



AUSTRALIAN INDUSTRIAL REGISTRY

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

Ref: FR2003/685-[105N-NSW]

Mr Andrew Ferguson
Divisional Branch Secretary
CFMEU - Construction and General Division
New South Wales Divisional Branch
Locked Bag 1
LIDCOMBE NSW 1825

Dear Mr Ferguson

**Re: Construction, Forestry, Mining and Energy Union-Construction and General Division
New South Wales Divisional Branch Financial Reporting Obligations under
*Workplace Relations Act 1996***

This is a courtesy letter to remind you of the financial reporting obligations of the abovenamed body under the *Workplace Relations Act 1996* ('the Act') for the financial year ended 31 December, 2003.

While the accounting, auditing and reporting obligations have changed with the introduction of the *Registration and Accountability of Organisations* Schedule (the RAO Schedule) which generally came into operation on 12 May 2003, Part IX, Division 11 of the Act continues to apply in relation to a financial year of an organisation that ends on 31 December, 2003. The corresponding obligations set out in the RAO Schedule apply to each financial year of an organisation that starts on or after 1 July 2003.

Now that the financial year for 31 December, 2003 has ended, it is timely that you put in train the various steps of the financial reporting requirements. To assist you with this process I have enclosed for your information a notice summarising these requirements including the time-scales prescribed by the legislation.

Please note that a branch of an organisation may be exempted from the accounting, auditing and reporting obligations in respect of a financial year by satisfying a Registrar that the branch did not have any financial affairs during the financial year. An application under subsection 271A(1) of the Act must be made within 90 days (unless extended by a Registrar) after the end of the financial year.

Please do not hesitate to contact me on (02) 8374 6618 if you wish to discuss the financial reporting requirements, especially if you anticipate any difficulty in meeting any step in the time-scales prescribed.

Yours sincerely

Belinda Penna

E-mail: belinda.penna@air.gov.au

12 January 2004



Australian Government
Australian Industrial Registry

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

Ref: FR2003/685 -[105N-NSW]

Mr Andrew Ferguson
Divisional Branch Secretary
CFMEU Construction & General Division
New South Wales Divisional Branch
Locked Bag 1
LIDCOMBE NSW 1825

Dear Mr Ferguson

**Re: CFMEU-Construction & General Division, New South Wales Divisional Branch -
Outstanding Financial Documents - *Workplace Relations Act 1996***

There is no record of lodgment in the Industrial Registry of the auditor's report, accounts and statements of the abovenamed body, prepared in accordance with Part IX, Division 11 of the *Workplace Relations Act 1996* ('the Act'), for the year ended 31 December, 2003.

While the accounting, auditing and reporting obligations have changed with the introduction of the *Registration and Accountability of Organisations* Schedule (the RAO Schedule) which generally came into operation on 12 May 2003, Part IX, Division 11 of the Act continues to apply in relation to a financial year of an organisation that ends on 31 December, 2003. The corresponding obligations set out in the RAO Schedule apply to each financial year of an organisation that starts on or after 1 July 2003.

An organisation registered under the Act or a branch of such an organisation is required after the end of its financial year to prepare accounts and statements, obtain a report from the auditor, provide copies of the auditor's report, accounts and statements to its members, present the auditor's report, accounts and statements to a meeting of members or committee of management, and lodge copies in the Industrial Registry. Having in mind the time-scales allowed by the Act to complete each of these steps, lodgment of the required documents would, in the normal course, be expected before now.

Therefore, I request your written advice *by 2 November, 2004* as to when each of the following steps is expected to be completed:-

1. preparation of the accounts and statements in compliance with section 273
2. making of the audit report in compliance with section 276(4)
3. provision of copies of the auditor's report, accounts and statements to the members in compliance with sections 279(1) and (3)
4. presentation of the financial documents to a meeting of the members or the committee of management in compliance with sections 279(6) and (7) (*following provision of copies to the members as per step 3 above*)

5. lodgment of copies of the financial documents in the Industrial Registry under cover of a certificate by you in compliance with section 280(1) - such certificate should confirm that the documents so lodged are copies of the documents presented to the meeting referred to in step 4 above - the type of meeting and the date when it was held should be specified

If you wish to discuss this letter you may contact me on (02) 8374 6618. In reply please quote: **FR2003/685**.

