



Australian Government
Australian Industrial Registry

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
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Ref: FR2005/573-[105N-PPBU]

Mr Ken Fraser
Secretary/Treasurer
CFMEU FFPD
Pulp & Paper Workers Burnie Sub-Branch
PO Box 474
BURNIE TAS 7320

Dear Mr Fraser,

**Pulp & Paper Workers' Burnie Sub-Branch – Financial Return for the year ending
31 December, 2005**

Our records show the organisation's financial year ended recently. This letter outlines some of the things you must do to meet your financial reporting obligations and when you have to do them. For simplicity, we will call the documents you have to lodge with us your *financial return*.

Legislation

This letter is intended as guide to the law applicable on the date of this letter and should not be used as a substitute for legal or accounting advice. We only summarise some of the reporting requirements in this letter. More detailed information is at the end of this letter.

In May 2003 the Industrial Registrar wrote to all organisations forwarding a number of facts sheets outlining the major changes made by Schedule 1B of the Workplace Relations Act 1996 ('RAO'¹). While the immediate changes affected the rules and elections in organisations, the changes affecting financial returns involve a longer lead time.

The key differences under the new legislation affecting financial returns are:

- a reduced financial reporting cycle (now maximum periods of 5 or 6 months depending on internal arrangements of organisation)
- a greater emphasis given to Australian Accounting Standards
- the introduction of a new report, known as an Operating Report (broadly similar in concept to a Director's Report under the corporations legislation)
- extensions of time are limited to one month
- restructured penalty provisions involving more extensive use of Civil Penalties
- the introduction of the Industrial Registrar's Reporting Guidelines
- organisations and their branches to report according to their financial structures, known as 'reporting units'.

We recommend you discuss the new requirements with your accountant or auditor.

¹ Registration and Accountability of Organisations Schedule (RAO) (Schedule 1B to the *Workplace Relations Act 1996*)

Reporting Unit

One of the new concepts of the RAO legislation is that reporting entities are known as “*reporting units*”. Where an organisation is **not** divided into branches the reporting unit is the whole of the organisation. Where an organisation is divided into branches each branch will be a reporting unit unless the Industrial Registrar has determined a division of the organisation into reporting units on an alternative basis. We can discuss this with you if you need more information.

For simplicity, we will refer to your organisation as a reporting unit in this letter.

Industrial Registrar’s Guidelines

The Industrial Registrar’s reporting guidelines set out certain disclosure requirements in addition to those prescribed by Australian Accounting Standards having in mind the nature of organisations registered under the Workplace Relations Act.

The disclosure requirements prescribed by the reporting guidelines are directed towards providing members of the reporting unit with information to enable them to gauge the performance of the committee of management and other holders of office in relation to the financial management of the reporting unit. In addition, the reporting guidelines seek to improve the quality of information available to users of the financial report about the reporting unit’s economic support of, or economic dependency on, other reporting units of the organisation.

Timeline Planner and Checklist

We have attached a Timeline/Planner (*Attachment A*) to help you **plan** your financial return and carry out all the necessary steps. We have also attached a Document Checklist (*Attachment B*) to **check** your documents before lodging them in the Registry. Both documents are abbreviated summaries of the relevant provisions of the RAO Schedule, RAO Regulations and the Industrial Registrar’s Reporting Guidelines.

In the following section we describe some of the documents your reporting unit must prepare and the sequence of their preparation and completion.

Three Reports

Your reporting unit must prepare two reports as soon as practicable after its financial year, which, together with the Auditor’s Report, comprise the reporting unit’s financial return.

1. **General Purpose Financial Report** - this must comply with the Australian Accounting Standards and the Industrial Registrar’s Reporting Guidelines. The GPFR consists of:

Financial Statements containing:

- a profit and loss statement, or other operating statement; and
- a balance sheet; and
- a statement of cash flows; and
- any other statements required by the Australian Accounting Standards; and

Notes to the Financial Statements containing:

- notes required by the Australian Accounting Standards; and
- information required by the Industrial Registrar’s *Reporting Guidelines* under section 255); and

Committee of Management Statement as required by the Registrar’s Reporting Guidelines (a sample certificate for illustrative purposes is at Attachment C)

2. **Operating Report** - this report includes a review of your reporting unit's principal activities for the year and other specified information.

