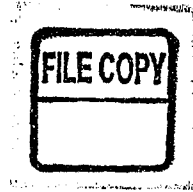




Fair Work
Australia

Mr James Valery
Secretary, Queensland District Mining Divisional Branch
Construction, Forestry, Mining and Energy Union
PO Box 508,
SPRING HILL QLD 4004



Dear Mr Valery

**Re: Lodgement of Financial Statements and Accounts –
Construction, Forestry, Mining and Energy Union, Queensland District Mining Divisional
Branch – for year ending 30 June 2009 (FR2009/248)**

Thank you for lodging the above financial statements and accounts which were received by Fair Work Australia on 15 December 2009.

The documents have been filed.

Yours respectfully

Stephen Kellett
Registered Organizations
Fair Work Australia

22 December 2009



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

Brisbane

P.O. Box 508, Spring Hill Qld 4004
Level 2, 61 Bowen Street Spring Hill 4000
T 07 3839 8588 F 07 3839 8404

11th December 2009

General Manager
Fair Work Australia
Level 8, Terrace Towers
80 William Street
East Sydney, NSW 2011



Dear Sirs,

CFMEU (Mining & Energy) Qld Branch
Financial Year Ended 30.06.2009

We enclose the following for the Financial Year Ended 30.06.2009:

- (1) Audited Financial Report - Full Report as presented at the First and Second Meetings
- (2) Statement of the Union's Loans, Grants and Donations
- (3) List of Current Executive Officers of the Union - Page 28, Note 16 of the Audited Financial Report
- (4) List of Current and Past Committee of Management of the Union - Page 6 of the Audited Financial Report

Yours Faithfully

James Valery
Secretary

Kishore Raniga
Finance Manager

Blackwater

45 Arthur Street
Blackwater Qld 4717
T 07 4982 5131 F 07 4982 6325

Moranbah

Cnr Mills Avenue & Bacon Street
Moranbah Qld 4744
T 07 4941 7004 F 07 4941 5269

Mackay

QCU Building, 41 Brisbane Street
Mackay Qld 4740
T 07 4957 2644 F 07 4951 3241

Rockhampton

QCU Building, Office 8, 110 Campbell Street
Rockhampton Qld 4700
T 07 4922 7100 F 07 4922 7105

*General Manager Fair Work Australia Copy
CFMEU Copy
Auditors Copy*

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 2009

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

ABN 73 089 711 903

30th June 2009

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

ABN 73 089 711 903

**Committee of Management Statement
Fair Work (Registered Organisations) Act 2009**

On 8th December 2009, the Committee of Management of the Construction, Forestry, Mining & Energy Union, Mining & Energy Division, Queensland District Branch passed the following resolution in relation to the general purpose financial report (GPRF) of the reporting unit for the financial year ended 30 June 2009.

The Committee of Management declares in relation to the GPRF 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 General Manager Fair Work Australia;
- (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 to which the GPRF 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 including the rules of the branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009; 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

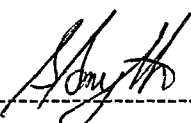
**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

ABN 73 089 711 903

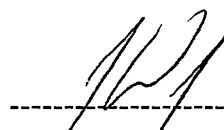
**Committee of Management Statement
Fair Work (Registered Organisations) Act 2009**

- (v) the information sought in any request of a member of the reporting unit or a General Manager Fair Work Australia duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or General Manager Fair Work Australia; and
 - (vi) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (f) In relation to recovery of wages activity:
- (i) The financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the General Manager Fair Work Australia; and
 - (ii) The committee of management caused the auditor to include in the scope of the audit required under subsection 257(1) of the Fair Work (Registered Organisations) Act 2009 all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
 - (iii) No fees or reimbursement of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
 - (iv) That prior to engaging in any recovery of wages activity, the organization has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
 - (v) No fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers

For Committee of Management:



Stephen Allan Smyth
(President)



James Lawrence Valery
(Secretary)

Dated at Brisbane this 8th Day of December, 2009.

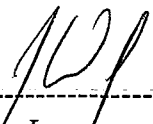
**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

ABN 73 089 711 903

**Designated Officers Certificate
s268 of Fair Work (Registered Organisations) Act 2009**

I, James Lawrence Valery 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 Fair Work (Registered Organisations) Act 2009: and
- that the full report was provided to the Board of Management Members on 3rd November 2009 (First Meeting)
- that the full report was further presented at the annual general meeting on 8th December 2009; in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009; (Second Meeting)
- The full report (as presented to the second meeting) is distributed to members and 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 2010.



