

TR/nd.returns

22nd October, 2002



CONSTRUCTION

FORESTRY

MINING

ENERGY

UNION

Industrial Registrar
Australian Industrial Registry
Level 8
80 William Street
SYDNEY NSW 2011

Dear Sir/Madam,

Re: Financial Returns

Please find enclosed herewith the financial returns of the Construction Forestry Mining and Energy Union, Construction & General Division, New South Wales Divisional Branch, for the year ending 31st December, 2001.


Please confirm receipt at your earliest convenience.

Yours faithfully,

TOM ROBERTS
National Legal Officer

Encl.

Industrial



CONSTRUCTION &
GENERAL DIVISION
ABN 46 243 168 565

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CONSTRUCTION FORESTRY MINING AND ENERGY UNION

CONSTRUCTION AND GENERAL DIVISION

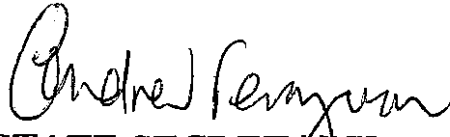
NSW DIVISIONAL BRANCH

FOR YEAR ENDED 31ST DECEMBER, 2001

CERTIFICATE BY STATE SECRETARY



In pursuance of the provisions of Section 280 (1)(b) of the Workplace Relations Act 1996, I, Andrew Ferguson certify that the attached copies of the auditors report, accounts and statements of the Construction, Forestry Mining and Energy Union, Construction and General Division, NSW Divisional Branch, for the year ended 31st December, 2001, were presented to the Committee of Management of the Union on 18th September, 2002,. The accounts were published in the September, 2002 edition of the Unions journal.


STATE SECRETARY
CONSTRUCTION FORESTRY
MINING AND ENERGY UNION,
CONSTRUCTION & GENERAL DIVISION
NSW DIVISIONAL BRANCH

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
NSW DIVISIONAL BRANCH**

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2001**

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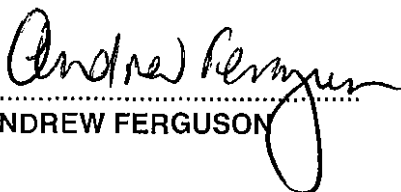
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ACCOUNTING OFFICER'S CERTIFICATE

I, **ANDREW FERGUSON**, being the Officer responsible for keeping the accounting records of the Construction Forestry Mining and Energy Union – Construction and General Division, New South Wales Divisional Branch ("the Union") certify that as at 31 December 2001, the number of financial members of the Union was 18,810.

In my opinion,

- (i) The attached financial report shows a true and fair view of the financial affairs of the Union as at 31 December 2001;
- (ii) A record has been kept of all the monies paid by, or collected from members and all monies so paid or collected have been credited to the bank account to which those monies are to be credited, in accordance with the rules of the Union;
- (iii) Before any expenditure was incurred by the Union, approval of the incurring of the expenditure was obtained in accordance with the rules of the Union;
- (iv) With regard to funds of the Union raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated;
- (v) No loans or other financial benefits, other than remuneration in respect of their full-time employment with the Union, were made to persons holding office in the Union;
- (vi) The register of members of the Union was maintained in accordance with the Act.

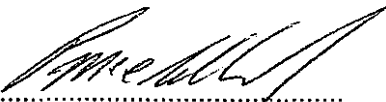

.....
ANDREW FERGUSON

Dated this 1st day of August 2002.

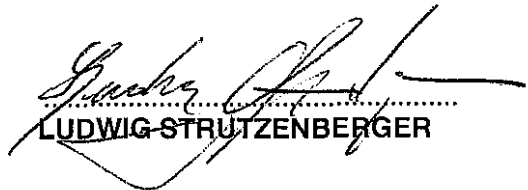
COMMITTEE OF MANAGERMENTS' CERTIFICATE

We, **PETER MCCLELLAND** and **LUDWIG STRUTZENBERGER**, being two members of the Committee of Management of the Construction Forestry Mining and Energy Union – Construction and General Division, New South Wales Divisional Branch ("the Union"), do state on behalf of the Committee and in accordance with a resolution passed by the Committee that;

