



FAIR WORK
AUSTRALIA

17 June 2011

Mr Mark Watson
Finance Manager, Mining and Energy Division
Construction, Forestry, Mining and Energy Union
PO Box Q1641
SYDNEY NSW 1230

Dear Mr Watson

Lodgment of Financial Accounts and Statements - Construction, Forestry, Mining and Energy Union, Mining and Energy Division (FR2010/2851)

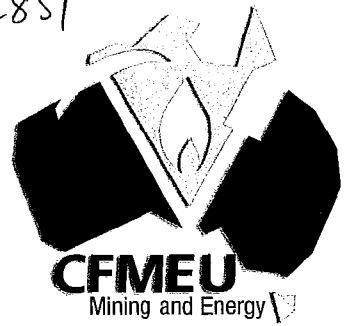
Thank you for lodging the abovementioned financial accounts and statements which were received by Fair Work Australia on 3 June 2011.

The documents have been filed.

Yours sincerely,

Stephen Kellett
Statutory Services Branch
Fair Work Australia

FR 2010/2851



2 June 2011

Stephen Kellett
Fair Work Australia
Level 8, Terrace Towers
80 William St,
East Sydney NSW 2011



Dear Stephen,

Re: CFMEU Mining & Energy Division

Please find enclosed the annual Secretary's statement & financial statements for our organisation for the year ended 31 December 2010.

Also attached is the annual statement of donations for 2010.

Should you require any further information please do not hesitate to contact me.

Regards,

A handwritten signature in black ink, appearing to read "Mark Watson".

Mark Watson
Finance Manager

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

SECRETARY'S CERTIFICATE

I, Andrew Vickers, being the General Secretary of the Mining and Energy Division of the Construction, Forestry, Mining and Energy Union, certify:

- That the documents lodged herewith are copies of the full report referred to in the Fair Work (Registered Organisations) Act 2009; and
- That the full report, was provided to members on 11 April 2011, after adoption of the accounts by the Central Council
- That the full report was supplied to members through the union website, and circulation at work sites. A series of general meetings were held by members of the Mining and Energy Division of the Construction, Forestry, Mining and Energy Union, the last meeting being on 27 May 2011; in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.



**Andrew Vickers
General Secretary**

2 June 2011

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

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2010**

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OPERATING REPORT

Your Committee of Management of Construction, Forestry, Mining and Energy Union - Mining & Energy Division ("the Union") present their Operating Report on the Union for the year ended 31 December 2010.

Committee of Management

The names of Committee of Management (COM) in office at any time during the year are:

Name	Position	Period of Appointment
Mr T Maher	General President	1/01/2010 to 31/12/2010
Mr A Vickers	General Secretary	1/01/2010 to 31/12/2010
Mr I Murray	General Vice President	1/01/2010 to 31/12/2010
Mr W McAndrew	General Vice President	1/01/2010 to 31/12/2010
Mr A Drew	Central Councillor	1/01/2010 to 31/12/2010
Mr C Hinds	Central Councillor	1/01/2010 to 31/12/2010
Mr L Van der Meulen	Central Councillor	1/01/2010 to 31/12/2010
Mr R Whittaker	Central Councillor	1/01/2010 to 31/12/2010
Mr A Honeysett	Central Councillor	1/01/2010 to 31/12/2010
Mr G Wood	Central Councillor	1/01/2010 to 31/12/2010
Mr F Baker	Central Councillor	1/01/2010 to 31/12/2010
Mr S Bruncker	Central Councillor	1/01/2010 to 23/07/2010
Mr T Hardy	Central Councillor	1/01/2010 to 31/12/2010
Mr R Trappell	Central Councillor	1/01/2010 to 31/12/2010
Mr C Brodsky	Central Councillor	1/01/2010 to 19/07/2010
Mr S Smyth	Central Councillor	1/01/2010 to 31/12/2010
Mr P Jordan	Central Councillor	1/01/2010 to 31/12/2010
Mr R Timbs	Central Councillor	09/03/2010 to 01/06/2010
Mr B Wise	Central Councillor	12/10/2010 to 31/12/2010
Mr F Hibble	Central Councillor	12/10/2010 to 31/12/2010
Mr D McLachlan	Central Councillor	12/10/2010 to 31/12/2010
Mr B Crompton	Central Councillor	12/10/2010 to 31/12/2010

Principal Activities

The principal activities of the Union during the year were:-

- Adherence to the rules of the Division in furtherance of the objects of the Union consistent with the industrial relations legislation.
- Implementation of the decisions of the Division Executive and Committee of Management.
- Implementation of the Union's organising agenda, including assistance and advice on organising site projects, training and development of officials and planning and resourcing campaigns.
- Industrial support including assistance with legal and legislative matters.
- The administration and variation of federal and state awards.
- Negotiation and registration of certified industrial instruments on behalf of members consistent with the objects of the Workplace Relations Act and the Union rules.
- Media and other communications to members and to the broader local communities of the Division on issues affecting the rank and file.
- Monitoring and improving the health and safety of members.

Results of Activities

The result for the year was a profit of \$1,045,024 (2009: profit of \$9,737,084). Membership contributions in the current year amounted to \$6,246,055 being a \$360,406 increase on last year.

The Division has been involved in lobbying and negotiating with different levels of Government and key industry organisations around issues of importance to the members, including but not limited to health and safety issues, industrial and compensation matters, superannuation entitlements and environmental matters impacting the mining industry.