Your reporting unit must appoint an auditor to audit the GPFR and to provide:

3. an **Auditor's Report**.

First Meeting (Committee of Management)

For simplicity, we will call the meeting at which the committee of management first considers the GPFR the first meeting. At the first meeting your committee, if satisfied that all is in order, will resolve to express its opinion on the GPFR and complete a Committee of Management Statement.

The Auditor

After the first meeting, the auditor takes the GPFR and the Committee of Management Statement and prepares a report on the GPFR. In practice, your auditor may have already completed most of his or her examination of your accounts. The auditor may only be waiting on the Committee to pass the required resolution and make the Statement before signing the report the same day.

Informing Your Members

Your reporting unit must provide free of charge to the general membership, copies of the GPFR, the Operating Report and the Auditor's Report. RAO calls these the "full report". Under certain circumstances, your reporting unit can provide a more limited *concise report*.

The reporting unit can meet its obligation to provide copies of the full or concise report to members by publishing the report in a journal that is available to the members free of charge.

A reporting unit may meet this obligation in whole or in part by publication of the report in a journal published on a web site on the Internet dependent on:

- a. the extent of the accessibility of the members of the reporting unit to the Internet; and
- b. that the members are notified by the reporting unit in the usual manner in which it communicates with its members that the report has been so published at a specified Internet address.

The report must be provided within 5 or 6 months from the end of the financial year, depending on the internal arrangements of the organisation for the presentation of its financial reports.

The Second Meeting - if it is a General Meeting of Members

After providing the full report to members it must be presented to a general meeting of members. For simplicity this is referred to as the *second meeting*.

Your reporting unit must always allow a minimum of 21 days for members to receive the full report before presenting it to a general meeting of members (s265(5)). The purpose of the interval and the second meeting is to enable the members to have time to consider the report and, if they wish, to attend the second meeting to discuss it.

If the rules of the organisation permit a general meeting to be a series of meetings held at different locations, the full report may be presented to such a series of meetings. In this case the 'date' of the general meeting is taken to be the date of the last meeting in the series (see s266(2)).

The Second Meeting - if it is a Committee of Management Meeting

If the rules of your organisation contain a provision that allows up to 5% of members to demand a general meeting to be held consider the report (see s266(3)), it is permissible to present the report directly to a Committee of Management meeting.

Lodge full report within 14 days of meeting

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at www.airc.gov.au). When lodging the financial return please quote: **FR2005/573**.

The Secretary (or another officer appropriately authorised under the rules of the organisation) must *certify* that the full report is a copy of the one provided to members and presented to the second meeting and provide the date of the meeting (a sample certification for illustrative purposes is at *Attachment D*).

When we receive your return we will check that it includes the information you must provide your members and that you have provided it to them correctly.

Complying with time limits

This letter has outlined some of the steps in preparing and lodging your return. Many of the steps must be completed within fixed time limits.

Failure to complete them in time could make your reporting unit or its officers liable to financial or "civil penalties".

Extensions of Time

We appreciate that sometimes circumstances beyond your reporting unit's control may delay completion of a financial return. If you believe your reporting unit is going to be unable to meet a time limit tell us as soon as you know. We can advise you if the step is one for which you may apply under RAO to the Industrial Registrar for extra time to complete. The maximum extra time allowed can be no more than one month.

Reduced Reporting Requirements

If your reporting unit meets certain conditions, some of these reporting requirements can be reduced. Such conditions might be where the annual income of the reporting unit (where the reporting unit is the whole of the organisation) is less than \$100,000, or **where the reporting unit has no financial affairs in the financial year**, or where the financial affairs of the reporting unit are encompassed by the financial affairs of its counterpart State industrial association.

Contact the Registry

We encourage you to contact the Registry on (02) 8374 6666 or by e-mail at belinda.penna@air.gov.au as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedure but we cannot give you legal or accounting advice.

