



Fair Work
Australia

Ms Lorraine Usher
Secretary, New South Wales Energy District Branch
Construction, Forestry, Mining and Energy Union
PO Box Q1641, Queen Victoria Building Post Office
SYDNEY NSW 1230



Dear Ms Usher

**Lodgment of Financial Statements and Accounts –
Construction, Forestry, Mining and Energy Union, NSW Energy District Branch –
for year ended 31 December 2008 (FR2008/574)**

I refer to the abovementioned financial accounts and statements which were lodged in the Industrial Registry on 23 June 2009.

The documents appear to have met the legislative requirements and accordingly have been filed.

Yours sincerely,

Stephen Kellett
Statutory Services Branch

30 July 2009



Mining and Energy Division
NSW Energy District

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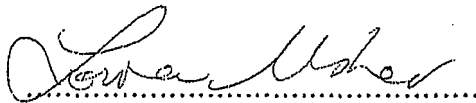
President *Allen Drew* • Secretary *Lorraine Usher*

22nd June, 2009.

Certificate of Secretary or other Authority Officer
s268 of Schedule 1B Workplace Relations Act 1996

I, LORRAINE USHER, being the Secretary of the NSW Energy District Branch, 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 s268 of the RAO Schedule; and
- That the full report, was provided to members on 20th April, 2009; and
- That the full report was presented to the last of a series of general meetings of members of the reporting unit on 26th May, 2009; in accordance with section 266 of the RAO Schedule.
- The resolution was adopted by the Board of Management on 16th June 2009.


.....
SECRETARY

Encl.



Cessnock Office – 67A Aberdare Road Aberdare • Postal address – PO Box 364 Cessnock 2325
Phone 049 907 600 • Fax 049 911 595 • Allen Drew's mobile 0412 497 046

Represented in NSW by the Federated Engine Drivers' and Firemans' Association of Australasia (NSW)

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
MINING AND ENERGY DIVISION
NEW SOUTH WALES ENERGY DISTRICT**

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2008**

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OPERATING REPORT

Your Board of Management of Construction, Forestry, Mining and Energy Union - Mining & Energy Division, New South Wales Energy ("the Union") present their Operating Report on the Union for the year ended 31 December 2008.

Board of Management

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

Name	Position	Period of Appointment
Mr A Drew	District President	1/1/2008 to 31/12/2008
Ms L Usher	District Secretary	1/1/2008 to 31/12/2008
Mr R Fuller	District Vice President	1/1/2008 to 31/12/2008
Mr S Palfrey	District Vice President	1/1/2008 to 31/12/2008
Mr W De Vecchis	District Vice President	1/1/2008 to 31/12/2008
Mr L Gleeson	Board of Management	1/1/2008 to 31/12/2008
Mr R Chapman	Board of Management	1/1/2008 to 31/12/2008
Mr M Connor	Board of Management	1/1/2008 to 31/12/2008
Mr P McGuire	Board of Management	1/1/2008 to 31/12/2008
Mr L Brydson	Board of Management	1/1/2008 to 31/12/2008
Mr P Fisher	Board of Management	1/1/2008 to 30/06/2008
Mr M McGrath	Board of Management	1/1/2008 to 31/12/2008
Mr A Warburton	Board of Management	1/1/2008 to 31/12/2008
Mr G Devine	Board of Management	1/1/2008 to 30/06/2008
Mr P Samaras	Board of Management	1/1/2008 to 31/12/2008
Mr P Compton	Board of Management	1/1/2008 to 31/12/2008
Mr M Robinson	Board of Management	1/1/2008 to 1/12/2008
Mr J Porter	Board of Management	1/1/2008 to 31/12/2008
Mr D Maxwell	Board of Management	1/12/2008 to 31/12/2008
Mr W Smith	Board of Management (Alternate)	1/7/2008 to 31/12/2008

Principal Activities

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

- Adherence to the rules of the District in furtherance of the objects of the Union consistent with the industrial relations legislation.
- Implementation of the decisions of the District Executive and Board 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 District on issues affecting the rank and file.

