



AUSTRALIAN INDUSTRIAL REGISTRY

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

Ref: FR2003/686-[105N-NSWT]

Mr Craig Smith  
Divisional Branch Secretary  
Construction, Forestry, Mining and Energy Union-FFPD  
New South Wales Branch (No.1 Branch)  
PO Box Q694  
QVB Sydney NSW 1230

Dear Mr Smith

**Re: Construction, Forestry, Mining and Energy Union-FFPD- New South Wales Branch (No.1 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.

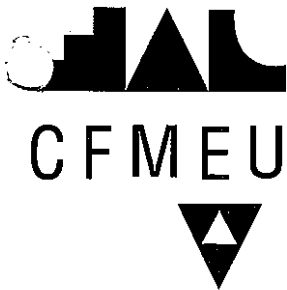
Please note that a branch of an organisation may be exempted from the accounting, auditing and reporting obligations in respect of a financial year by satisfying a Registrar that the branch did not have any financial affairs during the financial year. An application under subsection 271A(1) of the Act 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](mailto:belinda.penna@air.gov.au)  
12 January 2004



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NSW BRANCH



**CONSTRUCTION**

**FORESTRY**

**MINING**

**ENERGY**

**UNION**

Deputy Industrial Registrar  
Australian Industrial Registry  
Level 8, Terrace Towers  
80 William Street  
EAST SYDNEY NSW 2011

28 June 2004

Dear Deputy Industrial Registrar

**RE: Construction, Forestry Mining and Energy Union – FFPD - NSW Branch (No.1 Branch) Financial Reporting Obligations under Workplace Relations Act 1996**

The above organisation financial year ended on 31 December 2003, I advise that there was no requirement to lodge a statement in respect to s. 269 of the Act. I further advise that the annual accounts have been prepared, however the Committee of Management Certificate can not be made until 26 August 2004, which is the date of the next meeting of the Committee of Management where for the purposes of financial reporting obligations the *first meeting* will be held.

I therefore advise that the Auditor's report will not be received within 6 months of the end of the financial year. Calling a Committee of Management meeting for the specific and only purposes of obtaining a resolution in respect to the Committee of Management certificate would cause an unreasonable financial impost on the Branch considering that the majority of Committee Members are located in rural regions across the State. Our Branch Committee of Management meeting schedule for 2004 was disrupted by the requirement to attend to business of the Divisional National Conference which was held outside its normal schedule in June 2004 after being rescheduled on 3 occasions since October 2003.

Accordingly, I respectfully request an extension of time to fully comply with s. 273 of the Act. and await your favourable reply in this regard.

Yours sincerely

**CRAIG SMITH**  
**DIVISIONAL BRANCH SECRETARY**  
**CFMEU FFPD DIVISION - NSW DIVISIONAL BRANCH**

  
FORESTRY, FURNISHING,  
BUILDING PRODUCTS AND  
MANUFACTURING DIVISION  
(FFPD DIVISION)  
NSW DIVISIONAL BRANCH  
ABN: 33 399 833 248

CRAIG SMITH  
Divisional Branch Secretary

BRAD PARKER  
Divisional Branch President

**NSW BRANCH OFFICE**  
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www.cfmeu.asn.au



Ref: FR2003/686 -[105N-NSWT]

Mr Craig Smith  
Divisional Branch Secretary  
CFMEU FFPD  
New South Wales Branch  
PO Box Q694  
QVB SYDNEY NSW 1230

Dear Mr Smith

**Re: Construction, Forestry, Mining and Energy Union-FFPD- New South Wales 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.

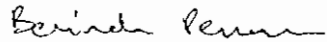
Therefore, I request your written advice **by 2 November, 2004** as to when each of the following steps is expected to be completed:-

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: **FR2003/686**.

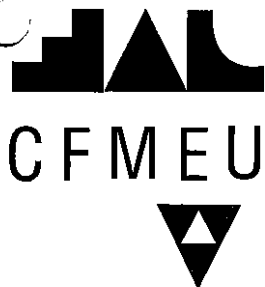
Yours sincerely



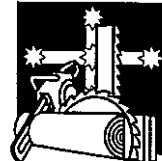
Belinda Penna

E-mail: [belinda.penna@air.gov.au](mailto:belinda.penna@air.gov.au)

12 October, 2004



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NSW BRANCH



18 October 2004

**CONSTRUCTION**

**FORESTRY**

**MINING**

**ENERGY**

**UNION**

Deputy Industrial Registrar  
Australian Industrial Registry  
Level 8, Terrace Towers  
80 William Street  
EAST SYDNEY NSW 2011

Dear Deputy Industrial Registrar

**RE: Construction Forestry Mining & Energy Union, Forestry, Furnishing, Building Products and Manufacturing Division, NSW Divisional Branch – Financial Documents Year ended 31 December 2003 – Workplace Relations Act 1996**

I refer to the above and advise as follows:

1. Accounts and Statements have been prepared in accordance with section 273.
2. In accordance with section 276(4) our appointed Auditors have conducted an audit of the accounts and statements and have provided their report which is dated 26 August 2004.
3. Pursuant to section 279(2), the Committee of Management resolved to provide members with a copy of the summary of the report. In accordance with section 279(2) (a) a copy of the summary is attached for the purposes of lodgement with the Industrial Registry. In accordance with section 279 (5) (b) the summary will be provided to members free of charge in a journal which is due for publication in December 2004.
4. In accordance with section 279 (6) it is proposed to present the report, accounts and statements to a meeting of the Committee of Management on or about December 2004/January 2005.
5. A copy of the report, accounts and statements will be lodged with the Industrial Registry, within the time frame specified in section 280 (1) following the meeting referred to on 4 above.

I trust that this meets with your understanding and acceptance for the purposes of our reporting obligations. I will of course provide the Registry with copies of the report under cover of my Secretary's Certificate in accordance with section 280 of the Act., at the appropriate time.