The Division has successfully implemented certified agreements for the benefits of members.

OPERATING REPORT

Continued

Significant Changes in Nature of Activities

There were no significant changes in the nature of activities of the Union during the year.

Significant Changes in Financial Affairs

There were no significant changes in the financial affairs of the Union during the year.

Membership of the Union

There were 23,272 members of the Union as at 31 December 2010 (2009: 21,334).

Rights of Members to Resign

All members of the Union have the right to resign in accordance with Rule 5 (iv)(a) of the Union Rules (and section 174 of the Workplace Relations Act), namely, by providing written notice addressed and delivered to either the District Secretary, or a Lodge Secretary or authorised delegate.

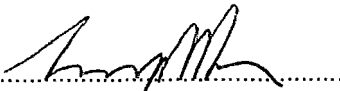
Employees of the Union

As at 31 December 2010 the Union employed 23 full time employees (2009: 23).

Superannuation Trustees

No officer or member of the Union acts:

- (i) as a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) as a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.



.....
Tony Maher

Dated this 29th day of March 2011.

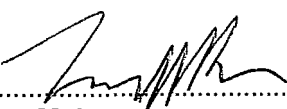
COMMITTEE OF MANAGEMENT STATEMENT

On 29th March 2011, the Committee of Management of the Construction, Forestry, Mining and Energy Union – Mining & Energy Division passed the following resolution in relation to the General Purpose Financial Report ("GPFR") of the Union, for the year ended 31 December 2010:

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

- a) The financial statements and notes comply with Australian Accounting Standards;
- b) The financial statements and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
- c) The financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the Union for the financial year to which they relate;
- d) There are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable; and
- e) During the financial year to which the general purpose financial report relates and since the end of that year:-
 - (i) Meetings of the Committee of Management were held in accordance with the rules of the Union; and
 - (ii) The financial affairs of the Union have been managed in accordance with the rules of the Union; and
 - (iii) The financial records of the Union have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) The financial records of the Union have been kept, as far as practicable, in a consistent manner to each other reporting unit of the organisation; and
 - (v) No information has been sought in any request of a member of the Union or by a Registrar duly made under section 272 of the Fair Work (Registered Organisations) Act 2009; and
 - (vi) No orders have been made by the General Manager of Fair Work Australia or FWA in regard to inspection of financial records under section 273 of the Fair Work (Registered Organisations) Act 2009.

Signed for and on behalf of the Committee of Management by:


.....
Tony Maher


.....
Andrew Vickers

Dated this 29th day of March 2011.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION - MINING & ENERGY DIVISION

We have audited the accompanying financial statements of Construction, Forestry, Mining and Energy Union – Mining & Energy Division (the Union), which comprises the Balance Sheet as at 31 December 2010 and the Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement for the year ended on that date, a summary of the significant accounting policies and other explanatory notes and the Committee of Management Statement.

Committee of Management's Responsibility for the Financial Statements

The Union's Committee of Management are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards' reduced disclosure requirements (including the Australian Accounting Interpretations) and Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 ('The RO Act'). This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the Committee of Management also state, in accordance with Accounting Standards AASB 101: Presentation of Financial Statements, that compliance with Australian Standards' reduced disclosure requirements ensure that the financial report, comprising the financial statements and notes, complies with Australian Accounting Standards' reduced disclosure requirements

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Union's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Union's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION - MINING & ENERGY DIVISION**

CONTINUED...

Auditor's Opinion

In our opinion, the general purpose financial report of the Construction, Forestry, Mining & Energy Union – Mining & Energy Division is presented fairly in accordance with:

- (a) Accounting Standards' reduced disclosure requirements (including the Australian Accounting Interpretations); and
- (b) The Fair Work (Registered Organisations) Act 2009 ('The RO Act'), including the requirements imposed by Part 3 of Chapter 8 of the RO Act; and
- (c) There have been no recovery of wages activities undertaken during the above year.

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

M. L. Gleeson
.....
M L Gleeson
Partner

Dated this 21st day of March 2011

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2010**

	NOTES	2010 \$	2009 \$
Revenue	3	11,695,004	9,706,226
Share of Net Profit of Joint Venture	3	1,522,414	8,176,040
Employee Benefits and On-Costs Expense		(4,438,824)	(3,981,667)
Depreciation and Amortisation Expense		(215,958)	(175,371)
Legal Campaign Fund Expenses		(611,243)	(350,741)
Advertising Expenses		(753,370)	(162,033)
Donations		(1,901,780)	(278,173)
Operating Expenditure		(3,412,425)	(2,679,913)
Loss on Sale of Property, Plant and Equipment		(12,174)	(30,885)
Impairment of Investments		(826,620)	(486,399)
Profit for the year before income tax		<u>1,045,024</u>	<u>9,737,084</u>
Income Tax Expense	1(c)	-	-
Profit for the year		<u>1,045,024</u>	<u>9,737,084</u>
 <i>Other Comprehensive Income (net of income tax)</i>			
Net change in fair value of available-for-sale financial Assets		44,942	(181,198)
Net change in fair value of available-for-sale financial assets transferred to profit or loss		501,665	-
Other Comprehensive Income for the year		<u>546,607</u>	<u>(181,198)</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS		<u>1,591,631</u>	<u>9,555,886</u>