Results of Activities

The result for the year was a Profit of \$11,331 (2007: Loss of \$114,505). Membership contributions in the current year amounted to \$648,633 being a \$70,213 increase on last year.

The District 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 District has successfully implemented certified agreements and awards 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

Significant changes in the financial affairs of the Union include an increase in membership dues of 12% as a result of the first full years impact of the 2007 dues increase. Expenditure relating to the provision of employee entitlements decreased by 215%

Membership of the Union

There were 997 members of the Union as at 31 December 2008. (2007: 1,018)

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 the District Secretary.

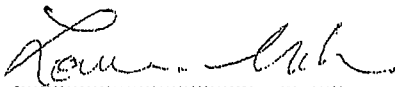
Employees of the Union

As at 31 December 2008 the Union employed 3 full time employees (2007: 3).

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.



Lorraine Usher
DISTRICT SECRETARY

Dated this 2nd day of April 2009.

BOARD OF MANagements' CERTIFICATE

On 28th March 2008 the Board of Management of Construction, Forestry, Mining and Energy Union - Mining & Energy Division, New South Wales Energy, passed the following resolution in relation to the financial report of the Union for the year ended 31 December 2008.

The Board of Management declares in relation to the general purpose financial report that in its opinion:

- (a) The financial report and notes comply with Australian Accounting Standards;
- (b) The financial report and notes comply with the reporting guidelines of the Industrial Registrar;
- (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 year ended 31 December 2008;
- (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 Board 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 RAO Schedules and the RAO Regulations; 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 Union; 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 RAO Schedule; and
 - (vi) No orders have been made by the Commission in regard to inspection of the financial records under section 273 of the RAO Schedule.

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



Allen Drew
DISTRICT PRESIDENT



Ronald Fuller
DISTRICT VICE PRESIDENT

Dated this 2nd day of April 2009.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS
OF THE CONSTRUCTION FORESTRY MINING AND ENERGY UNION
MINING AND ENERGY DIVISION – NEW SOUTH WALES ENERGY**

Report on the Financial Report

We have audited the accompanying financial report of the Construction Forestry Mining and Energy Union – Mining and Energy Division, New South Wales Energy ("the Union"), which comprises the Balance Sheet as at 31 December 2008 and the Income Statement, 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 Board of Management Statement.

Board of Management's Responsibility for the Financial Report

The Union's Board of Management are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is 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.

Audit Responsibility

Our responsibility is to express an opinion on the financial report 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 report is 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 report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the financial report.

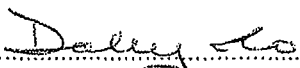
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS
OF THE CONSTRUCTION FORESTRY MINING AND ENERGY UNION
MINING AND ENERGY DIVISION – NEW SOUTH WALES ENERGY**
Continued...

AUDIT OPINION

In our opinion, the general purpose financial report of the Construction Forestry Mining and Energy Union - Mining and Energy Division, New South Wales Energy is in accordance with:

- (a) The Workplace Relations Act 1996, including:
- (i) Giving a true and fair value of the Union's financial position as at 31 December 2008 and of its performance for the year ended on that date; and
 - (ii) Complying with Accounting Standards (including the Australia Accounting Interpretations); and
- (b) The requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Act.


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DALEY & CO
Chartered Accountants
98 Kembla Street
Wollongong NSW 2500


.....
M L Gleeson
Registered Company Auditor

Dated this 2nd day of April 2009.

