



Australian Government
Australian Industrial Registry

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

Ref: FR2005/496-[105N-QDST]

Mr Greg Betts
District Secretary
Construction, Forestry, Mining and Energy Union-
Mining and Energy Division Queensland District
Branch
SPRING HILL QLD 4004

Dear Mr Betts

Financial Return - year ending 30 June, 2005

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*.

Attached to this letter are sample forms and checklists to help you prepare and lodge your documents in time. We recommend you give a copy of this letter to the accountant or auditor preparing your accounts and the audit report.

We are happy to comment on any draft documents you or your accountant/auditor prepare before they are finalised.

Review of last year's financial return

We suggest you review any correspondence you received from us about last year's return. If we referred to any deficiencies or omissions, please take them into account in preparing this year's documents.

Legislation

This letter can only summarise the legislation. We strongly recommend your organisation and your accountant/auditor get a copy and refer to it when preparing your return. This is what you will need and where to find it:

- The *Registration and Accountability of Organisations Schedule* (Schedule 1B to the *Workplace Relations Act 1996*). We will call this the "RAO Schedule"¹. It is a part (or "schedule") of the Act but is numbered separately from rest of the Act. *Part 3 – Accounts and audit* of the RAO Schedule contains legislation on financial returns.
- The *Workplace Relations (Registration and Accountability of Organisations) Regulations 2003* – "the RAO Regulations".

¹ References in this letter are to the RAO Schedule unless otherwise stated

- the *Reporting Guidelines* issued by the Industrial Registrar – “the Guidelines”.

You can find the RAO Schedule and RAO Regulations under “Procedures and Legislation”, and the Guidelines under “Organisations”, on our website at www.airc.gov.au. You can also view and download full versions of the Act including the RAO Schedule and RAO Regulations from Comlaw at www.comlaw.gov.au.

Timeline Planner and Checklist

The RAO Schedule includes strict timelines for various steps in the reporting process. It is in the interest of your organisation and its officers to know these time limits. Failure to comply with statutory time limits may attract a civil penalty.

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 Guidelines.

In the following section we describe some of the documents your reporting unit² 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 Guidelines (a sample Statement 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. The contents of the operating report are set out in s254 of the RAO Schedule and regulation 159 of the RAO Regulations.

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

² “Reporting Unit” is the term RAO uses to describe a body which has to prepare a financial return. If an organisation is divided into branches, each branch is a “reporting unit”.

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

The Full Report

Your reporting unit must provide free of charge to its members a copy of the GPFR, the Operating Report and the Auditor's Report. RAO calls these the "full report".

A Concise Report

Under certain circumstances, your reporting unit can provide members a more limited *concise report*. If your committee of management resolves to prepare a concise report, you must ensure the contents and format of the report are consistent with the RAO Schedule and RAO Regulations.

Providing the reports to members

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 on a website on the Internet dependent on:

- the extent of the accessibility of the members of the reporting unit to the Internet; and
- 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.
- both financial and unfinancial members should be able to access the report if published on the website

When does the report have to be provided to members?

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 or any concise report to members, the full report 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 to consider the report (see s266(3)), you may 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 the **Ref: FR number** at top left of the front page of this letter.

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 certificate 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.

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

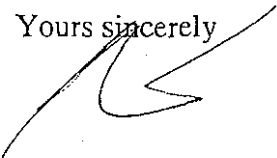
If your reporting unit meets certain conditions, some of these reporting requirements can be reduced. If the annual income of a reporting unit (where the reporting unit is the whole of the organisation) is less than \$100,000, or where the reporting unit has no financial affairs in the financial year,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

If you think you might qualify for "reduced reporting", please contact us for more information and how to make an application for a certificate.

Contact the Registry

We encourage you to contact the Registry on (02) 8374 6666 or by e-mail at riasydney@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.

Yours sincerely



Peter McKerrow
for Deputy Industrial Registrar

25 August 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:

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*

Attachment E

NOTICE REQUIRED BY s272(5) of the RAO Schedule

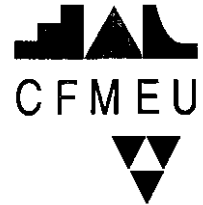
Your reporting unit must include the text of the Notice below in the Notes to the General Purpose Financial Report and in any Concise Report it prepares.

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).



**Construction, Forestry, Mining
& Energy Union**
Mining & Energy Division
Queensland District Branch



Phone: (07) 3839 8588
Fax: (07) 3839 8404

Level 2
61 Bowen Street,
SPRING HILL 4000

P.O. Box 508
SPRING HILL
QLD 4004

FR 2005/496.

July 27, 2005

Ref: GB/AR067

The Registrar
Australian Industrial Registry
Level 8, Terrace Towers
80 William Street,
East Sydney NSW 2011

Attention: Peter McKerrow

Dear Sir

Re: Change of Auditors

Please be advised that the CFMEU (Mining & Energy) Qld Division has appointed Price Waterhouse Coopers to carry out the Unions Audit for the financial year ending June 30.

This appointment was approved by the Unions Board of Management by way of resolution. If you require further information please ring me on (07) 3839 8588.

Yours faithfully


Greg Betts
District Secretary

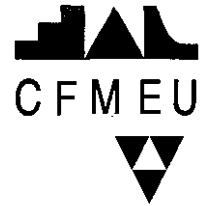




Construction, Forestry, Mining & Energy Union

Mining & Energy Division
Queensland District Branch

ABN 73 089 711 903



Phone: (07) 3839 8588
Fax: (07) 3839 8404

Level 2
61 Bowen Street,
SPRING HILL 4000

P.O. Box 508
SPRING HILL
QLD 4004

9th December 2005

The Registrar
Australian Industrial Registry
Level 8, Terrace Towers
80 William Street
East Sydney, NSW 2011

Dear Sirs,

CFMEU (Mining & Energy) Qld Branch
Financial Year Ended 30.06.2005
Ref: FR2005/496-(105N-QDST)

We enclose the following for the Financial Year Ended 30.06.2005:

- (1) Audited Financial Report - Full Report as presented at the First and Second Meetings
- (2) Statement of the Union's Loans, Grants and Donations:

Yours Faithfully

Greg Betts
Secretary



ORIGINAL

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch
ABN 73 089 711 903**

**Financial Report for the Financial Year Ended
30 June 2005**

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

ABN 73 089 711 903

30th June 2005

<u>Contents:</u>	<u>Page No</u>
Committee of Management Statement	3-4
Certificate of Secretary	5
Operating Report	6
Statement of Financial Performance	7-11
Statement of Financial Position	12-13
Statement of Cash Flows	14
Notes to the Financial Statements	15-32
Independent Audit Report	33-34

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

**ABN 73 089 711 903
Committee of Management Statement
Workplace Relations Act 1996**

We, Andrew William Vickers and Gregory James Betts, being two members of the Committee of Management of the CFMEU, Mining & Energy Division Queensland District Branch, do state on behalf of the Committee and in accordance with a resolution passed by the Committee of Management, that in the opinion of the Committee of Management that:

- (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 organisation will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year ended 30 June 2005 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 organisation have been managed in accordance with the rules of the organisation including the rules of the branch concerned; and
 - (iii) the financial records of the organisation have been kept and maintained in accordance with the Workplace Relations Act 1996 and Workplace Relations (Registration and Accountability of Organisations) Regulations 2003; and
 - (iv) the Committee of Management is unable to express an opinion on whether its financial records "have been kept, as far as practical, in a consistent manner to each of the other reporting units of the organization" The Committee of Management is not aware of the current internal accounting systems and procedures in place of other states reporting units of the organization; and

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

**ABN 73 089 711 903
Committee of Management Statement
Workplace Relations Act 1996**

- (v) the information sought in any request of a member of the organisation or a Registrar duly made under section 272 of the Workplace Relations Act 1996 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 Workplace Relations Act 1996.

Prepared in accordance with a resolution of the Committee of Management held on 6 December 2005.



Andrew William Vickers
(President)



Gregory James Betts
(Secretary)

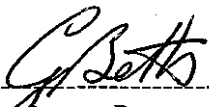
Dated at Brisbane this 6th Day of December, 2005.

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

**ABN 73 089 711 903
Certificate of Secretary
s268 of Schedule 1B Workplace Relations Act 1996**

I, Gregory James Betts being the Secretary of the Construction, Forestry, Mining & Energy Union, Mining & Energy Division, Queensland District 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 the Board of Management on 14th November 2005 (First Meeting)
- that the full report was further presented at the annual general meeting on 6th December 2005; in accordance with section 266 of the RAO Schedule; (Second Meeting)
- The full report will be presented to the Queensland membership by way of a series of meetings in accordance with the Union's Rules. The last of these meetings will be in the last week of February 2006.



Gregory James Betts
(Secretary)

Dated at Brisbane this 6th Day of December, 2005.

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

**ABN 73 089 711 903
Operating Report
Workplace Relations Act 1996**

Principal Activities

The principal activities of the organisation were:

- To improve the conditions and to protect the interest of the members of the District Branch.
- To uphold the rules of the District Branch and to regulate the conditions under which members may be employed.
- To obtain legislative enactments for the more efficient management of monies, whereby the lives and health of miners may be preserved and, if necessary, to take steps to obtain compensation for accidents where employers are liable.
- To secure and maintain an effective general agreement between the members of the Union and their employers embodying rates, wages and conditions, to be settled by mutual agreement or by arbitration.

The profit from ordinary activities of the organisation was \$2,306,544 (2004: \$738,833). There have been no significant changes to the activities or the financial affairs of the organisation.

Member's rights

Members of the organisation have the right to resign from the organisation under section 174 of the Workplace Relations Act 1996.

Other Information:

- The Number of members of the branch was 6,712.
- The number of employees of the branch including full and part-time members was 240 (as reported on the PAYG Payment Summary).
- Superannuation Trustee – Gregory James Betts

Committee of Management-Names:

- John Gage
- Barry Spillman
- Rick Ostwald
- Shane Bruncker
- Martin Crane
- Steve Davison
- Peter Macpherson
- Glen Power
- Frank Baker

Period Covered:

- Full Year Committee Member
- Full Year Committee Member
- Full Year Committee Member
- Full Year Committee Member
- Full Year Committee Member
- Full Year Committee Member
- Full Year Committee Member
- Full Year Committee Member
- Full Year Committee Member



Andrew William Vickers
(President)



Gregory James Betts
(Secretary)

Dated at Brisbane this 6th Day of December, 2005.

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

**ABN 73 089 711 903
Statement of Financial Performance
for the Year Ended 30 June 2005**

	<i>Notes</i>	2005 \$	2004 \$
<i>Revenue from Ordinary Activities</i>			
Membership Dues		7,746,665	6,549,626
<i>Expenses Recouped</i>			
Union Check Inspectors		24,000	24,000
Sales - Union Merchandise		13,024	14,993
Interest Received		625,696	255,751
Revenue - Sale of Plant and Equipment	5	118,091	37,727
Investment Income		49,689	47,647
Directors Fees		8,530	17,060
<i>Dividends Received from:</i>			
Associated Corporations	8	-	525,000
Profit on sale of Investments		1,300,000	-
Levies Received – Legal and Assistance		603,658	552,619
Interest Received – Legal and Assistance		32,535	50,701
<i>Total Revenue</i>		----- \$10,521,888 -----	----- \$8,075,124 -----