- (i) In the opinion of the Committee of Management, the attached financial report shows a true and fair view of the financial affairs of the Union as at 31 December 2001; and
- (ii) In the opinion of the Committee of Management, meetings of the Committee were held during the year ended 31 December 2001 in accordance with the rules of the Union; and
- (iii) To the knowledge of any member of the Committee, there have been no instances where records of the Union or other documents (not being documents containing information made available to a member of the Union under sub-section 274(1) of the Workplace Relations Act 1996), or copies of those records or documents, or copies of the rules of the Union, have not been furnished, or made available, to members in accordance with the requirements of the Workplace Relations Act 1996, as amended, the Regulations thereto, or the rules of the Union; and
- (iv) The Union has complied with Sections 279 (1) and 279 (6) of the Act in relation to the financial report in respect of the preceding financial year, and the Independent Audit Report thereon.



.....
PETER MCCLELLAND



.....
LUDWIG STRUTZENBERGER

Dated this 1st day of August 2002.

INDEPENDENT AUDIT REPORT TO THE MEMBERS

SCOPE

We have audited the financial report comprising the Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flows and Notes to the Financial Statements of the Construction Forestry Mining and Energy Union – Construction and General Division, New South Wales Divisional Branch ("the Union") for the year ended 31 December 2001. The Union's Committee of Management and Accounting Officer are responsible for the preparation and presentation of the financial report and the information it contains. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Union.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Australian Accounting Standards, other mandatory professional reporting requirements and statutory requirements, so as to present a view of the Union, which is consistent with our understanding of the Union's financial position and the results of its operations and cash flows.

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

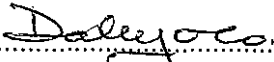
AUDIT OPINION

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

In our opinion:

- (a) Satisfactory accounting records have been kept by the Union so far as appears from our examination of these books, including:
 - (i) records of the sources and nature of the income of the Union (including income from members); and
 - (ii) records of the nature and purpose of the expenditure of the Union.
- (b) The financial report required to be prepared under Section 273 of the Workplace Relations Act 1996 has been properly drawn up so as to give a true and fair view of:
 - (i) the financial affairs of the Union as at 31 December 2001; and
 - (ii) the income and expenditure, and result of the Union for the year ended on that date.
- (c) The financial report has been prepared in accordance with Accounting Standards and other mandatory professional reporting requirements.

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


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


.....
M L Gleeson
Registered Company Auditor

Dated this 1st day of August 2002.

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2001**

	NOTE	2001 \$	2000 \$
Revenue from Ordinary Activities	2(a)	<u>8,947,853</u>	<u>17,201,863</u>
Expenses from Ordinary Activities			
Wages and Related Costs		(4,765,007)	(4,485,445)
Depreciation and Amortisation Expenses		(421,817)	(575,588)
Other Expenses		(2,834,783)	(3,656,934)
Written Down Value of Assets Sold		<u>(288,827)</u>	<u>(6,539,051)</u>
		<u>(8,310,434)</u>	<u>(15,257,018)</u>
Net Profit from Ordinary Activities Attributable to Members	12	<u>637,419</u>	<u>1,944,845</u>

The accompanying notes form part of this financial report

**STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2001**

	NOTE	2001 \$	2000 \$
CURRENT ASSETS			
Cash	3	944,158	626,420
Receivables	4	273,846	500,124
Investments	5(a)	6,469,628	11,826,425
Other	6	229,143	233,154
TOTAL CURRENT ASSETS		7,916,775	13,186,123
NON-CURRENT ASSETS			
Investments	5(b)	1,849,696	1,719,124
Property, Plant and Equipment	7	12,356,180	7,438,011
TOTAL NON-CURRENT ASSETS		14,205,876	9,157,135
TOTAL ASSETS		22,122,651	22,343,258
CURRENT LIABILITIES			
Accounts Payable	8	467,055	1,008,017
Provisions	9(a)	945,972	883,788
Other	10(a)	614,136	734,124
TOTAL CURRENT LIABILITIES		2,027,163	2,625,929
NON-CURRENT LIABILITIES			
Provisions	9(b)	100,449	62,140
Other	10(b)	70,060	367,629
TOTAL NON-CURRENT LIABILITIES		170,509	429,769
TOTAL LIABILITIES		2,197,672	3,055,698
NET ASSETS		19,924,979	19,287,560
EQUITY			
Reserve	11	-	595,601
Accumulated Members' Funds	12	19,924,979	18,691,959
TOTAL EQUITY		19,924,979	19,287,560