The accompanying notes form part of these financial statements

**BALANCE SHEET
AS AT 31 DECEMBER 2010**

	NOTES	2010 \$	2009 \$
CURRENT ASSETS			
Cash and Cash Equivalents	5	319,721	376,687
Trade and Other Receivables	6	7,236,459	6,046,522
Financial Assets	8	40,341,104	39,740,224
Other Current Assets		154,412	153,472
TOTAL CURRENT ASSETS		48,051,696	46,316,905
NON-CURRENT ASSETS			
Investments Accounted for Using the Equity Method	7	-	-
Property, Plant and Equipment	9	3,247,859	3,388,313
TOTAL NON-CURRENT ASSETS		3,247,859	3,388,313
TOTAL ASSETS		51,299,555	49,705,218
CURRENT LIABILITIES			
Trade and Other Payables	10	984,787	1,309,804
Short-term Provisions	11	2,329,437	2,001,714
TOTAL CURRENT LIABILITIES		3,314,224	3,311,518
TOTAL LIABILITIES		3,314,224	3,311,518
NET ASSETS		47,985,331	46,393,700
EQUITY			
Retained Earnings		48,054,482	47,009,458
Reserves		(69,151)	(615,758)
TOTAL EQUITY		47,985,331	46,393,700

The accompanying notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Retained Earnings \$	Financial Assets Reserve \$	TOTAL \$
Balance as at 1 January 2009	37,272,374	(434,560)	36,837,814
Profit Attributable to Members	9,737,084	-	9,737,084
<i>Other Comprehensive Income</i>			
Net decrease in value of available- for-sale Financial Assets	-	(181,198)	(181,198)
Balance as at 31 December 2009	47,009,458	(615,758)	46,393,700
Profit Attributable to Members	1,045,024	-	1,045,024
<i>Other Comprehensive Income</i>			
Net change in fair value of available- for-sale financial assets transferred to profit or loss	-	501,665	501,665
Net increase in value of available-for- sale financial assets	-	44,942	44,942
Balance as at 31 December 2010	48,054,482	(69,151)	47,985,331

The accompanying notes form part of these financial statements

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2010**

	NOTES	2010 \$	2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Members		6,011,545	5,630,613
Receipts from Grants		25,000	115,182
Receipts from Interest and Investment Income		2,285,622	1,862,157
Receipts from Dividends		2,060	3,224
Receipts from Rents		15,027	20,907
Balance of Income Received		2,938,633	2,453,047
Joint Venture Distribution		410,872	16,470,972
Transfer to Employee Entitlement Trust		(447,673)	(212,191)
Payments to Suppliers and Employees		(9,847,421)	(7,360,844)
CASH FLOW PROVIDED BY OPERATING ACTIVITIES	12	<u>1,393,665</u>	<u>18,983,067</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment		(932,349)	(626,387)
Proceeds from Sale of Property, Plant and Equipment		32,545	93,637
Purchase of Assets Available for Sale		(167,331)	-
Proceeds from Sale of Assets Available for Sale		-	-
Purchase of Investments		(383,496)	(18,554,153)
NET CASH USED IN INVESTING ACTIVITIES		<u>(1,450,631)</u>	<u>(19,086,903)</u>
NET INCREASE / (DECREASE) IN CASH HELD		(56,966)	(103,836)
CASH AT THE BEGINNING OF THE FINANCIAL YEAR		<u>376,687</u>	<u>480,523</u>
CASH AT THE END OF THE FINANCIAL YEAR	5	<u>319,721</u>	<u>376,687</u>

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report covers the Construction, Forestry, Mining and Energy Union – Mining & Energy Division (the “Union”) as an individual entity. This organisation is registered under the Fair Work (Registered Organisations) Act 2009 (the “Act”) and domiciled in Australia. In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union is not subject to the Corporations Act 2001.

Basis of Preparation

The Construction, Forestry, Mining and Energy Union – Mining & Energy Division has elected to early adopt the pronouncements AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements to the annual reporting period beginning 1 January 2010.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards’ reduced disclosure requirements of the Australian Accounting Standards Board and the requirements imposed by the Reporting Guidelines of Part 3 of Chapter 8 of the RO Act.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

(a) PROPERTY, PLANT AND EQUIPMENT

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property, Plant and Equipment

Property, Plant and Equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of property, plant and equipment is reviewed annually by the Board of Management 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 that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Property, Plant and Equipment that have been contributed at no cost, or for nominal cost are valued at the fair value of the asset at the date it is acquired.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

1. STATEMENT OF ACCOUNTING POLICIES

continued

(a) PROPERTY, PLANT & EQUIPMENT

CONTINUED

Depreciation

The depreciation amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the Union commencing from the time the asset is held ready for use. Leasehold improvements are depreciated 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	2.5 to 20.0
Furniture Fittings & Equipment	5.0 to 40.0
Motor Vehicles	22.5

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Balance Sheet date.

An assets' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Comprehensive Income.

(b) EMPLOYEE BENEFITS

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to the end of the reporting date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

(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) COMPARATIVE FIGURES

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

Where the Union applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a Balance Sheet as at the beginning of the earliest comparative period will be disclosed.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

1. STATEMENT OF ACCOUNTING POLICIES

continued

(e) PROVISIONS

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of future economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the period.