Yours sincerely

**CRAIG SMITH**  
**DIVISIONAL BRANCH SECRETARY**  
**CFMEU FFPD DIVISION – NSW DIVISIONAL BRANCH**

Encl: Summary of the Financial Report Year Ended 2002



FORESTRY, FURNISHING,  
BUILDING PRODUCTS AND  
MANUFACTURING DIVISION  
(FFPD DIVISION)  
NSW DIVISIONAL BRANCH  
ABN: 33 399 833 248

CRAIG SMITH  
Divisional Branch Secretary  
BRAD PARKER  
Divisional Branch President

**NSW BRANCH OFFICE**  
LEVEL 2  
15 WENTWORTH AVENUE  
SYDNEY NSW 2000

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forestrynew@fed.cfmeu.asn.au

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

The financial report of the Construction Forestry Mining and Energy Union – Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Divisional Branch ("the Union") has been audited in accordance with the provisions of the Workplace Relations Act 1996 ("The Act"), and the following summary is provided for members in accordance with Section 279(2) of the Act.

A copy of the Auditors' Report and Financial Report 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.

In accordance with the requirements of the Act, the attention of members is drawn to the provisions of subsections (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 specified prescribed information in relation to the organisation.
- ❷ An organisation shall, on application 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.

	2003 \$	2002 \$
<b>STATEMENT OF FINANCIAL POSITION</b>		
<b>AS AT 31 DECEMBER 2003</b>		
ACCUMULATED FUNDS	<u>(107,163)</u>	<u>44,017</u>
Represented by:		
<b>ASSETS</b>		
Cash and Investments	283,608	204,797
Receivables	113,992	209,413
Other Assets	6,828	8,839
Property, Plant and Equipment	<u>144,992</u>	<u>144,998</u>
<b>TOTAL ASSETS</b>	<u>549,420</u>	<u>568,047</u>
<b>LIABILITIES</b>		
Accounts Payable	213,267	153,119
Provisions	299,408	250,418
Other Liabilities	53,034	35,033
Tax Liability – GST	23,773	15,103
Interest Bearing Liability	<u>67,101</u>	<u>70,357</u>
<b>TOTAL LIABILITIES</b>	<u>656,583</u>	<u>524,030</u>
<b>NET ASSETS</b>	<u>(107,163)</u>	<u>44,017</u>



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

continued

	2003	2002
	\$	\$
<b>INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2003</b>		
Contributions	854,288	843,466
Grant Received	303,295	289,142
Other Income	182,141	125,351
	<u>1,339,724</u>	<u>1,257,959</u>
Less: Expenditure	1,491,424	1,253,048
OPERATING PROFIT (LOSS) FOR THE YEAR	<u>(151,700)</u>	<u>4,911</u>
Add: Non-Recurring Items	520	15,179
NET PROFIT (LOSS) FOR THE YEAR	<u>(151,180)</u>	<u>20,090</u>

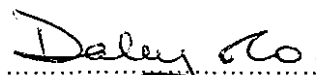
**AUDITORS CERTIFICATE**

We certify that the above summary is a fair and accurate summary of the financial report of the Construction, Forestry, Mining and Energy Union – Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Divisional Branch, for the year ended 31 December 2003. Our Auditors' Report dated 26<sup>th</sup> 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.

Inherent Uncertainty Regarding Continuation as a Going Concern

Without qualification to the opinion expressed above, attention is drawn to the fact that there is significant uncertainty whether the The Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Divisional Branch will be able to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial report, however, has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and liabilities in the normal course of business. The Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Divisional Branch is a Divisional Branch of the Forestry, Furnishing, Building Products and Manufacturing Division of the CFMEU. As a registered organisation under the Workplace Relations Act 1996 the CFMEU is the single legal entity which is ultimately responsible for all assets and liabilities of the organisation. This report must be viewed in the context of the financial status of the organisation as a whole.

  
.....  
**DALEY & CO**  
Chartered Accountants

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

Dated at Wollongong NSW this 26<sup>th</sup> 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

Mr Craig Smith  
Divisional Branch Secretary  
NSW Divisional Branch  
CFMEU FFPD  
PO Box Q694  
QVB SYDNEY NSW 1230

Dear Mr Smith

**Re: Lodgement of Summary of Financial Report for the FFPD New South Wales Divisional Branch for the year ending 31 December 2003 (FR2003/686)**

Receipt is acknowledged of the abovementioned summary of the financial report, under cover of your letter dated 18 October 2004.

The summary meets the requirements of subsection 279(2) of the *Workplace Relations Act 1996* and has been filed.

I note your advice that the summary will be provided to members free of charge in a journal which is due for publication in December 2004, and that a meeting of the Branch Committee of Management is scheduled to be held following that publication, in December 2004 or January 2005.

The Registry will expect the lodgement of the full financial statements and accounts, under cover of a Secretary's Certificate following the Branch Committee of Management Meeting.

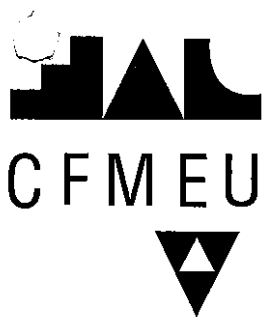
Yours sincerely,

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

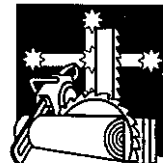
Belinda Penna  
for Deputy Industrial Registrar

21 October 2004

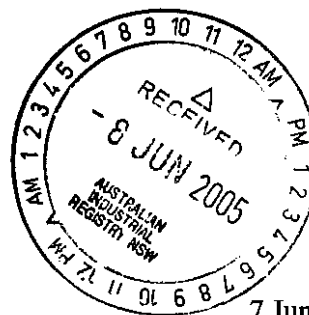




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7 June 2005

**CONSTRUCTION**

**FORESTRY**

**MINING**

**ENERGY**

**UNION**

The Industrial Registrar  
Australian Industrial Registry  
Level 8, Terrace Towers  
80 William Street  
EAST SYDNEY NSW 2011

**Your Reference: FR2003/686**

Dear Sir/Madam

**RE: Financial Reporting Obligations Under *Workplace Relations Act 1996***

Please find enclosed copy of the financial documents relating to the audit report of the Construction, Forestry, Mining and Energy Union, FFPD Division, NSW Branch for the year ended 31 December 2003.