The accompanying notes form part of this financial report

**STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 31 DECEMBER 2001**

	NOTE	2001 \$	2000 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Members and Customers		8,218,173	7,986,966
Payments to Suppliers and Employees		(8,530,966)	(8,233,247)
Interest Received		475,777	839,304
Sundry Income Received		496,405	418,269
NET CASH INFLOW FROM OPERATING ACTIVITIES	16(b)	659,389	1,011,292
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for Property, Plant and Equipment		(6,219,455)	(2,616,563)
Proceeds from Sale of Property, Plant and Equipment		531,106	7,970,100
Net Increase/(Decrease) in Investments		5,346,698	(6,651,253)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(341,651)	(1,297,716)
NET INCREASE / (DECREASE) IN CASH HELD		317,738	(286,424)
CASH AT THE START OF THE FINANCIAL YEAR		626,420	912,844
CASH AT THE END OF THE FINANCIAL YEAR	16(a)	944,158	626,420

The accompanying notes form part of this financial report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

1. STATEMENT OF ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with applicable Accounting Standards, Urgent Issues Group Consensus Views, other pronouncements of the Australian Accounting Standards Board and the requirements of the Workplace Relations Act, 1966.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values, or except where stated, current valuations of non-current assets. Cost is based on fair values of the consideration given in exchange for assets. The accounting policies adopted have been consistently applied, unless otherwise stated.

The following is a summary of the material accounting policies adopted by the Union in the preparation of the financial report:

(a) PROPERTY, PLANT & EQUIPMENT

The Union has applied the revised AASB1041 Revaluation of Non-Current Assets for the first time from 1 January 2001. This standard requires each class of non-current asset to be measured on either the cost or fair value basis. The application of this accounting policy has had no effect upon the Statement of Financial Performance or Position.

The Union has continued to apply the cost basis for measuring its fixed assets. Property, plant & equipment are measured on the cost basis. The carrying amount of property, plant and equipment is reviewed periodically to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated over their useful lives to the Union commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The gain or loss on disposal of all fixed assets is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal.

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

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Buildings	2%
Leasehold Improvements	50%
Office Furniture and Equipment	10%
Renovations	20%
Computer Equipment	20%
Motor Vehicles	20%

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001**

1. STATEMENT OF ACCOUNTING POLICIES

(Continued)

(b) EMPLOYEE ENTITLEMENTS

Provision is made in respect of the Union's liability for annual leave, accrued roster leave and long service leave arising from services rendered by officers and employees to balance date. Long service leave is accrued in respect of all officers and employees with more than 5 years service. Related on-costs are included in these provisions.

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

(c) INCOME TAX

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

(d) OUTSTANDING CONTRIBUTIONS

Union Contributions are accounted for on a cash receipts basis as opposed to the financial report which is prepared on an accrual basis.

(e) COMPARATIVE FIGURES

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

(f) RECLASSIFICATION OF FINANCIAL INFORMATION

Some line items and sub-totals reported in the previous financial year have been reclassified and repositioned in the financial statements as a result of the first time application on 1 January 2001 of the revised standards AASB 1018 - Statement of Financial Performance, AASB 1034 - Financial Report Presentation and Disclosures and the new AASB 1040 - Statement of Financial Position. Adoption of these Standards has resulted in the transfer of the reconciliation of opening to closing accumulated funds from the face of the Statement of Financial Performance to Note 12.