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	NOTES	2008 \$	2007 \$
Revenue	2	704,781	664,555
Salaries, Superannuation and On Costs		(388,621)	(449,280)
Sustentation Fees to Central Council		(177,346)	(177,346)
Delegate Expenses		(29,005)	(54,186)
Depreciation Expense		(12,803)	(10,630)
Motor Vehicle Expenses		(18,799)	(19,296)
Loss on Sale of Assets		(11,858)	(10,226)
Administration Costs		(55,018)	(58,096)
NET RESULT BEFORE INCOME TAX		<u>11,331</u>	<u>(114,505)</u>
Income Tax Expense	1(b)	-	-
NET RESULT ATTRIBUTABLE TO MEMBERS	3	<u>11,331</u>	<u>(114,505)</u>

The accompanying notes form part of these financial statements.

**BALANCE SHEET
AS AT 31 DECEMBER 2008**

	NOTES	2008 \$	2007 \$
CURRENT ASSETS			
Cash and Cash Equivalents	4	9,005	7,398
Trade and Other Receivables	5	42,804	52,227
Financial Assets	6	266,208	287,097
Other Current Assets		8,073	6,852
TOTAL CURRENT ASSETS		326,090	353,574
NON-CURRENT ASSETS			
Plant and Equipment	7	63,755	57,614
TOTAL NON-CURRENT ASSETS		63,755	57,614
TOTAL ASSETS		389,845	411,188
CURRENT LIABILITIES			
Trade and Other Payables	8	32,684	35,204
Financial Liabilities	9	65,525	51,388
Short-term Provisions	10	139,798	183,963
TOTAL CURRENT LIABILITIES		238,007	270,555
TOTAL LIABILITIES		238,007	270,555
NET ASSETS		151,838	140,633
ACCUMULATED FUNDS			
Members' Funds		151,838	140,633

The accompanying notes form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2008**

	NOTE	2008 \$	2007 \$
Opening Balance as at 1 January		140,633	256,595
Net Loss on Available for Sale Financial Assets	1(c)	(126)	(1,457)
Profit (Loss) Attributable to Members		11,331	(114,505)
Closing Balance as at 31 December		<u>151,838</u>	<u>140,633</u>

The accompanying notes form part of these financial statements.

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	NOTES	2008 \$	2007 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Contributions Received from Members		720,017	634,106
Payments to Suppliers and Employees		(785,308)	(769,772)
Interest Received		19,501	20,458
Reimbursement of Expenses		8,081	31,415
Sitting Fees		34,854	20,438
Other Receipts		364	1,753
CASH FLOW USED IN OPERATING ACTIVITIES	15(a)	<u>(2,491)</u>	<u>(61,602)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds for Investments		20,763	39,891
Proceeds from Sale of Property, Plant and Equipment		37,727	14,090
Payments for Property, Plant and Equipment		<u>(68,529)</u>	<u>(30,386)</u>
CASH FLOW (USED IN) PROVIDED BY INVESTING ACTIVITIES		<u>(10,039)</u>	<u>23,595</u>
NET DECREASE IN CASH HELD		(12,530)	(38,007)
CASH AT THE BEGINNING OF THE YEAR		<u>(43,990)</u>	<u>(5,983)</u>
CASH AT THE END OF THE YEAR	15(b)	<u>(56,520)</u>	<u>(43,990)</u>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

1. STATEMENT OF ACCOUNTING POLICIES

The financial report covers the Construction Forestry Mining and Energy Union – Mining & Energy Division, New South Wales Energy ("the Union") as an individual entity. The Union is an organisation of employees registered under the Workplace Relations Act, 1996 ("the Act"). 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 financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements imposed by the Reporting Guidelines of Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act, 1996.

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. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis, except where specifically stated, and is 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.

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 company 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

1. STATEMENT OF ACCOUNTING POLICIES *Continued*

(a) PROPERTY, PLANT & EQUIPMENT *CONTINUED*

Depreciation

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Furniture, Fittings and Equipment	7.5 - 20%
Motor Vehicles	15%

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 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 Industrial Trade Unions are exempt from Income Tax under Section 50-15 of the Income Tax Assessment Act.