Yours sincerely

Belinda Penna

Belinda Penna

E-mail: belinda.penna@air.gov.au

12 October, 2004



TR/nd.returns

CONSTRUCTION

FORESTRY

MINING

ENERGY

UNION

17th December, 2004

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

Dear Sir/Madam,

Re: Financial Returns

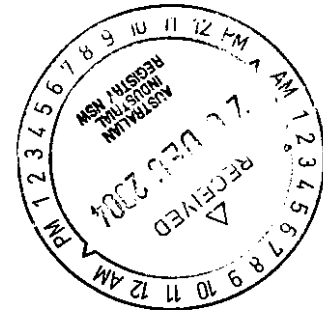
Please find enclosed herewith the financial returns of the Construction Forestry Mining and Energy Union, Construction & General Division, New South Wales Branch, for the year ending 31st December, 2003.

Please confirm receipt at your earliest convenience.

Yours faithfully,

TOM ROBERTS
National Legal Officer

Encl.



CONSTRUCTION &
GENERAL DIVISION
ABN 46 243 168 565

JOHN SUTTON
National Secretary

FEDERAL OFFICE
LEVEL 2
15 WENTWORTH AVENUE
SYDNEY NSW 2000

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SYDNEY NSW 1230

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CONSTRUCTION FORESTRY MINING AND ENERGY UNION

CONSTRUCTION AND GENERAL DIVISION

NSW DIVISIONAL BRANCH

FOR YEAR ENDED 31st DECEMBER, 2003

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 Branch, for the year ended 31st December 2003, were presented to the Committee of Management of the Union on 9th December 2004. The accounts were published in the November 2004 edition of the Unions journal.



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

16 December 2004

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

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2003**

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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 2003, the number of financial members of the Union was 20,225.

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 2003;
- (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 13th day of August, 2004.

COMMITTEE OF MANAGERMENTS' CERTIFICATE

We, PETER MCCLELLAND and ANTE ZDRILIC, 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 2003; and
- (ii) In the opinion of the Committee of Management, meetings of the Committee were held during the year ended 31 December 2003 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


.....
ANTE ZDRILIC

Dated this 13th day of August 2004.

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 2003. 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.

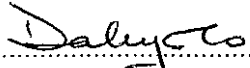
AUDIT OPINION


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 2003; 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 13th day of August, 2004.

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2003**

	NOTE	2003 \$	2002 \$
Revenue from Ordinary Activities	2(a)	<u>11,917,257</u>	<u>13,339,911</u>
Expenses from Ordinary Activities			
Wages and Related Costs		(5,511,184)	(5,470,424)
Contingent Fund Contributions		(1,900,036)	-
Depreciation Expense		(563,390)	(519,649)
Other Expenses		(3,742,625)	(3,548,272)
Written Down Value of Assets Sold		<u>(114,607)</u>	<u>(712,958)</u>
		<u>(11,831,842)</u>	<u>(10,251,303)</u>
Net Profit from Ordinary Activities Attributable to Members	12	<u>85,415</u>	<u>3,088,608</u>

The accompanying notes form part of this financial report

**STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2003**

	NOTE	2003 \$	2002 \$
CURRENT ASSETS			
Cash	3	487,697	61,831
Receivables	4	252,215	617,129
Investments	5(a)	12,537,692	11,516,021
Other	6	285,511	275,493
TOTAL CURRENT ASSETS		<u>13,563,115</u>	<u>12,470,474</u>
NON-CURRENT ASSETS			
Investments	5(b)	879,804	1,862,299
Property, Plant and Equipment	7	11,544,944	11,695,326
TOTAL NON-CURRENT ASSETS		<u>12,424,748</u>	<u>13,557,625</u>
TOTAL ASSETS		<u>25,987,863</u>	<u>26,028,099</u>
CURRENT LIABILITIES			
Interest Bearing Liabilities	8	-	157,834
Accounts Payable	9	1,098,644	952,513
Provisions	10(a)	1,241,006	1,375,512
Other	11(a)	375,123	432,721
TOTAL CURRENT LIABILITIES		<u>2,714,773</u>	<u>2,918,580</u>
NON-CURRENT LIABILITIES			
Provisions	10(b)	174,088	95,932
TOTAL NON-CURRENT LIABILITIES		<u>174,088</u>	<u>95,932</u>
TOTAL LIABILITIES		<u>2,888,861</u>	<u>3,014,512</u>
NET ASSETS		<u>23,099,002</u>	<u>23,013,587</u>
EQUITY			
Accumulated Members' Funds	12	<u>23,099,002</u>	<u>23,013,587</u>