(g) GRANTS

The Union receives grant funding from various sources for varying purposes. All funds received are isolated in the Statement of Financial Position, from which all expenditures are made. Given that the grant projects generally have an operating period that differs from the financial year-end, amounts are carried forward in the statement of financial position:

- as an asset where expenditures exceed funding received to the balance date and where such expenditures are recoverable under the Terms of the Grant. Refer to Note 4, "Grants Receivable".
- as a liability where funding received exceeds expenditures to the balance date and the grant is ongoing. Refer to Note 10, "Unexpended Grants Carried Forward".

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001**

1. STATEMENT OF ACCOUNTING POLICIES

(Continued)

(h) DEBTORS

Bad debts are written off by a charge against the provision for doubtful debts during the period in which they are identified as bad. Provision is made for doubtful debts and is based on an inspection and assessment of all debts outstanding. Adjustments are made for any outstanding returns, credit notes and allowances in arriving at the debtor balance.

(i) OCCUPATIONAL HEALTH AND SAFETY TRUST DISTRIBUTION

During the 1997 financial year the Union received a trust distribution of \$1,625,871 for which specific conditions are attached. The trust distributions shall only be applied to the following:

- for the establishment, maintenance and improvement of training schemes for workers employed in the building industry in NSW and/or the ACT;
- for the establishment, maintenance and improvement of health and safety facilities for workers employed in the building industry in the NSW and/or the ACT.

Given the conditions associated with the trust distribution, it is anticipated that the monies will be expended over a number of future accounting periods. Consequently, the unexpended portion of the trust distribution has been carried forward in the statement of financial position as a liability per Note 10. Amounts expected to be expended within twelve months of the balance date are recorded as current liabilities.

(j) GOODS AND SERVICES TAX

Revenues, expenses and fixed assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable. 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.

The net amount of GST recoverable from, or payable to the Australian Taxation Office (ATO) is included as a current asset or liability in the statement of financial position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from, or payable to the ATO are classified as operating cash flows.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001**

	2001 \$	2000 \$
2. OPERATING RESULT FROM ORDINARY ACTIVITIES		
The surplus from ordinary activities is arrived at after taking into account:		
(a) REVENUE:		
<i>Ordinary Activities</i>		
Membership Contributions	6,422,767	6,530,816
Picnic Sponsorships	120,654	207,765
CFMEU Fighting Fund Receipts	113,729	157,385
Service Payment Receipts (FFTS)	165,057	158,005
Interest Received	475,777	839,304
Investment Income	130,547	340,071
Rents Received	245,029	270,562
Other Income *	441,389	239,448
	8,114,949	8,743,356
<i>Non-Operating Activities</i>		
Proceeds on Disposal of Assets	531,106	7,970,100
Recognition of CFMEU Fighting Fund	-	194,416
Grant Administration Fees Received	4,229	12,250
O H & S Trust Distribution	297,569	281,741
	832,904	8,458,507
	8,947,853	17,201,863
* During the year, the Union re-assessed the ownership of funds previously not brought to account as assets of the Union. Accordingly, funds as at 31.12.01 held in a bank account titled 'Dispute Fund Account' totalling \$44,550 have now been recognised as an asset of the Union for the first time by their being included as part of 'Other Income'.		
(b) EXPENSES:		
Depreciation of Property, Plant & Equipment	421,817	575,588
Doubtful Debts Provision	(77,867)	60,593
Movement in Employee Entitlements	104,264	96,717
Written Down Value of Assets Disposed	288,827	6,539,051
Auditors Remuneration:		
Auditing the Financial Report	20,000	19,000
Other Services	13,708	460
	33,708	19,460

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2001**

	2001	2000
	\$	\$
3. CASH		
Cash on hand	11,100	8,470
Cash at bank	933,058	617,950
	<u>944,158</u>	<u>626,420</u>
4. RECEIVABLES		
Debtors	224,064	286,734
Provision for Doubtful Debts	(50,000)	(127,867)
	<u>174,064</u>	<u>158,867</u>
Grants Receivable	-	6,541
Other Receivables	99,782	334,716
	<u>273,846</u>	<u>500,124</u>
5. INVESTMENTS		
(a) Current		
Commercial Bills and Term Deposits	<u>6,469,628</u>	<u>11,826,425</u>
(b) Non Current		
Shares in Unlisted Entities – At Cost	240,466	240,366
Less: Provisions for Diminution in Value	(145,813)	(145,813)
	94,653	94,553
Loans and Advances	1,752,997	1,622,525
Shares in Listed Entities – At Cost	2,046	2,046
	<u>1,849,696</u>	<u>1,719,124</u>
6. OTHER CURRENT ASSETS		
Prepayments	<u>229,143</u>	<u>233,154</u>