The documents are being lodged in compliance with section 280(1) of the Act., and are under cover of a certificate signed by me.

I trust that this satisfactorily concludes the financial reporting requirements of the organisation for the year ended 31 December 2003.

Yours sincerely

**CRAIG SMITH**  
**DIVISIONAL BRANCH SECRETARY**  
**CFMEU FFPD DIVISION - NSW DIVISIONAL BRANCH**



FORESTRY, FURNISHING,  
BUILDING PRODUCTS AND  
MANUFACTURING DIVISION  
(FFPD DIVISION)  
NSW DIVISIONAL BRANCH  
ABN: 33 399 833 248

CRAIG SMITH  
Divisional Branch Secretary

BRAD PARKER  
Divisional Branch President

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## SECRETARY'S CERTIFICATE

Issued pursuant to sub section 268 (c) of the Workplace Relations Act., 1996.

I, Craig Anthony Smith, being the Divisional Branch Secretary of the NSW Divisional Branch (No. 1 Branch) of the Forestry, Furnishing, Building Products and Manufacturing Division (FFPD Division) of the Construction, Forestry Mining and Energy Union, Level 2, 13-15 Wentworth Avenue, Sydney NSW, do hereby state that the attached documents are copies of the reports and audited accounts and financial statements for the year ending on the 31<sup>st</sup> day December, 2003 that were:

- (i) Supplied to members through a union newsletter published as the Autumn edition 2005; and
- (ii) Presented to a general meeting of members of the Committee of Management of the NSW Divisional Branch (No. 1 Branch) of the Forestry, Furnishing, Building Products and Manufacturing Division (FFPD Division) on of the Construction, Forestry Mining and Energy Union on the 27<sup>th</sup> May 2005.

Signed:

  
.....  
Craig Anthony Smith

..... 7<sup>th</sup> day of June ..... 2005

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION**  
**FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION -**  
**NEW SOUTH WALES DIVISIONAL BRANCH**

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

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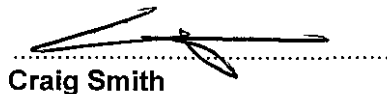
1	Accounting Officer's Certificate
2	Committee of Managements' Certificate
3	Independent Audit Report to the Members
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5	Statement of Financial Position
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## ACCOUNTING OFFICER'S CERTIFICATE

I, Craig Smith, being the Officer responsible for keeping the accounting records of the Construction Forestry Mining and Energy Union – Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Divisional Branch, ("the Union") certify that as at 31 December 2003, the number of members of the Union was 3,598.

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.

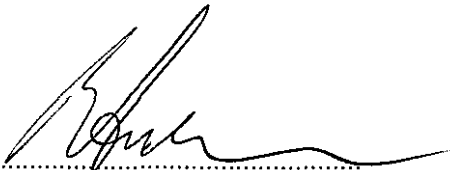
  
Craig Smith

Signed this 26<sup>th</sup> day of August 2004.

### COMMITTEE OF MANAGERMENTS' CERTIFICATE

We, Bevan Anderson and Tom Abramovic, being two members of the Committee of Management of the Construction Forestry Mining and Energy Union – Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Divisional Branch ("the Union"), do state on behalf of the Committee of Management and in accordance with a resolution passed by the Committee of Management 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 of Management 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 of Management, 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(2) 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, 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 Auditors' Report thereon.



Bevan Anderson



Tom Abramovic

Signed this 26<sup>th</sup> day of August 2004.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

### Scope

We have audited the financial report of the Construction Forestry Mining and Energy Union – Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Divisional Branch ("the Union") for the year ended 31 December 2003 as set out on pages 4 to 16. The Union's Committee of Management is responsible for the preparation and presentation of the financial report. We have conducted an independent audit of this 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. The procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards, other mandatory professional reporting requirements and statutory requirements, so as to present a view 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

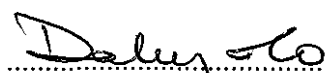
In our opinion:

- (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 purposes 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.

### Inherent Uncertainty Regarding Continuation as a Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matter. As a result of the matters described in Note 18, there is significant uncertainty whether the The Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Divisional Branch will be able to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

  
.....  
Daley & Co  
Chartered Accountants

  
.....  
M L Gleeson  
Registered Company Auditor

Signed at Wollongong NSW this 26<sup>th</sup> day of August 2004.

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

	NOTE	2003 \$	2002 \$
<b>Revenues from Ordinary Activities</b>	2(a)	<u>1,340,243</u>	<u>1,363,834</u>
<b>Expenses from Ordinary Activities</b>			
Employee Benefits Expense		636,820	616,805
Depreciation and Amortisation Expense		14,213	17,471
Sustentation Fees		174,181	162,662
Motor Vehicle Expenses		59,978	48,333
Other Ordinary Expenditure		602,499	467,841
Provision for Doubtful Debt		-	9,488
Write Down of Inventories		-	17,791
Written Down Value of Property, Plant & Equipment Sold		3,732	371
Written Down Value of Investments Sold		-	2,982
		<u>1,491,423</u>	<u>1,343,744</u>
<b>PROFIT (LOSS) FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO MEMBERS</b>		<u>(151,180)</u>	<u>20,090</u>