(f) FINANCIAL INSTRUMENTS

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Union commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- the amount at which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

i) Financial Assets at Fair Value through Profit or Loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

1. STATEMENT OF ACCOUNTING POLICIES

continued

ii) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

iii) Held-to-Maturity Investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Union's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after reporting period.

If during the period the Union sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire category of held-to-maturity investments would be tainted and would be reclassified as available-for-sale.

iv) Available-for-Sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after reporting date. (All other financial assets are classified as current assets).

v) Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions and reference to similar instruments

Impairment

At the end of each reporting period, the Union assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the Statement of Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

1. STATEMENT OF ACCOUNTING POLICIES

Continued

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Union no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(g) IMPAIRMENT OF ASSETS

At the end of each reporting period, the Union reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Comprehensive Income.

Where the future economic benefits of the asset are not primarily dependent upon on the assets ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

(h) CASH AND CASH EQUIVALENTS.

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Balance Sheet.

(i) REVENUE

Revenue from membership contributions are recognised upon receipt, which is reflective of the timing and nature of the benefits provided to members.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

All revenue is stated net of the amount of goods and services tax (GST).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

1. STATEMENT OF ACCOUNTING POLICIES

continued

(j) GOODS AND SERVICES TAX (GST)

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

Cash flows are presented in the Cash Flow Statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(K) LEASES

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that is transferred to the Union, are classified as finance leases.

Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the Union will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

(L) GRANTS

The Union receives grant funding from various sources for varying purposes. Grants are recognised at fair value where there are reasonable assurances that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Where grant projects have an operating period that differs from the financial year-end, amounts are carried forward in the Balance Sheet.

(M) INTEREST IN JOINT VENTURES

The Union's share of the assets, liabilities, revenue and expenses of joint venture operations are included in the appropriate items of the financial statements. Details of the Union's interest are shown at Note 7.

The Union's interest in joint venture entities are brought to account using the equity method of accounting in the financial statements.

(N) Trade and Other Payables

Trade and other payables represent the liability outstanding at reporting date for goods and services received by the Union during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

1. STATEMENT OF ACCOUNTING POLICIES

continued

(o) Critical Accounting Estimates and Judgments

The Committee of Management evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Union.

Key Estimates – Impairment

The Union assesses impairment at each reporting period by evaluation of conditions specific to the Union that may be indicative of impairment triggers. Recoverable amounts of relevant assets are measure using value-in-use calculations which incorporate various key assumptions.

Key Judgments – Available-for-Sale Investments

The Union maintains a portfolio of Available-For-Sale Financial Assets with a book value of \$649,509 at the end of the reporting period. Certain individual investments have declined in value over the last 2 years by amounts greater than 50%. The Committee of Management believe this decline constitutes a significant and prolonged decline below cost and hence the Committee of Management consider these investments as impaired – and accordingly have recognised an impairment in the profit and loss of \$501,665.

Should share values decline to a level which is in excess of 30% below cost or should prices remain at levels below cost for a period in excess of 12 months from balance date, the Committee of Management and Accounting Officer have determined that such Financial Assets will be considered impaired in the future.

2. INFORMATION TO BE PROVIDED TO MEMBERS OR GENERAL MANAGER

In accordance with the requirements of the Fair Work (Registered Organisations) Act, 2010, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272 which reads as follows:

- (1) A member of a Union, or the General Manager, may apply to the Union for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) An application must be made 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 Union.
- (3) The Union must comply with an application made under subsection (1).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

	NOTES	2010 \$	2009 \$
3. REVENUE			
<i>Operating Revenue</i>			
Contributions		6,246,055	5,885,649
Trust Distribution Received		1,689,781	1,252,001
Interest Received		2,347,594	1,700,679
Grants Received		25,000	115,182
Rents Received		15,027	20,907
Refunds/Reimbursements		466	135
Donations Received		1,000,000	-
Income other than listed above		371,081	731,673
		11,695,004	9,706,226
<i>Other Revenue</i>			
Joint Venture Distribution		1,522,414	8,176,040
Gain on Disposal of Property, Plant & Equipment		-	-
		1,522,414	8,176,040
TOTAL REVENUE		13,217,418	17,882,266
4. RESULT FOR THE YEAR			
(a) Expenses			
Depreciation of Non-Current Assets			
Buildings		71,275	49,927
Plant & Equipment		144,683	125,444
Total Depreciation	9	215,958	175,371
Movements In Employee Entitlements		775,395	940,063
Loss on Disposal of Property, Plant & Equipment		12,174	30,885
Remuneration of Auditor			
- Auditing the Financial Report		25,000	23,430
- Accounting & Taxation Services		5,098	6,938
		30,098	30,368
(b) Significant Revenue and Expenses			
The following significant revenue and expense items are relevant in explaining the financial performance:			
Joint Venture Distribution		1,522,414	8,176,040
Donations Expenses		1,901,780	278,173
Advertising and Media Consultancy		141,086	162,033
Impairment of Interest in Joint Venture		324,955	486,399
Impairment of Unlisted Property Trust Investments		501,665	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

	2010	2009
	\$	\$
5. CASH AND CASH EQUIVALENTS		
Cash on Hand	738	231
Cash at Bank	318,983	376,456
	<u>319,721</u>	<u>376,687</u>
6. TRADE AND OTHER RECEIVABLES		
Current		
Contributions Receivable	1,351,133	1,116,622
Other Receivables	2,601,281	2,432,442
Loan Receivable – Ableshore (i)	3,284,045	2,497,458
	<u>7,236,459</u>	<u>6,046,522</u>

(i) The funds advanced have no set repayment date. Interest is not charged on the amount advanced.