Information on AIRC Website

We recommend you and your accountant/auditor refer to the following documents on the Commission's website at www.airc.gov.au:

- [RAO Schedule and RAO Regulations](#)
- [Registrar's Reporting Guidelines](#) - All GPFR's must comply with these Guidelines. Please note that the Guidelines set out requirements that are *in addition* to those required by the Australian Accounting Standards.
- [RAO Fact Sheets](#) - These Fact Sheets explain the new requirements of the RAO Schedule - many of them deal with financial reporting matters.

Yours sincerely



For Deputy Industrial Registrar
2 February 2006

Documents Checklist

You can use this checklist as soon as possible after the financial year ends to ensure you have all the necessary documents prepared and that those documents contain all information required by RAO.

You can also use this checklist to ensure all documents in your financial return are complete before lodging them in the Registry.

No	Document	✓
1	General Purpose Financial Report	
	Does the report contain a Profit and Loss Statement?	
	Does the report contain a Balance Sheet?	
	Does the report contain a Statement of Cash Flows?	
	Does the report contain notes to the financial statements as required by AAS and the reporting guidelines?	
	Does the report contain all other information required by the reporting guidelines?	
2	Committee of Management Statement	
	Is the statement signed by the officer responsible for undertaking functions necessary to enable the reporting unit to comply with RAO?	
	Is the statement dated?	
	Is the statement in accordance with a resolution of the committee?	
	Does the statement specify the date of the resolution?	
	Does the statement contain declarations required by the reporting guidelines?	
3	Auditor's Report	
	Is the Report dated and signed by the auditor?	
	Is the name of the auditor clear?	
	Are the qualifications of the auditor on the report?	
	Has the auditor expressed an opinion on all matters required?	
4	Operating Report	
	Is the report signed and dated?	
	Does the report provide the number of members?	
	Does the report provide the number of employees?	
	Does the report contain a review of principal activities?	
	Does the report give details of significant changes?	
	Does the report give details of right of members to resign?	
	Does the report give details of superannuation trustees?	
	Does the report give details of membership of the committee of management?	
5	Concise report*	
6	Certificate of Secretary or other Authorised Officer	
	Is the certificate signed and dated?	
	Is the signatory the secretary or another officer authorised to sign the certificate?	
	Is the date that the report was provided to members stated?	
	Is the date of the Second Meeting at which the report was presented stated?	
	Does the certificate state that the documents are copies of those provided to members?	
	Does the certificate state that the documents are copies of those presented to the Second Meeting?	

* This is an optional way of providing documents to members (see RAO s265(3) and RAO Reg. 161).

Committee Of Management Statement

On *[date of meeting]* the Committee of Management of *[name of reporting unit]* passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended *[date]*:

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

- (a) the financial statements and notes comply* with the Australian Accounting Standards;
- (b) the financial statements and notes comply* with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view* of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds* to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held* in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been* managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been* kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - #(iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been* kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - #(v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been* furnished to the member or Registrar; and
 - #(vi) there has been* compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: *[name of designated officer per section 243 of the RAO Schedule]*

Title of Office held:

Signature:

Date:

* Where compliance or full compliance has not been attained - set out details of non compliance instead.

Where not relevant these may be modified accordingly (e.g. in (vi) "No orders have been made by the Commission under section 273 of the RAO Schedule during the period."

Certificate of Secretary or other Authorised Officer¹

s268 of Schedule 1B *Workplace Relations Act 1996*

I *[name]* being the *[title of office]* of the *[name of the organisation]* certify:

- that the documents lodged herewith are copies of the full report, *[and the concise report]*², referred to in s268 of the RAO Schedule; and
- that the *[full report OR concise report]*³, was provided to members on *[insert date]*; and
- that the full report was presented to *[a general meeting of members OR the last of a series of general meetings of members OR a meeting of the committee of management]*³ of the reporting unit on *[insert date]*; in accordance with section 266 of the RAO Schedule.