The accompanying notes form part of this financial report

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

	NOTES	2003 \$	2002 \$
<b>CURRENT ASSETS</b>			
Cash	4	120,038	84,076
Receivables	5	113,992	209,413
Other	6	6,828	8,839
Investments	7	163,569	120,720
<b>TOTAL CURRENT ASSETS</b>		<b>404,427</b>	<b>423,048</b>
<b>NON-CURRENT ASSETS</b>			
Investments	7	1	1
Property, Plant and Equipment	8	144,992	144,998
<b>TOTAL NON-CURRENT ASSETS</b>		<b>144,993</b>	<b>144,999</b>
<b>TOTAL ASSETS</b>		<b>549,420</b>	<b>568,047</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable	9	213,267	153,119
Interest Bearing Liability	10	7,458	7,796
Provisions	11	190,106	159,003
Other	12	53,034	35,033
Tax Liability		23,773	15,103
<b>TOTAL CURRENT LIABILITIES</b>		<b>487,638</b>	<b>370,054</b>
<b>NON CURRENT LIABILITIES</b>			
Interest Bearing Liabilities	10	59,643	62,561
Provisions	11	109,302	91,415
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>168,945</b>	<b>153,976</b>
<b>TOTAL LIABILITIES</b>		<b>656,583</b>	<b>524,030</b>
<b>NET ASSETS</b>		<b>(107,163)</b>	<b>44,017</b>
<b>ACCUMULATED FUNDS</b>			
Members Funds	15	(107,163)	44,017

The accompanying notes form part of this financial report



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

	NOTES	2003 \$	2002 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Members		963,042	895,834
Service Fees – Grants		64,559	51,163
Reimbursement of Sitting Fees		32,590	28,659
Reimbursement of Grant Expenditure		99,598	40,881
Interest received		8,057	6,917
Other Income Received		10,289	32,130
Payments to Suppliers and Employees		(1,177,017)	(1,104,488)
Interest Paid on Borrowings		(4,340)	(10,110)
Receipts for Government Grants		333,796	296,091
Payments on Behalf of Government Grants		(300,606)	(275,477)
NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES	14(a)	<u>29,968</u>	<u>(38,400)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Property, Plant & Equipment		8	-
Proceeds from Sale of Investments		70,030	-
Payments for Property, Plant and Equipment		(17,939)	(7,266)
Movements in Investments		(42,848)	93,171
NET CASH PROVIDED BY INVESTING ACTIVITIES		<u>9,251</u>	<u>85,905</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayments of Borrowings		(3,257)	(3,414)
NET CASH USED IN FINANCING ACTIVITIES		<u>(3,257)</u>	<u>(3,414)</u>
NET INCREASE IN CASH HELD		35,962	44,091
CASH AT THE START OF THE FINANCIAL YEAR		84,076	39,985
CASH AT THE END OF THE FINANCIAL YEAR	14(b)	<u>120,038</u>	<u>84,076</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**

This financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other pronouncements of the Australian Accounting Standards Board and the requirements of the Workplace Relations Act, 1996.

The financial report has been prepared on an accruals basis and is based on historical costs and do 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 following is a summary of the material accounting policies adopted by the Union in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are brought to account at cost less where applicable, any accumulated depreciation. The carrying amount of property, plant and equipment is reviewed periodically by the Committee 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 depreciation rates used for each class of depreciable assets are:

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
	<i>%</i>
Buildings	2.00 to 20.00
Furniture Fittings & Equipment	5.00 to 47.90
Motor Vehicles	22.50

(b) EMPLOYEE BENEFITS

Provision is made in respect of the Union's liability for annual leave, sick 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.

In the 2002 year, for the first time, the Union recognised a provision for Severance. During the 2002 year the Union established a severance scheme, which has a deemed start date of 1 January 1999. Accordingly a non-recurring charge of \$62,085 representing entitlements accrued from 1 January 1999 to 31 December 2001 was made. Current year entitlement charges now form part of operating expenditure. No on-costs have been included on this provision.

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

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

Continued

**1. STATEMENT OF ACCOUNTING POLICIES**

Continued

(c) INCOME TAX

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

(d) COMPARATIVE FIGURES

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

(e) INVENTORIES

Inventories comprise promotional items and are valued at cost price being the lower of cost and net realisable value.

(f) 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.

(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
- as a liability where funding received exceeds expenditures to the balance date and the grant is ongoing. Refer to Note 12, "Unexpended Grants Carried Forward".

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

Continued

	2003 \$	2002 \$
<b>2. OPERATING PROFIT FROM ORDINARY ACTIVITIES</b>		
Profit from ordinary activities is arrived at after taking into account		
<b>(a) REVENUE:</b>		
<i>Operating Activities</i>		
Contributions	854,288	843,466
Sitting Fees	34,458	21,223
Grants – Service Office Fees	58,690	46,512
Grants – Reimbursed Expenditure	90,500	65,455
Interest Received	7,210	6,565
Grants Received	303,295	289,142
Unexpended Grant Funds Carried Forward	(18,079)	(28,426)
Employee Entitlements Transferred In	-	16,365
Other Income	9,353	34,022
	<u>1,339,715</u>	<u>1,294,324</u>
<i>Non-Operating Activities</i>		
Proceeds from Sale of Investments	528	69,510
	<u>1,340,243</u>	<u>1,363,834</u>
<b>(b) EXPENSES</b>		
Depreciation of Non-Current Assets		
Buildings	2,069	2,069
Plant & Equipment	12,144	15,402
Total Depreciation	<u>14,213</u>	<u>17,471</u>
Movements In Employee Benefits	48,992	92,372
Provision for Doubtful Debt	-	9,488
Written Down Value of Property, Plant & Equipment Sold	3,732	371
Written Down Value of Investments Sold	-	2,982
Remuneration of Auditors		
- Auditing the Financial Report	14,645	14,150
- Accounting & Taxation Services	1,140	4,979
	<u>15,785</u>	<u>19,129</u>