Notes to the financial statements are included on pages 15 - 32

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

**ABN 73 089 711 903
Statement of Financial Performance
for the Year Ended 30 June 2005**

	<u>Notes</u>	2005 \$	2004 \$
Expenses from Ordinary Activities			
Advertising		29,366	4,767
Affiliation Fees			
Australian Labour Party		27,608	22,077
Others		26,715	28,357
Banner/Signage Costs		2,605	1,287
Bank Charges		9,133	6,055
Cleaning and Pest Control		37,923	34,205
Computer Maintenance		42,672	65,127
Credit Card Charges		2,390	2,347
Depreciation	1b, 5	145,088	104,608
Donations		383,096	652,171
Doubtful Debts		23,000	-
Dues			
Federal Body		1,945,507	1,579,157
Election Costs		29,156	-
Electricity & Power		34,190	33,818
Executive Honoraria		44,955	47,925
Functions & Hospitality			
District Office		11,326	7,631
Lodges		198,955	187,108
Fringe Benefits Tax		64,796	52,101
Insurance			
Property, Plant and Equipment		23,803	27,568
Workers Compensation		5,882	4,966
Leasing Costs - Operating	1h	48,566	31,243
Loans Written Off		3,063	-
Expense - Sale of Plant and Equipment	5	241,567	74,381
May / Picnic Day		80,003	54,588
Meeting & Conference Expenses			
District Office		11,386	2,676
Wages - Officers (Lodges)		335,813	397,481
Wages - BOM (Board of Management)		50,591	19,150
Wages - Other		5,506	17,918
Travel Allowances - Officers		195,959	182,396
Travel Allowances - Board of Management		17,574	12,476

Notes to the financial statements are included on pages 15 - 32

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

**ABN 73 089 711 903
Statement of Financial Performance
for the Year Ended 30 June 2005**

	<u>Notes</u>	2005 \$	2004 \$
<i>Expenses from Ordinary Activities (Cont'd)</i>			
<i>Meeting & Conference Expenses- cont'd</i>			
Travel Allowances - Other		5,921	5,137
Travel Costs - Officers		293,367	290,247
Travel Costs - Board of Management		15,557	15,354
Travel Costs - Other		5,965	19,277
Seminars & Training Courses		91,261	78,693
Hire of Venue		3,417	5,957
Motor Vehicle Expenses		57,581	57,135
Office Requirements		35,073	24,723
Parking Costs		5,106	4,821
Payroll Tax		97,833	65,909
Picket Line Costs		20,503	-
Postage, Printing & Stationery		79,738	64,496
<i>Professional Costs</i>			
Auditors Remuneration	4b	38,005	34,398
Legal Expenses - Sale of Investments	4b	81,580	917
Property Valuation Costs	4b	-	4,877
<i>Provision Movements - Employee Entitlements</i>			
Annual Leave	10a	55,262	(5,160)
Sick Leave	10a	(7,845)	13,235
Long Service Leave	10a	(10,592)	(39,684)
<i>Purchases</i>			
Union Merchandise and Books		213,030	147,430
Acts, Awards, etc		2,905	5,483
Rates & Land Tax		26,389	26,039
Removal Fees		-	2,464
<i>Rental Costs</i>			
Head office - Depreciation recoupment		55,677	48,789
Regional Offices		26,329	26,506
Recruitment of Staff Costs		8,659	10,227
Repairs & Maintenance		15,787	25,319
Retirement Gifts & Parties		40,001	19,442
<i>Salaries & Wages (District Office)</i>			
Officers		1,111,073	957,302
Office Staff		496,355	495,067
Security Costs		5,309	763
Staff Amenities		6,560	6,520
Subscriptions & Periodicals		30,763	27,273

Notes to the financial statements are included on pages 15 - 32

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

ABN 73 089 711 903
**Statement of Financial Performance
for the Year Ended 30 June 2005**

<i>Notes</i>	2005 \$	2004 \$
<i>Expenses from Ordinary Activities (Cont'd)</i>		
<i>Superannuation Cont - Statutory</i>		
Officers	88,845	88,693
Staff	68,285	48,552
<i>Superannuation Cont - Non Statutory</i>		
Officers	40,392	41,374
Staff	42,550	40,837
Telephone & Facsimile	264,675	262,744
Wreaths & Tributes	5,183	6,606
Legal and Assistance Fund Expenses	720,651	754,946
<i>Total Expenses</i>	\$8,215,344	\$7,336,292
 <i>Profit from Ordinary Activities</i>	 \$2,306,544	 \$738,833

Notes to the financial statements are included on pages 15 - 32

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

**ABN 73 089 711 903
Statement of Financial Performance
for the Year Ended 30 June 2005**

	<u>Notes</u>	2005 \$	2004 \$
<i>Profit from Ordinary Activities</i>		2,306,544	738,833
<i>Other Transfers & Appropriations</i>			
Accumulated General Funds			
Beginning of Year		6,584,653	5,694,195
Transfer of Reserves from / (to):			
Legal and Assistance Reserve	7	84,458	151,625
		-----	-----
<i>Accumulated General Fund - End of Year</i>		<u><u>\$8,975,655</u></u>	<u><u>\$6,584,653</u></u>

Notes to the financial statements are included on pages 15 - 32

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

**ABN 73 089 711 903
Statement of Financial Position
as at 30 June 2005**

	<u>Notes</u>	2005 \$	2004 \$
<i>Current Assets</i>			
Cash on Hand	19a	576	777
Cash at Bank	19a	10,695,718	7,893,039
Receivables	6	822,067	1,709,401
<i>Total Current Assets</i>		<u>11,518,361</u>	<u>9,603,217</u>
<i>Non-Current Assets</i>			
Investments	8	170,002	171,002
Receivables	6	138,000	138,000
Property, Plant & Equipment	5	780,792	682,156
<i>Total Non-Current Assets</i>		<u>1,088,794</u>	<u>991,158</u>
<i>Total Assets</i>		<u>\$12,607,155</u>	<u>\$10,594,375</u>
<i>Current Liabilities</i>			
Accounts Payable	9	2,153,555	2,484,144
Provision for employee entitlements	10	542,842	495,425
<i>Total Current Liabilities</i>		<u>2,696,397</u>	<u>2,979,569</u>
<i>Non-Current Liabilities</i>			
Provision for employee entitlements	10	46,663	57,255
<i>Total Non-Current Liabilities</i>		<u>46,663</u>	<u>57,255</u>
<i>Total Liabilities</i>		<u>\$2,743,060</u>	<u>\$3,036,824</u>
<i>Net Assets</i>		<u>\$9,864,095</u>	<u>\$7,557,551</u>