Signature

Date:

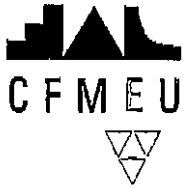
¹*RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:*

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

²*Only applicable where a concise report is provided to members*

³*Insert whichever is applicable*



CONSTRUCTION
FORESTRY
MINING
ENERGY
UNION



Pulp & Paper
Workers' Branch
PO Box 416
Caston South
VICTORIA 3053
PH: (03) 9349 2488
FAX: (03) 9349 2580
Email: info@cfmeuppw.org
www.cfmeuppw.org

Monday 3rd July 2006

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

BY FACSMILE: 02 9380 6990

Dear Sir

**RE: FINANCIAL RETURN FOR YEAR ENDING 31
DECEMBER 2005
PULP & PAPER WORKERS BRANCH BURNIE SUB
BRANCH**

Please find attached the Financial Return for year ending 31st December 2005,

As per the documentation, the first meeting was held on 25th May 2006 at which the Committee of Management Statement and the Operating Report were signed and dated.

The Auditor signed the Financial Return on 26th May 2006.

The Financial return was then made available to members of the CFMEU Pulp & Paper Workers Branch Burnie Sub Branch.

The second meeting was held on 23rd June 2006, at which the Certificate of Secretary was signed and dated.

We trust all is in order, please do not hesitate to contact us should you have any queries.

Yours sincerely

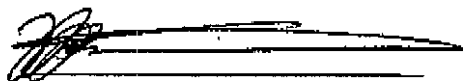
Mel Morley
ADMINISTRATION MANAGER

Certificate of Secretary or other Authorised Officer
S268 of Schedule 1B *Workplace Relations Act 1996*

I Kenneth Fraser being the Secretary of the Burnie Sub Branch certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- that the full report was provided to members on *29/5/2006* and
- that the full report was presented to a meeting of the committee of management of the reporting unit on *23/6/2006*; in accordance with section 266 of the RAO Schedule.

Signature:



Date:

23-6-2006

**CFMEU FOREST & FOREST
PRODUCTIONS DIVISION PULP & PAPER
WORKERS' BRANCH (BURNIE- SUB
BRANCH)**

Financial Statements
For the year ended 31 December 2005

AUSTIN STEVENS & CO
75 Mount Street
BURNIE 7320

Phone: (03) 6431 3933 Fax: (03) 6431 8668
Email: mail@austinstevens.com.au

**CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
FORESTRY & FURNISHING PRODUCTS DIVISION
PULP & PAPER WORKERS' (No. 7) BRANCH
CFMEU Pulp & Paper Workers Branch Burnie Sub Branch**

OPERATING REPORT

This Operating Report covers the activities of the Pulp & Paper Workers' (No. 7) Branch (the Branch) (Burnie Sub-Branch) of the Forestry & Furnishing Products Division of the Construction, Forestry, Mining & Energy Union for the year ended 31 December 2005, the results of those activities and the significant changes in the nature of those activities during the year.

1. Principal Activities of the Burnie Sub-Branch

The principal activities of the Sub-Branch over the year were:-

- Implementation of the decisions of the Sub-Branch COM and Executive
- Conduct meetings of Members
- Representation of members in matters involving their employment
- Participation in dispute resolution processes, including referring matters to the Pulp & Paper
- Participation in negotiations for agreements pertaining to members' terms and conditions of employment
- Preparations for the application of the RAO schedule.

2. The (Burnie Sub-Branch) Financial Affairs

There were no significant changes to the financial affairs or structures of the Sub-Branch over the year.

3. Right of Members to Resign

All members of the union have the right to resign from the union in accordance with the Union Rules (and Section 174 of the Workplace Relations Act) by providing written notice addressed and delivered to the Secretary of the Sub-Branch, including via email.

4. Superannuation Trustees

There are no officers or members of the Sub-Branch Committee of Management who are Trustees of any superannuation fund.

5. Membership of the Sub-Branch

At 31 December 2005, the membership of the sub-Branch was 179.

