



FAIR WORK
AUSTRALIA

3 September 2010

Mr Grahame Kelly
Secretary, Northern District Branch
Construction, Forestry, Mining and Energy Union
PO Box 364
CESSNOCK NSW 2325



Dear Mr Kelly

Re: Lodgment of Financial Accounts and Statements – Northern District Branch, Mining and Energy Division – for year ending 31 December 2009 (FR2009/10251)

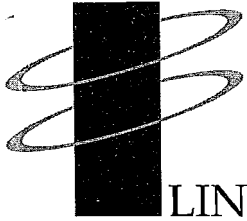
Thank you for lodging the above financial statements and accounts, which were received by Fair Work Australia on 18 August 2010.

The documents have been filed.

Yours respectfully,

Stephen Kellett

Statutory Services Branch



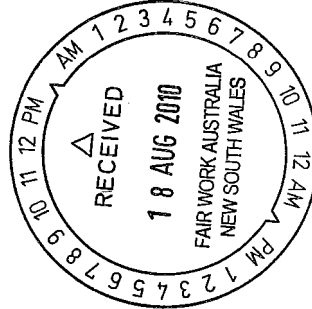
LINDBECK PARTNERS

B N Lindbeck Pty Limited ACN 079 130 000

ABN 99 839 215 857

16 August 2010

Fair Work Australia
Level 8, Terrace Towers
80 William Street
EAST SYDNEY NSW 2011



Dear Sir

RE: CFMEU MINING & ENERGY UNION NORTHERN DISTRICT BRANCH

I enclose herewith documents for the abovementioned in respect of the year ended 31 December 2009.

Should you have any queries in relation to this matter, please do not hesitate to contact me.

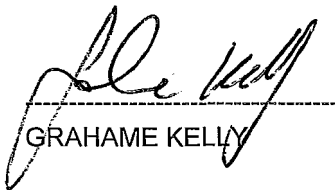
Regards

LINDBECK PARTNERS

CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER

I, GRAHAME KELLY being the Secretary of the Construction, Forestry, Mining and Energy Union, Mining & Energy Division, Northern District Branch certify:

- That the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- That the full report was provided to members on 16 April 2010 and
- That the full report was presented to a meeting of the last of a series of general meetings of members of the reporting unit on 18 June 2010 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.


GRAHAME KELLY

DATE: 13 August 2010

COMMITTEE OF MANAGERMENTS' STATEMENT

On 12 April 2010 the Committee of Management of the Construction Forestry Mining and Energy Union, Mining & Energy Division, Northern District Branch ('Union'), passed the following resolution in relation to the general purpose financial report (GPFR) of the Union for the year ended 31 December 2009.

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

- (a) the financial report and notes comply with the Australian Accounting Standards;
- (b) the financial report and notes comply with the reporting guidelines of the General Manager of FWA;
- (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 ended 31 December 2009;
- (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 ended 31 December 2009 and since the end of the financial year:
 - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation and the rules of the Union; and
 - (ii) the financial affairs of the Union have been managed in accordance with the rules of the organisation and the rules of the Union; and
 - (iii) the financial records of the Union have been kept and maintained in accordance with 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 of the other branches of the organisation; and
 - (v) no information has been sought in any request of a member of the Union or the General Manager of FWA under section 272 of Fair Work (Registered Organisations) Act 2009; and
 - (vi) no orders have been made by the General Manager of FWA under section 273 of Fair Work (Registered Organisations) Act 2009

For the Committee of Management:



GRAHAME KELLY

12 April 2010

OPERATING REPORT

This Operating Report covers the activities of the Construction Forestry Mining and Energy Union, Northern District Branch, for the year ended 31 December 2009, the results of those activities and any significant changes in the nature of those activities during the year.