Notes to the financial statements are included on pages 15 - 32

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

**ABN 73 089 711 903
Statement of Financial Position
as at 30 June 2005**

	<u>Notes</u>	2005 \$	2004 \$
<i>Members' Funds</i>			
Accumulated General Fund		8,975,655	6,584,653
Reserves	7	888,440	972,898
<i>Total Members' Funds</i>		----- \$9,864,095 =====	----- \$7,557,551 =====

Notes to the financial statements are included on pages 15 - 32

Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch
ABN 73 089 711 903
Statement of Cash Flows
for the Year Ended 30 June 2005

	<u>Note</u>	2004 \$	2003 \$
<i>Cash Flow from Operating Activities:</i>			
Receipts for Membership Dues		8,313,004	7,320,996
Payments to Creditors and Employees		(8,323,596)	(7,295,987)
Interest Received		389,431	255,751
Expenses Recouped		24,000	24,000
Sale of CFMEU Merchandise and Books		13,024	14,993
Other Income		758,262	64,707
Dividends Received		1,039,225	525,000
		-----	-----
Net cash provided by / (used in) operating activities	19(b)	\$2,213,350	\$909,460
		=====	=====
<i>Cash Flow from Investing Activities:</i>			
Proceeds from Sale of Property, Plant and Equipment		118,091	37,727
Payments for Property, Plant and Equipment		(819,721)	(276,291)
Sale of Investments		1,300,000	282,500
		-----	-----
Net cash provided by / (used in) investing activities		\$598,370	\$43,936
		=====	=====
<i>Cash Flow from Financing Activities:</i>			
Loan to members		(20,590)	(27,415)
Repayment by members		11,348	42,863
		-----	-----
Net cash provided by / (used in) financing activities		(\$9,242)	\$15,448
		=====	=====
Net (Decrease) / Increase in Cash Held		2,802,478	968,844
Cash at Beginning of Year		7,893,816	6,924,972
		-----	-----
<i>Cash at End of Year</i>	19(a)	\$10,696,294	\$7,893,816
		=====	=====

Notes to the financial statements are included on pages 15 - 32

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

ABN 73 089 711 903

Notes to the Financial Statements for the Year Ended 30 June 2005

1. Summary of Accounting Policies

The financial report is a general purpose financial report which has been prepared in accordance with applicable Australian Accounting Standards and Urgent Issues Group Consensus views and the requirements of the Workplace Relations Act 1996 (S253) and complies with other requirements of the law.

Significant Accounting Policies

The financial report has been prepared on an accruals basis and is based on historical costs and except where stated, does not take into account changing money values or current valuation of non-current assets. Cost is based on the fair values of the consideration in exchange for assets.

Accounting policies are selected and applied in a manner which ensures that the resultant financial information satisfies the concept of relevance and reliability, thereby ensuring that the substance of the underlying transactions and other events is reported.

In addition to the accounting policies prescribed by applicable Australian Accounting Standards, the following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) Principles of Preparation of the Financial Statements

These Financial Statements have been prepared by combining the financial information and results of the District Office and all Queensland Lodges.

In preparing these Financial Statements, all transactions and balances between these parties are eliminated.

(b) Depreciation

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land and investment properties. Depreciation is calculated on a straight line method so as to write off the net cost of each asset over its expected useful life. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is shorter, using the straight line method. The following estimated useful lives are used in the calculation of depreciation:

(i)	Plant and Equipment	5 - 6 years
(ii)	Motor Vehicles	6 - 7 years
(iii)	Buildings	40 years

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

ABN 73 089 711 903

Notes to the Financial Statements for the Year Ended 30 June 2005

1. Summary of Accounting Policies (cont'd)

(c) Receivables

Trade receivables and other receivables are recorded at amounts due less any allowances for doubtful debts.

(d) Investments

Non-current investments are measured on the cost basis. The carrying amount of investments is reviewed annually by the executive 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.

Dividends and Interest is taken to income on an accrual basis. Investments in associates have been accounted for under the equity method in the Financial Statements.

(e) Recoverable Amount of Non-Current Assets

The carrying value of non-current assets is regularly reviewed by the Committee of Management. Non-current assets are written down to recoverable amount where the carrying value of any non-current assets exceeds recoverable amount. In determining the recoverable amount of non-current assets, the expected net cash flows have not been discounted to their present value.

(f) Accounts Payable

Trade Payables and other accounts payable are recognised when the organization becomes obliged to make future payments resulting from the purchase of goods
And services

(g) Income Tax

No liability exist for Income Tax as the organisation, as a Trade Union, is exempt from Income Tax under Section 50-15 of the Income Tax Assessment Act 1997. It is, however, liable for Fringe Benefits Tax under the Fringe Benefits Tax Assessment Act 1986.

(h) Leased Assets

Operating lease payments are charged as an expense in the period in which they are incurred.

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

ABN 73 089 711 903

Notes to the Financial Statements for the Year Ended 30 June 2005

1. Summary of Accounting Policies (cont'd)

(i) Acquisition of Assets

Assets acquired are recorded at the cost of acquisition, being the purchase consideration determined as at the date of acquisition.

(j) Employee Entitlements

Accrued Employees' Benefits have been calculated in accordance with the appropriate awards and in accordance with AASB 1028. Employee entitlements include Annual Leave, Sick Leave, and Long Service Leave.

Provision made in respect of wages and salaries, annual leave, sick leave and long service leave expected to be settled within 12 months, are measured at their nominal values.

Provision made in respect of long service leave which are not expected to be settled within 12 months are measured as the present value in respect of services provided by employees up to the reporting date.

The number of officers and employees covered by the provision is 18.

(k) Cash

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or other financial institutions, investments in money market with short periods to maturity which are readily convertible to cash and net of bank overdrafts.

(l) Revenue

Membership revenue is recognised on an accrual basis. The amount recognised as a receivable represents cash received until 30 September 2005 that relates to the 2005 financial year.

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

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

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

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

ABN 73 089 711 903

Notes to the Financial Statements for the Year Ended 30 June 2005

1. Summary of Accounting Policies (cont'd)

(m) Equity Accounted interest in Investments

The organisation's share of the assets, liabilities, revenue and expenses of joint venture operations are included in the respective items of the statements of financial performance and financial position. Details of the organisation's interest are shown in Note 8.