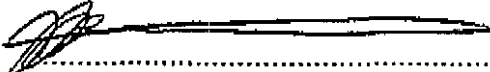
6. **Employees of the Sub-Branch**
The Sub-Branch has no employees

7. **Committee of Management and Executive**
The following persons were members of the Sub-Branch Committee of Management, during the year ended 31 December 2005.

Name	Period of Appointment
Leslie Britton	01/01/05 – 31/12/05
Ken Fraser	01/01/05 – 31/12/05
Eric Edwards	01/01/05 – 31/12/05
Ronald Grave	01/01/05 – 31/12/05
Richard Coulson	01/01/05 – 31/12/05
Roy Blight	01/01/05 – 31/12/05
Mark Clark	01/01/05 – 31/12/05

The following persons were members of the Sub-Branch Executive during the year ended 31 December 2005:

Name	Period of Appointment
Leslie Britton	01/01/05 – 31/12/05
Kenneth A Fraser	01/01/05 – 31/12/05
Eric Edwards	01/01/05 – 31/12/05


.....
Kenneth Fraser
Secretary

Dated 26 / 5 / 2006

Committee of Management Statement

On the *26th* day of *MAY* 2006 the Committee of Management of CFMEU Forest & Forest Productions Division Pulp & Paper Workers' Branch (Burnie-Sub Branch) (CFMEU) passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2005.

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

- a) the financial statements and notes comply with the Australian Accounting Standards;
- b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- e) during the financial year to which the GPFR relates and since the end of that year:-
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and

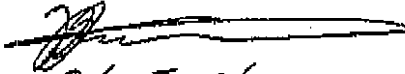
-2-

- (vi) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee Management: Kenneth Fraser

Title of Office Held: Secretary

Signature:



Date:

26-5-06

.....
Kenneth Fraser
Secretary

**CFMEU FOREST & FOREST PRODUCTIONS DIVISION PULP & PAPER WORKERS'
BRANCH (BURNIE- SUB BRANCH)**

**Detailed Profit & Loss Statement
For the year ended 31 December 2005**

	2005 \$	2004 \$
Income		
Union Dues	52,010	51,386
Interest Received	6,839	5,965
Total income	58,849	57,351
Expenses		
Advertising		41
Audit Fees	900	375
Bank Fees	7	44
Capitation	21,423	29,748
Computer Expenses	36	
Depreciation	538	101
Election Donation	432	750
Federal Office Levy	80,000	
Insurance	138	127
Litigation Trust		10,661
Meeting & Conference Expenses	2,045	2,049
Mortuary Levy	931	1,293
Postage	53	50
Printing & Stationery	192	
Repairs & Maintenance		81
Secretary Expenses	3,925	4,150
Telephone	1,580	1,397
Uniform	240	
Total expenses	112,441	50,867
Profit (loss) from ordinary activities before income tax	(53,592)	6,484
Income tax revenue relating to ordinary activities		
Net profit (loss) attributable to the association	(53,592)	6,484
Total changes in equity of the association	(53,592)	6,484
Opening retained profits	142,966	136,482
Net profit (loss) attributable to the association	(53,592)	6,484
Closing retained profits	89,373	142,966

The accompanying notes form part of these financial statements.

**CFMEU FOREST & FOREST PRODUCTIONS DIVISION PULP & PAPER WORKERS'
BRANCH (BURNIE- SUB BRANCH)**

Detailed Balance Sheet As At 31 December 2005

	Note	2005 \$	2004 \$
Current Assets			
Cash Assets			
ISCU: Savings - Access Plus		18,241	59,386
ISCU: Investment - Cash Mgr		29,626	28,140
ISCU: Investment - Cash Mgr		14,566	13,836
ISCU: Investment - Cash Mgr		12,254	11,640
ISCU: Investment - Premium 3		12,275	11,761
ISCU: Investment - Premium 3			19,446
ISCU - Investment Shares		10	10
		<u>86,972</u>	<u>144,218</u>
Current Tax Assets			
BAS Clearing		6,976	(488)
		<u>6,976</u>	<u>(488)</u>
Total Current Assets		<u>93,948</u>	<u>143,730</u>
Non-Current Assets			
Property, Plant and Equipment			
Office Furniture & Equipment		11,647	10,089
Less: Accumulated Depreciation		(10,392)	(9,854)
		<u>1,255</u>	<u>235</u>
Total Non-Current Assets		<u>1,255</u>	<u>235</u>
Total Assets		<u>95,203</u>	<u>143,966</u>

The accompanying notes form part of these financial statements.