The accompanying notes form part of this financial report

**STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 31 DECEMBER 2003**

	NOTE	2003 \$	2002 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Members and Customers		11,807,479	8,133,580
Payments to Suppliers and Employees		(12,034,748)	(8,894,203)
Interest Received		752,691	367,357
Sundry Income		487,565	458,066
NET CASH INFLOW FROM OPERATING ACTIVITIES	16(b)	<u>1,012,987</u>	<u>64,800</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for Property, Plant and Equipment		(527,615)	(571,752)
Proceeds from Sale of Property, Plant and Equipment		119,999	4,517,227
Net Increase/(Decrease) in Investments		(21,671)	(5,050,436)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		<u>(429,287)</u>	<u>(1,104,961)</u>
NET INCREASE / (DECREASE) IN CASH HELD		583,700	(1,040,161)
CASH AT THE START OF THE FINANCIAL YEAR		<u>(96,003)</u>	<u>944,158</u>
CASH AT THE END OF THE FINANCIAL YEAR	16(a)	<u>487,697</u>	<u>(96,003)</u>

The accompanying notes form part of this financial report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

1. STATEMENT OF ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative 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 the 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 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 on a straight line basis over their useful lives to the Union commencing from the time the asset is held ready for use.

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%
Furniture, Fittings and Equipment	10 - 20%
Motor Vehicles	20%

(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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003

1. STATEMENT OF ACCOUNTING POLICIES

(Continued)

(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) 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 11, "Unexpended Grants Carried Forward".

(f) 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.

(g) 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, in years following this distribution, the unexpended portion of the trust distribution has been carried forward in the Statement of Financial Position as a liability per Note 11. Amounts expected to be expended within twelve months of the balance date were recorded as current liabilities.

During the 2003 year the remaining balance of the distribution was expended in full, and hence, there is no longer a distribution carried forward.

(h) COMPARATIVE FIGURES

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

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2003**

1. STATEMENT OF ACCOUNTING POLICIES

(Continued)

(i) 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.

(j) CONTINGENT FUND CONTRIBUTIONS

During the year for the first time the Committee of Management invoked Rule 62 of the Union so as to recognise contingent fund contributions of members who have been financial members but whose payments have not been met due to unemployment, sickness or other reasonable cause. The recognition of the revenue has no effect on the result for the year as it is offset by a similar payment in the expenditure of the Union.

	2003	2002
	\$	\$
2. OPERATING RESULT FROM ORDINARY ACTIVITIES		
The surplus from ordinary activities is arrived at after taking into account:		
(a) REVENUE:		
<i>Ordinary Activities</i>		
Attendance Fees	84,188	67,550
BTG Apprentices Project	27,904	-
Membership Contributions	9,470,744	6,701,971
Picnic Sponsorships	210,760	160,995
CFMEU Fighting Fund Receipts	98,066	33,325
Service Payment Receipts (FFTS)	-	41,298
Interest Received	752,691	367,357
Investment Income	55,739	403,301
Rents Received	334,508	378,837
Other Income	443,092	333,517
Training Courses	39,876	14,266
Shared Services Agreement	229,897	-
	11,747,465	8,502,417