(c) FINANCIAL INSTRUMENTS

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the Union becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Classification and Subsequent Measurement

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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES *Continued*

(c) FINANCIAL INSTRUMENTS *CONTINUED*

Available-for-Sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

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, reference to similar instruments and option pricing models.

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.

(d) IMPAIRMENT OF ASSETS

At each reporting date, the Union 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 the future economic benefits of the asset are not primarily dependent upon on the assets ability to generate net cash inflows and when the company would, if deprived of the asset, replace its remaining future economic benefits, value in use is depreciated replacement cost of an asset.

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

(e) EMPLOYEE BENEFITS

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to Balance Sheet date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled. Other employee benefits payable later than one year have been measured at the net present value.

Contributions are made by the Union to employee superannuation funds and are charged as expenses when incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES *Continued*

(f) PROVISIONS

Provisions are recognised when the Union has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(g) 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.

(h) REVENUE

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

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Donations and bequests are recognised as revenue when received unless they are designated for a specific purpose, where they are carried forward as prepaid income on the balance sheet.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

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).

(i) 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.

(j) 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 2008**

	2008	2007
	\$	\$
2. REVENUE		
<i>Revenue</i>		
Contributions and Levies	648,633	578,420
Interest Received	20,722	20,005
Sitting Fees	27,716	35,818
Other Income	7,710	30,312
	<u>704,781</u>	<u>664,555</u>
3. RESULT FOR THE YEAR		
Included in the result for the year are the following specific expenses:-		
Remuneration of Auditors		
- Auditing of Financial Report	4,000	3,940
- Other Services	2,894	4,136
4. CASH AND CASH EQUIVALENTS		
Cash on Hand	300	300
Cash at Bank	8,705	7,098
	<u>9,005</u>	<u>7,398</u>
5. TRADE AND OTHER RECEIVABLES		
Current		
Accounts Receivable	33,222	43,866
Accrued Interest	9,582	8,361
	<u>42,804</u>	<u>52,227</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008 \$	2007 \$
6. FINANCIAL ASSETS		
Current		
Held to Maturity Financial Assets	263,625	284,388
Available for Sale Financial Assets	2,583	2,709
	<u>266,208</u>	<u>287,097</u>
(a) <i>Held to maturity Financial Assets Comprise:</i>		
Term Deposits and Bank Bills held with Financial Institutions.	<u>263,625</u>	<u>284,388</u>
(b) <i>Available for Sale Financial Assets Comprise:</i>		
Shares in Listed Corporations – at Fair Value	<u>2,583</u>	<u>2,709</u>
<p>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.</p>		
7. PROPERTY, PLANT AND EQUIPMENT		
Furniture, Fittings and Equipment		
• At Cost	15,026	15,026
• Accumulated Depreciation	(13,772)	(11,790)
	<u>1,254</u>	<u>3,236</u>
Motor Vehicles		
• At Cost	68,529	62,364
• Accumulated Depreciation	(6,028)	(7,986)
	<u>62,501</u>	<u>54,378</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>63,755</u>	<u>57,614</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008	2007
	\$	\$

7. PROPERTY, PLANT AND EQUIPMENT CONTINUED...

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.

	FURNITURE, FITTINGS & EQUIPMENT	MOTOR VEHICLES	TOTAL
	\$	\$	\$
Balance at Start of Year	3,236	54,378	57,614
Additions	-	68,529	68,529
Disposals – Assets	-	(62,364)	(62,364)
Depreciation Expense	(1,982)	(10,821)	(12,803)
Disposals – Accum Dep'n	-	12,779	12,779
Balance at End of Year	<u>1,254</u>	<u>62,501</u>	<u>63,755</u>

8. TRADE AND OTHER CREDITORS

Current

Creditors and Accruals	<u>32,684</u>	<u>35,204</u>
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Amount(s) relating to: -

• CFMEU – Mining & Energy Division	<u>-</u>	<u>-</u>
• CFMEU – Mining & Energy Division – Nth District	<u>440</u>	<u>440</u>