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

Continued

**3. SPECIFIED INFORMATION**

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

	<b>2003</b>	<b>2002</b>
	\$	\$
<b>4. CASH</b>		
Cash on Hand	1,000	500
Cash at Bank	119,038	83,576
	<u>120,038</u>	<u>84,076</u>
<b>5. RECEIVABLES</b>		
<b>Current</b>		
Contributions Receivable	80,365	98,705
Sundry Debtors	43,115	120,196
Less: Provision for Doubtful Debt	(9,488)	(9,488)
	<u>113,992</u>	<u>209,413</u>
<b>6. OTHER</b>		
<b>Current</b>		
Prepayments	6,828	8,839
	<u>6,828</u>	<u>8,839</u>
<b>7. INVESTMENTS</b>		
<b>Current</b>		
Investment Account	163,569	120,720
	<u>163,569</u>	<u>120,720</u>
<b>Non-Current</b>		
Shares in Training Education and Management Services Pty Limited (At Cost)	1	1
	<u>1</u>	<u>1</u>

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

Continued

	2003 \$	2002 \$
<b>8. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>LAND AND BUILDINGS – AT COST</b>		
➤ 26 Merrivale Street, Tumut, NSW		
Land	14,000	14,000
Buildings	103,453	103,453
Accumulated Depreciation	(10,690)	(8,621)
<b>TOTAL LAND &amp; BUILDINGS</b>	<u>106,763</u>	<u>108,832</u>
<b>FURNITURE, FITTINGS AND EQUIPMENT</b>		
• At Cost	75,373	77,206
• Accumulated Depreciation	(60,040)	(66,261)
	<u>15,333</u>	<u>10,945</u>
<b>COMPUTER EQUIPMENT</b>		
• At Cost	77,844	76,097
• Accumulated Depreciation	(54,948)	(51,669)
	<u>22,896</u>	<u>24,428</u>
<b>MOTOR VEHICLES</b>		
• At Cost	650	650
• Accumulated Depreciation	(650)	(622)
	<u>-</u>	<u>28</u>
<b>LEASEHOLD IMPROVEMENTS</b>		
• At Cost	17,625	17,625
• Accumulated Depreciation	(17,625)	(16,860)
	<u>-</u>	<u>765</u>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<u>144,992</u>	<u>144,998</u>

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

continued

	2003	2002
	\$	\$

**8. PROPERTY, PLANT AND EQUIPMENT**

Continued

**Movements In Carrying Amounts**

Movements in the carrying amounts (written down values) for each class of property, plant and equipment between the start and end of the current financial year.

	LAND & BUILDINGS	LEASEHOLD IMPROVEMENTS	FURNITURE FITTINGS & EQUIPMENT	TOTAL
Balance at Start of Year	108,832	765	35,401	144,998
Additions	-	-	17,939	17,939
Disposals – Assets	-	-	(18,025)	(18,025)
Amort/Depreciation Expense	(2,069)	(765)	(11,379)	(14,213)
Disposals – Accum Dep'n	-	-	14,293	14,293
Balance at End of Year	<u>106,763</u>	<u>-</u>	<u>38,229</u>	<u>144,992</u>

**9. ACCOUNTS PAYABLE**

Trade Creditors & Accruals	<u>213,267</u>	<u>153,119</u>
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**10. INTEREST BEARING LIABILITY**

**Current**

Loan – Secured	<u>7,458</u>	<u>7,796</u>
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**Non Current**

Loan – Secured	<u>59,643</u>	<u>62,561</u>
<b>TOTAL BORROWINGS</b>	<u><u>67,101</u></u>	<u><u>70,357</u></u>

(a) The bank loans are secured by registered first mortgages over the Merrivale Street, Tumut property.

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

Continued

	2003 \$	2002 \$
<b>11. PROVISIONS</b>		
<b>Current</b>		
<b>Employee Benefits:</b>		
Annual Leave	83,269	73,855
Long Service Leave	57,540	52,453
Sick Leave	34,782	32,579
Rostered Days Off	2,022	116
Severance Scheme	12,493	-
Total Current Provisions	<u>190,106</u>	<u>159,003</u>
<b>Non Current</b>		
<b>Employee Benefits:</b>		
Long Service Leave	9,678	6,511
Severance Scheme	99,624	84,904
	<u>109,302</u>	<u>91,415</u>
(a) Aggregate Employee Benefits Liability	<u>299,408</u>	<u>250,418</u>
(b) Number of Employees at year end	<u>11</u>	<u>10</u>
<b>12. OTHER</b>		
Unexpended Grant Funds	48,112	30,033
Grants In Advance	4,922	5,000
	<u>53,034</u>	<u>35,033</u>
<b>13. SALARIES</b>		
The following analysis of salaries paid during the year ended 31 December 2003 is given in compliance with the requirements of the Workplace Relations Act, 1996.		
Paid to Office Holders	123,927	116,119
Paid to Employees	403,883	354,637
Paid Maternity Leave	-	9,790
	<u>527,810</u>	<u>480,546</u>



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

continued

	2003 \$	2002 \$
<b>14. CASH FLOW INFORMATION</b>		
<b>(A) RECONCILIATION OF NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES TO OPERATING RESULT</b>		
Operating Result from Ordinary Activities	(151,180)	20,090
<b>Non Cash Items</b>		
Depreciation	14,213	17,471
Provision for Employee Entitlements	48,990	110,874
Provision for Doubtful Debt	-	9,488
First Time Recognition of Shares	-	(1,650)
Net Profit on Sale of Assets	(528)	(66,528)
Net Loss on Disposal of Assets	3,732	371
<b>Changes in Assets and Liabilities</b>		
(Increase) Decrease in Accounts Receivable	25,911	(72,338)
Decrease in Inventories	-	17,791
Decrease in Prepayments	2,011	89
Increase in Unexpended Grant Income	18,001	8,425
Increase (Decrease) in Accounts Payable	60,148	(30,682)
Increase (Decrease) in Other Provisions	-	(41,089)
Increase (Decrease) in GST Liability	8,670	(10,712)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<u>29,968</u>	<u>(38,400)</u>
<b>(B) RECONCILIATION OF CASH</b>		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to terms in the Statement of Financial Position as follows:		
• Cash [Note 4]	120,038	84,076
• Bank Overdraft	-	-
	<u>120,038</u>	<u>84,076</u>

