



Ref: FR2004/694-[105N-PPW]

Mr Tim Woods
Divisional Branch Secretary
CFMEU FFPD
Pulp & Paper Workers Branch
1st floor, 500 Swanston Street
CARLTON SOUTH VIC 3053

Dear Mr Woods

Financial Return - year ending 31 December, 2004

Our records show your 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*.

New 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.

The legislation has changed since your last return. 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: **FR2004/694**.

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 peter.mckerrow@air.gov.au or 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
19 January 2005

Attachment B

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:

¹RAO 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.

²Only applicable where a concise report is provided to members

³Insert whichever is applicable



16th June 2005

Deputy Industrial Registrar
Australian Industrial Registry
80 William Street
EAST SYDNEY NSW 2010

Dear Registrar

2004 AUDITED FINANCIAL REPORTS
Pulp & Paper Workers' Branch
Forestry & Furnishing Products Division
Construction, Forestry, Mining & Energy Union

I am writing to lodge the financial reports of the Pulp & Paper Workers' Branch of the CFMEU for the year ended 31st December 2004.

Enclosed are the Full Financial Report and the Concise Financial Report. The following documents are attached:

- General Purpose Financial Report
- Operating Report
- Committee of Management Statement
- Concise Financial Report
- Auditor's Report
- Secretary's Certificate

The financial reports were presented to the Branch Committee of Management on 23rd February 2005, at which time it was resolved that the Operating Report be signed, the Committee of Management statement be signed and that the Concise Financial Report be distributed to members.

The Concise Financial Report was distributed to members in all Sub-Branches and at all locations on 27th April, 2005.

A complete report was provided to the Branch Committee of Management on 2nd June 2005 and was adopted by the meeting. The Secretary's Certificate was subsequently completed.

If further information or discussion is required, please contact me on 03 9349 2488.

Yours sincerely

Tim Woods
SECRETARY



CONSTRUCTION

FORESTRY

MINING

ENERGY

UNION



**FORESTRY &
FURNISHING
PRODUCTS
DIVISION**

**Pulp & Paper
Workers' Branch**

PO Box 415
Carlton South
VICTORIA 3053

PH: (03) 9349 2488
FAX: (03) 9349 2580
Email: info@cfmeuppw.org

www.cfmeuppw.org

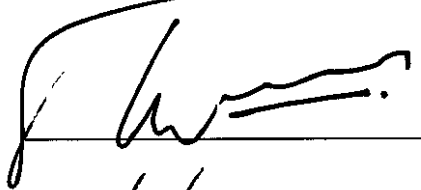
Certificate of Secretary or other Authorised Officer

S268 of Schedule 1B *Workplace Relations Act 1996*

I, Tim Woods being the Secretary of the Pulp & Paper Workers' Branch of the Forestry, Furnishing, Building Products and Manufacturing Division of the Construction, Forestry, Mining and Energy Union certify:

- that the documents lodged herewith are copies of the full report and concise report, referred to in s268 of the RAO Schedule; and
- that the concise report was provided to members on 27th April 2005; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 2nd June 2005; in accordance with section 266 of the RAO Schedule.

Signature:

A handwritten signature in black ink, appearing to be 'Tim Woods', written over a horizontal line.

Date:

A handwritten date '16/6/2005' written in black ink over a horizontal line.

**CONSTRUCTION FORESTRY MINING
ENERGY UNION
PULP & PAPER WORKERS BRANCH**

**FINANCIAL REPORT
FOR THE YEAR ENDED 31ST DECEMBER, 2004**

CONSTRUCTION FORESTRY MINING ENERGY UNION
PULP AND PAPER WORKERS' BRANCH

FINANCIAL REPORT
FOR THE YEAR ENDED 31ST DECEMBER, 2004

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OPERATING REPORT

This Operating Report covers the activities of the Pulp & Paper Workers' (No. 7) Branch ('The Branch') of the Forestry & Furnishing Products Division of the Construction, Forestry, Mining & Energy Union for the year ended 31st December 2004, the results of those activities and the significant changes in the nature of those activities during the year.

1. **Principal Activities of the Pulp & Paper Workers' Branch**

The principal activities of the Pulp & Paper Workers' Branch, conducted through the Federal Office over the year were:

- Implementation of the decisions of the Branch COM and Branch Executive.
- Participation in dispute resolution processes, including the contact of matters before tribunals including the Australian Industrial Relations Commission.
- Participation in negotiations for agreements pertaining to member's terms and conditions of employment.
- Assisting the Sub-Branches of the Branch to prepare for the application of the RAO schedule.
- Management of information and technology to drive more effective outcomes for union members.
- Supervision of and participation in Occupational Health, Safety & Environment and Training & Skills Development programs of benefit to the industry and union members.
- Development and distribution of publications of interest to union members and media campaigns on matters of importance to the union and members.
- Lobbying of industry and government at all levels regarding new and proposed investments in the Australian pulp and paper industry.

2. **The Pulp & Paper Workers' Branch Financial Affairs**

The significant change to the Branch's financial affairs over the year was the allocation of dedicated funds to a growth project authorised by the Branch Committee of Management.

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 relevant Sub-Branch, including via email.

4. **Superannuation Trustees**

Tim Woods is an official of the Branch and is Chairperson of the Board of Directors and a member of the Pulp & Paper Workers' Superannuation Fund.

Alex Millar, Robert Johnston, Ian Moule and Geoff Gasperotti are members of the Branch Committee of Management and are members of the Board of Directors and members of the Pulp & Paper Workers' Superannuation Fund.

5. **Membership of the Union**

At 31st December 2004, the membership of the union was 2582.

OPERATING REPORT (cont.)

6. **Employees of the Pulp & Paper Workers' Branch**

At 31st December 2004, the Branch employed 6 full time employees and 1 part time employee for a total of 6.2 employees on a full time equivalent basis.

