



FAIR WORK
AUSTRALIA

27 July 2012

Ms Lorraine Usher
Secretary, NSW Energy District Branch (Mining and Energy Division)
CFMEU
PO Box 364
CESSNOCK NSW 2325



Dear Ms Usher

Lodgement of Financial Statements and Accounts - NSW Energy District Branch, Mining and Energy Division - for year ended 31 December 2011(FR2011/2854)

I acknowledge receipt of the above financial statements and accounts which were lodged with Fair Work Australia on 28 June 2012. The Secretary's Certificate was lodged on 17 July 2012. The documents have been filed.

Yours sincerely,

Stephen Kellett
Organisations, Research & Advice Branch
Fair Work Australia



Mining and Energy Division

NSW Energy District

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Email lusher@cfmeu.com.au

President *Allen Drew* ♦ Secretary *Lorraine Usher*

28th June, 2012,

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 19th April 2012; and
- That the full report was presented to the last of a series of general meetings of members of the reporting unit on 14th May, 2012; in accordance with section 266 of the RAO Schedule.
- The resolution was adopted by the Board of Management on 25th June 2012.

LORRAINE USHER
 District Secretary



Encl.



FR 10/11 2012

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

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2011**

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OPERATING REPORT

The Board of Management of the Construction, Forestry, Mining and Energy Union - Mining and Energy Division, New South Wales Energy District ("the Union") present their Operating Report on the Union for the year ended 31 December 2011.

Board of Management

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

NAME	POSITION	PERIOD OF APPOINTMENT
Mr A Drew	District President	1/1/2011 to 31/12/2011
Ms L Usher	District Secretary	1/1/2011 to 31/12/2011
Mr W De Vecchis	Vice President	1/1/2011 to 31/12/2011
Mr S Paifrey	Vice President	1/1/2011 to 31/12/2011
Mr J Porter	Vice President	1/1/2011 to 31/12/2011
Mr L Gleeson	Board of Management	1/1/2011 to 31/12/2011
Mr R Chapman	Board of Management	1/1/2011 to 31/12/2011
Mr M Connor	Board of Management	1/1/2011 to 31/12/2011
Mr P McGuire	Board of Management	1/1/2011 to 31/12/2011
Mr L Brydson	Board of Management	1/1/2011 to 31/12/2011
Mr M McGrath	Board of Management	1/1/2011 to 31/12/2011
Mr P Samaras	Board of Management	1/1/2011 to 31/12/2011
Mr P Compton	Board of Management	1/1/2011 to 31/12/2011
Mr D Maxwell	Board of Management	1/1/2011 to 31/12/2011
Mr W Smith	Board of Management	1/1/2011 to 31/12/2011
Mr R Waters	Board of Management	1/1/2011 to 31/12/2011
Mr A Arnott	Board of Management	1/1/2011 to 31/12/2011

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 Fair Work 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.

OPERATING REPORT

(Continued)

Results of Activities

The result of the Union for the financial year was a profit of \$13,814 (2010: loss of \$18,622).

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 1,080 financial members of the Union as at 31 December 2011.

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 Fair Work (Registered Organisations) Act 2010).


Employees of the Union

As at 31 December 2011 the Union employed 3 full time employees.

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 20th day of March 2012.

BOARD OF MANAGEMENT STATEMENT

On 20th of March, 2012 the Board of Management of Construction, Forestry, Mining and Energy Union - Mining and Energy Division, New South Wales Energy District ("the Union"), passed the following resolution in relation to the general purpose financial report (GPFR) of the Union, for the financial year ended 31 December 2011:

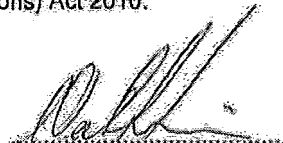
The Board of Management declares in relation to the GPFR that in its opinion:

- (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 statements 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 GPFR 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 Fair Work (Registered Organisations) Act 2010 ("The RO Act") and the Fair Work (Registered Organisations) Regulations 2010; and
 - (iv) No information has been sought in any request of a member of the Union or by the General Manager duly made under section 272 of the Fair Work (Registered Organisations) Act 2010; and
 - (v) No orders for inspection of financial records have been made by Fair Work Australia or FWA under section 273 of the Fair Work (Registered Organisations) Act 2010.