Amounts Relating to:-

CFMEU – National Office	-	-
CFMEU – Construction & General Division	-	-
CFMEU – Mining & Energy Division: -		
• Queensland District	544,793	296,144
• Northern District	615,033	594,392
• South Western District	336,561	297,433
• NSW Energy District	49,270	52,708
• Victorian District	35,528	22,000
• South Australian District	3,181	2,500
• Western Australian District	74,744	37,000
• Tasmanian District	7,961	7,786
	<u>1,667,071</u>	<u>1,309,963</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

	2010 \$	2009 \$
7. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD		
<i>Carrying amount of investment in joint venture entity:</i>		
Balance at beginning of financial year	-	7,053,668
Share of joint ventures profit after income tax	1,522,414	8,176,040
Distributions received	(1,197,459)	(14,743,309)
Less: Impairment Write Down	19 (324,955)	(486,399)
Balance at the end of the financial year	(a) -	-

(a) The Union has a 5% interest in the United Collieries Joint Venture, whose principle activity is, exploration, mining and sale of coal. The equity method has been used to account for the Union's interest in this joint venture. Refer Note 19 for Joint Agreement detail.

The following table illustrates summarised financial information relating to the Union's interest in Joint Venture:

Share of the Joint Venture's Balance Sheet

Total Assets	2,394,525	3,908,814
Total Liabilities	(1,583,171)	(3,422,415)
Impairment Write Down	(811,354)	(486,399)
Net Assets	-	-

Share of the Joint Venture's Results

Revenue	3,887,756	19,183,875
Profit after Income Tax	1,522,414	8,176,040

8. FINANCIAL ASSETS

Held to Maturity Financial Assets	(a) 39,691,595	39,139,659
Available for Sale Financial Assets	(b) 649,509	600,565
	40,341,104	39,740,224

(a) **Held-to-maturity Financial Assets Comprise:**

Term Deposits and Bank Bills held with Financial Institutions.	39,691,595	39,139,659
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(b) **Available for Sale Financial Assets Comprise:**

Shares in Listed Corporations – at Fair Value	143,982	64,383
Shares in Unlisted Corporations – at Fair Value	126,619	10
Investments in Unlisted Investment Trusts	378,908	536,172
	649,509	600,565

Available-for-sale financial assets comprise investments in the ordinary share capital of various entities. There are no fixed returns or fixed maturity date attached to these investments.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

	2010	2009
	\$	\$
9. PROPERTY, PLANT AND EQUIPMENT		
LAND & BUILDINGS		
Land At Cost	49,000	49,000
Buildings At Cost	2,897,898	2,864,174
Accumulated Depreciation	(251,647)	(180,372)
	<u>2,646,251</u>	<u>2,683,802</u>
TOTAL LAND & BUILDINGS	<u>2,695,251</u>	<u>2,732,802</u>
PLANT & EQUIPMENT		
FURNITURE, FITTINGS AND EQUIPMENT		
At Cost	518,509	502,834
Accumulated Depreciation	(457,282)	(408,233)
	<u>61,227</u>	<u>94,601</u>
MOTOR VEHICLES		
At Cost	776,793	738,513
Accumulated Depreciation	(285,412)	(177,603)
	<u>491,381</u>	<u>560,910</u>
TOTAL PLANT & EQUIPMENT	<u>552,608</u>	<u>655,511</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>3,247,859</u>	<u>3,388,313</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 1 January 2009	1,915,665	110,143	256,158	2,281,966
Additions	867,064	36,208	502,967	1,406,239
Disposals – Assets	-	-	(124,521)	(124,521)
Amort/Depreciation Expense	(49,927)	(51,750)	(73,694)	(175,371)
Balance at 31 December 2009	<u>2,732,802</u>	<u>94,601</u>	<u>560,910</u>	<u>3,388,313</u>
Additions	33,724	15,675	70,825	120,224
Disposals – Assets	-	(327)	(44,393)	(44,720)
Amort/Depreciation Expense	(71,275)	(48,722)	(95,961)	(215,958)
Balance at 31 December 2010	<u>2,695,251</u>	<u>61,227</u>	<u>491,381</u>	<u>3,247,859</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

	2010 \$	2009 \$
10. TRADE AND OTHER PAYABLES		
Creditors and Accruals	780,064	1,139,864
Tax Payable (GST)	204,723	169,940
	<u>984,787</u>	<u>1,309,804</u>
<i>Amounts Relating to:-</i>		
CFMEU – National Office	-	-
CFMEU – Mining & Energy Division: -		
• Queensland District	1,000	1,000
• Northern District	52,499	16,019
• South Western District	33,458	-
• NSW Energy District	-	10,100
• Western Australian District	-	-
	<u>86,957</u>	<u>27,119</u>