1. Principal Activities of the Union

The principal activities of the Union during the past year fell into the following categories:

- Implementation of the decisions of the National Executive, National Council and Northern District Executive and Board of Management.
- Implementation of the Union's organising agenda, including direct assistance and strategic advice on particular industry or site organising projects, the training and developing of Officials and delegates, and assistance to Lodges on planning, resourcing and implementing campaigns.
- Industrial support including representation of individual member grievances, advice on legal and legislative matters, pursuing relevant changes to the conditions of eligibility rules of the Union, and responding to other Unions' rules applications where they impact on membership of the CFMEU Northern District.
- The negotiation, variation and replacement of industrial instruments (Collective Union Agreements, Awards both State and Federal) for and in association with Lodges and members generally.
- To improve the conditions and protect the interests and rights of the members and workers
- Manage and control the occupational health and safety issues of the Northern District which include, but are not limited to:
 - workers compensation
 - rehabilitation
 - workplace safety and health

2. Results of Activities

The net profit for the year after income tax income tax was \$517,377 (2008 \$818,391). The decrease is due to lower investment revenue.

3. Significant Changes

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

Significant changes in the financial affairs of the Union include a rise in the income from member contributions during the year of 8% due to increased membership and decline of 33% in interest income from investments.

4. Right of Members to Resign

All Members of the Union have the right to resign from the Union in accordance with Rule 5 of the Union Rules, (and Section 174 of Fair Work (Registered Organisations) Act 2009); namely, by providing written notice addressed and delivered to the Secretary of the relevant Lodge or the District Office.

5. Superannuation Trustees

Grahame Kelly is an officer of the Union and is a Trustee and Member of the Board of Directors of AUSCOAL Superannuation Fund.

6. Membership of the Union

There were 6,659 members of the union as at 31 December 2009.

7. Employees of Union

As at 31 December 2009, the Union employed 17 full time and 1 part time employees (2008 17 full time and 2 part time employees)

8. Committee of Management

The following persons were members of the Committee of Management during the year ended 31 December 2009;

Ian Murray	01.01.09 - 29.09.09
Grahame Kelly	01.01.09 - 31.12.09
Peter Jordan	01.01.09 - 31.12.09
Greg Sharp	01.01.09 - 31.12.09
David Simm	01.01.09 - 31.12.09
Keith Shaw	01.01.09 - 31.12.09
Robin Williams	01.01.09 - 31.12.09
Jeffrey Drayton	30.10.09 - 31.12.09
Michael Dunn	01.01.09 - 31.12.09
Ronald Edwards	01.01.09 - 31.12.09
Colin Fenwick	01.01.09 - 31.12.09
Todd Hardy	01.01.09 - 31.12.09
James Heaton	01.01.09 - 31.12.09
Lloyd Hill	01.01.09 - 10.03.09
Shane Thompson	01.01.09 - 31.12.09
Russell Trappel	01.01.09 - 31.12.09
Ross Whitaker	01.01.09 - 31.12.09
Kerry Wild	01.01.09 - 31.12.09
Mark Wilson	01.01.09 - 31.12.09



GRAHAME KELLY, DISTRICT SECRETARY

12 April 2010

AUDITORS REPORT TO MEMBERS OF CONSTRUCTION, FORESTRY, MINING and ENERGY UNION
MINING & ENERGY DIVISION NORTHERN DISTRICT BRANCH

SCOPE

We have audited the general purpose financial report of Construction, Forestry, Mining and Energy Union, Mining & Energy Division Northern District Branch for the year ended 31 December 2009 as set out on pages 5 to 21. The management of the Union is responsible for the preparation of the financial statements and the information contained therein. We have conducted an independent audit of the financial statements in order to express an opinion on it to the members of the Union.

Our audit has been conducted in accordance with the 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 statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 so as to present a view of the Union which is consistent with our understanding of its financial position and the results of its operations and cash flows.

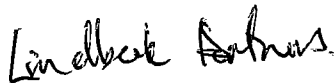
The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

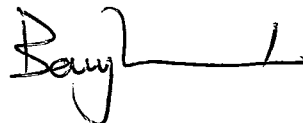
We have received all the information and explanations required for the purposes of our audit.