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



Allen Drew
District President



Walter De Vecchis
District Vice President

Dated this 20th day of March 2012.

Construction, Forestry, Mining and Energy Union
Mining and Energy Division
New South Wales Energy District

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2011**

	NOTE	2011 \$	2010 \$
Revenue	2	793,896	804,620
Employee Benefits Expense		(498,648)	(517,200)
Sustentation Fees		(177,346)	(177,346)
Delegate Expenses		(20,419)	(30,195)
Depreciation Expense		(15,014)	(14,526)
Motor Vehicle Expenses		(12,768)	(12,980)
Donations		-	(5,000)
Administration Expense		(55,887)	(65,995)
Result for the Year		<u>13,814</u>	<u>(18,622)</u>
Other Comprehensive Income			
Net (Loss) Gain on Revaluation of Financial Assets		(797)	99
Other Comprehensive Income for the Year		<u>(797)</u>	<u>99</u>
Total Comprehensive Income for the Year		<u>13,017</u>	<u>(18,523)</u>

The accompanying notes form part of these financial statements

Construction, Forestry, Mining and Energy Union
Mining and Energy Division
New South Wales Energy District

BALANCE SHEET
AS AT 31 DECEMBER 2011

	NOTE	2011 \$	2010 \$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	4	6,061	57,957
Trade and Other Receivables	5	81,520	39,430
Financial Assets	6	312,170	302,478
Other Assets	7	4,750	3,875
TOTAL CURRENT ASSETS		404,501	403,740
NON-CURRENT ASSETS			
Property, Plant and Equipment	8	55,182	46,904
TOTAL NON-CURRENT ASSETS		55,182	46,904
TOTAL ASSETS		459,683	450,644
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	9	52,685	113,090
Borrowings	10	32,769	*
Short-term Provisions	11	223,449	199,791
TOTAL CURRENT LIABILITIES		308,903	312,881
TOTAL LIABILITIES		308,903	312,881
NET ASSETS		150,780	137,763
EQUITY			
Retained Earnings		149,984	136,170
Reserves		796	1,593
TOTAL EQUITY		150,780	137,763

The accompanying notes form part of these financial statements

Construction, Forestry, Mining and Energy Union
Mining and Energy Division
New South Wales Energy District

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Retained Earnings \$	Financial Assets Reserve \$	Total \$
Balance at 1 January 2010	154,792	1,494	156,286
Total Comprehensive Income for the Year			
Result for the year	(18,622)		(18,622)
<i>Other Comprehensive Income</i>			
Net increase in value of Available-for-Sale financial assets		99	99
Total Other Comprehensive Income		99	99
Balance at 31 December 2010	136,170	1,593	137,763
Total Comprehensive Income for the Year			
Result for the year	13,814		13,814
<i>Other Comprehensive Income</i>			
Net decrease in value of Available-for-Sale financial assets		(797)	(797)
Total Other Comprehensive Income		(797)	(797)
Balance at 31 December 2011	149,984	796	150,780

The accompanying notes form part of these financial statements

Construction, Forestry, Mining and Energy Union
Mining and Energy Division
New South Wales Energy District

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011**

	NOTE	2011 \$	2010 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Membership Levies Received		770,905	743,657
Other Receipts		40,331	116,494
Payment to Suppliers and Employees		(875,723)	(752,021)
Interest Received		12,619	16,023
Net cash generated from (used in) operating activities	12(b)	<u>(51,868)</u>	<u>124,153</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Property, Plant & Equipment		17,727	30,909
Purchase of Property, Plant and Equipment		(40,035)	(28,613)
Purchase of Investments		(10,489)	(15,761)
Net cash used in investing activities		<u>(32,797)</u>	<u>(13,465)</u>
Net (decrease) increase in cash held		(84,665)	110,688
Cash and cash equivalents at the start of the financial year		<u>57,957</u>	<u>(52,731)</u>
Cash and cash equivalents at the end of the financial year	12(a)	<u>(26,708)</u>	<u>57,957</u>

The accompanying notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report covers the Construction, Forestry, Mining and Energy Union - Mining and Energy Division, New South Wales Energy District ("the Union") as an individual entity. The Union is an organisation of employees registered under the Fair Work (Registered Organisation) Act 2010 ("the RO Act"). In accordance with the RO 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

Construction, Forestry, Mining and Energy Union - Mining and Energy Division, New South Wales Energy District has elected to early adopt the pronouncements AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2011-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

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) Revenue

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).

b) 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Continued...

b) Property, Plant and Equipment

Continued....