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

continued

	2003 \$	2002 \$
<b>15. MEMBERS FUNDS</b>		
Opening Balance at Start of Year	44,017	23,927
Add: Profit (Loss) from Ordinary Activities		
General Fund	(151,180)	20,985
Grant Funds	-	(895)
	<u>(151,180)</u>	<u>20,090</u>
Closing Balance at End of Year	<u>(107,163)</u>	<u>44,017</u>

**16. RELATED PARTY INFORMATION**

**MEMBERS OF THE COMMITTEE OF MANAGEMENT**

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

**OFFICIALS**

- Mr B Anderson (President – Honorary)
- Mr B Parker (President – Employed)
- Mr B Campbell (Senior Vice President)
- Mr T Abramovic (Vice President (Junior))
- Mrs J Willett (Vice President (Junior) (AA))
- Mr C Smith (Secretary)

**TRUSTEES**

- Mrs E Anderson (AA)
- Mr P Reilly (Resigned 2/10/2003)
- Mr R Watson
- Mr K Miller
- Mrs S Taailii

**COMMITTEE MEMBERS**

- Mr A Lanyon
- Mr B Barrakett
- Mrs C Hampton (AA)
- Mr K Hickey
- Mr M Thomson (Resigned 2/10/2003)
- Mr M Schuppan
- Mr P Sanders (Resigned 2/10/2003)
- Mr G Tory
- Mr A Ovington

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

continued

**17. OPERATING LEASE COMMITMENTS**

An operating lease commitment exists in respect of the sub-lease of floor area within the premises situated at Wentworth Street, Sydney. An operating lease commitment also exists in respect of the lease of six motor vehicles from Summit Fleet Management Services. The maximum amount (including GST) committed plus the maximum extension of options is as follows :-

	<b>2003</b>	<b>2002</b>
	<b>\$</b>	<b>\$</b>
The total operating lease commitments are:		
(a) Wentworth Street, Sydney		
Due within 1 Year	-	7,789
Due within 1-2 Years	-	-
	<u>-</u>	<u>7,789</u>
(b) Motor Vehicles		
Due within 1 Year	99,144	84,816
Due within 1-2 Years	82,344	14,136
Due within 2-5 Years	-	-
	<u>181,488</u>	<u>98,952</u>
<b>TOTAL COMMITMENT</b>	<u><u>181,488</u></u>	<u><u>106,741</u></u>


**18. GOING CONCERN**

The financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and liabilities in the normal course of business. The Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Divisional Branch is a Divisional Branch of the Forestry, Furnishing, Building Products and Manufacturing Division of the CFMEU. As a registered organisation under the Workplace Relations Act 1996 the CFMEU is the single legal entity which is ultimately responsible for all assets and liabilities of the organisation. This report must be viewed in the context of the financial status of the organisation as a whole.

### DISCLAIMER ON ADDITIONAL FINANCIAL INFORMATION

The additional financial information presented on pages 18 to 21 is in accordance with the books and records of the Construction Forestry Mining and Energy Union – Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Divisional Branch ("The Union"), which have been subjected to the auditing procedures applied in our statutory audit of the Union for the year ended 31 December 2003. It will be appreciated that our statutory audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the Union) in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.



.....  
Daley & Co  
Chartered Accountants  
Wollongong NSW 2500

Signed at Wollongong NSW this 26<sup>th</sup> day of August 2004

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

	2003	2002
	\$	\$
<b>GENERAL FUNDS</b>		
<b>INCOME</b>		
Contributions	854,288	843,466
Grants - Serviced Office Fees	58,690	46,512
Interest Received	6,961	6,331
Reimbursement of Sitting Fees	34,458	21,223
Reimbursement of Grant Expenditure	90,500	65,455
Profit on Sale of Fund Assets	8	-
Promotional Sales	-	8,510
Advertising	-	5,216
Fee for Service	3,334	-
Training Fees Reimbursed	5,930	-
Sundry Income	89	296
<b>TOTAL INCOME</b>	<b>1,054,258</b>	<b>997,009</b>
<b>EXPENDITURE</b>		
Advertising	-	106
Affiliation Fees	19,564	7,581
Auditors Remuneration	11,785	17,129
Bank Charges	1,442	1,147
Committee of Management Expenses	8,978	13,202
Computer Expenses	6,083	7,752
Delegates Training Expenses	5,546	1,516
Depreciation	14,213	17,471
Donations	250	-
Electricity	291	388
Filing Fees	1,205	859
Fringe Benefit Tax	15,317	13,121
Insurance	21,707	13,961
Interest Paid	4,340	6,059
Lease Charges – Motor Vehicles	98,619	68,638
Legal and Professional Expenses	17,319	5,663
Loss on Disposal of Fixed Assets	3,732	371
Motor Vehicle Expenses / Fuel	33,285	23,103
National Conference	1,256	322
National Office Levy	22,700	-
Payroll Tax	31,676	26,867
	<b>319,308</b>	<b>225,256</b>

Continued Over Page 4

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

	2003	2002
	\$	\$
<b>GENERAL FUNDS</b>		
<b>EXPENDITURE</b>		
<i>continued</i>		
Balance Brought Forward	319,308	225,256
Picnic Day	2,449	3,768
Postage, Freight, Printing and Stationery	21,272	34,708
Provision for Annual Leave	9,415	4,951
Provision for Long Service Leave	8,255	5,926
Provision for Sick Leave	2,203	(2,210)
Provision for Rostered Days Off	1,906	(1,198)
Provision for Severance Scheme	27,213	22,818
Rates	1,568	1,504
Rent and Outgoings	35,786	33,346
Repairs, Maintenance and Outgoings	2,436	1,998
Salaries and Wages – Officers	123,927	116,119
Salaries and Wages – Employees	334,627	268,456
Salaries and Wages – Maternity Leave	-	9,790
Salaries and Wages – Casuals	-	5,306
Staff Expenses	2,069	1,616
Storage	-	1,522
Subscriptions	2,638	2,335
Sundry Expenses	2,045	4,328
Superannuation Contributions	53,538	38,195
Sustentation Fees	174,181	162,662
Travel – Accommodation, Meals & Airfares	35,204	14,696
Telephone and Facsimile	45,918	35,311
<b>TOTAL EXPENDITURE</b>	<b>1,205,958</b>	<b>991,203</b>
<b>OPERATING RESULT</b>		
<b>BEFORE NON-RECURRING ITEMS</b>	<b>(151,700)</b>	<b>5,806</b>
<i>NON-RECURRING ITEMS</i>		
First Time Recognition of Shares	-	1,650
Profit on Investments	520	66,528
Employee Benefits Transferred In	-	16,365
Write Back of Grant Funds Now Recovered	-	20,000
Provision for Doubtful Debt	-	(9,488)
Write Down of Inventories	-	(17,791)
Provision for Severance Scheme – Prior Years [Note 1(b)]	-	(62,085)
	520	15,179
<b>OPERATING RESULT FOR THE YEAR</b>	<b>(151,180)</b>	<b>20,985</b>