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003

	2003 \$	2002 \$
2. OPERATING RESULT FROM ORDINARY ACTIVITIES <i>Continued</i>		
(a) REVENUE <i>Continued:</i>		
<i>Non-Operating Activities</i>		
Proceeds on Disposal of Assets	119,999	4,517,227
O H & S Trust Distribution	49,793	320,267
	<u>169,792</u>	<u>4,837,494</u>
	<u>11,917,257</u>	<u>13,339,911</u>
 (b) EXPENSES:		
Depreciation of Property, Plant & Equipment	563,390	519,648
Movement in Employee Entitlements	203,650	165,023
Written Down Value of Assets Disposed	114,607	712,958
 3. CASH		
Cash on hand	10,650	13,100
Cash at bank	477,047	48,731
	<u>487,697</u>	<u>61,831</u>
 4. RECEIVABLES		
Debtors	168,541	169,128
Provision for Doubtful Debts	(50,000)	(50,000)
	<u>118,541</u>	<u>119,128</u>
Other Receivables	133,674	498,001
	<u>252,215</u>	<u>617,129</u>
 5. INVESTMENTS		
(a) Current		
Commercial Bills and Term Deposits	<u>12,537,692</u>	<u>11,516,021</u>
(b) Non Current		
Shares in Unlisted Entities – At Cost	234,508	234,508
Less: Provisions for Diminution in Value	(145,813)	(145,813)
	<u>88,695</u>	<u>88,695</u>
Loans and Advances	789,063	1,771,558
Shares in Listed Entities – At Cost	2,046	2,046
	<u>879,804</u>	<u>1,862,299</u>

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2003

	2003 \$	2002 \$
6. OTHER CURRENT ASSETS		
Prepayments	<u>285,511</u>	<u>275,493</u>
7. PROPERTY, PLANT AND EQUIPMENT		
LAND AND BUILDINGS		
LIDCOMBE PROPERTY: 6-8 RAILWAY STREET		
At Cost – Land	549,494	549,494
– Building	783,839	777,551
	<u>1,333,333</u>	<u>1,327,045</u>
Provision for Depreciation	(93,202)	(77,592)
	<u>1,240,131</u>	<u>1,249,453</u>
LIDCOMBE PROPERTY: 12 RAILWAY STREET		
At Cost – Land	1,678,458	1,678,458
– Building	7,669,261	7,666,990
	<u>9,347,719</u>	<u>9,345,448</u>
Provision for Depreciation	(391,805)	(238,466)
	<u>8,955,914</u>	<u>9,106,982</u>
NET WRITTEN DOWN VALUE – LAND & BUILDINGS	<u>10,196,045</u>	<u>10,356,435</u>
Land		
At Cost	<u>2,227,952</u>	<u>2,227,952</u>
Buildings		
At Cost	8,453,100	8,444,541
Provision for Depreciation	(485,007)	(316,058)
	<u>7,968,093</u>	<u>8,128,483</u>
TOTAL LAND AND BUILDINGS	<u>10,196,045</u>	<u>10,356,435</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003

	2003 \$	2002 \$
7. PROPERTY, PLANT AND EQUIPMENT (Continued)		
Furniture, Fittings and Equipment		
At Cost	1,466,009	1,421,831
Provision for Depreciation	(1,064,553)	(957,207)
	<u>401,456</u>	<u>464,624</u>
Motor Vehicles		
At Cost	1,526,465	1,391,002
Provision for Depreciation	(579,022)	(516,735)
	<u>947,443</u>	<u>874,267</u>
TOTAL PROPERTY, PLANT & EQUIPMENT	<u>11,544,944</u>	<u>11,695,326</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	2,227,952	8,128,483	464,624	874,267	11,695,326
Additions	-	8,559	44,178	474,878	527,615
Disposals	-	-	-	(114,607)	(114,607)
Depreciation/Amortisation	-	(168,949)	(107,346)	(287,095)	(563,390)
Carrying Amount – End of Year	<u>2,227,952</u>	<u>7,968,093</u>	<u>401,456</u>	<u>947,443</u>	<u>11,544,944</u>

8. INTEREST BEARING LIABILITIES

Bank Overdraft	<u>-</u>	<u>157,834</u>
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9. ACCOUNTS PAYABLE

Payables	<u>1,098,644</u>	<u>952,513</u>
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**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2003**