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 and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life 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 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 the end of each reporting period.

Asset classes 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.

c) 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Continued...

d) 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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Continued...

d) Financial Instruments

Continued...

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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Continued...

e) 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.

f) 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.

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) 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 Tax 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.

i) Income Tax

No provision for income tax has been raised as the Union is exempt from income tax under s.50-15 of the Income Tax Assessment Act 1997.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Continued...

j) 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.

k) 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.

l) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

m) Comparatives

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for 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.

n) Critical Accounting Estimates and Judgments

The Board 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011 \$	2010 \$
2. REVENUE AND OTHER INCOME		
Revenue		
Service Revenue		
Membership Levies	705,681	672,248
Attendance Fees	55,091	82,636
	<u>760,772</u>	<u>754,884</u>
Other Revenue		
Interest Received	20,183	16,189
Donations Received	-	10,000
Profit on Sale of Plant & Equipment	984	10,004
Other Income	11,957	13,543
	<u>33,124</u>	<u>49,736</u>
Total Revenue	<u>793,896</u>	<u>804,620</u>
3. RESULT FOR THE YEAR		
(a) Expenses		
Contributions to defined contribution superannuation funds	52,712	46,807
4. CASH AND CASH EQUIVALENTS		
Cash on Hand	300	300
Cash at Bank	5,761	57,657
	<u>6,061</u>	<u>57,957</u>
5. TRADE AND OTHER RECEIVABLES		
Current		
Trade Receivables	73,168	38,642
Other Receivables	8,352	788
	<u>81,520</u>	<u>39,430</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

	NOTE	2011 \$	2010 \$
6. FINANCIAL ASSETS			
Current			
Held-to-Maturity Financial Assets	(a)	310,191	299,702
Available for Sale Financial Assets	(b)	1,979	2,776
		<u>312,170</u>	<u>302,478</u>
(a) Held-to-Maturity Investments comprise:			
- Term Deposits		<u>310,191</u>	<u>299,702</u>
(b) Available-for-Sale Financial Assets comprise:			
- Listed investments, at fair value		<u>1,979</u>	<u>2,776</u>
Available-for-sale financial assets comprise investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity dates attached to these investments.			
7. OTHER ASSETS			
Prepayments		<u>4,750</u>	<u>3,875</u>
8. PROPERTY, PLANT AND EQUIPMENT			
Furniture, Fittings and Equipment			
At Cost		9,182	13,925
Less Accumulated Depreciation		<u>(6,321)</u>	<u>(10,497)</u>
		<u>2,841</u>	<u>3,428</u>
Motor Vehicles			
At Cost		67,613	62,969
Less Accumulated Depreciation		<u>(15,272)</u>	<u>(19,493)</u>
		<u>52,341</u>	<u>43,476</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT		<u>55,182</u>	<u>46,904</u>

(a) 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:-

	Opening WDV \$	Additions \$	Disposals \$	Depreciation Expense \$	Closing WDV \$
2011					
Furniture, Fittings & Equipment	3,428	1,035	-	(1,622)	2,841
Motor Vehicles	43,476	39,000	(16,743)	(13,392)	52,341
	<u>46,904</u>	<u>40,035</u>	<u>(16,743)</u>	<u>(15,014)</u>	<u>55,182</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

	NOTE	2011 \$	2010 \$
9. TRADE AND OTHER PAYABLES			
Trade and Other Payables		52,685	113,090
Included in the above are the following superannuation amounts payable as at balance date:			
- Officers		-	-
- All Other Employees		-	-

10. BORROWINGS

CURRENT

Bank Overdraft	(a)	32,769	-
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(a) As at 2011 year end, the bank statement balance is actually in funds with the overdraft being caused by unrepresented cheques. There is no overdraft facility in place and the overdraft is unsecured.