**DETAILED STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE PERIOD 1 JANUARY 2003 TO 31 MARCH 2003**

*Federated Furnishing Trade Society Union Division, New South Wales Branch*

	<b>2003</b>	<b>2002</b>
	<b>\$</b>	<b>\$</b>
<b>INCOME</b>		
Membership Contributions	-	41,298
<b>EXPENDITURE</b>		
Administrations Fees	-	35,103
Sustentation Fees – Federal Branch	-	6,195
<b>TOTAL EXPENDITURE</b>	-	41,298
<b>OPERATING RESULT FOR THE YEAR</b>	-	-

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

	2003 \$	2002 \$
<b>GRANT FUNDS</b>		
<b>INCOME</b>		
Grant Funds Received	303,295	289,142
Interest Received on Grant Funds	249	234
Unexpended Grant Funds Carried Forward	(18,079)	(28,426)
<b>TOTAL INCOME</b>	<u>285,465</u>	<u>260,950</u>
<b>EXPENDITURE</b>		
Accommodation & Meals	5,122	7,547
Air Fares and Travel Expenses	6,767	2,930
Auditors Remuneration	4,000	2,000
Bank Charges	299	311
Computer Expenses	2,405	6,514
Computer Lease	11,549	-
Consultancy Fees	-	15,845
Equipment & Materials	5,887	4,780
Evaluation Costs	3,000	-
Fringe Benefits Tax	5,510	235
Hire of Venues	227	1,437
Legal Fees	10,440	-
Motor Vehicle Expenses	26,688	25,230
Payroll Tax	4,520	4,222
Printing, Postage and Stationery	5,927	14,688
Salaries	69,256	80,875
Salaries – Reimbursed	48,286	32,639
Subscriptions	738	-
Superannuation	6,480	5,692
Training	227	560
Telephone	9,447	9,828
Service Office Fees	58,690	46,512
	<u>285,465</u>	<u>261,845</u>
<b>OPERATING RESULT FOR THE YEAR</b>	<u>-</u>	<u>(895)</u>



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

The financial report of the Construction Forestry Mining and Energy Union – Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Divisional Branch (“the Union”) has been audited in accordance with the provisions of the Workplace Relations Act 1996 (“The Act”), and the following summary is provided for members in accordance with Section 279(2) of the Act.

A copy of the Auditors’ Report and Financial Report 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.

In accordance with the requirements of the Act, the attention of members is drawn to the provisions of subsections (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 specified prescribed information in relation to the organisation.
- ❷ An organisation shall, on application 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.

	2003	2002
	\$	\$
<b>STATEMENT OF FINANCIAL POSITION</b>		
<b>AS AT 31 DECEMBER 2003</b>		
ACCUMULATED FUNDS	<u>(107,163)</u>	<u>44,017</u>
Represented by:		
<b>ASSETS</b>		
Cash and Investments	283,608	204,797
Receivables	113,992	209,413
Other Assets	6,828	8,839
Property, Plant and Equipment	<u>144,992</u>	<u>144,998</u>
<b>TOTAL ASSETS</b>	<u>549,420</u>	<u>568,047</u>
<b>LIABILITIES</b>		
Accounts Payable	213,267	153,119
Provisions	299,408	250,418
Other Liabilities	53,034	35,033
Tax Liability – GST	23,773	15,103
Interest Bearing Liability	<u>67,101</u>	<u>70,357</u>
<b>TOTAL LIABILITIES</b>	<u>656,583</u>	<u>524,030</u>
<b>NET ASSETS</b>	<u>(107,163)</u>	<u>44,017</u>

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

continued

	2003	2002
	\$	\$
<b>INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2003</b>		
Contributions	854,288	843,466
Grant Received	303,295	289,142
Other Income	182,141	125,351
	<u>1,339,724</u>	<u>1,257,959</u>
Less: Expenditure	1,491,424	1,253,048
OPERATING PROFIT (LOSS) FOR THE YEAR	<u>(151,700)</u>	<u>4,911</u>
Add: Non-Recurring Items	520	15,179
NET PROFIT (LOSS) FOR THE YEAR	<u>(151,180)</u>	<u>20,090</u>

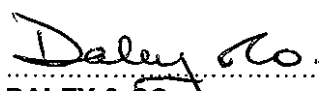
**AUDITORS CERTIFICATE**

We certify that the above summary is a fair and accurate summary of the financial report of the Construction, Forestry, Mining and Energy Union – Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Divisional Branch, for the year ended 31 December 2003. Our Auditors' Report dated 26<sup>th</sup> 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.

Inherent Uncertainty Regarding Continuation as a Going Concern

Without qualification to the opinion expressed above, attention is drawn to the fact that there is significant uncertainty whether the The Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Divisional Branch will be able to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial report, however, has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and liabilities in the normal course of business. The Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Divisional Branch is a Divisional Branch of the Forestry, Furnishing, Building Products and Manufacturing Division of the CFMEU. As a registered organisation under the Workplace Relations Act 1996 the CFMEU is the single legal entity which is ultimately responsible for all assets and liabilities of the organisation. This report must be viewed in the context of the financial status of the organisation as a whole.