9. FINANCIAL LIABILITIES

Bank Overdraft	<u>65,525</u>	<u>51,388</u>
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008	2007
	\$	\$
10. PROVISIONS		
	<i>Provision for Annual Leave \$</i>	<i>Provision For LSL \$</i>
		TOTAL \$
Opening balance at 1 January	165,519	18,444
Additional provisions	43,013	784
Amounts used	(87,962)	-
Balance at 31 December	<u>120,570</u>	<u>19,228</u>
		<u>183,963</u>
(a) Analysis of ageing of provisions		
Current	139,798	183,963
Non Current	-	-
	<u>139,798</u>	<u>183,963</u>
(b) Total Employee Benefits Attributable to:		
Office Holders	109,193	146,545
Staff	30,605	37,418
	<u>139,798</u>	<u>183,963</u>

11. 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

12. 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 2nd day of April 2009 by the Board of Management.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

13. RELATED PARTY INFORMATION

MEMBERS OF THE BOARD OF MANAGEMENT

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

DISTRICT EXECUTIVES

- | | |
|------------------------------------|---------------------------------|
| ➤ Mr A Drew (District President) | ➤ Mr R Fuller (Vice President) |
| ➤ Mr W De Vecchis (Vice President) | ➤ Mr S Palfrey (Vice President) |
| ➤ Ms L Usher (District Secretary) | |

DISTRICT BRANCH COUNCILORS

- | | |
|---------------------------------------------|------------------------------------|
| ➤ Mr L Gleeson | ➤ Mr P Fisher (resigned 30/6/08) |
| ➤ Mr M Robinson (resigned 1/12/08) | ➤ Mr P McGuire |
| ➤ Mr A Warburton | ➤ Mr R Chapman |
| ➤ Mr L Brydson | ➤ Mr G Devine (resigned 30/6/08) |
| ➤ Mr M McGrath | ➤ Mr P Compton |
| ➤ Mr P Samaras | ➤ Mr J Porter |
| ➤ Mr M Connor | ➤ Mr D Maxwell (appointed 1/12/08) |
| ➤ Mr W Smith (alternate) (appointed 1/7/08) | |

(a) RELATED PARTY TRANSACTIONS

- i) Office space was rented from Construction, Forestry Mining and Energy Union – Mining and Energy Division during the year. Commercial rent totaling \$12,000 (2007: \$12,000) was paid during the year.
- ii) Office space was rented from Construction, Forestry Mining and Energy Union – Mining and Energy Division, Northern District during the year. Commercial rent totaling \$5,200 (2007: \$5,200) was paid during the year.
- iii) Sustainment fees totaling \$177,346 (2007: \$177,346) were charged by the Construction, Forestry, Mining and Energy Union – Mining and Energy Division during the year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008 \$	2007 \$
14. KEY MANAGEMENT PERSONNEL COMPENSATION		
Total Compensation		
- Short Term Benefits	262,474	332,956
- Post Employment Benefits	65,128	57,906
- Termination Benefits	2,650	2,600
	<u>330,252</u>	<u>393,462</u>
15. CASH FLOW INFORMATION		
(a) RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH RESULT		
Operating Profit (Loss) for the Year	11,331	(114,505)
Non Cash Items:		
Depreciation	12,803	10,630
Loss on Disposal of Property, Plant and Equipment	11,858	10,226
Changes in Assets and Liabilities		
(Increase) Decrease in Accounts Receivable	9,423	(17,739)
Increase in Other Current Assets	(1,222)	(1,133)
Increase (Decrease) in Accounts Payable	(2,519)	9,500
Increase (Decrease) in Provisions	(44,165)	41,419
CASH FLOWS USED IN OPERATING ACTIVITIES	<u>(2,491)</u>	<u>(61,602)</u>
(b) Reconciliation of Cash		
Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to items in the Balance Sheet as follows:		
Cash and Cash Equivalents [Note 4]	9,005	7,398
Bank Overdraft [Note 9]	(65,525)	(51,388)
	<u>(56,520)</u>	<u>(43,990)</u>
(c) Net cash flows (excluding GST) relating to another reporting units of the organisation are as follows:		
CFMEU – Mining & Energy Division	(143,465)	(146,173)
CFMEU – Mining & Energy Division – Nth District	(5,200)	(5,051)
CFMEU – Construction & General Division	(1,520)	(1,446)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