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2001**

	2001	2000
	\$	\$
7. PROPERTY, PLANT AND EQUIPMENT		
LAND AND BUILDINGS		
PARRAMATTA PROPERTY: UNIT 5, 20-24 WENTWORTH STREET		
At Cost	-	247,000
Provision for Depreciation	-	(60,010)
	<u>-</u>	<u>186,990</u>
 MOUNT DRUITT PROPERTY: WOODSTOCK AVENUE ^(a)		
At Deemed Cost ^(b)	625,000	-
At Independent Valuation ^(c)	-	625,000
	<u>625,000</u>	<u>625,000</u>
 LIDCOMBE PROPERTY: 6-8 RAILWAY STREET		
At Cost – Land	549,494	549,494
– Building	728,166	702,000
	<u>1,277,660</u>	<u>1,251,494</u>
Provision for Depreciation	(62,467)	(48,120)
	<u>1,215,193</u>	<u>1,203,374</u>
 LIDCOMBE PROPERTY: 12 RAILWAY STREET		
At Cost – Land	1,678,458	1,678,458
– Building	7,665,240	2,930,342
	<u>9,343,698</u>	<u>4,608,800</u>
Provision for Depreciation	(85,126)	(20,864)
	<u>9,258,572</u>	<u>4,587,936</u>
NET WRITTEN DOWN VALUE – LAND & BUILDINGS	<u>11,098,765</u>	<u>6,603,300</u>

(a) The land situated at Woodstock Avenue, Mount Druitt, has been made available to the Building Tradesman's Club Ltd for the purpose of construction of a Club for the benefit of building workers. The cost of capital improvements to the property are met by the Building Tradesmen's Club Ltd. This property is expected to be sold during the 2002 financial year for an amount in excess of its book value.

(b) As described in Note 1(a), the Union has elected this year (in accordance with the new Accounting Standard AASB 1041) to deem the carrying amount of assets comprising the classes of non-current assets as shown in Note 7, to be the assets' cost for the purpose of reverting to the cost basis method of valuation. Accordingly previous assets shown at valuation have been aggregated with the cost values for the current year, and not the prior year.

(c) In 1992 the Mount Druitt property was independently valued by Peter K Dallimore and Associates.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001**

	2001	2000
	\$	\$
7. PROPERTY, PLANT AND EQUIPMENT		
<i>(Continued)</i>		
Land		
At Cost	2,852,952	2,227,952
At Valuation	-	625,000
	<u>2,852,952</u>	<u>2,852,952</u>
Buildings		
At Cost	8,393,406	3,879,343
Provision for Depreciation	(147,593)	(128,995)
	<u>8,245,813</u>	<u>3,750,348</u>
TOTAL LAND AND BUILDINGS	<u>11,098,765</u>	<u>6,603,300</u>
Furniture, Fittings and Equipment		
At Cost	1,278,726	964,679
Provision for Depreciation	(836,575)	(734,230)
	<u>442,151</u>	<u>230,449</u>
Leasehold Improvements		
Wentworth Avenue	-	67,749
Provision for Depreciation	-	(67,749)
	<u>-</u>	<u>-</u>
Motor Vehicles		
At Cost	1,362,875	1,477,142
Provision for Depreciation	(547,611)	(872,880)
	<u>815,264</u>	<u>604,262</u>
	<u>12,356,180</u>	<u>7,438,011</u>

(d) 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	2,852,952	6,603,300	230,449	604,262	7,438,011
Additions	-	4,761,064	315,458	552,291	5,628,813
Disposals	-	(183,268)	(1,189)	(104,370)	(288,827)
Depreciation/Amortisation	-	(82,331)	(102,567)	(236,919)	(421,817)
Carrying Amount – End of Year	<u>2,852,952</u>	<u>11,098,765</u>	<u>442,151</u>	<u>815,264</u>	<u>12,356,180</u>