	2003 \$	2002 \$
10. PROVISIONS		
(a) Current		
Provision for Annual Leave	745,938	623,759
Provision for Long Service Leave	450,137	435,279
Provision for Other Employee Entitlements	44,931	56,474
Other Provision	-	260,000
	<u>1,241,006</u>	<u>1,375,512</u>
(b) Non-Current		
Provision for Long Service Leave	<u>174,088</u>	<u>95,932</u>
(c) Number of Employees at Balance Date	<u>91</u>	<u>85</u>
11. OTHER LIABILITIES		
(a) Current		
Funds Held in Trust	288,671	305,413
Unexpended Grants Carried Forward	15 86,452	77,515
OH&S Trust Distribution Carried Forward	1(g) -	49,793
	<u>375,123</u>	<u>432,721</u>
12. ACCUMULATED MEMBERS' FUNDS		
Accumulated Funds at Start of Year	23,013,587	19,924,979
Net profit attributable to Members	85,415	3,088,608
Accumulated Funds at End of Year	<u>23,099,002</u>	<u>23,013,587</u>

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2003

	NOTE	2003 \$	2002 \$
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		361,853	238,498
Paid to Employees		4,391,739	4,149,386
		<u>4,753,592</u>	<u>4,387,884</u>
14. AUDITORS' REMUNERATION			
Amounts received, or due and receivable by the auditors for:			
• Auditing		24,000	23,000
• Other Services		5,588	21,887
TOTAL		<u>29,588</u>	<u>44,887</u>
15. GRANTS			
Unexpended Grants Brought Forward (Net)		77,515	70,606
Grants Received		124,400	75,000
Grant Expenditures		(115,463)	(68,091)
CLOSING UNEXPENDED GRANTS (NET)		<u>86,452</u>	<u>77,515</u>
<u>Recorded as:</u>			
Unexpended Grants Carried Forward	11(a)	<u>86,452</u>	<u>77,515</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003

	NOTE	2003 \$	2002 \$
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:			
Bank Overdraft	8	-	(157,834)
Cash at Bank	3	487,697	61,831
BALANCE PER STATEMENT OF CASH FLOWS		<u>487,697</u>	<u>(96,003)</u>
(b) RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES			
Operating Surplus for the Year		85,415	3,088,608
Depreciation		563,390	519,648
Investment Income – Non Cash Distribution		(17,505)	(8,560)
(Profit)/Loss on Disposal of Property, Plant & Equipment		(5,392)	(3,804,269)
Changes in Assets and Liabilities			
(Increase)/Decrease in Debtors		587	54,936
(Increase)/Decrease in Other Receivables		364,327	(398,219)
(Increase)/Decrease in Prepayments		(10,018)	(46,350)
Increase/(Decrease) in Creditors		146,131	485,458
Increase/(Decrease) in Employee Provisions		203,650	165,023
Increase/(Decrease) in Other Provisions		(260,000)	260,000
Increase/(Decrease) in Other Liabilities		(49,793)	(320,267)
Increase/(Decrease) in Monies in Trust		(16,742)	61,883
Increase/(Decrease) in Grants		8,937	6,909
NET CASH INFLOW FROM OPERATING ACTIVITIES		<u>1,012,987</u>	<u>64,800</u>
(c) STANDBY ARRANGEMENTS AND UNUSED CREDIT FACILITIES			
Standby arrangements with the Union's bankers to provide funds and support facilities comprise:			
Other Short-Term Credit			
• Limit		-	-
• Amount Utilised		-	-
UNUSED CREDIT FACILITY		<u>-</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2003**

17. CAPITAL AND LEASING COMMITMENTS

(a) OPERATING LEASE COMMITMENTS

An operating lease commitment existed in respect of the sub – lease of floor area within the premises situated at Wentworth Avenue, Sydney. Since July 2003 the Union is operating from substantially reduced floor space at this location on monthly tenancy. The maximum amount committed plus the maximum option is as follows:-

	2003	2002
	\$	\$
The total operating lease commitment is:-		
• Due within 1 year	9,825	9,825
	<u>9,825</u>	<u>9,825</u>

(b) CAPITAL EXPENDITURE COMMITMENTS

Capital expenditure commitments contracted for at the balance date.