7. **Committee of Management and Executive**

The following persons were members of the Branch Committee of Management, during the year ended 31st December 2004:

<u>Name</u>	<u>Period of Appointment</u>
Tim Woods	1.1.04 – 31.12.04
Philip Illidge	1.1.04 – 31.7.04
Alex Millar	1.1.04 – 31.12.04
Andrew Ball	1.1.04 – 31.12.04
Phillip Boyd	1.1.04 – 31.12.04
William Davey	1.1.04 – 31.12.04
Daniel DeKleva	1.1.04 – 31.12.04
Ken Fraser	1.1.04 – 31.12.04
Geoff Gasperotti	1.1.04 – 31.12.04
Marne Gurney	1.1.04 – 31.12.04
David Hastie	1.8.04 – 31.12.04
David Jessup	1.1.04 – 31.12.04
Robert Johnston	1.1.04 – 31.12.04
Grantly Keys	1.1.04 – 31.12.04
Ian Moule	1.1.04 – 31.12.04
Trevor Sinclair	1.1.04 – 31.12.04
David Schutz	1.1.04 – 31.12.04
Greg Stewart	1.1.04 – 31.12.04
Garry Walker	1.1.04 – 31.12.04

The following persons were members of the Branch Executive, during the year ended 31st December 2004:

<u>Name</u>	<u>Period of Appointment</u>
Tim Woods	1.1.04 – 31.12.04
Philip Illidge	1.1.04 – 31.7.04
Alex Millar	1.1.04 – 31.12.04
Robert Johnston	1.1.04 – 31.12.04
Ken Fraser	1.8.04 – 31.12.04



TIM WOODS
FEDERAL SECRETARY

Dated 23rd February, 2005

STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER, 2004

<u>2003</u>		<u>NOTE</u>	<u>2004</u>
<u>CURRENT ASSETS</u>			
457,066	Cash Assets	3	780,119
25,195	Receivables	4	16,095
4,504	Inventories	5	1,524
1,245	Investments	6	1,180
<u>488,010</u>	TOTAL CURRENT ASSETS		<u>798,918</u>
<u>NON-CURRENT ASSETS</u>			
729,954	Other Financial Assets	7	379,581
949,537	Property, Plant and Equipment	8	909,047
<u>1,679,491</u>	TOTAL NON-CURRENT ASSETS		<u>1,288,628</u>
<u>2,167,501</u>	TOTAL ASSETS		<u>2,087,546</u>
<u>CURRENT LIABILITIES</u>			
149,597	Payables	9	216,976
249,096	Provisions	10	110,491
<u>398,693</u>	TOTAL CURRENT LIABILITIES		<u>327,467</u>
<u>398,693</u>	TOTAL LIABILITIES		<u>327,467</u>
<u>\$1,768,808</u>	NET ASSETS		<u>\$ 1,760,079</u>
<u>MEMBERS FUNDS</u>			
427,634	Reserves	11	427,634
1,341,174	Accumulated Funds	12	1,332,445
<u>\$1,768,808</u>	TOTAL MEMBERS FUNDS		<u>\$ 1,760,079</u>

CONSTRUCTION FORESTRY MINING ENERGY UNION
PULP & PAPER WORKERS BRANCH

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STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2004

2003

2004

NOTE

INCOME

-	Dividends Public Companies	69
	Capitation Fees - Sub Branches	
522,160	- General Fund	562,330
	Capitation Fees - Sub Branches	
22,696	- Mortuary	24,196
148,162	Contributions - OHS	168,136
104,000	Contributions - ISDU	122,490
	Contributions - Amcor Demerger	
60,195	Litigation Trust Fund	67,906
-	Union Leadership Program	1,455
55,247	Interest Received	48,394
2,071	Sales	3,610
	Unrealised Gain/(Loss) on	
38	Value of Shares	(65)
6,582	Travel Reimbursements	-
<hr/>		<hr/>
921,151	TOTAL INCOME	998,521

EXPENSES

45,649	Accommodation & Travel	51,120
11,813	Affiliations	14,020
33,084	Annual Leave Provided	4,581
25,900	Auditors Remuneration - Fees	34,667
3,199	Bank Charges	2,517
3,285	Branch Secretary Expenses	2,609
1,277	Christmas Expenses	533
	Committee of Management	
6,128	Expenses	2,656
-	C.O.M. Dinner	9,557
11,862	Computer Expenses	11,180
	Contributions to P.P.W.	
40,830	Superannuation Fund Expenses	54,116
	Contributions to O.H.S. Unit	
18,240	Expenses	-
42,931	Depreciation	49,202
393	Electricity & Gas	-
10,044	Fringe Benefits Tax	6,780
27,971	IFBWW Expenses	11,061
-	Interest	196
1,755	Industrial Officer Expenses	158
7,383	Insurance	14,578
5,435	Journals & Publications	7,320
78,532	Legal Costs	71,001
22,347	Light, Heat & Power	10,738
4,466	Long Service Leave Provided	(2,409)
23,135	Maternity Leave Paid	-
10,500	Mortuary Benefits	4,500
17,239	Motor Vehicle Expenses	12,490
10,135	Motor Vehicle Lease Payments	13,358

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2004

<u>2003</u>		<u>NOTE</u>	<u>2004</u>
4,808	O.H.S. Unit Expenses		3,056
1,578	O.H.S. Training Expenses		13,765
24,784	Payroll Tax		22,442
2,730	Postage		5,694
25,036	Printing & Stationery		22,923
-	Project Expenses		5,446
24,973	Rates & Taxes		13,245
226	Registrations & Subscriptions		79
25,547	Repairs & Maintenance		17,002
70,044	Salaries - Union Officials		63,027
256,257	Salaries - Other Staff		304,386
312	Security		238
4,446	Shirts & Vests		6,377
10,870	Sick Leave Provided		(3,704)
2,239	Staff Amenities		2,910
1,300	Staff Training		6,787
371	Sundries		249
220	Staff Recruitment		1,921
4,880	Superannuation-Union Officials		5,366
27,099	Superannuation-Other Staff		30,968
	Sustentation Fees		-
53,569	-Divisional Office		47,765
24,170	Telephone		23,628
311	Union Cash Reward Cards		126
2,687	Unit Expenses		2,853
2,587	Visy Tumut Campaign		11,740
1,818	Website Expenses		3,981
9,175	Workcover		8,451
<u>1,045,570</u>	TOTAL EXPENSES		<u>1,007,250</u>
124,419	TOTAL DEFICIT		8,729
-	Accumulated Funds at the		
1,465,593	Beginning of the Year		<u>1,341,174</u>
<u>\$1,341,174</u>	ACCUMULATED FUNDS AT THE		
	END OF THE YEAR		<u>\$ 1,332,445</u>

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER, 2004

<u>2003</u>		<u>NOTE</u>	<u>2004</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
632,341	Capitation Fees		646,781
343,592	Contributions		394,386
49,700	Interest Received		48,021
-	Dividends Received		69
(980,654)	Payments to Suppliers & Employees		(1,044,929)
2,278	Sale of Polo Shirts		3,971
(17,722)	Goods & Services (Remitted)		(66,535)
7,240	Travel Reimbursements		-
<u>-\$ 36,775</u>	Net Cash Provided by/(Used In) Operating Activities	14(b)	<u>\$ - (18,236)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
(13,290)	Purchase of Fixed Assets		(8,711)
(1,207)	(Purchase)/Sale of Investments		350,000
<u>\$ (14,497)</u>	Net Cash Provided by/(Used In) Investing Activities		<u>\$ 341,289</u>
22,278	Net Increase in Cash Held		323,053
434,787	Cash Held at Beginning of the Year		457,065
<u>\$ 457,065</u>	Cash Held at End of the Year	14(a)	<u>\$ 780,118</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2004