11. PROVISIONS

Employee Benefits - Current		223,449	199,791
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Provision for Long-term Employee Benefits

A provision has been recognised for employee entitlements relating to annual leave and long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 of the financial statements.

(a) Employee Benefits Attributable to:

Office Holders		186,322	165,527
Staff		37,127	34,264
		223,449	199,791

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

	NOTE	2011 \$	2010 \$
12. CASH FLOW INFORMATION			
(a) Reconciliation of Cash			
Cash and Cash Equivalents	4	6,061	57,957
Borrowings	10	(32,769)	-
		<u>(26,708)</u>	<u>57,957</u>
(b) Reconciliation of Cash Flows from Operations with Result after Income Tax			
Operating Result after Income Tax		13,814	(18,622)
Non Cash Flows			
Depreciation		15,014	14,526
Profit on Sale of Property, Plant and Equipment		(984)	(10,004)
Changes in Assets and Liabilities			
Decrease/(Increase) in Trade and Other Receivables		(42,090)	3,973
Decrease/(Increase) in Other Assets		(875)	320
Increase/(Decrease) in Trade and Other Payables		(60,405)	79,442
Increase/(Decrease) in Provisions		23,658	54,518
		<u>(51,868)</u>	<u>124,153</u>
(c) Net cash flows (excluding GST) relating to another reporting unit of the Union are as follows:			
CFMEU – Mining & Energy Division		(140,751)	(100,947)
CFMEU – Mining & Energy Division – Nth District		(5,200)	(5,200)
CFMEU – Construction & General Division		(2,361)	(2,326)
13. KEY MANAGEMENT PERSONNEL 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>443,321</u>	<u>465,944</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

14. RELATED PARTY INFORMATION

(a) Members of the Board of Management

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

Mr. A Drew (District President)	Mr. J Porter (Vice President)
Ms. L Usher (District Secretary)	Mr. S Palfrey (Vice President)
Mr. W De Vecchis (Vice President)	

Persons appointed and holding honorary positions as members of the Board of Management for the financial year:

Mr L Gleeson	Mr P McGuire
Mr A Arnott	Mr R Chapman
Mr L Brydson	Mr P Compton
Mr M McGrath	Mr D Maxwell
Mr P Samaras	Mr R Waters
Mr M Connor	Mr W Smith

Refer to the Operating Report for details of change of appointment dates and positions.

(b) Related Party Transactions

Other related parties

- i) Office space was rented from Construction, Forestry Mining and Energy Union – Mining and Energy Division during the year. Commercial rent totalling \$12,000 (2010: \$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 totalling \$5,200 (2010: \$5,300) was paid during the year.
- iii) Sustainment fees totalling \$177,346 (2010: \$177,346) were charged by the Construction, Forestry, Mining and Energy Union – Mining and Energy Division during the year.
- iv) Computer Software support was supplied by Construction, Forestry Mining and Energy Union – Construction & General Division during the year. Total amount paid during the year was \$2,361 (2010: \$2,326).
- v) From time to time the Union makes expenditures which relate to itself as well as other branches and divisions of the CFMEU. These expenditures are then reimbursed to the Union at cost hence they are not considered to be related party transactions.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

15. FINANCIAL RISK MANAGEMENT

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

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:

	NOTES	2011 \$	2010 \$
Financial Assets			
Cash and cash equivalents	4	6,061	57,957
Trade and other receivables	5	81,520	39,430
Held to Maturity Financial Assets	6	310,191	299,702
Available-for-sale financial assets			
- Shares in Listed Corporations - at fair value	6	1,979	2,776
		<u>399,751</u>	<u>399,865</u>
Financial Liabilities			
Financial liabilities at amortised cost			
- Trade and other payables	9	52,685	113,090
- Borrowings	10	32,769	
		<u>85,454</u>	<u>113,090</u>

16. EVENTS AFTER THE REPORTING PERIOD

- (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 the 20th of March 2012 by the Board of Management.

17. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of subsection 272(5) of the RO Act, attention is drawn to the requirements of subsections (1), (2) and (3) of section 272 of the RO Act, which read as follows:-

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

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2011**

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

In accordance with the requirements of section 255 of the Fair Work (Registered Organisations) Act 2010 ("the RO Act), the following necessary disclosures are made:

	2011 \$	2010 \$
PROFIT AND LOSS DISCLOSURES		
ITEMS OF REVENUE		
Entrance fees or periodic subscriptions in respect of membership of the organisation	705,681	672,248
Donations or Grants	-	10,000
ITEMS OF EXPENSE		
Expenses incurred as consideration for employers making payroll deductions of membership subscriptions	-	-
Proportion of entrance fees paid contributed towards the administrative expenses of another Union:	177,346	177,346
Fees and periodic subscriptions in respect of its affiliation to any political party, any federation, congress, council or group of organisations, or any international body having an interest in industrial matters	4,072	3,656
Grants or donations	-	5,000
Fees or allowances to persons in respect of their attendance as representatives of the Union at conferences or other meetings	11,927	16,408
Employee Benefits to:		
- Holders of office	375,655	311,592
- Employees (Other than holders of office)	47,407	45,022
	<u>423,062</u>	<u>356,614</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

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

Continued

	2011 \$	2010 \$
PROFIT AND LOSS DISCLOSURES		
ITEMS OF EXPENSE		
Continued		
Legal costs and other expenses related to litigation or other legal matters	267	6,128
Expenses incurred in connection with meetings of members of the Union and any conferences or meeting of councils, committees, panels or other bodies for the holding of which the Union was wholly or partly responsible	8,492	13,038

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
OF CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
MINING AND ENERGY DIVISION, NEW SOUTH WALES ENERGY DISTRICT**

We have audited the accompanying financial statements of Construction, Forestry, Mining and Energy Union - Mining and Energy Division, New South Wales Energy District (the Union), which comprises the Balance Sheet as at 31 December 2011 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 Board of Management Statement.

Board of Management's Responsibility for the Financial Statements

The Union's Board 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 2010 ('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 Board 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 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.

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

Auditor's Opinion

In our opinion:

- (a) the general purpose financial report of the Construction, Forestry, Mining and Energy Union - Mining & Energy Division, New South Wales Energy District as at 31 December 2011 and for the year then ended is presented fairly in accordance with:
 - (i) Accounting Standards' reduced disclosure requirements (including the Australian Accounting Interpretations); and
 - (ii) The Fair Work (Registered Organisations) Act 2010 ('The RO Act'), including the requirements imposed by Part 3 of Chapter 8 of the RO Act;
- (b) 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

Michael Mundt
.....
Michael Mundt
Partner

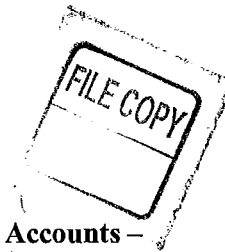
Dated this 20th day of March 2012.



FAIR WORK
AUSTRALIA

13 January 2012

Ms Lorraine Usher
Secretary, New South Wales Energy District Branch
Construction, Forestry, Mining and Energy Union
1st Floor, 365 Sussex Street
SYDNEY NSW 2000



Dear Ms Usher

**Lodgment of Financial Statements and Accounts –
New South Wales Energy District Branch, Mining & Energy Division - for year ended 31 December
2011 (FR2011/2854)**

The financial year of the New South Wales Energy District Branch has recently ended. This is a courtesy letter for your file to remind you of the obligation to lodge audited financial accounts and statements with Fair Work Australia within the prescribed time frame, that is, by 14 July 2012, unless a 1 month extension is applied for and granted.

The documents you must lodge include:

(i) A *general purpose financial report*; (ii) A *Committee of Management statement* (iii) An *operating report*; (iv) An *auditor's report*; and (v) A *certificate* in accordance with section 268.

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 the 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 a second meeting* (which, by past practice and under the rules will include Lodge meetings endorsing presentation to the Board).

Relevant references may be found at

<http://www.fwa.gov.au/index.cfm?pagename=regorgsfrguidelines> and
<http://www.fwa.gov.au/index.cfm?pagename=legislationfwoact>.

Yours sincerely,

Stephen Kellett

Organisations, Research and Advice Branch

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