(n) Revaluation of non current assets

Subsequent of initial recognition as assets, land and buildings, including those classified as investment properties, are measured at fair value being the amounts for which the assets could be exchanged between knowledgeable willing parties in an arms length transactions. Revaluations are made with sufficient regularity to ensure that the carrying amount of each piece of land and each building doesn't differ materially from its fair value at the reporting date. Annual assessment is done by the Committee of Management, supplemented by independent assessment at least every four years.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in net profit or loss, the increment is recognised immediately as revenue in net profit or loss.

Revaluation decrements are recognised immediately as an expense in net profit or loss, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited to asset revaluation reserve.

Revaluation increments and decrements are offset against one another within a class of non current assets, but not otherwise.

**2. Workplace Relations Act 1996
Information to be provided to members**

In accordance with Section 272 of The Workplace Relations Act 1996, attention of members is drawn to their rights to obtain prescribed information in relation to the organisation. The Act provides as follows:

- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (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 organisation.
- (3) The organisation must comply with an application made under subsection (1)

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

ABN 73 089 711 903

Notes to the Financial Statements for the Year Ended 30 June 2005

3. Workplace Relations Act 1996

Copies of Audited Financial Statements to be provided to members

The organisation has already and will provide a copy of the Financial Statements free of charge to any member who so requests in writing.

4. Statutory Disclosures

(a) Officers remuneration

The number of Officers of the organisation whose remuneration falls within each successive \$10,000 bands of income are as follows:

	2005 No.	2004 No.
\$0 - \$9,999	-	-
\$120,000 - \$129,999	-	-
\$130,000 - \$139,999	1	4
\$140,000 - \$149,999	2	2
\$150,000 - \$159,999	2	2
\$160,000 - \$169,999	3	-

Aggregate income paid or payable – officers	\$1,230,837	\$1,138,168
---	-------------	-------------

Aggregate income paid or payable – employees	\$755,560	\$662,934
--	-----------	-----------

(b) Professional Services

- Legal Costs paid from:

General Funds	81,580	917
Legal and Assistance Reserve (Included in Note 7)	494,084	398,013

Services were provided by the following Solicitors: Hall Payne, Taylors, Rees R & Sydney Jones.

- Auditors Remuneration

Auditing the Financial Report	\$38,005	\$34,398
-------------------------------	----------	----------

- Property Valuation Costs

Valuation of Properties	-	\$4,877
-------------------------	---	---------

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

Notes to the Financial Statements for the Year Ended 30 June 2005

4. Statutory Disclosures- cont'd

(c) Economic dependency

The entity is not dependent on another reporting unit of the organisation for significant volume of revenue or financial support.

(d) Others	2005	2004
	\$	\$
(i) Assets or liability acquired during the financial year as a result of:		
• an amalgamation under Chapter 3, Part 2 of the RAO Schedule in which the organisation was the amalgamated organisation; or	-	-
• a restructure of the branches of the organisation; or	-	-
• a determination by the Industrial Registrar under subsection 245(1) of RAO Schedule of an alternative reporting structure of the organisation; or	-	-
• a revocation by the Industrial Registrar under subsection 249(1) of the RAO Schedule of a certificate issued to an organisation under subsection 245(1).	-	-
(ii) Consideration received from another reporting unit of the organisation as a contribution towards general administrative expenses of the entity a proportion of the total amount received by the other reporting unit as entrance fees or membership subscription	-	-
(iii) Compulsory levies raised from the members or as appeals for voluntary contributions for the furtherance of a particular purposes	-	-
(iv) Penalties imposed on the entity under the Act or regulation	-	-
(v) Expenses incurred as consideration for employers making payroll deductions of the membership subscription	-	-

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

Notes to the Financial Statements for the Year Ended 30 June 2005

5. Property, Plant and Equipment

	2005	2004
	\$	\$
Property		
Land At Independent Valuation (30 June 2004)	6,000	6,000
Buildings At Independent Valuation (30 June 2004)	74,000	74,000
	-----	-----
	80,000	80,000
Less: Accumulated Depreciation	-	-
	-----	-----
	80,000	80,000
	-----	-----
Motor Vehicles		
At Cost	583,622	491,026
Less: Accumulated Depreciation	(167,597)	(96,490)
	-----	-----
	416,025	394,536
	-----	-----
Plant and Equipment		
At Cost	729,825	919,272
Less: Accumulated Depreciation	(449,209)	(711,652)
	-----	-----
	280,616	207,620
	-----	-----
Lease Improvements		
At Cost	4,151	-
Less: Accumulated Depreciation	-	-
	-----	-----
	4,151	-
	-----	-----
Totals	\$780,792	\$682,156
	=====	=====

Movements in Carrying Value (CV) between the beginning and the end of the current financial year

	<u>Motor Vehicles</u>	<u>Plant and Equipment</u>
	<u>At CV</u>	<u>At CV</u>
Balance at the beginning of the year	394,536	207,620
Additions	312,297	168,843
Disposals	(219,701)	(21,866)
Depreciation	(71,107)	(73,981)
	-----	-----
Carrying amount at the end of the year	416,025	280,616
	-----	-----

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

Notes to the Financial Statements for the Year Ended 30 June 2005

5. Property, Plant and Equipment- cont'd

	<u>Land & Building</u>	<u>Leasehold Improvements</u>
	<u>At CV</u>	<u>At CV</u>
Balance at the beginning of the year	80,000	-
Additions	-	4,151
	-----	-----
Carrying amount at the end of the year	\$80,000	\$4,151
	-----	-----
	2005	2004
	\$	\$
<u>Sale of Fixed Assets:</u>		
Proceeds on sale of Fixed Assets (Page 7)	118,091	\$37,727
	-----	-----
<u>Reconciliation of Depreciation Expense</u>		
Plant and Equipment	94,716	68,949
Motor Vehicles	50,372	35,659
	-----	-----
Total Depreciation Expense	145,088	104,608
	-----	-----

Property Revaluation – 30th June 2004

The Properties were revalued for the Financial Year Ended 30th June 2004 by Independent Valuers to fair market value as follows:

CFMEU Moura Lodge at 41 Davey Street, Moura, Q4718

Valued by ACVAL Turner Valuers and Property Consultants, 7 Anakie Street, Emerald, Q4720

The Committee of Management do not believe that there have been any material movement to that value.