NOTE 1 - Statement of Significant Accounting Policies

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

The financial report has been prepared on a modified accrual basis, income is recognised on a cash receipts basis and expenses on an accrual basis. The financial report 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 by the union in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Property, Plant & Equipment

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

Property

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is the policy of the union to have an independent valuation every three years, with annual appraisals being made by the union

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the union 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 which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2004

Depreciation

The depreciable amount of all fixed assets are depreciated on a straight line or diminishing value basis over their estimated useful lives to the union commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	3.33%
Plant and equipment	18.75 - 37.50%

(b) **Investments**

Non-current investments are measured on the cost basis. The carrying amount of investments is reviewed annually by the union 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 shares in listed companies or the underlying net assets for other non-listed corporations. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

(c) **Employee Benefits**

Provision is made for the unions liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount including on-costs. The union recognises employee benefits at the time there is a legal entitlement of that benefit. Contributions are made by the union to an employee superannuation fund and are charged as expenses when incurred.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2004

(d) **Income Tax**

No provision for income tax is required as the union is exempt from income tax under Section 50-15 (3.2) of the Income Tax Assessment Act 1997.

(e) **Leases**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(f) **Cash**

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

(g) **Revenue**

Capitation fees, contributions, interest received and other sundry income is recognised on a cash receipts basis

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

(h) **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(i) **Comparatives**

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year information and other disclosures.

CONSTRUCTION FORESTRY MINING ENERGY UNION PAGE 10
PULP & PAPER WORKERS BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER,2004

NOTE 2 - Information to be Provided to Members or Registrar

The Financial Accounts of the The Construction Forestry Mining Energy Union Pulp & Paper Workers' Branch have been audited in accordance with the provisions of the Workplace Relations Act, 1996, and a summary is provided for Members in accordance with Section 265 of the Act.

A copy of the audited Accounts will be supplied free of charge to Members upon request, and your attention is drawn to your Union's responsibility in this regard, as set out below

INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272, which read as follows :-

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2004

2003

2004

NOTE 3 - Cash Assets

457,006	Cash at Bank	460,215
60	Cash in Hand	60
-	Deposits at Call	319,844
<u>\$ 457,066</u>		<u>\$ 780,119</u>

NOTE 4 - Receivables

14,385	Other Debtors	16,095
10,810	Prepayments	-
<u>\$ 25,195</u>		<u>\$ 16,095</u>

NOTE 5 - Inventories

\$ <u>4,504</u>	Stock on Hand-at Lower of Cost & Net Realisable Value	\$ <u>1,524</u>
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NOTE 6 - Investments

\$ <u>1,245</u>	Shares Listed on a Prescribed Stock Exchange-at Market Value	\$ <u>1,180</u>
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NOTE 7 - Other Financial Assets

729,950	Government, Public & Other Securities - at Cost or Value	379,576
5	Shares - P.P.W. Superannuation Pty. Ltd. - at Cost	5
<u>\$ 729,955</u>		<u>\$ 379,581</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2004**

2003

2004

NOTE 8 - Property, Plant and Equipment

	Interest In Land & Buildings -	
900,000	at Independent Valuation	900,000
16,340	Less Accumulated Depreciation	46,310
<u>883,660</u>		<u>853,690</u>
	<p>Ownership of the Land & Buildings at 500 Swanston Street, Carlton South is registered in the name of the CFMEU as a Federally Registered Union. The national executive of the Federal body of this union resolved that the title to the First Floor, Lot 2, be held in trust on behalf of the CFMEU Forest & Forest Products Division No.2 Victorian Branch and the CFMEU Pulp & Paper Workers' Division No.7 Branch equally and that the occupancy, control and care belong exclusively to those bodies. A revaluation on the Land & Buildings was conducted on the 16th June 2003. The value for the First Floor was \$1,800,000 with 50% ownership by CFMEU Pulp & Paper Workers' Division No.7 Branch being \$900,000. The valuation report was prepared by Anthony Coady & Associates Pty Ltd.</p>	
2,116	Furniture & Fittings at Cost	- 2,116
1,917	Less Accumulated Depreciation	1,956
199		160
58,397	Motor Vehicles - at Cost	58,396
23,323	Less Accumulated Depreciation	31,215
<u>35,074</u>		<u>27,181</u>
	Office Furniture, Fittings &	
165,158	Equipment - at Cost	173,871
134,554	Less Accumulated Depreciation	145,855
<u>30,604</u>		<u>28,016</u>
<u>65,877</u>		<u>55,357</u>
<u>\$ 949,537</u>		<u>\$ 909,047</u>

NOTE 9 - Payables

\$ <u>149,597</u>	Accrued Expenses	\$ <u>216,976</u>
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2004

<u>2003</u>		<u>2004</u>
	<u>NOTE 10 - Provisions</u>	
98,515	Provision for Annual Leave	65,329
46,733	Provision for Long Service Leave	13,178
103,847	Provision for Sick Leave	31,983
<hr/>		<hr/>
\$ 249,095		\$ 110,490
<hr/>		<hr/>
	<u>NOTE 11 - Reserves</u>	
	<u>Asset Revaluation Reserve</u>	
167,092	Opening Balance at the Beginning of the Year	427,634
260,542	Revaluation Increment Arising on Revaluing Freehold Land and Buildings to Fair Value	-
<hr/>		<hr/>
\$ 427,634	Closing Balance at the End of the Year	\$ 427,634
<hr/>		<hr/>
	<u>NOTE 12 - Accumulated Funds</u>	
1,465,593	Opening Balance at the Beginning of the Year	1,341,174
124,419	Deficit for the Year	8,729
<hr/>		<hr/>
\$1,341,174	Closing Balance at the End of the Year	\$ 1,332,445
<hr/>		<hr/>
	<u>NOTE 13 - Leasing Commitments</u>	
	<u>Operating Lease Commitments</u>	
	Non-Cancellable Operating Leases Contracted for but not Capitalised In the Financial Statements	
11,148	Not Later than 1 Year	10,656
4,644	Later Than 1 Year but not Later Than 5 Years	12,432
-	Later Than 5 Years	-
<hr/>		<hr/>
\$ 15,792		\$ 23,088
<hr/>		<hr/>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2004**

2003

2004

NOTE 14(a) - Reconciliation of Cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	Cash at Bank	460,214
457,005	Cash on Hand	60
60	Deposits on Call	319,844
-		
\$ 457,065		\$ 780,118

NOTE 14(b) - Reconciliation of Net Cash Provided By/(Used In) Operating Activities to Surplus/(Deficit) for Year

	(Deficit) for Year	(8,729)
(124,419)	Depreciation	49,202
42,931	Increase/(Decrease) in Provision for Annual Leave	(33,186)
18,703	Increase/(Decrease) in Provision for Long Service Leave	(33,555)
4,466	Increase/(Decrease) in Provision for Sick Leave	(71,864)
9,427	(Increase) in Other Debtors	(27,858)
(42,400)	Increase in Accrued Expenses	93,526
126,997	Decrease in Prepayments	10,810
1,010	(Increase)/Decrease in Investments	438
(5,586)	(Increase)/Decrease in Stock on Hand	2,980
(4,504)	Increase in Provisions	-
10,150		
\$ 36,775	Net Cash Flow Provided by/(Used In) Operating Activities	\$(18,236)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2004

NOTE 15 - Events Subsequent to Reporting Date

No event has arisen subsequent to balance date, the effect of which may be material in relation to the financial statements.