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2001**

	NOTE	2001 \$	2000 \$
8. ACCOUNTS PAYABLE			
Payables		<u>467,055</u>	<u>1,008,017</u>
9. PROVISIONS			
(a) Current			
Provision for Annual Leave		518,533	480,426
Provision for Long Service Leave		377,052	368,473
Provision for Other Employee Entitlements		50,387	31,118
Other Provision		-	3,771
		<u>945,972</u>	<u>883,788</u>
(b) Non-Current			
Provision for Long Service Leave		<u>100,449</u>	<u>62,140</u>
(c) Number of Employees at Balance Date		<u>84</u>	<u>79</u>
10. OTHER LIABILITIES			
(a) Current			
Funds Held in Trust		243,530	309,858
Unexpended Grants Carried Forward	15	70,606	124,266
OH&S Trust Distribution Carried Forward	1(i)	300,000	300,000
		<u>614,136</u>	<u>734,124</u>
(b) Non-Current			
OH&S Trust Distribution Carried Forward	1(i)	<u>70,060</u>	<u>367,629</u>
11. ASSET REVALUATION RESERVE			
Opening Balance		595,601	105,890
Movement During Year:-			
Transfer to Accumulated Profits	12	<u>(595,601)</u>	<u>489,711</u>
Closing Balance		<u>-</u>	<u>595,601</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001**

	NOTE	2001 \$	2000 \$
12. ACCUMULATED MEMBERS' FUNDS			
Accumulated Funds at Start of Year		18,691,959	16,747,114
Transfer from Asset Revaluation Reserve	11	595,601	-
Net profit attributable to Members		637,419	1,944,845
Accumulated Funds at End of Year		<u>19,924,979</u>	<u>18,691,959</u>

13. SALARIES

The following analysis of salaries paid during the year is given in compliance with the requirements of the Industrial Relations Act, 1991:

Paid to Office Holders	238,866	157,534
Paid to Employees	3,537,637	3,445,689
	<u>3,776,503</u>	<u>3,603,223</u>

14. AUDITORS' REMUNERATION

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

• Auditing	23,000	19,000
• Other Services	10,708	460
TOTAL	<u>33,708</u>	<u>19,460</u>

15. GRANTS

Unexpended Grants Brought Forward (Net)	117,725	178,770
Grants Received	6,541	22,820
Grant Expenditures	(53,660)	(83,865)
CLOSING UNEXPENDED GRANTS (NET)	<u>70,606</u>	<u>117,725</u>

Recorded as:

Grants Receivable	4	-	(6,541)
Unexpended Grants Carried Forward	10(a)	70,606	124,266
		<u>70,606</u>	<u>117,725</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001**

	NOTE	2001 \$	2000 \$
16. 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	3	944,158	626,420
BALANCE PER STATEMENT OF CASH FLOWS		<u>944,158</u>	<u>626,420</u>
(b) RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES			
Operating Surplus for the Year		637,419	1,944,845
Depreciation		421,817	575,588
Investment Income – Non Cash Distribution		(120,473)	(242,071)
(Profit)/Loss on Disposal of Property, Plant & Equipment		(242,279)	2,328
Investment Write off		-	200
Abnormal Loss on Demolition of Lidcombe Building		-	673,554
Abnormal Profit on Sale of Kent St Property		-	(1,630,967)
Changes in Assets and Liabilities			
(Increase)/Decrease in Debtors		62,670	(82,784)
(Increase)/Decrease in Other Receivables		234,934	(135,866)
(Increase)/Decrease in Prepayments		4,011	(26,098)
Increase/(Decrease) in Creditors		49,680	333,037
Increase/(Decrease) in Employee Provisions		100,493	96,717
Increase/(Decrease) in Other Provisions		(77,867)	(19,736)
Increase/(Decrease) in Other Liabilities		(297,569)	(281,590)
Increase/(Decrease) in Monies in Trust		(66,328)	(134,820)
Increase/(Decrease) in Grants		(47,119)	(61,045)
NET CASH INFLOW FROM OPERATING ACTIVITIES		<u>659,389</u>	<u>1,011,292</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		-	56,000
• Amount Utilised		-	-
UNUSED CREDIT FACILITY		<u>-</u>	<u>56,000</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001**