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

ABN 73 089 711 903

Notes to the Financial Statements for the Year Ended 30 June 2005

6. Receivables

	2005	2004
	\$	\$
(a) Current Receivables represented by:		
Dues Receivable	325,625	219,490
Loans - Members (unsecured)	37,564	31,385
Receivables-QMES	-	1,039,225
Other Receivables	481,878	419,301
Provision for Doubtful Debts	(23,000)	-
	\$822,067	\$1,709,401

(b) Non-Current Receivables represented by:

	2005	2004
	\$	\$
Loans - Officers (secured)	138,000	138,000
	\$138,000	\$138,000

Loans to Officers is to AW Vickers and is in accordance with the current executive salary packaging.

7. Reserves

	2005	2004
	\$	\$
Legal and Assistance Reserve	829,305	913,763
Asset Revaluation Reserve	59,135	59,135
Total Reserves	\$888,440	\$972,898

Movements in Reserves

Legal and Assistance Reserve Movements

This reserve records payments of all weekly support and legal and assistance related costs including legal costs to members of this union that have been unfairly dismissed from their workplace. This payment is for the duration until the finalisation of the cases.

Opening Balance – 1 July 2004	913,763	1,065,388
Transfer to Accumulated General Fund	(84,458)	(151,625)
Balance at 30 June 2005	\$829,305	\$913,763

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

ABN 73 089 711 903

Notes to the Financial Statements for the Year Ended 30 June 2005

7. Reserves- cont'd

Asset Revaluation Reserves Movements

CFMEU Moura Lodge at 41 Davey Street, Moura, Q4718

Valued by ACVAL Turner Valuers and Property Consultants, 7 Anakie Street, Emerald, Q4720

	2005	2004
	\$	\$
Opening Balance – 1 July 2004	59,135	-
Revaluation Increments	-	59,135
	\$59,135	\$59,135
Balance at 30 June 2005	\$59,135	\$59,135

The asset revaluation reserve arises on the revaluation of non-current assets. Where revalued asset is sold, that portion of the assets revaluation reserve which relates to that asset and is effectively realised, is transferred to retained profits.

8. Investments

	2005	2004
	\$	\$
Non Current Investments represented by:		
Shares in Unlisted Corporations – at cost	2	2
Shares in Associated Corporations – at cost	-	1,000
Navigator Personal Investments – at cost	100,000	100,000
QCU Mackay Property Unit Trust – at cost	70,000	70,000
	\$170,002	\$171,002
Total Investments – Non Current	\$170,002	\$171,002

Investments in Associated Corporations:

Associate: Queensland Coal Employment Trust (QMES)

Principal Activity: Business Service Sector providing skilled labour to the coal mining industry.

Ownership interest NIL. (30 June 2004 - 50%).

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

ABN 73 089 711 903

Notes to the Financial Statements for the Year Ended 30 June 2005

8. Investments- cont'd

Equity accounted investment in associated company	2005	2004
	\$	\$
Equity accounted amount of investment at the beginning of the financial year	-	1,000
Share of operating profit before income tax	-	510,577
Share of dividend	-	(510,577)
	-----	-----
Equity accounted amount of investment at the end of the financial year	-	\$ 1,000
	=====	=====
 Reconciliation to Statement of Financial Performance per Page 9		
Share of operating profit before income tax	-	510,777
Other Prior Year Adjustments	-	14,223
	-----	-----
Total as per Statement of Financial Performance	-	\$ 525,000
	=====	=====
	2005	2004
	\$	\$
 Summarised financial position of associated company - QMES		
Current Assets		
Cash	-	520,371
Receivables	-	2,837,760
Other	-	1,000
 Non Current Assets		
Property, Plant and Equipment	-	185,663
 Current Liabilities		
Accounts Payable	-	(1,413,116)
Borrowings	-	(2,049,604)
 Non Current Liabilities		
Provisions	-	(80,074)
	-----	-----
Net Assets	-	\$2,000
	=====	=====

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

ABN 73 089 711 903

Notes to the Financial Statements for the Year Ended 30 June 2005

8. Investments- cont'd

QMES Operating profit after tax - Total	-	\$1,021,154
	=====	=====
QMES Operating profit after tax – CFMEU 50% Share	-	\$510,577
	=====	=====
Equity accounted investment in associated company		
Share of reserves attributable to associates	\$Nil	\$Nil
	=====	=====
Share of contingent liabilities of Associates	\$Nil	\$Nil
	=====	=====
Share of capital commitments of Associates	\$Nil	\$Nil
	=====	=====

9. Accounts Payable

	2005	2004
	\$	\$
(a) Current Accounts Payable represented by:		
Payable to National Office	399,096	193,332
Legal costs payable	72,938	173,076
Other Trade Payables	519,735	628,569
Payable to QCEUE	1,161,786	1,489,167
	-----	-----
	\$2,153,555	\$2,484,144
	=====	=====

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

ABN 73 089 711 903

Notes to the Financial Statements for the Year Ended 30 June 2005

10. (a) Provision for Employee Entitlements

	Provision Movements Increase/ (Decrease) \$	2005 \$	2004 \$
Current			
Annual Leave	55,262	380,988	325,726
Sick Leave	(7,845)	161,854	169,699
		----- \$542,842 =====	----- \$495,425 =====
Non-Current			
Long Service Leave	(10,592)	46,663	57,255
		----- \$46,663 =====	----- \$57,255 =====

(b) Payments for Employee Entitlements

Payments for Employee Entitlements included in Wages are as follows:

Annual Leave and Loading	118,631	123,235
Sick Leave	63,194	63,326
Long Service Leave	1,496	17,015

	No.	No.
Number of employees at end of financial year	19	18

11. Contingent Liabilities

Mortuary Benefits

The maximum exposure of the organisation for Mortuary Benefit Liability is unknown. It is estimated that the potential exposure of the Union, based on current membership, on a non-discounted cash flow basis would approximate \$10.06 million. Any amount paid is at the discretion of the District Executive as per Rule 16 of the organisation. A reserve of \$2,571,231 exists in the QCEUE Accounts in respect of this benefit.