  
.....  
DALEY & CO  
Chartered Accountants

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

Dated at Wollongong NSW this 26<sup>th</sup> 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 Craig Smith  
Divisional Branch Secretary  
CFMEU FFPD  
NSW Divisional Branch  
PO Box Q694  
QVB SYDNEY NSW 1230

Dear Mr Smith

**Re: Lodgement of Financial Statements and Accounts for the CFMEU FFPD NSW Branch for the year ending 31 December 2003 (FR2003/686)**

Receipt is acknowledged of the abovementioned financial statements and accounts which were lodged in the Registry on 8 June 2005.

Before the documents can be filed I would appreciate your comments on the following:

Audit Opinion

The auditor has expressed an opinion that the branch has an "inherent uncertainty regarding continuation as a going concern". The Registry would appreciate your comments on this opinion, and what action the branch may undertake to address its capacity to remain a going concern.

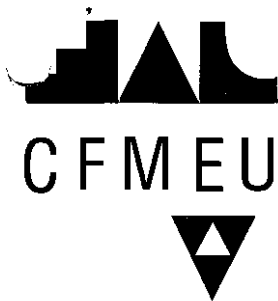
If you would like to discuss this letter please contact me on 02 8374 6666.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Peter McKerrow', written over a white background.

Peter McKerrow  
for Deputy Industrial Registrar

15 June 2005



Solidarity is Strength



NSW BRANCH



**CONSTRUCTION**

**FORESTRY**

**MINING**

**ENERGY**

**UNION**

Deputy Industrial Registrar  
Australian Industrial Registry  
Level 8, Terrace Towers  
80 William Street  
EAST SYDNEY NSW 2011

18 November 2005

Attention: Stephen Kellett, Assistant Manager, Australian Industrial Registry

**RE: Lodgement of Fincial Statements and Accounts for the CFMEU  
FFPD NSW Divisional Branch for the year ended 31 December  
2003 (FR2003/686)**

I refer to correspondence dated 15 June 2005 received from Mr Peter McKerrow regarding lodgement of our financial Statements and in particular the Audit Opinion regarding "inherent uncertainty" contained with the report.

My apologies for the delay in responding to Mr McKerrow's letter, it was an oversight.

The Auditors have reported the "Inherent uncertainty regarding continuation as a going concern" for the CFMEU FFPD NSW Divisional Branch on the basis that the value of liabilities of the Branch such as accounts payable on hand and Officers and employee entitlements has exceeded the depreciated value of the few assets held by the Branch, as can be identified within the financial report.

The NSW Branch doesn't own or hold substantial building assets or shares or other interests, therefore, the Branch negative net result position will probably continue into the future. Indeed the Auditors have reported the "Inherent uncertainty regarding continuation as a going concern" for the CFMEU FFPD NSW Divisional Branch in the 2004 Financial Statements Report.

The auditors have qualified the Inherent uncertainty statement at note 18 of the report. If the financial reports of all the Branches and the National Office of the FFPD are considered as one, the Division has a very healthy net assets position. The FFPD National Executive has underwritten/guaranteed employee entitlements for all officers and staff of the NSW Branch. Further, since the making of the report, the Branch has been meeting its debts and liabilities as they fall due.

As at 31 December 2003 and at 31 December 2004, the Branch was carrying several aging debts which have either been forgiven by the creditor or paid with the financial assistance of the National Executive of the Division. This reduction in the accounts payable liability will impact positively on the net result position of the Branch.



FORESTRY, FURNISHING,  
BUILDING PRODUCTS AND  
MANUFACTURING DIVISION  
(FFPD DIVISION)  
NSW DIVISIONAL BRANCH  
ABN: 33 399 833 248

CRAIG SMITH  
Divisional Branch Secretary  
BRAD PARKER  
Divisional Branch President

**NSW BRANCH OFFICE**

LEVEL 2

15 WENTWORTH AVENUE  
SYDNEY NSW 2000

PO BOX Q694  
QVB SYDNEY NSW 1230

PH: (02) 9267 3267

FAX: (02) 9267 8259

E-MAIL:

forestrynsw@fed.cfmeu.asn.au

WEB:

www.cfmeu.asn.au

I can disclose that a substantial restructuring proposal for the CFMEU FFPD has been under consideration for several months now. The restructure proposal will result in significant cost savings to the Branch particularly in the area of administration. The recent announcement of the Division to relocate its National Office from Adelaide to Sydney is one of the initial steps under the restructure proposal.

I trust that the above addresses your request for comment on the Audit Opinion and should you wish to discuss the matter I can be contacted on (02) 8898 6900 or 0414225592.

Yours sincerely



CRAIG SMITH  
DIVISIONAL BRANCH SECRETARY  
CFMEU FFPD – NSW DIVISIONAL BRANCH



**Australian Government**

**Australian Industrial Registry**

Level 8, Terrace Towers  
80 William Street, East Sydney, NSW 2011  
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Mr Craig Smith  
Branch Secretary, NSW Divisional Branch  
Forestry & Furnishing Products Division  
CFMEU  
PO Box Q694, Queen Victoria Building Post Office  
SYDNEY NSW 1230

Dear Mr Smith

**Re Financial report – New South Wales Divisional Branch, FFPD Division –  
for year ending 31 December 2003 (FR2003/686)**

Thank you for your letter dated 18 November 2005 regarding the Auditor's qualification in relation to the above financial report.

I note your comments explaining firstly, that the Branch has few assets but is underwritten by the FFPD National Executive and is meeting all its debts and liabilities, and secondly, that the same qualification will be made for the 2004 report and into the future.

Accordingly, the financial documents for the year ending 31 December 2003 have now been filed.

Yours sincerely,

A handwritten signature in black ink that reads 'Stephen Kellett'. The signature is written in a cursive style and is followed by a horizontal line.

Stephen Kellett  
for Deputy Industrial Registrar

23 November 2005