week of February if nothing received as Fran will be on leave.

Belinda Penna  
20 December 2004

Rang Fran - she will send documents asap.

B. Penna

21-2-05

Spoke to Fran again today - she will try to get Mr Watson to sign report this week.

B. Penna

21 March 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 Bruce Watson  
General Secretary  
CFMEU Mining & Energy Division  
PO Box Q1641  
SYDNEY NSW 1230

Dear Mr Watson

**Re: Financial Statements & Accounts for the Mining & Energy Division for the years ending 31 December 2002 (FR2002/802) and 31 December 2003 (FR2003/682)**

I refer to your letters dated 22 March 2005 setting out the particulars of donations made by the Mining & Energy Division, which were lodged in the Registry on 24 March 2005.

The statements have been placed on a file which is not for public viewing other than by members of your organisation.

Following the receipt of this information the financial statements and accounts for the years ending 31 December 2002 and 31 December 2003 have also been filed, and may be viewed on the internet at [www.e-airc.gov.au/105nmin/financial](http://www.e-airc.gov.au/105nmin/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](http://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

31 March 2005