17. NON RECURRING ITEM

During the 2000 year, the Union re-assessed the ownership of funds held in trust. As a consequence, funds held in the Mark Allen Fighting Fund (CFMEU Fighting Fund) were deemed to be funds of the Union. Accordingly the liability (Funds held in trust) as at the start of the 2000 year of \$194,416 have been shown as a non recurring item in the revenue account, and collections since that date are now shown as income.

18. CAPITAL AND LEASING COMMITMENTS

(a) OPERATING LEASE COMMITMENTS

An operating lease commitment exists in respect of the sub – lease of floor area within the premises situated at Wentworth Avenue, Sydney. Since July 2001 the Union is operating from substantially reduced floor space at this location. The maximum amount committed plus the maximum option is as follows:-

	2001	2000
	\$	\$
The total operating lease commitment is:-		
• Due within 1 year	31,178	116,905
• Due within 1-2 years	-	29,226
	<u>31,178</u>	<u>146,131</u>

(b) CAPITAL EXPENDITURE COMMITMENTS

Capital expenditure commitments contracted for at the balance date.

-	<u>425,410</u>
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19. CONTINGENT LIABILITY

A claim has been made against the Union for unspecified damages and interest arising from industrial action. The claim will be defended.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001**

20. SPECIFIED INFORMATION

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

S274

- ① A member of an organisation, or Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- ② An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such a manner, and within such time, as prescribed.
- ③ A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the registrar shall provide to a member information received because of an application made at the request of the member.

21. 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:

Mr Peter McClelland	-	President
Mr Andrew Ferguson	-	Secretary
Mr Brian Parker	-	Assistant Secretary
Mr Peter Zaboyak	-	Assistant Secretary

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

L Quill	J Pineiro	M Foster
G Coenan	C Brokenbough	D Milutin
A Melnikoff	A Popovic	N Botic
A Zdrilic	T Morrison	B Gay
D Pilarinos	L Tobler	B Hemsworth
G Ioannou	M Jones	R Cook
L Strutzenburger	P Genovese	W Docherty
M Barrios	J Magee	M McBride
I Smith		

(b) RELATED PARTY TRANSACTIONS

Sustentation fees paid to the Construction, Forestry, Mining and Energy Union, Federal Office during the year totalled \$777,647 (2000: \$738,052).

**DETAILED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2001**

EXPENDITURE (Continued)	NOTE	2001 \$	2000 \$
Carried Over From Previous Page		2,170,451	2,484,068
Provision for Doubtful Debts		(77,867)	60,593
Provision for L.S.L.		46,888	16,088
Provision for Other Employee Entitlements		19,269	11,387
Redundancy		147,448	137,468
Rallies & Marches		24,030	9,847
Rates & Taxes		13,753	18,022
Rent Paid		256,276	250,603
Repairs & Maintenance – Buildings		23,333	83,815
Repairs & Maintenance – Equipment		5,140	3,797
Retired Members		8,274	784
Salaries & Wages		3,776,503	3,603,223
Security Services		10,640	13,645
Seminars & Conferences		5,034	2,761
Staff Amenities		10,398	11,829
Staff Training		10,666	2,843
State Council & Committee of Management		12,421	12,940
Subscriptions		15,667	17,004
Superannuation		478,506	415,693
Sustentation Fees		738,177	777,647
Telephone & Communications		222,250	204,415
Travel & Accommodation		42,906	48,932
Write off of Investment		-	200
General Office Expenses		43,215	31,214
TOTAL EXPENDITURE		<u>8,003,378</u>	<u>8,218,818</u>
OPERATING SURPLUS FOR THE YEAR BEFORE NON RECCURING ITEMS, GRANT ADMINISTRATION FEES AND TRUST DISTRIBUTION		<u>163,154</u>	<u>499,025</u>
Grant Administration Fees Received		4,229	12,250
OH & S Trust Distribution	1 (i)	297,569	281,741
		<u>301,798</u>	<u>293,991</u>
OPERATING SURPLUS FOR THE YEAR BEFORE NON RECURRING ITEMS		<u>464,952</u>	<u>793,016</u>
NON RECURRING ITEMS			
Profit on Sale of Kent St Property		-	1,630,967
Loss on Demolition of Lidcombe Building		-	(673,554)
CFMEU Fighting Fund	17	-	194,416
Profit on Sale of Paramatta Property		172,467	-
		<u>172,467</u>	<u>1,151,829</u>
OPERATING SURPLUS FOR THE YEAR AFTER NON RECURRING ITEMS		<u>637,419</u>	<u>1,944,845</u>