	-	-
	<u>-</u>	<u>-</u>

18. CONTINGENT LIABILITIES

Estimates of the maximum amounts of contingent liabilities that may become payable in respect of:-

- Legal proceedings against the Union in District Court and Federal Court for alleged breaches of Workplace Relations Act. The Union is defending the actions.	60,000	40,000
- O H & S prosecution by the Union against other parties, which if unsuccessful could result in the Union having to pay legal costs.	-	20,000
- Common Law and Trade Practices Claim brought by a company in liquidation, and its former directors seeking damages against the Union which if successful could result in a payout by the Union. The Union is defending this claim.	1,500,000	-
	<u>1,560,000</u>	<u>60,000</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003**

19. 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

- ❶ A member of an organisation, or Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- ❷ 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.
- ❸ 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.

20. 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
A Melnikoff	C Brokenborough	D Milutin
A Zdrilic	A Popovic	N Botic
D Pilarinos	T Morrison	B Gay
G Ioannou	L Tobler	B Hemsworth
L Strutzenberger	M Jones	R Cook
M Barrios	P Genovese	W Docherty
D Giffin	J Magee	M McBride
T Grover		

(b) RELATED PARTY TRANSACTIONS

Sustentation fees paid to the Construction, Forestry, Mining and Energy Union, Federal Office during the year totalled \$1,057,699 (2002: \$760,816).

**DETAILED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2003**

	2003 \$	2002 \$
INCOME		
Attendance Fees	84,188	-
BTG Apprenticeships Project	27,904	-
Contributions [Note 1j]	9,470,744	6,701,971
Interest Received	752,691	367,357
Investment Income	55,739	403,301
Rents Received and Building Outgoings	334,508	378,837
CFMEU Fighting Fund	98,066	33,325
Picnic Sponsorships	210,760	160,995
Profit on Disposal of Non-Current Assets	24,218	20,697
Service Payment Receipts (FFTS)	-	41,298
Sundry Income	443,092	401,067
Training Courses	39,876	14,266
Shared Services Agreement	229,897	-
TOTAL INCOME	<u>11,771,683</u>	<u>8,523,114</u>
EXPENDITURE		
Audit Fees	29,588	44,887
Advertising & Publicity Expenses	40,723	130,287
Affiliation Fees	118,772	169,836
Apprenticeship Campaign	16,486	-
Bad Debts Written Off	-	19,557
Bank Fees & Charges	35,512	39,481
Bank Interest	13,988	-
Consultancy Fees	2,188	5,335
Cleaning Expenses	11,259	27,677
Commission – Delegates	45,892	48,606
Computer Software & Support	13,556	10,966
Contingent Fund Contributions [Note 1j]	1,900,036	-
Copier & Fax Expenses	35,455	27,356
Couriers & Freight	5,356	6,558
Depreciation	563,390	519,649
Donations	23,665	21,720
Electricity	53,853	57,043
Fringe Benefits Tax	8,349	17,281
Functions	22,147	32,241
Funeral Benefits Expenses	9,818	7,336
Insurance	142,631	127,669
Land Tax	20,259	10,000
Legal Fees	47,960	406,342
Levies	-	10,669
Loss on Disposal of Fixed Assets	18,826	1,428
	<u>3,179,709</u>	<u>1,741,924</u>