NOTE 16 - Economic Dependence

The principal source of income for the Federal Office is Capitation fees from its constituent sub-branches and accordingly, Federal Office is economically dependant on the ability of those sub-branches to continue to service the needs of its members on industrial and workplace matters.

NOTE 17 - Segment Reporting

The union operates in predominantly one business and geographical segment, being to service the needs of its regionally based sub-branches and their respective members on a range of industrial and workplace matters.

NOTE 18 - Union Details

The registered office and the principal place of business of the union is Level 1, 500 Swanston Street Carlton, Victoria 3053.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2004

NOTE 19 - Related Party Transactions

(a) Office-Holders

The following persons held office in the Federal Office for all or part of the financial year and, together with each branch of the organisation, are deemed to be a related party for financial reporting purposes:

Tim Woods, Philip Illidge 1.1.04 - 31.7.04, Alex Millar, Andrew Ball, Phillip Boyd, William Davey, Daniel DeKleva, Ken Fraser, Geoff Gasperotti, Marnie Gurney, David Hastie 1.8.04 - 31.12.04, David Jessup, Robert Johnston, Grantly Keys, Ian Moule, Trevor Sinclair, David Schutz, Greg Stewart, Garry Walker.

(b) Office-Holders Transactions

The aggregate amount of remuneration paid by the Federal Office during the year to elected officers entitled to be remunerated under the Rules of the organisation was the amount as set out in the Statement of Financial Performance.

NOTE 20 - Contingent Liabilities

Estimates of the potential financial effect of contingent liabilities that may become payable:

The union was a party to legal proceedings, AMCOR v CFMEU, High Court Appeal.

The solicitors do not anticipate any order for costs against the union. However there will be further legal costs incurred. A quantifiable figure is not available but will not be material.

CONSTRUCTION FORESTRY MINING ENERGY UNION
PULP & PAPER WORKERS' BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2004

NOTE 21- Financial Instruments

Interest Rate Risk

The union's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate on those financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing			
	2004	2003	2004	2003	Within Year		1-5 Years	
	%	%	\$	\$	2004	2003	2004	2003
Financial Assets								
Cash	1.00	1.00	460,215	457,006	-	-	-	-
Deposits at Call	5.00	-	319,844	-	-	-	-	-
Investments	6.50	6.50	-	-	-	350,000	379,576	379,950
Total Financial Assets			\$ 780,059	\$ 457,006	-	\$ 350,000	\$ 379,576	\$ 379,950

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2004

NOTE 21 - Financial Instruments (Cont.)

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to and forming part of the financial statements.

The union does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the union.

Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the union intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

PULP & PAPER WORKERS BRANCH

COMMITTEE OF MANAGEMENT STATEMENT

On 23rd February, 2005 the Committee of Management of Pulp & Paper Workers Branch passed the following resolution in relation to the general purpose financial report of the reporting unit for the financial year ended 31st December, 2004.

The Committee of Management declares in relation to the general purpose financial report that in its opinion:

- (a) the financial statements and notes comply with Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting requirements on 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 general purpose financial report 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; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; 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) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner; and

PULP & PAPER WORKERS BRANCH

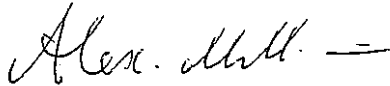
COMMITTEE OF MANAGEMENT STATEMENT (CONT)

- (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) No orders have been made by the Commission under section 273 of the RAO Schedule during the period.

For the Committee of Management:

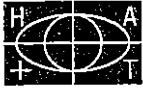


TIM WOODS



ALEX MILLER

Dated 23rd February, 2005
Melbourne



Hack, Anderson & Thomas

CHARTERED ACCOUNTANTS

ABN 85 085 349 674

Sidney C. Hack, Rodney C. G. Anderson, Mark Anderson, David C. Adams,
Rowan A. Board

Level 18,
390 St. Kilda Road,
Melbourne, Victoria,
Australia, 3004.
Telephone: (03) 9867 3200
Fax: (03) 9867 3810
Email: Admin@hat.com.au

Our Ref.:

Your Ref.:

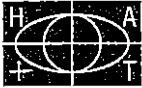
AUDITORS' REPORT TO THE MEMBERS OF THE
CONSTRUCTION FORESTRY MINING ENERGY UNION
PULP & PAPER WORKERS BRANCH

SCOPE

We have audited the financial report of the Construction Forestry Mining Energy Union - Pulp and Paper Workers' Branch for the year ended 31st December, 2004 as set out on pages 3 to 20. The Committee of Management of the union is responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the union.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Australian accounting standards, other mandatory professional reporting requirements and the Workplace Relations Act 1996 so as to present a view of the organisation which is consistent with our understanding of their financial position, the results of its operations and its cash flows.

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



Hack, Anderson & Thomas

CHARTERED ACCOUNTANTS

ABN 85 085 349 674

Sidney C. Hack, Rodney C. G. Anderson, Mark Anderson, David C. Adams,
Rowan A. Board

Level 18,
390 St. Kilda Road,
Melbourne, Victoria,
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Email: Admin@hat.com.au

Our Ref.:

Your Ref.:

AUDITORS' REPORT TO THE MEMBERS OF THE
CONSTRUCTION FORESTRY MINING ENERGY UNION
PULP & PAPER WORKERS BRANCH (continued)

AUDIT OPINION

In our opinion the financial report of the Construction Forestry Mining Energy Union - Pulp and Paper Workers' Branch presents a true and fair view in accordance with applicable Accounting Standards, the Workplace Relations Act 1996, and any other mandatory reporting requirements in Australia the financial position of the Construction Forestry Mining Energy Union - Pulp and Paper Workers' Branch as at 31st December, 2004 and the results of its operations and cashflows for the year then ended.