In our opinion, the general purpose financial report of Construction Forestry Mining and Energy Union, Mining & Energy Division Northern District Branch is in accordance:

- (a) The Union's financial position as at 31 December 2009 and of its performance and cash flows for the year ended on that date; and
- (b) Applicable Accounting Standards and other mandatory professional reporting requirements.
- (c) The requirements imposed by the Reporting Guidelines of Fair Work (Registered Organisations) Act 2009.



LINDBECK PARTNERS
Chartered Accountants
300 Main Road
CARDIFF NSW 2285



B N Lindbeck
Registered Company Auditor

Dated this 13th day of April 2010

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009**

	NOTE	2009 \$	2008 \$
Revenue	2	8,838,939	8,928,220
Other income		-	-
Employee benefits expense		(2,520,379)	(2,683,072)
Depreciation expense		(166,377)	(159,812)
Sustentation fees		(3,210,218)	(3,247,099)
Legal & medical fees		(253,871)	(141,179)
All other expenses		(2,170,717)	(1,878,667)
Net Profit Attributable to Members		<u>517,377</u>	<u>818,391</u>

The accompanying notes form part of this financial report

**BALANCE SHEET
AS AT 31 DECEMBER 2009**

	NOTE	2009 \$	2008 \$
CURRENT ASSETS			
Cash and cash equivalents	4	2,134,372	1,585,531
Trade and other receivables	5	203,610	614,315
Inventories	6	-	10,093
Financial assets	7	16,464,989	15,893,003
Other current assets	8	44,250	41,251
TOTAL CURRENT ASSETS		<u>18,847,221</u>	<u>18,144,193</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	1,602,411	1,628,817
Investment property	10	1,277,102	1,100,000
TOTAL NON-CURRENT ASSETS		<u>2,879,513</u>	<u>2,728,817</u>
TOTAL ASSETS		<u>21,726,734</u>	<u>20,873,010</u>
CURRENT LIABILITIES			
Trade and other payables	11	810,707	473,627
Short term provisions	12	707,823	732,806
TOTAL CURRENT LIABILITIES		<u>1,518,530</u>	<u>1,206,433</u>
NON-CURRENT LIABILITIES			
Trade and other payables	11	387,222	387,222
Long term provisions	12	118,414	94,164
TOTAL NON-CURRENT LIABILITIES		<u>505,636</u>	<u>481,386</u>
TOTAL LIABILITIES		<u>2,024,166</u>	<u>1,687,819</u>
NET ASSETS		<u>19,702,568</u>	<u>19,185,191</u>
EQUITY			
Accumulated Members' Funds		<u>19,702,568</u>	<u>19,185,191</u>

The accompanying notes form part of this financial report

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2009**

	NOTE	2009 \$	2008 \$
Opening Balance as at 1 January		19,185,191	18,366,800
Profit/(Loss) Attributable to Members		<u>517,377</u>	<u>818,391</u>
Closing Balance as at 31 December		<u><u>19,702,568</u></u>	<u><u>19,185,191</u></u>

The accompanying notes form part of this financial report

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2009**

	NOTE	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		8,696,409	8,329,747
Payments to suppliers and employees		(8,128,516)	(8,922,845)
Interest received		889,348	1,329,882
Other investment income received		43,765	25,841
Net cash inflow from operating activities	14(b)	<u>1,501,006</u>	<u>762,625</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of plant & equipment		81,910	89,007
Payment for plant & equipment		(284,987)	(292,121)
Payment for investment property		(177,102)	-
Payment for investments		(571,986)	(923,931)
Net cash inflow from investing activities		<u>(952,165)</u>	<u>(1,127,045)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash inflow from financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash held		548,841	(364,420)
Cash at 1 January 2009	14(a)	<u>1,585,531</u>	<u>1,949,951</u>
CASH AT 31 DECEMBER 2009	14(a)	<u><u>2,134,372</u></u>	<u><u>1,585,531</u></u>

The accompanying notes form part of this financial report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the Fair Work (Registered Organisations) Act 2009.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

Basis of Preparation

The financial report has been prepared on an accruals basis, except where specifically stated, and is based on historical costs modified by the revaluation of selected financial assets for which the fair value basis of accounting has been applied.