The accompanying notes form part of this financial report

**DETAILED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2003**

EXPENDITURE (Continued)	NOTE	2003 \$	2002 \$
Carried Over From Previous Page		3,179,709	1,741,924
Motor Vehicle Expenses		321,709	286,380
Payroll Tax		338,580	268,329
Picnic Expenses		177,465	163,598
Placement Fees		8,665	13,362
Postage, Printing & Stationery		178,273	232,875
Printing/Postage/Production of Unity		184,961	216,928
Provision for Annual Leave		122,179	105,226
Provision for L.S.L.		93,015	53,710
Provision for Other Employee Entitlements		(11,543)	6,087
Redundancy		178,623	149,690
Rallies & Marches		37,901	62,997
Rates & Taxes		16,835	17,357
Rent Paid		121,494	123,600
Repairs & Maintenance – Buildings		57,167	27,968
Repairs & Maintenance – Equipment		5,070	6,766
Retired Members		14,225	8,717
Salaries & Wages	13	4,753,592	4,387,884
Security Services		2,608	1,885
Seminars & Conferences		8,926	4,833
Staff Amenities		9,681	13,837
Staff Training		7,551	10,722
State Council & Committee of Management		18,339	6,881
Subscriptions		(3,383)	42,625
Superannuation		553,942	499,498
Sustentation Fees		1,057,699	760,816
Telephone & Communications		196,228	225,335
Travel & Accommodation		71,344	82,905
General Office Expenses		35,206	17,038
TOTAL EXPENDITURE		<u>11,736,061</u>	<u>9,539,773</u>
OPERATING SURPLUS (LOSS) FOR THE YEAR BEFORE NON RECURRING ITEM, AND TRUST DISTRIBUTION		<u>35,622</u>	<u>(1,016,659)</u>
OH & S Trust Distribution	1(g)	<u>49,793</u>	<u>320,267</u>
OPERATING SURPLUS (LOSS) FOR THE YEAR BEFORE NON RECURRING ITEM		85,415	(696,392)
NON RECURRING ITEM			
Profit on Sale of Property		<u>-</u>	<u>3,785,000</u>
OPERATING SURPLUS FOR THE YEAR AFTER NON RECURRING ITEM		<u>85,415</u>	<u>3,088,608</u>

The accompanying notes form part of this financial report

**SUMMARY OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 31 DECEMBER 2003**

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 2003**

	2003	2002
	\$	\$
Membership Contributions	9,470,744	6,701,971
Other Income	2,350,732	5,926,410
TOTAL INCOME	<u>11,821,476</u>	<u>12,628,381</u>
LESS TOTAL EXPENDITURE	<u>11,736,061</u>	<u>9,539,773</u>
SURPLUS FOR THE YEAR	<u>85,415</u>	<u>3,088,608</u>

**STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2003**

ACCUMULATED FUNDS	<u>23,099,002</u>	<u>23,013,587</u>
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Represented by:

Current Assets	13,563,115	12,470,474
Non-Current Assets	12,424,748	13,557,625
TOTAL ASSETS	<u>25,987,863</u>	<u>26,028,099</u>
TOTAL LIABILITIES	<u>2,888,861</u>	<u>3,014,512</u>
NET ASSETS	<u>23,099,002</u>	<u>23,013,587</u>

**SUMMARY OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2003**
(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:

- ① A member of an organisation, or a Registrar, may apply to the organisation for a specified prescribed information in relation to the organisation.
- ② 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.
- ③ 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 2003. Our Auditor's Report to the members dated *13th August, 2004* 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.
.....
DALEY & CO
Chartered Accountants
Wollongong NSW

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

Dated this *13th* day of *August, 2004*.



Australian Government
Australian Industrial Registry

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990
Email: sydney@air.gov.au

Mr Tom Roberts
National Legal Officer
CFMEU Construction & General Division
PO Box Q235
Queen Victoria Building Post Office
SYDNEY NSW 1230

Dear Mr Roberts

Re: Lodgement of Financial Statements and Accounts for the CFMEU Construction & General Division, NSW Branch for the year ending 31 December 2003 (FR2003/685)

Receipt is acknowledged of the abovementioned financial statements and accounts, which were lodged in the Registry on 20 December 2004.

Thank you for your attention to this matter. The documents have been filed, and may be viewed on the internet at www.e-airc.gov.au/105nsw/financial.

I would like to take this opportunity to remind you that information about the new financial reporting obligations under the Registration and Accountability of Organisations Schedule (Schedule 1B to the *Workplace Relations Act 1996*) which now apply to your organisation can be found at www.airc.gov.au/fact_sheets/factsheets.html.

Yours sincerely,

A handwritten signature in cursive script that reads 'Belinda Penna'.

Belinda Penna
for Deputy Industrial Registrar

16 February 2005