**CFMEU FOREST & FOREST PRODUCTIONS DIVISION PULP & PAPER WORKERS'
BRANCH (BURNIE- SUB BRANCH)**

Detailed Balance Sheet As At 31 December 2005

	Note	2005	2004
		\$	\$
Current Liabilities			
Loans			
Federal Office Loan		4,853	
		<u>4,853</u>	
Current Tax Liabilities			
GST Amendments		(23)	
		<u>(23)</u>	
Total Current Liabilities		<u>4,830</u>	
Non-Current Liabilities			
Loans			
Loan - FEDFA Tas Branch		1,000	1,000
		<u>1,000</u>	<u>1,000</u>
Total Non-Current Liabilities		<u>1,000</u>	<u>1,000</u>
Total Liabilities		<u>5,830</u>	<u>1,000</u>
Net Assets		<u>89,373</u>	<u>142,966</u>
Members' Funds			
Accumulated surplus (deficit)		89,373	142,966
Total Members' Funds		<u>89,373</u>	<u>142,966</u>

The accompanying notes form part of these financial statements.

**CFMEU FOREST & FOREST PRODUCTIONS DIVISION PULP & PAPER WORKERS'
BRANCH (BURNIE- SUB BRANCH)
Cashflow Statement
For the year ended 31 December 2005**

	2005 \$	2004 \$
Cash flows from operating activities		
Receipts from members	44,523	51,386
Payments to suppliers and employees	(31,903)	(51,362)
Payment of Federal Office Levy	(80,000)	
Interest Received	6,839	5,965
Net Cash provided from operating activities	15(60,541)	5,989
Cash flows from investing activities		
Payments for property, plant and equipment	(1,558)	(227)
Net Cash used from investing activities	(1,558)	(227)
Cash flows from financing activities		
Loans obtained	4,853	-
Net Cash provided from financing activities	4,853	-
Net increase/(decrease) in cash held	(57,246)	5,761
Cash at the beginning of the financial year	144,218	138,457
Cash at the end of the financial year	86,972	144,218

The accompanying notes form an integral part of these financial statements

**CFMEU FOREST & FOREST PRODUCTIONS DIVISION PULP & PAPER WORKERS' BRANCH
(BURNIE- SUB BRANCH)**

**Notes to the Financial Statements
For the year ended 31 December, 2005**

Note 1: Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the Work Place Relations Act and RAO Schedule.

The financial report covers CFMEU FOREST & FOREST PRODUCTIONS DIVISION PULP & PAPER WORKERS' BRANCH (BURNIE- SUB BRANCH) as an individual entity. CFMEU FOREST & FOREST PRODUCTIONS DIVISION PULP & PAPER WORKERS' BRANCH (BURNIE- SUB BRANCH) is an association incorporated in Burnie under the Association Incorporations Act 1984.

Information to be Provided to Members or Registrar

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

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 following is a summary of the material accounting policies adopted in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Income tax

The association adopts the liability method of tax-effect accounting whereby the income tax expense shown in the Statement of Financial Performance is based on the profit from ordinary activities before income tax adjusted for any permanent differences.

Non-member income of the association is only assessable for tax, as member income is excluded under the principle of mutuality.

Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

a) Plant and equipment

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amounts.

c) Depreciation

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 CFMEU FOREST & FOREST PRODUCTIONS DIVISION PULP & PAPER WORKERS' BRANCH (BURNIE- SUB BRANCH) commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Asset	Depreciation Rate %
Plant and equipment	30%

Investments

Shares in listed companies held as current assets are valued at those shares' market value at each balance date. The gains or losses, whether realised or unrealised, are included in profit from ordinary activities before income tax.

Non-current investments are measured on the cost basis. The carrying amount of non-current investments is reviewed annually to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for listed investments or the underlying net assets for other non-listed investments.