Accounting Policies

(a) Property, Plant & 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 directors 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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Property, Plant & Equipment (continued)

Depreciation

The depreciation amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the Union. The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Motor vehicles	22.5%
Fixtures, fittings & equipment	10%-40%

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 income statement.

(b) Income Tax

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

(c) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(d) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which included transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

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 stated at amortised cost using the effective interest rate method

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Financial Instruments (continued)

Held-to-Maturity Investments

These investments have fixed maturities, and it is the Union's intention to hold these investments to maturity. Any held-to-maturity investments held by the Union are stated at amortised cost using the effective interest rate method.

Available-for-Sale Financial Assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial Liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

At each reporting date, 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 income statement.

(e) Impairment of Assets

At each reporting date, the group reviews the carrying values of its 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 income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of cash-generating unit to which the asset belongs.

(f) Inventories

Inventories held for sale

Raw materials and finished goods are carried at the lower of cost allocated and net realisable value.

Net realisable value

Net realisable value is determined on the basis of each inventory line's normal selling pattern. Expense of marketing, selling and distribution to customers, are estimated and are deducted to establish net realisable value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Employee Benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. 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, inclusive of related on-costs.

(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.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the services to the customers.

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

(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) Comparative Figures

When required by Auditing Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Critical Accounting Estimates and Judgements

The Committee of Management evaluate estimates and judgements incorporated into the financial report 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 from within the Union.

Key estimates – Impairment

The Union assesses impairment at each reporting date by evaluating conditions specific to the Union and its assets that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

	NOTE	2009 \$	2008 \$
2. REVENUE:			
Operating Activities			
Membership contributions		7,400,122	6,846,235
Interest received	2(a)	889,348	1,329,882
Medical & legal fees reimbursement		90,591	75,093
Rents received		43,765	25,841
Wage subsidy & reimbursement		159,138	460,904
Other income		255,975	190,265
		<u>8,838,939</u>	<u>8,928,220</u>
Non-Operating Activities			
Fair value gains		-	-
		-	-
Total Revenue		<u>8,838,939</u>	<u>8,928,220</u>
(a) Interest revenue from			
Other related parties		-	-
Other corporations		889,348	1,329,882
		<u>889,348</u>	<u>1,329,882</u>

**3. RESULT FROM ORDINARY ACTIVITIES
EXPENSES:**

Depreciation of property, plant & equipment	166,377	159,812
Movement in employee entitlements	299,894	281,263
Rental expense on operating leases	30,289	28,453

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

	NOTE	2009 \$	2008 \$
4. CASH AND CASH EQUIVALENTS			
Cash on hand		4,142	500
Cash at bank		2,130,230	1,585,031
		<u>2,134,372</u>	<u>1,585,531</u>
5. TRADE AND OTHER RECEIVABLES			
Current			
Other receivables		203,610	614,315
		<u>203,610</u>	<u>614,315</u>
6. INVENTORIES			
Current			
At Cost			
Finished goods		-	10,093
		<u>-</u>	<u>10,093</u>
7. FINANCIAL ASSETS			
Held to Maturity Financial Assets	(a)	16,464,989	15,893,003
Available for Sale Financial Assets	(b)	-	-
		<u>16,464,989</u>	<u>15,893,003</u>
Split As:			
Current		16,464,989	15,893,003
Non Current		-	-
		<u>16,464,989</u>	<u>15,893,003</u>
(a) Held-to-maturity Financial Assets Comprise:			
Term Deposits and Bank Bills held with Financial Institutions.		<u>16,464,989</u>	<u>15,893,003</u>
8. OTHER CURRENT ASSETS			
Prepayments		<u>44,250</u>	<u>41,251</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