Business Cards

The maximum exposure of the organisation for the usage of Commonwealth Bank Business Cards currently held by various Lodge Officials is \$300,000. This is a secured guarantee over the liquid assets of the organisation.

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

ABN 73 089 711 903

Notes to the Financial Statements for the Year Ended 30 June 2005

	2005 \$	2004 \$
12. Leasing Commitments	\$121,324 =====	\$166,148 =====
Non-Cancellable Operating Lease Commitments contracted for but not capitalised in the Financial Statements and payable as follows:		
Not later than one year	50,934	49,146
Later than one year but not later than two years	49,463	49,146
Later than two years but not later than five years	20,927	67,856
	----- \$121,324 =====	----- \$166,148 =====
13. Capital Commitments	Nil =====	Nil =====

14. Subsequent Events

There were no significant subsequent events.

15. Segment Reporting

The Union operates in the Mining & Energy Sector in Queensland only.
The registered office of the union is:

61 Bowen Street, Spring Hill, Qld 4000

16. Executive Officers of the Union

The following were the Executives of the CFMEU, Mining & Energy Division (Queensland District Branch) during the year:

Current Executives:

AW Vickers
GJ Betts
RV Barker
JL Yvanoff
SA Pierce
SA Vacanneo
GA Dalliston
SA Smyth

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

ABN 73 089 711 903

Notes to the Financial Statements for the Year Ended 30 June 2005

16. Executive Officers of the Union- cont'd

All Executives are members of the organisation and pay dues on the same basis as other members.

17. Related Party Disclosures

Executive remuneration

Details of executive remuneration have been disclosed in note 4 to the Financial Statements.

Executive Loans

The total loans outstanding to the executives has been disclosed in note 6 to the Financial Statements.

18. Financial Instruments

(a) Significant Accounting Policies

Details of significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial assets, financial liability are disclosed in Note 1 to the Financial Statements.

(b) Interest Rate Risk

The organisation'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 rates on those financial assets and financial liabilities are as follows:

**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

ABN 73 089 711 903

Notes to the Financial Statements for the Year Ended 30 June 2005

18. Financial Instruments— cont'd

	Weighted Average Effective Interest Rate		Floating Interest Rate Variable		Non Interest Bearing	
	2005 %	2004 %	2005 \$	2004 \$	2005 \$	2004 \$
Financial Assets						
Cash at Bank	3.2	3.2	\$180,662	522,353	-	-
Interest Bearing Deposits	5.2	5.2	10,515,056	7,370,686	-	-
Investments	0.0	0.0	-	-	-	-
Trade Receivables	0.0	0.0	-	-	325,625	219,490
Receivables-QMES	0.0	0.0	-	-	-	1,039,225
Officers' Loans	0.0	0.0	-	-	138,000	138,000
Total Financial Assets			\$10,695,718	\$7,893,039	\$463,625	\$1,396,715

Financial Liabilities

Trade Payables	0.0	0.0	-	-	991,769	994,977
Payable-QCEUE	0.0	0.0	-	-	1,161,786	1,489,167
Employee Entitlements	0.0	0.0	-	-	589,505	552,680
Total Financial Liabilities			-	-	\$2,743,060	\$3,036,824

Fixed Interest within one year and Rates Maturing 1 to 5 years - Nil

(c) 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, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

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

(d) Net Fair Values

The net fair value approximates their carrying value. No financial assets or 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 organisation intends to hold these to maturity.

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Independent audit report to the members of Construction, Forestry, Mining and Energy Union Mining & Energy Division Queensland District Branch

Audit opinion

In our opinion:

1. the Union has kept satisfactory accounting records in respect of the year ended 30 June 2005, in accordance with section 252 of the Workplace Relations Act 1996, including:
 - records of the sources and nature of the income of the Union (including income from members); and
 - records of the nature and purposes of the expenditure of the Union; and
2. The financial report is properly drawn up so as to present fairly the Union's financial position as at 30 June 2005 and the results of its operations and its cash flows for the year ended in accordance with Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements of the Workplace Relations Act 1996.

This opinion must be read in conjunction with the rest of our audit report.

Scope

The financial report and Committee of Management's responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows and accompanying notes to the financial statements for Construction, Forestry, Mining and Energy Union- Mining & Energy Division Queensland District Branch for the year ended 30 June 2005.

The Committee of Management are responsible for the preparation and true and fair presentation of the financial report. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We have conducted an independent audit of the financial report in order to express an opinion on it to the members.

Our Audit has been conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected. For further explanation of an audit, visit our website

<http://www.pwc.com/au/financialstatementaudit>.

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 whether, in all material respects:

- (a) the Union has kept satisfactory accounting records in accordance with Section 252 of the Workplace Relations Act 1996; and
- (b) the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements of the Workplace Relations Act 1996 so as to present a view which is consistent with our understanding of the Union's financial position, the results of its operations and its cash flows.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Workplace Relations Act 1996, Australian Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Committee of Management.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Our audit did not involve an analysis of the prudence of business decisions made by the Committee of Management.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.



PricewaterhouseCoopers



P J Clarke
Partner

Brisbane
6 December 2005



Australian Government
Australian Industrial Registry

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Mr Greg Betts
Secretary, Queensland District Branch
Construction, Forestry, Mining and Energy Union
PO Box 508
SPRING HILL QLD 4004

Dear Mr Betts

**Re Financial Return – Queensland District Branch – year ending 30 June 2005
(FR2005/496)**

Thank you for lodging the above financial documents which were received on 14 December 2005.