Dated 7th April, 2005
Melbourne

Hack, Anderson & Thomas

HACK, ANDERSON & THOMAS

Chartered Accountants

M. ANDERSON, PARTNER

Registered Company Auditor

CONSTRUCTION FORESTRY MINING ENERGY UNION
PULP AND PAPER WORKERS' BRANCH - GENERAL ACCOUNT

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STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER, 2004

<u>2003</u>		<u>2004</u>
	<u>INCOME</u>	
-	Administration Fees	4,727
-	Dividends Public Companies	69
522,160	Capitation Fees - Sub Branches	562,331
-	Union Leadership Program	1,454
36,867	Interest Received	29,253
2,071	Sales	3,610
	Unrealised Gain/(Loss) on	
38	Value of Shares	(65)
-	Transfer from Mortuary	60,000
<hr/>		<hr/>
561,136	TOTAL INCOME	661,379
	<u>EXPENSES</u>	
37,713	Air Fares & Travel	44,528
11,813	Affiliations	14,019
19,350	Annual Leave Provided	5,409
18,400	Auditors Remuneration - Fees	21,092
1,780	Bank Charges	1,616
3,285	Branch Secretary Expenses	2,608
1,277	Christmas Expenses	534
	Committee of Management	
6,128	Expenses	2,656
-	C.O.M. Dinner	9,557
6,892	Computer Expenses	6,075
	Contributions to P.P.W.	
40,830	Superannuation Fund Expenses	54,116
	Contributions to O.H.S. Unit	
18,240	Expenses	18,240
36,074	Depreciation	41,328
3,304	Fringe Benefits Tax	4,255
27,971	IFBWW Expenses	11,061
-	Interest	196
1,755	Industrial Officer Expenses	158
7,383	Insurance	14,578
1,641	Journals & Publications	1,269
18,246	Legal Costs	3,096
22,347	Light, Heat & Power	10,738
4,466	Long Service Leave Provided	(2,410)
10,156	Maternity Leave Paid	-
9,517	Motor Vehicle Expenses	5,903
17,128	Payroll Tax	14,132
1,927	Postage	4,931
15,859	Printing & Stationery	15,580
24,973	Rates & Taxes	13,245
25,547	Repairs & Maintenance	17,002
70,044	Salaries - Union Officials	63,027
132,861	Salaries - Other Staff	166,189
312	Security	239

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER, 2004

<u>2003</u>		<u>2004</u>
4,446	Shirts & Vests	6,377
9,427	Sick Leave Provided	(5,343)
2,239	Staff Amenities	2,910
550	Staff Training	4,835
371	Sundries	249
220	Staff Recruitment	-
4,880	Superannuation-Union Officials	5,366
13,672	Superannuation-Other Staff	16,938
	Sustentation Fees	
53,569	-Divisional Office	47,766
17,669	Telephone	18,310
311	Union Cash Reward Cards	126
2,587	Visy Tumut Campaign	11,740
1,818	Website Expenses	3,980
5,773	Workcover	4,222
<u>714,751</u>	TOTAL EXPENSES	<u>682,443</u>
153,615	TOTAL DEFICIT	21,064
1,102,221	Accumulated Funds at the - Beginning of the Year	<u>948,606</u>
<u>\$ 948,606</u>	ACCUMULATED FUNDS AT THE END OF THE YEAR	<u>\$ 927,542</u>

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2004

<u>2003</u>		<u>2004</u>
	<u>INCOME</u>	
22,696	Capitation Fees - Sub Branches	24,196
18,039	Interest Received	18,201
		<u> </u>
40,735	TOTAL INCOME	42,397
	<u>EXPENSES</u>	
1,400	Auditors Remuneration - Fees	2,005
20	Bank Charges	14
10,500	Mortuary Benefits	4,500
-	Tamut Project	60,000
		<u> </u>
11,920	TOTAL EXPENSES	66,519
28,815	TOTAL SURPLUS/(DEFICIT)	(24,122)
338,412	Accumulated Funds at the Beginning of the Year	367,226
		<u> </u>
\$ 367,227	ACCUMULATED FUNDS AT THE END OF THE YEAR	\$ 343,104

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER, 2004

<u>2003</u>		<u>2004</u>
	<u>INCOME</u>	
148,162	Contribution	186,376
178	Interest	714
6,582	Travel Reimbursements	-
154,922	TOTAL INCOME	187,090
	<u>EXPENSES</u>	
4,302	Airfares & Travel	1,476
11,681	Annual Leave Provided	(1,898)
3,300	Auditor's Remuneration - Fees	6,160
943	Bank Charges	670
2,478	Computer Expenses	2,848
5,357	Depreciation	4,580
3,578	Fringe Benefits Tax	2,827
3,794	Journal & Publications	6,051
12,979	Maternity Leave Paid	-
4,096	Motor Vehicle Expenses	3,059
4,808	O.H.S. Unit Expenses	3,056
1,578	O.H.S. Training Expenses	13,765
5,048	Payroll Tax	4,172
778	Postage	763
8,508	Printing & Stationery	6,442
77,810	Salaries - Other Staff	69,984
1,609	Sick Leave Provided	(332)
-	Staff Recruitment	1,921
750	Staff Training	-
8,954	Superannuation - Other Staff	6,840
3,076	Telephone	2,455
2,357	Work Cover	2,625
167,784	TOTAL EXPENSES	137,464
12,862	TOTAL SURPLUS/(DEFICIT)	49,626
(27,650)	Accumulated Funds at the Beginning of the Year	14,788
\$ 14,788	ACCUMULATED FUNDS AT THE END OF THE YEAR	\$ 64,414

CONSTRUCTION FORESTRY MINING ENERGY UNION PAGE 27
INDUSTRY SKILLS & DEVELOPMENT

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2004

<u>2003</u>		<u>2004</u>
	<u>INCOME</u>	
104,000	Contributions Received	122,490
163	Interest Received	227
<hr/>		<hr/>
104,163	TOTAL INCOME	122,717
	<u>EXPENSES</u>	
3,634	Accommodation & Travel	5,117
2,053	Annual Leave Provided	1,071
1,900	Auditors Remuneration- Fees	4,310
417	Bank Charges	173
2,492	Computer Expenses	3,423
1,500	Depreciation	3,294
393	Electricity & Gas	-
3,162	Fringe Benefits Tax	(302)
3,626	Motor Vehicle Expenses	3,529
10,135	Motor Vehicle Lease Payments -	13,358
2,608	Payroll Tax	4,138
25	Postage	470
669	Printing & Stationery	2,447
-	Project Expenses	5,446
226	Registrations & Subscriptions	488
45,586	Salaries - Other Staff	68,212
(166)	Sick Leave Provided	1,971
-	Staff Training	1,952
4,473	Superannuation - Other Staff	7,189
3,425	Telephone	2,863
2,687	Unit Expenses	3,989
1,045	Workcover	1,605
<hr/>		<hr/>
89,890	TOTAL EXPENSES	134,743
<hr/>		<hr/>
14,273	TOTAL SURPLUS/(DEFICIT)	(12,026)
	Accumulated Funds at the	
(1,755)	Beginning of the Year	12,519
<hr/>		<hr/>
\$ 12,518	ACCUMULATED FUNDS AT THE END OF THE YEAR	\$ 493