16. FINANCIAL RISK MANAGEMENT

(a) Financial Risk Management Policies

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

The Board of Managements' overall risk management strategy seeks to assist the Union in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The Union does not have any derivative instruments at 31 December 2008.

Financial Risk Exposures and Management

The main risks the Union is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

i. Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Floating rate instruments expose the Union to cash flow interest risk. The Union's Investment Policy requires it to manage interest rate risk by adopting an appropriate mix of fixed and variable rate instruments.

ii. Liquidity risk

The Union manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

iii. Credit risk

The maximum exposure to credit risk at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. The Union does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Union.

There are no material amounts of collateral held as security at 31 December 2008.

Credit risk is managed by the Union and reviewed regularly by the Board of Management. It arises from exposures to members as well as through deposits with financial institutions.

The Union monitors the credit risk by actively assessing the rating quality and liquidity of counterparties:

- Approved deposit taking institutions (ie. Credit Unions) are utilised

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

16. FINANCIAL RISK MANAGEMENT Continued...

(b) Financial Instruments Composition and Maturity Analysis

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

2008	WEIGHTED AVERAGE EFFECTIVE INTEREST RATES %	FLOATING INTEREST RATE \$	FIXED INTEREST RATE MATURING		NON INTEREST BEARING \$	TOTAL \$
			WITHIN 1 YEAR \$	BETWEEN 1 & 5 YEARS \$		
Financial Assets						
Cash at Bank	0.05	8,705	-	-	300	9,005
Investments	7.85	-	263,625	-	-	263,625
Receivables	-	-	-	-	42,804	42,804
Total Financial Assets		8,705	263,625	-	43,104	315,434
Financial Liabilities						
Financial Liabilities	-	-	-	-	65,525	65,525
Trade & Sundry Creditors	-	-	-	-	32,684	32,684
Total Financial Liabilities		-	-	-	98,209	98,209
2007						
2007	WEIGHTED AVERAGE EFFECTIVE INTEREST RATES %	FLOATING INTEREST RATE \$	FIXED INTEREST RATE MATURING		NON INTEREST BEARING \$	TOTAL \$
			WITHIN 1 YEAR \$	BETWEEN 1 & 5 YEARS \$		
Financial Assets						
Cash at Bank	0.30	7,098	-	-	300	7,398
Investments	6.35	-	284,388	-	-	284,388
Receivables	-	-	-	-	52,227	52,227
Total Financial Assets		7,098	284,388	-	52,527	344,013
Financial Liabilities						
Financial Liabilities	-	-	-	-	51,388	51,388
Trade & Sundry Creditors	-	-	-	-	35,204	35,204
Total Financial Liabilities		-	-	-	86,592	86,592

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

16. FINANCIAL RISK MANAGEMENT *Continued...*

(c) Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

Sensitivity analysis

(i) Interest rate risk

The Union has performed a sensitivity analysis relating to its exposure to interest rate risk and price risk at balance date. This sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in these risks.

As at 31 December 2008, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

	2008 \$	2007 \$
Change in profit		
— Increase in interest rate by 1%	2,723	2,915
— Decrease in interest rate by 1%	(2,723)	(2,915)
Change in equity		
— Increase in interest rate by 1%	2,723	2,915
— Decrease in interest rate by 1%	(2,723)	(2,915)

17. CAPITAL MANAGEMENT

Management controls the capital of the Union in order to maintain a good debt to equity ratio and to ensure that the Union can fund its operations and continue as a going concern.