	NOTE	2009 \$	2008 \$
9. PROPERTY, PLANT AND EQUIPMENT			
Land			
At cost		197,454	197,454
Buildings			
At cost		1,469,907	1,469,907
Provision for depreciation		559,158	522,410
		910,749	947,497
TOTAL LAND AND BUILDINGS		1,108,203	1,144,951
Furniture & fittings & equipment			
At cost		883,725	942,043
Provision for depreciation		619,781	695,471
		263,944	246,572
Motor vehicles			
At cost		289,488	297,530
Provision for depreciation		59,224	60,236
		230,264	237,294
		<u>1,602,411</u>	<u>1,628,817</u>

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year:

	Land \$	Buildings \$	Furniture, Fittings & Equipment \$	Motor Vehicles \$	Total \$
Balance at Start of Year	197,454	947,497	246,572	237,294	1,628,817
Additions	-	-	116,070	168,917	284,987
Disposals	-	-	28,094	116,922	145,016
Depreciation/Amortisation	-	36,748	70,604	59,025	166,377
Carrying Amount End of Year	<u>197,454</u>	<u>910,749</u>	<u>263,944</u>	<u>230,264</u>	<u>1,602,411</u>

10. INVESTMENT PROPERTY

Balance at beginning of year	1,100,000	1,100,000
Acquisitions	177,102	-
Fair value adjustments	-	-
Balance at end of year	<u>1,277,102</u>	<u>1,100,000</u>

The fair value model is applied to all investment property. Investment properties are independently revalued at least every three years. Values are based on an active liquid market value and are performed by a registered independent valuer. Directors' valuations are prepared at each balance date where an independent valuation has not been obtained.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

	NOTE	2009 \$	2008 \$
11. TRADE AND OTHER PAYABLE			
Current			
Payables		780,727	459,110
GST liability		29,980	14,517
		<u>810,707</u>	<u>473,627</u>
Non-Current			
Payables		387,222	387,222
		<u>387,222</u>	<u>387,222</u>

12. PROVISIONS

	Provision for Annual Leave \$	Provision For LSL \$	Other Employee Entitlements \$	Total \$
Opening balance at 1 January 2009	460,626	94,164	272,180	826,970
Additional provisions	200,086	24,250	75,559	299,895
Amounts used	<u>(248,059)</u>	-	<u>(52,569)</u>	<u>(300,628)</u>
Balance at 31 December 2009	<u>412,653</u>	<u>118,414</u>	<u>295,170</u>	<u>826,237</u>
(a) Analysis of ageing of provisions				
Current			707,823	732,806
Non-current			118,414	94,164
			<u>826,237</u>	<u>826,970</u>
(b) Number of employees at balance date				
			18	19
(c) Total employee benefits attributable to:				
Officeholders			498,272	572,025
Staff			327,965	254,945
			<u>826,237</u>	<u>826,970</u>

13. CAPITAL AND LEASING COMMITMENTS

(a) OPERATING LEASE COMMITMENTS

An operating lease commitment exists in respect of the lease of printers/photocopiers.
The maximum amount committed is as follows:

The total operating lease commitment is:

Due within 1 year	30,492	14,735
Due within 1-2 years	7,623	-
Due within 2-5 years	-	-
	<u>38,115</u>	<u>14,735</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