CONSTRUCTION FORESTRY MINING ENERGY UNION PAGE 28
AMCOR DEMERGER LITIGATION ACCOUNT

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2004

<u>2003</u>		<u>2004</u>
	<u>INCOME</u>	
60,195	Contributions	67,906
	<u>EXPENSES</u>	
900	Auditors Remuneration - Fees	1,100
39	Bank Charges	44
60,286	Legal Costs	67,906
- 61,225	TOTAL EXPENSES	69,050
1,030	TOTAL DEFICIT	1,144
(935)	Accumulated Funds at the Beginning of the Year	(1,965)
\$ (1,965)	ACCUMULATED FUNDS AT THE END OF THE YEAR	\$ (3,109)

**CONSTRUCTION FORESTRY MINING
ENERGY UNION
PULP & PAPER WORKERS BRANCH**

**CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31ST DECEMBER, 2004**

CONSTRUCTION FORESTRY MINING ENERGY UNION
PULP AND PAPER WORKERS' BRANCH

CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31ST DECEMBER, 2004

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CONSTRUCTION FORESTRY MINING ENERGY UNION PAGE 1
PULP & PAPER WORKERS BRANCH

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

Information on Construction Forestry Mining Energy Union Pulp & Paper Workers' Branch Concise Financial Report:

The financial statements and disclosure in the concise financial report have been derived from the 2004 financial report of Construction Forestry Mining Energy Union Pulp & Paper Workers' Branch.

A copy of the full financial report and auditors report can be sent to any member, free of charge, upon request.

This discussion and analysis is provided to assist members in understanding the concise financial report. The discussion and analysis is based on Construction Forestry Mining Energy Union Pulp & Paper Workers' Branch financial statements and the information contained in the concise financial report has been derived from the full 2004 Financial Report of Construction Forestry Mining Energy Union Pulp & Paper Workers' Branch.

Statement of Financial Performance:

The Deficit for the year is \$8,729 compared with a deficit of \$124,419 for the 2003 year. This result is mainly due to expenses decreasing by approximately 4% in 2004 while revenue increased by approximately 8%

Statement of Financial Position:

Total assets decreased between 2003 and 2004 by \$79,955 or approximately 4%. Total liabilities decreased by \$71,226 or approximately 18% mainly due to a decrease in provisions. As a consequence members funds decreased by \$8,729 from the 2003 year.

Apart from the above, there has been no significant change in the composition of the assets and liabilities from the 2003 year.

Statement of Cash Flows:

Cash assets increased from \$457,066 at 31 December 2003 to \$780,118 at 31 December 2004.

Cash flows provided by operations decreased by approximately 150% during the year from \$36,775 in 2003 to (\$18,236) in 2004. This decrease was caused by the increase in payments to suppliers and employees and goods & services tax.

The net increase in cash held during the year was higher than Year 2003. This is primarily due to the maturity of long term investments being converted to cash assets.



JIM WOODS
BRANCH SECRETARY

Dated 7th April, 2005

OPERATING REPORT

This Operating Report covers the activities of the Pulp & Paper Workers' (No. 7) Branch ('The Branch') of the Forestry & Furnishing Products Division of the Construction, Forestry, Mining & Energy Union for the year ended 31st December 2004, the results of those activities and the significant changes in the nature of those activities during the year.

1. Principal Activities of the Pulp & Paper Workers' Branch

The principal activities of the Pulp & Paper Workers' Branch, conducted through the Federal Office over the year were:

- Implementation of the decisions of the Branch COM and Branch Executive.
- Participation in dispute resolution processes, including the contact of matters before tribunals including the Australian Industrial Relations Commission.
- Participation in negotiations for agreements pertaining to member's terms and conditions of employment.
- Assisting the Sub-Branches of the Branch to prepare for the application of the RAO schedule.
- Management of information and technology to drive more effective outcomes for union members.
- Supervision of and participation in Occupational Health, Safety & Environment and Training & Skills Development programs of benefit to the industry and union members.
- Development and distribution of publications of interest to union members and media campaigns on matters of importance to the union and members.
- Lobbying of industry and government at all levels regarding new and proposed investments in the Australian pulp and paper industry.

2. The Pulp & Paper Workers' Branch Financial Affairs

The significant change to the Branch's financial affairs over the year was the allocation of dedicated funds to a growth project authorised by the Branch Committee of Management.

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 relevant Sub-Branch, including via email.

4. Superannuation Trustees

Tim Woods is an official of the Branch and is Chairperson of the Board of Directors and a member of the Pulp & Paper Workers' Superannuation Fund.

Alex Millar, Robert Johnston, Ian Moule and Geoff Gasperotti are members of the Branch Committee of Management and are members of the Board of Directors and members of the Pulp & Paper Workers' Superannuation Fund.

5. Membership of the Union

At 31st December 2004, the membership of the union was 2582.

OPERATING REPORT (cont.)

6. Employees of the Pulp & Paper Workers' Branch

At 31st December 2004, the Branch employed 6 full time employees and 1 part time employee for a total of 6.2 employees on a full time equivalent basis.

7. Committee of Management and Executive

The following persons were members of the Branch Committee of Management, during the year ended 31st December 2004:

<u>Name</u>	<u>Period of Appointment</u>
Tim Woods	1.1.04 – 31.12.04
Philip Illidge	1.1.04 – 31.7.04
Alex Millar	1.1.04 – 31.12.04
Andrew Ball	1.1.04 – 31.12.04
Phillip Boyd	1.1.04 – 31.12.04
William Davey	1.1.04 – 31.12.04
Daniel DeKleva	1.1.04 – 31.12.04
Ken Fraser	1.1.04 – 31.12.04
Geoff Gasperotti	1.1.04 – 31.12.04
Marne Gurney	1.1.04 – 31.12.04
David Hastie	1.8.04 – 31.12.04
David Jessup	1.1.04 – 31.12.04
Robert Johnston	1.1.04 – 31.12.04
Grantly Keys	1.1.04 – 31.12.04
Ian Moule	1.1.04 – 31.12.04
Trevor Sinclair	1.1.04 – 31.12.04
David Schutz	1.1.04 – 31.12.04
Greg Stewart	1.1.04 – 31.12.04
Garry Walker	1.1.04 – 31.12.04

The following persons were members of the Branch Executive, during the year ended 31st December 2004:

<u>Name</u>	<u>Period of Appointment</u>
Tim Woods	1.1.04 – 31.12.04
Philip Illidge	1.1.04 – 31.7.04
Alex Millar	1.1.04 – 31.12.04
Robert Johnston	1.1.04 – 31.12.04
Ken Fraser	1.8.04 – 31.12.04



TIM WOODS
FEDERAL SECRETARY

Dated 23rd February, 2005

CONSTRUCTION FORESTRY MINING ENERGY UNION
PULP & PAPER WORKERS BRANCH

PAGE 4

STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER, 2004

<u>2003</u>		<u>NOTE</u>	<u>2004</u>
<u>CURRENT ASSETS</u>			
457,066	Cash Assets		780,119
25,195	Receivables		16,095
4,504	Inventories		1,524
1,245	Investments		1,180
<u>488,010</u>	TOTAL CURRENT ASSETS		<u>798,918</u>
<u>NON-CURRENT ASSETS</u>			
729,954	Other Financial Assets		379,581
949,537	Property, Plant and Equipment		909,047
<u>1,679,491</u>	TOTAL NON-CURRENT ASSETS		<u>1,288,628</u>
<u>2,167,501</u>	TOTAL ASSETS		<u>2,087,546</u>
<u>CURRENT LIABILITIES</u>			
149,597	Payables		216,976
249,096	Provisions		110,491
<u>398,693</u>	TOTAL CURRENT LIABILITIES		<u>327,467</u>
<u>398,693</u>	TOTAL LIABILITIES		<u>327,467</u>
<u>\$1,768,808</u>	NET ASSETS		<u>\$ 1,760,079</u>
<u>MEMBERS FUNDS</u>			
427,634	Reserves		427,634
1,341,174	Accumulated Funds		1,332,445
<u>\$1,768,808</u>	TOTAL MEMBERS FUNDS		<u>\$ 1,760,079</u>

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2004

<u>2003</u>	<u>NOTE</u>	<u>2004</u>
<u>INCOME</u>		
-	Dividends Public Companies	69
522,160	Capitation Fees - Sub Branches - General Fund	562,330
22,696	Capitation Fees - Sub Branches - Mortuary	24,196
148,162	Contributions - OHS	168,136
104,000	Contributions - ISDU	122,490
60,195	Contributions - Amcor Demerger Litigation Trust Fund	67,906
-	Union Leadership Program	1,455
55,247	Interest Received	48,394
2,071	Sales	3,610
38	Unrealised Gain/(Loss) on Value of Shares	(65)
6,582	Travel Reimbursements	-
921,151	TOTAL INCOME	998,521
<u>EXPENSES</u>		
45,649	Accommodation & Travel	51,120
11,813	Affiliations	14,020
33,084	Annual Leave Provided	4,581
25,900	Auditors Remuneration - Fees	34,667
3,199	Bank Charges	2,517
3,285	Branch Secretary Expenses	2,609
1,277	Christmas Expenses	533
6,128	Committee of Management Expenses	2,656
-	C.O.M. Dinner	9,557
11,862	Computer Expenses	11,180
40,830	Contributions to P.P.W. Superannuation Fund Expenses	54,116
18,240	Contributions to O.H.S. Unit Expenses	-
42,931	Depreciation	49,202
393	Electricity & Gas	-
10,044	Fringe Benefits Tax	6,780
27,971	IFBWW Expenses	11,061
-	Interest	196
1,755	Industrial Officer Expenses	158
7,383	Insurance	14,578
5,435	Journals & Publications	7,320
78,532	Legal Costs	71,001
22,347	Light, Heat & Power	10,738
4,466	Long Service Leave Provided	(2,409)
23,135	Maternity Leave Paid	-
10,500	Mortuary Benefits	4,500
17,239	Motor Vehicle Expenses	12,490
10,135	Motor Vehicle Lease Payments	13,358

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2004

<u>2003</u>	<u>NOTE</u>	<u>2004</u>
4,808	O.H.S. Unit Expenses	3,056
1,578	O.H.S. Training Expenses	13,765
24,784	Payroll Tax	22,442
2,730	Postage	5,694
25,036	Printing & Stationery	22,923
-	Project Expenses	5,446
24,973	Rates & Taxes	13,245
226	Registrations & Subscriptions	79
25,547	Repairs & Maintenance	17,002
70,044	Salaries - Union Officials	63,027
256,257	Salaries - Other Staff	304,386
312	Security	238
4,446	Shirts & Vests	6,377
10,870	Sick Leave Provided	(3,704)
2,239	Staff Amenities	2,910
1,300	Staff Training	6,787
371	Sundries	249
220	Staff Recruitment	1,921
4,880	Superannuation-Union Officials	5,366
27,099	Superannuation-Other Staff	30,968
	Sustentation Fees	
53,569	-Divisional Office	47,765
24,170	Telephone	23,628
311	Union Cash Reward Cards	126
2,687	Unit Expenses	2,853
2,587	Visy Tumut Campaign	11,740
1,818	Website Expenses	3,981
9,175	Workcover	8,451
<u>1,045,570</u>	TOTAL EXPENSES	<u>1,007,250</u>
124,419	TOTAL DEFICIT	8,729
1,465,593	Accumulated Funds at the Beginning of the Year	<u>1,341,174</u>
<u>\$1,341,174</u>	ACCUMULATED FUNDS AT THE END OF THE YEAR	<u>\$ 1,332,445</u>

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER, 2004

<u>2003</u>	<u>NOTE</u>	<u>2004</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
632,341	Capitation Fees	646,781
343,592	Contributions	394,386
49,700	Interest Received	48,021
-	Dividends Received	69
(980,654)	Payments to Suppliers & Employees	(1,044,929)
2,278	Sale of Polo Shirts	3,971
(17,722)	Goods & Services (Remitted)	(66,535)
7,240	Travel Reimbursements	-
\$ 36,775	Net Cash Provided by/(Used In) Operating Activities	\$ (18,236)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
(13,290)	Purchase of Fixed Assets	(8,711)
(1,207)	(Purchase)/Sale of Investments	350,000
\$ (14,497)	Net Cash Provided by/(Used In) Investing Activities	\$ 341,289
22,278	Net Increase in Cash Held	323,053
434,787	Cash Held at Beginning of the Year	457,065
\$ 457,065	Cash Held at End of the Year	\$ 780,118

CONSTRUCTION FORESTRY MINING ENERGY UNION PAGE 8
PULP & PAPER WORKERS BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2004

NOTE 1 - Basis of Preparation of the Concise Financial Report

The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Reports and the Workplace Relations Act 1996.

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full report of The Construction Forestry Mining Energy Union Pulp & Paper Workers' Branch. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of The Construction Forestry Mining Energy Union Pulp & Paper Workers' Branch as the full financial report.