All debt in the Balance Sheet is interest-free and is not entered into with the view of managing the capital of the Union.

The gearing ratios for the years ended 31 December 2008 and 31 December 2007 are as follows:

	2008 \$	2007 \$
Financial liabilities	65,525	51,388
Trade and other payables	32,684	35,204
Total	<u>98,209</u>	<u>86,592</u>
Less: Cash and cash equivalents	(9,005)	(7,398)
Net debt	<u>89,204</u>	<u>79,194</u>
Total equity	<u>151,838</u>	<u>140,633</u>
Total capital	<u>241,042</u>	<u>219,827</u>
Gearing ratio	37%	36%

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

18. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

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

- (1) A member of a Union, or a Registrar, 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).

19. ADDITIONAL DISCLOSURES REQUIRED UNDER THE RAO SCHEDULE

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:

	2008	2007
	\$	\$
i) ITEMS OF REVENUE		
Donations or Grants Income	<u>-</u>	<u>-</u>
ii) ITEMS OF EXPENSE		
Affiliation fees/subscriptions to organisations with an interest in industrial matters.	<u>3,694</u>	<u>3,553</u>
Donations or Grant Expenses:		
• General (individually less than \$1,000)	<u>-</u>	<u>-</u>
Employee Benefits Expense:		
- Office Holders	354,402	330,228
- Employees (Other than Office Holders)	<u>55,872</u>	<u>53,408</u>
	<u>410,274</u>	<u>383,636</u>
Attendance Fees/Allowances – Conferences and Meetings	<u>18,705</u>	<u>19,296</u>
Expenses incurred in connection with meetings of members, councils, committees and panels to other bodies for which the Union was wholly or partly responsible.	<u>10,300</u>	<u>10,507</u>



Australian Government
Australian Industrial Registry

13 January 2009

Ms Lorraine Usher
Secretary, New South Wales Energy District Branch (Mining and Energy Division)
Construction, Forestry, Mining and Energy Union
365 Sussex Street
SYDNEY NSW 2000



Dear Ms Usher

**Lodgement of Financial Statements and Accounts – New South Wales Energy District Branch -
Schedule 1 of *Workplace Relations Act 1996* (RAO Schedule) -
for year ended 31 December 2008 (FR2008/574)**

The financial year of the New South Wales Energy District Branch of the Mining and Energy Division of the Construction, Forestry, Mining and Energy Union has recently ended. This is a courtesy letter to remind the Branch of the obligations imposed by the RAO Schedule regarding the preparation of financial accounts and statements.

I direct your attention to our website <http://www.airc.gov.au/registered/FR/information.htm> where relevant detailed information may be found. This includes Fact sheets (Sheet 6 – *Accounting, Auditing and Reporting Obligations*; Sheet 7 – *Information Needs of Members*; Sheet 8 – *Financial Reporting Process and Time Limits*; Sheet 9 – *Diagrammatic Summary of Financial Reporting Process and Time Limits*; and Sheet 10 – *Auditors*), Sample Documents (a sample Committee of Management Statement and Designated Officer's Certificate); the RAO Schedule and RAO Regulations; and Registrar's Reporting Guidelines (setting out requirements that must be met in addition to those required by Australian Accounting Standards)

The nominal time frame for completing the audit, presentation and lodgment of the Branch's return will expire - unless a one month extension under s265(5) is granted - on 14 July 2009.

The Registry strongly encourages you to lodge documents electronically by sending an email with the documents attached to orgs@airc.gov.au. Alternatively, you may wish to send the documents by fax to (02) 9380 6990.

If you need any further information or assistance or if you do not believe that the documents will be lodged within the timeframe specified please contact me on 0429 462 979 or by email at stephen.kellett@airc.gov.au.

Yours sincerely,

Stephen Kellett
Statutory Services Branch