**CFMEU FOREST & FOREST PRODUCTIONS DIVISION PULP & PAPER WORKERS' BRANCH
(BURNIE- SUB BRANCH)****Notes to the Financial Statements
For the year ended 31 December, 2005**

The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

Cash

For the purpose of the statement of cash flows, cash includes cash on hand and in all call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months, net of bank overdrafts.

Comparative Figures

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

Revenue

Revenue from Union fees is recognised on receipt.

Interest revenue is recognised on a proportional basis taking in to account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

Note 2: Federal Office Levy

In 2005 the Sub Branches of the Pulp & Paper Workers Division agreed to pool their surplus cash funds into a central account, which would be held & administered by the Federal Office of the Pulp & Papers Workers Division, and would be called the CFMEU Support Levy Fund Account. Once this decision was agreed upon \$88,000 was withdrawn from the Sub Branch and deposited into the CFMEU Support Levy Fund Account.

**CFMEU FOREST & FOREST PRODUCTIONS DIVISION PULP & PAPER WORKERS'
BRANCH (BURNIE- SUB BRANCH)**
Independent Audit Report to the Members

Scope

We have audited the attached financial report, being a general purpose financial report comprising the Statement by Members of the Committee, Statement of Financial Performance, Statement of Financial Position, Statement of Cashflows and Notes to the Financial Statements for the year ended 31 December 2005 of CFMEU FOREST & FOREST PRODUCTIONS DIVISION PULP & PAPER WORKERS' BRANCH (BURNIE- SUB BRANCH). The Committee is responsible for the financial report and has determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Workplace Relations Act (Tasmania) and are appropriate to meet the needs of the members. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of CFMEU FOREST & FOREST PRODUCTIONS DIVISION PULP & PAPER WORKERS' BRANCH (BURNIE- SUB BRANCH). No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial statements have been prepared for the purpose of fulfilling the requirements of the Workplace Relations Act (Tasmania). We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1 so as to present a view which is consistent with our understanding of the association's financial position, and performance as represented by the results of its operations and its cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

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

Audit opinion

In our opinion, the financial report presents fairly, in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of CFMEU FOREST & FOREST PRODUCTIONS DIVISION PULP & PAPER WORKERS' BRANCH (BURNIE- SUB BRANCH) as at 31 December 2005 and the results of its operations for the year then ended.

Signed on :



Robert A Stevens, Principal
Austin Stevens & Co
75 Mount Street, Burnie, Tas, 7320



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 Ken Fraser
Sub-Branch Secretary
CFMEU FFPD
Pulp & Paper Workers' Burnie Sub-Branch
PO Box 474
BURNIE TAS 7320

Dear Mr Fraser

Re: Lodgement of Financial Statements and Accounts for the CFMEU FFPD, Pulp & Paper Workers' Burnie Sub-Branch for the year ending 31 December 2005 (FR2005/573)

Receipt is acknowledged of the abovementioned financial statements and accounts, which were lodged in the Registry via facsimile on 3 July 2006.

References to Legislation

The Audit report makes reference to the Workplace Relations Act (Tasmania). The relevant legislation is Schedule 1 - Registration and Accountability of Organisations, *Workplace Relations Act 1996*.

Please ensure that your auditor refers to this legislation when preparing financial returns. I have sent him a copy of this letter.

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/105nppbo/financial. I would like to take this opportunity to advise you that for financial years beginning after 1 November 2004 information about any recovery of wages activity undertaken by the branch is required to be disclosed in the financial statements, and various declarations to be made in the Committee of Management Statement.

Further information is contained in the Industrial Registrars' Reporting Guidelines, which can be found at www.airc.gov.au/organisations/rao/rao_253_a.pdf

If you have any enquiries about any of the matters raised in this letter please contact me on 02 8374 6666.

Yours sincerely,

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

Belinda Penna
for Deputy Industrial Registrar

4 July 2006

cc. Ms Melinda Morley
Administration Manager
CFMEU Pulp & Paper Workers' Branch