11. PROVISIONS

	PROVISION FOR ANNUAL LEAVE \$	PROVISION FOR LSL \$	OTHER EMPLOYEE ENTITLEMENTS \$	TOTAL \$
Opening balance at 1 January 2010	764,833	428,833	808,048	2,001,714
Additional provisions	397,411	92,815	412,843	903,069
Amounts used	(351,404)	(27,919)	(196,023)	(575,346)
Balance at 31 December 2010	<u>810,840</u>	<u>493,729</u>	<u>1,024,868</u>	<u>2,329,437</u>

(a) Analysis of ageing of provisions

Current	<u>2,329,437</u>	<u>2,001,714</u>
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(b) Number of Employees at Balance Date

• National Executives and staff	23	23
• District Executives (National LSL Fund)	33	29

(c) Total Employee Benefits Attributable to:

• Office holders	1,074,346	1,001,912
• District Executives (National LSL Fund)	-	-
• Staff	1,255,091	999,802
	<u>2,329,437</u>	<u>2,001,714</u>

(d) Right of Indemnity

During the 2006 year, the 'LSL Fund(s)' previously administered directly by the Union has been settled onto 'The CFMEU Mining & Energy Entitlement Trust. Any on-going long service leave entitlements and obligations of the National Officials will be settled directly from the Trust. Accordingly the provision for long service leave, as it relates to National Officials, is reduced by the fair value of trust assets available and set aside to settle those entitlements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

	2010 \$	2009 \$
12. CASH FLOW INFORMATION		
RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH OPERATING RESULT		
Net Operating Result	1,045,024	9,737,084
Non Cash Flows in Net Result		
• Depreciation	215,958	175,371
• Joint Venture Distribution	(786,587)	8,781,331
• Net Unrealised Loss on Investments	501,665	-
• Loss/(Gain) on Disposal of Property, Plant and Equipment	7,064	30,885
Changes in Assets and Liabilities		
Decrease / (Increase) in Contributions Receivable	(234,511)	(255,036)
Decrease / (Increase) in Receivables	(168,840)	252,996
Decrease / (Increase) in Prepayments	(939)	(9,461)
Increase / (Decrease) in Accounts Payable	487,108	(457,976)
(Decrease) / Increase in Provisions	327,723	727,873
CASH FLOWS FROM OPERATIONS	1,393,665	18,983,067
 (i) Net cash flows relating to another reporting unit of the organisation are as follows:		
CFMEU – Mining & Energy Division: -		
• Queensland District	2,496,734	2,242,454
• Northern District	2,124,784	1,558,459
• South Western District	829,866	951,070
• NSW Energy District	162,896	204,380
• Victorian District	228,452	66,020
• South Australian District	7,663	12,502
• Tasmanian District	(25,980)	(13,155)
• Western Australian District	188,609	211,121
	6,013,024	5,232,851

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

13. CONTINGENT LIABILITIES

There are no contingent liabilities as at 31 December 2010 and there are no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, or the results of those operations.

14. CAPITAL & LEASING COMMITMENTS

(a) Operating Lease Commitments

	2010 \$	2009 \$
Non-cancellable operating leases contracted for but not capitalised in financial statements:		
Payable – Minimum lease payments		
Not later than 12 months	202,886	195,431
Between 12 months & 5 years	685,810	826,203
Greater than 5 years.	-	55,037
	888,696	1,076,671

An operating lease commitment exists in respect of the sub-lease of floor area within premises situated at Sussex Street, Sydney and in respect of certain residential housing supplied for organisers in remote locations throughout Australia. An operating commitment is also in place with Canon Finance Australia, for 2 photocopiers situated at Sussex St Sydney.

15. RELATED PARTY INFORMATION

(a) 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 A Vickers (General Secretary)
- Mr I Murray (General Vice President)
- Mr W McAndrew (General Vice President)

CENTRAL COUNCIL

- Mr A Drew (NSW Energy President)
- Mr S Smyth (Queensland President)
- Mr P Jordan (Northern President)
- Mr A Honeysett (NSW South Western President)
- Mr G Wood (West Australian Secretary)
- Mr C Hinds (Tasmanian President)
- Mr L Van Der Meulen (Victorian President)
- Mr R Whittaker (Central Councillor North)
- Mr R Trappell (Central Councillor North)
- Mr T Hardy (Central Councillor North)
- Mr D MacLachlan (Central Councillor South West)
- Mr F Baker (Central Councillor QLD)
- Mr B Wise (Central Councillor QLD)
- Mr B Crompton (Central Councillor QLD)
- Mr F Hibble (Central Councillor QLD)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

15. RELATED PARTY INFORMATION

continued

(b) RELATED PARTY TRANSACTIONS

Other related parties

- i) Office space was rented to the CFMEU – Mining and Energy Division, New South Wales Energy District during the year. Commercial rent totalling \$12,000 (2009: \$12,000) was charged by the Union.
- ii) Sustentation fees totalling \$170,100 (2009: \$170,223) were charged by the Construction, Forestry, Mining and Energy Union during the year.
- iii) Sustentation fees were charged to the following Districts during the year:-

	2010	2009
	\$	\$
Queensland	2,461,892	2,327,066
Northern	2,137,462	2,066,145
South Western	989,178	843,646
NSW Energy	181,377	173,315
Western Australia	210,021	206,180
Victorian	230,225	231,891
Tasmanian	28,314	28,314
South Australia	7,586	9,093
	<u>6,246,055</u>	<u>5,885,650</u>

(c) RELATED PARTY BALANCES

Associated companies

- i) As at balance date there was a loan of \$3,284,045 advanced to Abelshore Pty Limited (2009: \$2,497,458).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

16. KEY MANAGEMENT PERSONNEL COMPENSATION

	2010	2009
	\$	\$
Total Compensation		
The totals of remuneration paid to key management personnel (KMP) of the Company during the year are as follows:		
Key management personnel compensation	<u>1,009,722</u>	<u>736,761</u>

17. ORGANISATION DETAILS

The Union is a Trade Union registered and domiciled in Australia. The registered office and principle place of business of the Union is: Level One, 365 Sussex Street, Sydney NSW 2000.