	NOTE	2009 \$	2008 \$
13. CAPITAL AND LEASING COMMITMENTS (cont)			
(b) CAPITAL EXPENDITURE COMMITMENTS			
Capital expenditure commitments contracted for at balance date		-	-
14. CASH FLOW INFORMATION			
(a) RECONCILIATION OF CASH			
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:			
Cash	4	2,134,372	1,585,531
BALANCE PER STATEMENT OF CASH FLOWS		<u>2,134,372</u>	<u>1,585,531</u>
(b) RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES			
Operating Surplus for the Year		<u>517,377</u>	<u>818,391</u>
Depreciation		166,377	159,812
(Profit)/Loss on disposal of property, plant & equipment		63,106	68,956
Changes in Assets and Liabilities			
(Increase)/Decrease in debtors		410,705	(232,603)
(Increase)/Decrease in inventories		10,093	(1,029)
(Increase)/Decrease in prepayments		(2,999)	(2,356)
Increase/(Decrease) in creditors		337,080	13,656
Increase/(Decrease) in employee provisions		(733)	(62,202)
NET CASH INFLOW FROM OPERATING ACTIVITIES		<u>1,501,006</u>	<u>762,625</u>
(c) STANDBY ARRANGEMENTS AND UNUSED CREDIT FACILITIES			
Standby arrangements with the Union's bankers to provide funds and support facilities comprise:			
Other Short-Term Credit			
• Limit		-	-
• Amount utilised		-	-
UNUSED CREDIT FACILITY		<u>-</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

				NOTE	2009 \$	2008 \$
15. FINANCIAL INSTRUMENTS						
	Floating Interest Rate	Fixed Interest Rate	Non Interest Bearing		Total	
		1 year or less	Over 1 to 5 years			
	\$	\$	\$		\$	\$
31 December 2009						
Financial Assets						
Cash	2,130,230	-	-		4,142	2,134,372
Receivables	-	-	-		203,610	203,610
Investments	-	16,464,989	-		-	16,464,989
	<u>2,130,230</u>	<u>16,464,989</u>	<u>-</u>		<u>207,752</u>	<u>18,802,971</u>
Weighted average interest	4.07%	7.17%				
Financial Liabilities						
Payables	-	-	-		810,707	810,707
Net financial assets/(liabilities)	<u>2,130,230</u>	<u>16,464,989</u>	<u>-</u>		<u>(602,955)</u>	<u>17,992,264</u>
31 December 2008						
Financial Assets						
Cash	1,585,031	-	-		500	1,585,531
Receivables	-	-	-		614,315	614,315
Investments	-	15,893,003	-		-	15,893,003
	<u>1,585,031</u>	<u>15,893,003</u>	<u>-</u>		<u>614,815</u>	<u>18,092,849</u>
Weighted average interest	4.59%	6.80%				
Financial Liabilities						
Payables	-	-	-		473,627	473,627
Net financial assets/(liabilities)	<u>1,585,031</u>	<u>15,893,003</u>	<u>-</u>		<u>141,188</u>	<u>17,619,222</u>

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2009**

2009 2008
 \$ \$

16. RELATED PARTY INFORMATION

(a) MEMBERS OF THE COMMITTEE OF MANAGEMENT

Persons holding executive positions within the Union and as members of the Committee of Management during the year:

- Ian Murray - President resigned 29.09.09
- Grahame Kelly - Secretary
- Peter Jordan - Vice President to 29.09.09, Acting President 30.09.09 - 29.10.09, President 30.10.09
- Gregory Sharp - Vice President
- Robin Williams - Vice President
- Keith Shaw - District Check Inspector
- David Simm - District Check Inspector

Persons holding honorary positions as members of the Committee of Management during the year:

- | | |
|------------------------------------|------------------------------|
| Jeffrey Drayton appointed 30.10.09 | Lloyd Hill resigned 10.03.09 |
| Michael Dunn | Shane Thompson |
| Ronald Edwards | Russell Trappel |
| Colin Fenwick | Ross Whitaker |
| Todd Hardy | Kerry Wild |
| James Heaton | Mark Wilson |

(b) RELATED PARTY TRANSACTIONS

Sustentation fees paid to the Construction Forestry Mining and Energy Union, Mining & Energy Division, Federal Office during the year totalled \$3,210,218 (2008: \$3,247,099).