The accompanying notes form part of this financial report

**SUMMARY OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2001**

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

A copy of the Financial Report, including the Auditor's Report and Statements, will be supplied free of charge to members who request the same.

Certificates required to be given under the Act by the Accounting Officer and the Committee of Management have been completed in accordance with the provisions of the Act and contain no qualifications.

**INCOME AND EXPENDITURE
FOR THE YEAR ENDING 31 DECEMBER 2001**

	2001	2000
	\$	\$
Membership Contributions	6,404,539	6,530,816
Other Income	2,236,258	4,306,401
TOTAL INCOME	<u>8,640,797</u>	<u>10,837,217</u>
LESS TOTAL EXPENDITURE	<u>8,003,378</u>	<u>8,892,372</u>
SURPLUS FOR THE YEAR	<u>637,419</u>	<u>1,944,845</u>

**STATEMENT OF FINANCIAL POSITION AS AT 31
DECEMBER 2001**

ACCUMULATED FUNDS	<u>19,924,979</u>	<u>19,287,560</u>
Represented by:		
Current Assets	7,916,775	13,186,123
Non-Current Assets	14,205,876	9,157,135
TOTAL ASSETS	<u>22,122,651</u>	<u>22,343,258</u>
TOTAL LIABILITIES	<u>2,197,672</u>	<u>3,055,698</u>
NET ASSETS	<u>19,924,979</u>	<u>19,287,560</u>

**SUMMARY OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2001**

(Continued)


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 274 which read as follows:

- ❶ A member of an organisation, or a Registrar, may apply to the organisation for a specified prescribed information in relation to the organisation.
- ❷ An organisation shall, on application made under Sub-section (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such a manner, and within such time, as is prescribed.
- ❸ A Registrar may only make an application under Sub-section (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

AUDITORS CERTIFICATE

We certify that the above summary is a fair and accurate of the Report, Accounts and Statements of the Construction, Forestry, Mining and Energy Union Construction and General Division – NSW Divisional Branch for the year ended 31 December 2001. Our Auditor's Report to the members dated 1 August, 2002 on the Financial Report, did not contain any particulars of any deficiency, failure or shortcoming as referred to in the Workplace Relations Act 1996.


.....
DALEY & CO
Chartered Accountants
Wollongong


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

Dated this 1st day of August 2002.

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



AUSTRALIAN INDUSTRIAL REGISTRY

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

Mr Tom Roberts
National Industrial Officer
Construction and General Division
Construction, Forestry, Mining and Energy Union
Level 2 15 Wentworth Avenue
SYDNEY NSW 2000

Dear Mr Roberts

**Re: Lodgment of Financial Statements for CFMEU - Construction and General
Division - NSW Divisional Branch for the year ended 31 December 2001
(FR2001/728)**

Receipt is acknowledged of your letter dated 22 October 2002 enclosing the financial accounts of the abovenamed organisation for the year ending 31 December 2001, which was lodged in the Registry on 23 October 2002

These documents meet the requirements of the *Workplace Relations Act 1996* and have now been filed.

Should you have any enquires regarding these matters, please do not hesitate to contact me on (02) 8374 6509.

Yours sincerely,

Robin Godfrey
Deputy Industrial Registrar
NSW Registry

21 November 2002