18. EVENTS AFTER THE REPORTING PERIOD

- (a) Subsequent to the Committee of Management signing these Financial Statements, the Union intends to enter an agreement to purchase a property in Sydney. This property will become the Union's future administration/head office.

The purchase consideration will be approximately \$18,500,000.

There is no financial effect of this transaction in the 2010 financial report.

- (b) The financial report was authorised for issue on 29th day of March 2011 by the Central Council.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

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.

The Joint Venture and the operation of a related loan account are governed by a series of agreements covering the operations of the joint venture, sales of coal and the operation of a 'Called Sums' loan account.

The economic prosperity of the coal industry, repayment of the previous liability related loan from past performance, and benefits from past capital investments has seen the joint venture providing a cash return to the Division representing its share of 2010 year profits in the amount of \$1,522,414.

The 'value' recognised for the Division's interest in the joint venture includes the interest in Mount Thorely Coal Loading Limited, and Newcastle Coal Shippers Pty Limited. These shares are not separately included in the Financial Report.

At the date of this Report, the value of land is uncertain arising from undeterminable future economic benefit arising from a sale or use of land at the conclusion of the venture. The land is used in the operation of the joint venture, the life of which is not certain, is located in a mining region, and will require restoration. Due to these uncertainties regarding the land and its value, the Division has thought it prudent not to formally recognise a value in the balance sheet.

At 31 December 2010, the Division has a loan amount receivable from the joint venture of \$3,284,045 (2009: \$2,497,458). Under the terms of the joint venture agreement this loan, which was previously a payable amount by the Division, was only repayable under certain conditions. Accordingly this loan in previous years was not included in the Financial Report. As the capital costs that created this loan (upon inception of the joint venture) have now been repaid in full, the Division is entitled to receive distribution payments of their share of joint venture profits and therefore the loan receivable has been formally recognised. [see Note 6 to financial statements]

Under the terms of the joint venture arrangement, the balance of this receivable to the Division may be called upon at any time. The joint venture will be required to undertake substantial environmental restoration costs upon completion of mining activities. Accordingly it is the Executives' decision to retain a responsible level of cash within the joint venture to fund the Division's share of these future restoration costs.

The joint venture suspended longwall mining operations in March 2010. At the date of this report the joint venture has commenced a suspension of operations plan in conjunction with the completion of mining of economically recoverable coal reserves. Due to the suspension of operations impairment of joint venture assets has been reflected in this financial report. [see Note 7 to the financial statements]

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

20. FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

The Union's financial instruments consist mainly of deposits with banks and accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

The Union does not have any derivative instruments at 31 December 2010.

	NOTES	2010 \$	2009 \$
Financial Assets			
Cash and cash equivalents	5	319,721	376,687
Held to maturity financial assets	8	39,691,595	39,139,659
Available-for-sale financial assets			
- Shares in Listed Corporations - at fair value	8	143,982	64,383
- Shares in Unlisted Corporations - at fair value	8	126,619	10
- Units in unlisted Managed Funds - at fair value	8	378,908	536,172
Trade and other receivables	6	7,236,459	6,046,522
		47,897,284	46,163,433
Financial Liabilities			
Financial liabilities at amortised cost			
- Trade and other payables	10	984,787	1,309,804
		984,787	1,309,804

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

21. ADDITIONAL DISCLOSURES REQUIRED UNDER THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2010

In accordance with the requirements of Section 255 of Schedule 1B [the Registration and Accountability of Organisations (RAO) schedule], the following necessary disclosures are made:

	2010 \$	2009 \$
PROFIT & LOSS DISCLOSURES		
i) ITEMS OF REVENUE		
Donations or Grants Income	1,025,000	115,182
ii) ITEMS OF EXPENSE		
Compulsory levies imposed on the Union	170,100	170,223
Affiliation fees/subscriptions to organisations with an interest in industrial matters.	67,568	88,956
<i>Donations or Grant Expenses.</i>		
• Donations (greater than \$1,000)	1,899,508	275,500
• General Donations (individually less than \$1,000)	2,272	2,673
	1,901,780	278,173
<i>Employee Benefits Expense:</i>		
- Office Holders	903,476	532,768
- Employees (Other than Office Holders)	2,555,144	2,354,052
	3,458,620	2,886,820
<i>Conference & Meeting Expenses:</i>		
Expenses incurred in connection with meetings of members, councils, committees, panels to other bodies for which the Union was wholly or partly responsible.	129,462	176,672
Conference Expenses – National Convention	-	-
	129,462	176,672
Attendance Fees/Allowances – Conferences & Meetings	100,774	141,852