17. SALARIES

The following analysis of salaries paid during the year is given in compliance with the requirements of the Fair Work (Registered Organisations) Act 2009:

Paid to office holders	991,313	1,195,254
Paid to employees	645,289	538,494
	1,636,602	1,733,748

18. AUDITORS' REMUNERATION

Amounts received, or due and receivable by the auditors for:

• Auditing	29,250	29,250
• Other services	28,500	24,750
TOTAL	57,750	54,000

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

2009 2008
\$ \$

19. ORGANISATION DETAILS

The Union is a Trade Union registered and domiciled in Australia. The registered office and principal place of business of the Union is: 67A Aberdare Road Aberdare NSW 2325

20. EVENTS SUBSEQUENT TO BALANCE DATE

- (a) No matter or circumstance has arisen since the end of the year that has significantly affected or may significantly affect:
- (i) the operations of the Union;
 - (ii) the results of those operations; or
 - (iii) the state of affairs of the Union, in subsequent financial years.
- (b) The financial report was authorised for issue on 12 April 2010 by the Committee of Management.

21. INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL MANAGER OF FWA

In accordance with the requirements of Section 272 of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the following:

- (1) A member of the Union, or the General Manager of FWA, may apply to the Union for specified prescribed information in relation to the Union to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the Union
- (3) The Union must comply with an application made under subsection (1).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009	2008
	\$	\$
22. ADDITIONAL DISCLOSURES REQUIRED UNDER THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009		
In accordance with the requirements of Section 255 of the Fair Work (Registered Organisations) Act 2009 the following necessary disclosures are made:		
i) INCOME STATEMENT		
ITEMS OF REVENUE		
Compulsory levies raised from members or appeals for voluntary contributions:		
- CFMEU National Assistance Fund	1,329,924	1,356,993
Donations or Grants Income	-	-
ITEMS OF EXPENSE		
Expenses paid to employers for payroll deduction costs incurred relating to membership contributions.	-	-
Affiliation fees/subscriptions to organisations with an interest in industrial matters.	39,140	37,458
Compulsory levies imposed on the Union.	-	-
Donations or Grant Expenses.	175,154	84,661
Employee Benefits Expense:		
- Office Holders	1,288,022	1,603,734
- Employees (Other than Office Holders)	730,924	620,918
	<u>2,018,946</u>	<u>2,224,652</u>
Attendance Fees/Allowances – Conferences and Meetings	23,348	37,017
Legal Costs and Related Expenses	176,917	70,165
Expenses incurred in connection with meetings of members, councils, committees, panels to other bodies for which the Union was wholly or partly responsible.	131,742	62,347
Penalties imposed under the Act or Regulations.	-	-
OTHER BALANCES		
Transfers (from)/to a fund or account kept for specific purposes:		
- CFMEU National Assistance Fund	1,329,924	1,356,993

**DETAILED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009	2008
	\$	\$
INCOME		
Contributions	7,400,122	6,846,235
Fair value gain	-	-
Interest received	889,348	1,329,882
Rents received and building outgoings	43,765	25,841
Medical & legal fees reimbursements	90,591	75,093
Wage subsidy & reimbursement	159,138	460,904
Sundry Income	255,975	190,265
TOTAL INCOME	<u>8,838,939</u>	<u>8,928,220</u>
EXPENDITURE		
Accountancy fees	2,728	593
Advertising	2,652	2,286
Affiliation fees	39,140	37,458
Audit fees	57,750	54,000
Bank fees & charges	3,972	4,266
Board of management expenses	63,412	42,949
Cleaning expenses	21,999	19,737
Delegates & members expenses	461,896	367,859
Depreciation	166,377	159,812
Donations	175,154	84,661
Electricity	22,965	20,349
Fringe benefits tax	50,014	27,484
Functions & entertainment	23,998	20,664
Funeral benefits expenses	231,927	209,579
Hire of plant & equipment	30,289	28,453
Honorariums	58,156	59,194
Industrial action expenses	49,110	8,848
Insurance	45,213	39,895
Internet expenses	3,827	3,401
Legal fees	176,917	70,165
Loss on disposal of fixed assets	63,106	68,956
Medical expenses	76,954	71,014
Motor vehicle expenses	81,474	78,759
Payroll tax	162,346	176,756
Postage, printing & stationery	61,490	50,469
Provision for annual leave & sick leave	275,644	263,193
Provision for long service leave	24,250	18,070
Provision for LSL trf to Central	-	90,942
Rates	17,479	16,150
Repairs & maintenance	120,264	77,708
Brought forward over page	<u>2,570,503</u>	<u>2,173,670</u>