The documents will be filed. However the Secretary's certificate raises the question about how the Branch goes about complying with the requirement to provide the financial report to members before 'presenting' the documents to a 'second' meeting. The question arises because the Secretary's certificate only mentions providing members with the report in the series of meetings to conclude in February which will apparently be the last event in the process. These meetings occur *after* the meeting which you have described as the 'second meeting' under s266 on 6 December 2005.

The Registry's uncertainty is added to by the fact that the financial statements and auditor's report are dated 6 December, the same day as the 'second meeting'. We would have expected the statements and report to be signed at a 'first' meeting.

The correct sequence

The issue has come up in correspondence in previous years. I am conscious that this issue revolves around unfortunately complicated wording in the RAO Schedule and that our raising the issue may appear technical or bureaucratic.

On the other hand, this sequence has always been quite explicit in the legislation and the Registry has consistently taken the view that the provisions of the legislation are directly and significantly crucial for an organisation to discharge its obligations to its members and consequently are important aspects for compliance.

Consequently I am keen to remove once and for all any confusion or doubt as to the correct procedures by the Branch for purposes of future reports.

In past years, if I read the correspondence carefully, it appears that the Queensland District Branch has at least mostly followed a satisfactory sequence of holding a 'first' meeting of the Board, *then* providing the members with the financial report by post or other means, *then* holding another meeting of the Board [which appears to be the annual general meeting mentioned in rule 8(ii)(a)], *then* holding a series of meetings of the Lodge membership [which appears to follow rule 8(iv)(a)].

The important principle underlying this sequence is that members have an adequate opportunity to examine the signed audited financial report *before* they are finally approved (implied in the term “presented”) for lodgement.

If the Branch is continuing to follow this procedure, then there is no substantive problem, merely the question of making sure that the Secretary’s certificate makes clear that this core sequence has been followed.

Which meeting must be declared the ‘second meeting’ under s266

The foregoing suggests that the 6 December meeting cannot – on the ground of its timing - strictly qualify as the ‘second’ meeting contemplated by section 266 for the purpose of “presenting the documents”, because that section clearly envisages presentation taking place only after the members have been provided with the financial report in accordance with s265.

Moreover, if the 6 December ‘annual general’ meeting was a meeting of the Board as described in your rule 8(ii)(a), it cannot qualify as the ‘second’ meeting on the ground of its type either. This is because, since the Queensland District Branch does not have a 5% rule as described in s266(3), the only type of meeting that can qualify as a ‘second’ meeting is a general one – or a series of general meetings – of the members.

Future returns

Given that it is clear that your Branch’s members will be provided – during the forthcoming Lodge meetings at least - with the signed and audited report, and that the accounts and financial statements and auditor’s report appear otherwise in order, I have decided to file the documents without further delay.

However next year’s Secretary’s certificate should be able to unambiguously reflect the complete and correct sequence required by the legislation and followed by the Branch. I think that confusion and doubt about the Branch’s compliance will be avoided if the following steps are taken:

- (1) The financial documents should be signed and dated on the day they are prepared and first provided to the Board of Management which should be described as the ‘first’ meeting;
- (2) The next step must be to provide the general Branch membership with ‘copies’ of the signed financial report documents. This may be done by whatever means are reasonable whether by post, or publication, or adequate circulation at workplaces or even making them available on the internet if the Branch has a website;
- (3) Only then, and after a lapse of at least 21 days, must the documents be presented to the series of members’ meetings which will represent collectively the ‘second meeting’;
- (4) Logically, only at the conclusion of the series of members’ meetings should the financial report be lodged.

If the Branch has traditionally 'approved' the financial report for lodgement at its annual general Board of Management meeting, in order to comply with its Branch rules, there is no reason why this cannot continue to occur at the time chosen by the Branch but this should in no way substitute for or re-arrange the 4 step sequence I have set out above.

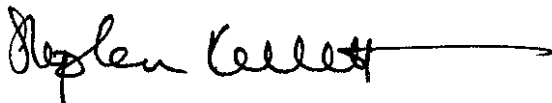
Now I am conscious that to complete the sequence as I have outlined may take a different amount of time and that it may have implications for the Branch or present difficulties where compliance with the time limits on lodgement are concerned. As you are aware, the period prescribed by the RAO Schedule within which audited reports must be provided to members and the documents presented to a subsequent meeting is six (6) months unless an extension of one month is obtained.

If the Branch foresees difficulties complying with this time limit, I suggest that when next year's financial report is being prepared the Branch considers applying for an extension of time under s265(5) which would allow an extra month. In any case, even if for unavoidable reasons the correct sequence still takes longer, the Registry's consistent view has been that, all things being equal, the need to comply with the correct sequence of events and meetings takes precedence over the need to complete the sequence within the prescribed time limit.

I am attaching an example of how next year's Secretary's certificate might look if it reflected the correct sequence. If you consider that the Registry has overlooked any information or misunderstood the procedures adopted by the Branch, please do not hesitate to clarify. If you wish to discuss the above personally, please feel welcome to contact me on (02) 8374 6509.

The documents have been filed and unless you wish to respond no further action is necessary.

Yours sincerely

A handwritten signature in black ink, appearing to read "Stephen Kellett", with a long horizontal flourish extending to the right.

Stephen Kellett
Assistant Manager, Sydney Registry

16 January 2006

Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch

ABN 73 089 711 903
Certificate of Secretary
S268 of Schedule 1B Workplace Relations Act 1996

DRAFT

I, Gregory James Betts being the Secretary of the Construction, Forestry, Mining & Energy Union, Mining & Energy Division, Queensland District Branch certify:

- that the documents lodged herewith are copies of the full report that was provided to the members and presented to a meeting in accordance with s266 of the RAO Schedule; and
- that the full report was signed and provided to the Board of Management on *(date)* (First meeting)
- that the full report was provided to the members of the Branch by *(state means)*..... on or from *(date)*.....
- that a lapse of at least 21 days having occurred, the full report was presented in accordance with s266 of the RAO Schedule to a series of general meetings of members, the last of which occurred on *(date)*.....(Second meeting)

(Signature) _____

(Name) Gregory James Betts

(Position) Secretary

Dated at Brisbane this *(date)*

DRAFT