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

21. ADDITIONAL DISCLOSURES REQUIRED UNDER THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2010

continued

	2010	2009
	\$	\$
<i>Schedule of Campaign Expenses:</i>		
Austar	4,103	-
Award Modernisation	-	650
AWU	-	11,904
BHP	-	2,505
Clarence Colliery	-	2,750
Diamond Protection	-	7,673
CSBP	6,878	-
Endeavour Coal	-	22,323
General Expenditures	40,433	32,108
Hazelwood Power	-	29,000
HWE	32,279	-
McMahon	17,250	-
Membership Issues	-	5,000
Mining Tax Campaign	209,594	-
Newlands	14,682	-
North Goonyella	3,500	-
Oaky North	5,279	-
Peabody	-	19,709
Perilya	-	8,250
PKCT	37,437	30,663
Resco	3,750	8,458
Rio Tinto	62,481	9,397
Shell Refineries	-	20,530
Springvale Colliery	65,976	30,877
Tahmoor Collieries	147,038	-
Tasmanian Colonial Inquest	1,104	68,834
IR and Long Service Leave Campaign	-	2,800
Ulan Coal	133,282	36,191
United Collieries	3,402	1,119
Woolworths	12,800	-
Xstrata Campaign	166,935	-
Yallourn Power	19,569	-
TOTAL	987,772	350,741



FAIR WORK
AUSTRALIA

11 January 2011

Mr Andrew Vickers
General Secretary
Construction, Forestry, Mining and Energy Union -
Mining and Energy Division
avickers@cfmeu.com.au

Dear Mr Vickers,

**Lodgement of Financial Documents for year ended 31 December 2010 [FR2010/2851]
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Construction, Forestry, Mining and Energy Union-Mining and Energy Division (the "reporting unit") has recently ended. This is a courtesy letter to remind you of the obligation to prepare and process the reporting unit's financial documents. The full financial report must be lodged with Fair Work Australia within a period of 6 months and 14 days of the end of the financial year.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. The attached *Timeline/Planner* summarises these requirements, but I also describe the sequence here.

When the accounts have been prepared ready for the auditor, you or other officers of the Committee of Management must complete, sign and date a "Committee of Management Statement". This Statement effectively approves the accounts for audit and is usually completed at a "first" Committee meeting.

When the auditor has completed his or her audit, he or she must sign and date the "Auditor's Report". The signing and dating of the Auditor's Report may coincide with the date of the "first" Committee Meeting.

Only when the Auditor's Report has been signed and dated is the financial report ready for distribution or publication for the members. This is because the members must be able to see that the report has been audited.

The final event is a formal presentation of the financial report to a "second" meeting. I understand that the usual practice within the Mining Division is for general meetings of members in the Branches and Lodges to be held to endorse any Central Council resolution. In this particular case, the Australian Industrial Registry (as it was formerly known) has accepted that ratification at Branch and Lodge level constitutes presentation for the purposes of the Act. The important thing is to comply with both s265 and s266, and ensure that members have satisfactory access and opportunity to view and consider the financial report before lodgement with Fair Work Australia.

Level 8, Terrace Tower
80 William Street
East Sydney NSW 2011

Telephone: (02) 8374 6666
Email : RIASydney@fwa.gov.au
Internet : www.fwa.gov.au

The documents must be lodged within 14 days of the final meeting constituting "presentation" of the report. Your Certificate should provide the date the report was distributed/made available to the members and the date of presentation to the final meeting. This will enable Fair Work Australia to be satisfied that you have complied with the relevant sections of the Act.

For additional information, if you need it, financial reporting fact sheets and sample documents can be found on our Fair Work Australia website (www.fwa.gov.au). You will find that the legislative requirements remain largely unchanged to that of the former requirements under Schedule 1 of the Workplace Relations Act 1996. The information can be viewed at [FWA Registered Organisations Fact Sheets](#)

This office encourages you to lodge all financial reports electronically (e.g. as pdf files) at RIASydney@fwa.gov.au. Alternatively, you can forward the documents by fax to (02) 9380 6990 .

If you need any further information or if you believe you will be unable to lodge the full financial report within the period mentioned above please contact me on (02) 8374 6666 or by email at RIASydney@fwa.gov.au.

Yours sincerely,



Steve Teece
Registered Organisations – New South Wales
Fair Work Australia

TIMELINE/ PLANNER

Financial reporting period ending:	/ /
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Prepare financial statements and Operating Report.
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<p>(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.</p> <p>(b) A #designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).</p>	/ /
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As soon as practicable after end of financial year

Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /
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*Within a reasonable time of having received the GPFR
(NB: Auditor's report must be dated on or after date of Committee of Management Statement)*

<p>Provide full report free of charge to members – s265</p> <p>The full report includes:</p> <p><input type="checkbox"/> the General Purpose Financial Report (which includes the Committee of Management Statement);</p> <p><input type="checkbox"/> the Auditor's Report; and</p> <p><input type="checkbox"/> the Operating Report.</p>	/ /
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(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,

or

(b) in any other case including where the report is presented to a Committee of Management meeting, the report must be provided to members within 5 months of end of financial year.*

Present full report to:	/ /
(a) General Meeting of Members - s266 (1),(2); OR	/ /
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /

<i>Within 6 months of end of financial year</i>
<i>Within 6 months of end of financial year</i>

Lodge full report with Fair Work Australia, together with the #Designated Officer's certificate ⁺⁺ – s268	/ /
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<i>Within 14 days of meeting</i>

* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.