**DETAILED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2009**

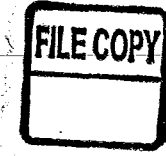
	2009	2008
	\$	\$
EXPENDITURE		
(Continued)		
Carried over from previous page	<u>2,570,503</u>	<u>2,173,670</u>
Research expenses	18,787	12,100
Salaries & wages	1,636,602	1,733,748
Security services	4,797	5,569
Special levy payments	5,600	89,050
Staff amenities	13,391	5,649
Staff training	23,348	12,799
Subscriptions	13,416	11,946
Superannuation	421,537	491,305
Sustentation fees	3,210,218	3,247,099
Telephone	112,111	117,820
Travel & accommodation	82,269	72,574
General office expenses	<u>208,983</u>	<u>136,500</u>
TOTAL EXPENDITURE	<u>8,321,562</u>	<u>8,109,829</u>
OPERATING SURPLUS FOR THE YEAR	<u><u>517,377</u></u>	<u><u>818,391</u></u>

11 January 2010

Mr Grahame Kelly
Secretary, Northern District Branch, Mining and Energy Division
Construction, Forestry, Mining and Energy Union
PO Box 364
CESSNOCK NSW 2325



Fair Work
Australia



Dear Mr Kelly

**Lodgment of Financial Statements and Accounts –
Northern District Branch, Mining & Energy Division - for year ended 31 December 2009 (FR2009/10251)**

The financial year of the Northern District Branch has recently ended. This is a courtesy letter to remind you of the obligation to prepare the reporting unit's financial documents and to lodge audited financial accounts and statements with Fair Work Australia within the prescribed time frame unless a 1 month extension or an application for a certificate of exemption under the *Fair Work (Registered Organisations) Act 2009* ('the RO Act') is applied for and granted.

The documents you must lodge include:

- (i) A *general purpose financial report* [see section 253(2)]; (ii) A *Committee of Management statement* (see the General Manager's Reporting Guidelines); (iii) An *operating report* [see section 254(2)]; (iv) An *auditor's report* [see sections 257(5) to 257(11)]; and (v) A *certificate* of the *secretary or other designated officer* [see section 268(c)].

I draw your particular attention to

- (a) s237 which requires you to prepare and lodge *a separate statement* providing the prescribed particulars of any loan, grant or donation made during the year which exceeds \$1,000;
- (b) s265(5) which requires you to publish or otherwise *provide your members with completed/signed copies* of the audited accounts, report and statements before final presentation and lodgment; and
- (c) s266 which requires you to *present the completed documents to an eligible meeting(s)* (either of the members or of the committee, whichever applies). Note that this meeting (or series of meetings) is distinct from any initial committee meeting convened to prepare, sign or otherwise approve pre-audited documents.

Relevant references may be found at <http://www.fwa.gov.au/index.cfm?pagename=regorgsfrguidelines> and <http://www.fwa.gov.au/index.cfm?pagename=legislationfwroact>. If you are in any doubt as to the requirements or wish to clarify any aspect of the relevant legislation, or anticipate any difficulty in complying with the requirements, do not hesitate to contact Fair Work Australia.

Yours sincerely,

Stephen Kellett
Statutory Services Branch

Fair Work Australia
Level 8, 80 William Street
EAST SYDNEY NSW 2011

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