The accounting policies have been consistently applied by the union and are consistent with those of the previous financial year, unless otherwise stated.

Comparatives

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year information and other disclosures.

NOTE 2 - Information to be provided to Members or Registrar

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272, which read as follows :-

- (1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified 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).

NOTE 3 - Segment Reporting

The union operates in predominately one business and geographical segment, being to service the needs of its state based branches and their respective members on a range of industrial and workplace matters

CONSTRUCTION FORESTRY MINING ENERGY UNION PAGE 9
PULP & PAPER WORKERS BRANCH

COMMITTEE OF MANAGEMENT STATEMENT

On 23rd February, 2005 the Committee of Management of Pulp & Paper Melbourne Sub-Branch passed the following resolution in relation to the general purpose financial report of the reporting unit for the financial year ended 31st December, 2004.

The Committee of Management declares in relation to the general purpose financial report that in its opinion:

- (a) the financial statements and notes comply with Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting requirements on 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 general purpose financial report 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; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; 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) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner; and

PULP & PAPER WORKERS BRANCH

COMMITTEE OF MANAGEMENT STATEMENT (CONT)

- (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) No orders have been made by the Commission under section 273 of the RAO Schedule during the period.

For the Committee of Management:



TIM WOODS



ALEX MILLER

Dated 23rd February, 2005
Melbourne



Hack, Anderson & Thomas

CHARTERED ACCOUNTANTS

ABN 85 085 349 674

Sidney C. Hack, Rodney C. G. Anderson, Mark Anderson, David C. Adams,
Rowan A. Board

Level 18,
390 St. Kilda Road,
Melbourne, Victoria,
Australia, 3004.
Telephone: (03) 9867 3200
Fax: (03) 9867 3810
Email: Admin@hat.com.au

Our Ref.:

Your Ref.:

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
CONSTRUCTION FORESTRY MINING ENERGY UNION
PULP & PAPER WORKERS BRANCH

Scope

We have audited the concise financial report of the Construction Forestry Mining Energy Union Pulp & Paper Workers' Branch for the year ended 31st December, 2004 as set out on pages 4 to 10 in order to express an opinion on it to the members of the union. The Committee of Management are responsible for the concise financial report.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the concise financial report is free of material misstatement. We have also performed an independent audit of the full financial report of Construction Forestry Mining Energy Union Pulp & Paper Workers' Branch for the year ended 31st December, 2004. Our audit report on the full financial report was signed on 7th April, 2005, and was not subject to any qualification.

Our procedures in respect of the audit of the concise financial report included testing that the information in the concise financial report is consistent with the full financial report, and the examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the full financial report. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report is presented fairly in accordance with Accounting Standard AASB 1039: Concise Financial Reports and the Workplace Relations Act 1996..

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



Hack, Anderson & Thomas

CHARTERED ACCOUNTANTS

ABN 85 085 349 674

Sidney C. Hack, Rodney C. G. Anderson, Mark Anderson, David C. Adams,
Rowan A. Board

Level 18,
390 St. Kilda Road,
Melbourne, Victoria,
Australia, 3004.
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Our Ref.:

Your Ref.:

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
CONSTRUCTION FORESTRY MINING ENERGY UNION
PULP & PAPER WORKERS BRANCH (Continued)

Audit Opinion

In our opinion the concise financial report of the Construction Forestry Mining Energy Union Pulp & Paper Workers' Branch complies with Accounting Standard AASB 1039: Concise Financial Reports and the Workplace Relations Act 1996.

Dated 7th April, 2005
Melbourne

Hack, Anderson & Thomas

HACK, ANDERSON & THOMAS

Chartered Accountants

M. ANDERSON, PARTNER

Registered Company Auditor



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 Tim Woods
Divisional Branch Secretary
CFMEU FFPD
Pulp & Paper Workers Branch
PO Box 415
CARLTON SOUTH VIC 3053

Dear Mr Woods

Financial Return for year ending 31 December 2004 (FR2004/694)

I refer to the financial return lodged in the Registry on 22 June 2005. The documents have been filed.

Please note the following in preparing next year's financial return:

References to Legislation

A number of documents lodged refer to specific sections of the "Workplace Relations Act". In most instances the correct reference should be to the RAO Schedule¹ which has its own numbering system separate to that of the main body of the Act. For example, the references to the Act in item 3 of the operating report and above the notice in Note 2 of the financial statements in the concise report should be to the RAO Schedule.

Presentation of full report to committee of management meeting

I enclose a copy of a letter from the Deputy Industrial Registrar to the Divisional Secretary for your information.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter McKerrow', written over a horizontal line.

Peter McKerrow
for Deputy Industrial Registrar

8 July 2005

enc.

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



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 Trevor Smith
Divisional Secretary
CFMEU - Forestry, Furnishing, Building Products & Manufacturing Division
Level 1, 125 Port Road
HINDMARSH SA 5007

Dear Mr Smith

Financial Return - year ending 31 December 2004 (FR2004/671)

I refer to the copies of the full report of the Division lodged in the Registry on 22 Jun 2005. The documents have been filed.

As foreshadowed in the recent phone discussion with an officer of the Registry, I note that the full report was presented to the Division's committee of management on 10 June 2005. As you know, s266(1) of the RAO Schedule provides that a reporting unit must present the full report to a general meeting of members within the time specified. If the rules of a reporting unit provide for the matters specified in s266(3), the reporting unit may instead, present the report to a meeting of its committee of management.

In assessing whether a reporting unit's rules provide for those matters the Registry has taken the view that the reference to "members" in s266(3) should not be confined only to "financial members" of a reporting unit. I note that sub-rule 40(c) of the Division's rules provides for a petition to call a meeting to consider the full report but requires that those signing the petition be "financial members".

In coming to this view, the Registry has taken into account the absence of any legislative definition of the term "member". We have also considered the general objects of the RAO Schedule in s5 which include encouraging members' participation in the affairs of their organisation and high standards of financial and other forms of accountability by organisations to members.

I note that the alteration which inserted sub-rule 40(c) in the Division's rules was certified in matter R2003/361 on 5 February 2004.

As there is no decision of any Court on this provision and in the circumstances I am prepared to accept that the Division has on this occasion satisfied its financial reporting obligations. The Division should however amend this provision when next considering alterations to its rules.

As other reporting units of the Division lodge their financial returns in the Registry, I will draw their attention to this matter if relevant and provide them with a copy of this letter for their information.

If you have any questions please contact Peter McKerrow or me on (02) 8374 6666.

Yours sincerely

A handwritten signature in black ink that reads 'Barry Jenkins'.

Barry Jenkins
Deputy Industrial Registrar

5 July 2005