James Lawrence Valery
(Secretary)

Dated at Brisbane this 8th Day of December, 2009.

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

Operating Report - Fair Work (Registered Organisations) Act 2009

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 \$1,131,446 (2008: \$853,852). 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 Fair Work (Registered Organisations) Act 2009.

Other Information:

- The Number of members of the branch was 7,695.
- The number of employees of the branch including full and part-time members was 239 (as reported on the PAYG Payment Summary).
- Superannuation Trustee – Gregory James Betts

Committee of Management-Names:


Period Covered:

10 Current Committee of Management As at 30.06.09:

- | | |
|--------------------------------------|----------------------------|
| - Division 1-Brian Wise | Full Year Committee Member |
| - Division 2-Terry Low | Full Year Committee Member |
| - Division 3-Wayne Woodhouse | Full Year Committee Member |
| - Division 4-Bruce West | Full Year Committee Member |
| - Division 5-Paul Vickery | Full Year Committee Member |
| - Division 6-Gary Barnes | Full Year Committee Member |
| - Division 7-Barry Spillman | Full Year Committee Member |
| - Central Councillor-Chris Brodsky | Full Year Committee Member |
| - Central Councillor- Shane Bruncker | Full Year Committee Member |
| - Central Councillor- Frank Baker | Full Year Committee Member |



Stephen Allan Smyth
(President)



James Lawrence Valery
(Secretary)

Dated at Brisbane this 8th Day of December, 2009.

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

**ABN 73 089 711 903
Income Statement
for the Year Ended 30 June 2009**

	2009	2008
<u>Notes</u>	\$	\$
<i>Revenue from Ordinary Activities</i>		
Membership Dues	9,881,430	9,064,100
<i>Expenses Recouped</i>		
Union Check Inspectors	24,000	24,000
Sales - Union Merchandise	10,552	22,172
Interest Received	840,661	878,492
Revenue - Sale of Plant and Equipment	5 176,228	465,216
Investment Income	59,007	46,387
Directors Fees	55,564	43,118
Levies Received – Legal and Assistance	936,799	784,770
Interest Received – Legal and Assistance	89,518	78,307
Sundry Income	8,500	-
	-----	-----
<i>Total Revenue</i>	\$12,082,259	\$11,406,562
	-----	-----

Notes to the financial statements are included on pages 15 - 30

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

ABN 73 089 711 903
Income Statement
for the Year Ended 30 June 2009

	<u>Notes</u>	2009 \$	2008 \$
<i>Expenses from Ordinary Activities</i>			
Advertising		89,473	60,401
Affiliation Fees			
Australian Labour Party		48,633	32,553
Others		47,704	38,432
Banner/Signage Costs		395	1,744
Bank Charges		12,805	11,545
Cleaning and Pest Control		50,858	38,301
Computer Maintenance		96,750	109,695
Credit Card Charges		1,871	2,230
Depreciation	1c, 5	248,187	299,706
Diminution in value of Investments		20,616	14,717
Donations		791,608	857,758
<i>Dues</i>			
Federal Body		2,556,874	2,380,108
Election Costs		-	16,158
Electricity & Power		31,415	22,186
Executive Honoraria		34,108	44,608
<i>Functions & Hospitality</i>			
District Office		25,285	13,667
Lodges		248,607	270,813
Fringe Benefits Tax		38,740	35,419
<i>Insurance</i>			
Property, Plant and Equipment		42,564	33,032
Workers Compensation		4,458	5,198
Interest-Freehold Land Conversion		11,858	9,412
Leasing Costs - Operating	1i	38,691	24,762
Loans Written Off		600	-
Expense - Sale of Plant and Equipment		232,327	329,823
Lodge Closure Expenditure		37,022	1,722
May / Picnic Day		129,421	185,217
<i>Meeting & Conference Expenses</i>			
District Office		28,610	14,199
Lodges		51,067	-
Wages - Officers (Lodges)		365,278	436,086
Wages - BOM (Board of Management)		106,661	37,250
Wages - Other		3,428	12,117
Travel Allowances - Officers		244,900	221,642
Travel Allowances - Board of Management		46,629	18,973

Notes to the financial statements are included on pages 15 - 30

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

ABN 73 089 711 903
Income Statement
for the Year Ended 30 June 2009

	<u>Notes</u>	2009 \$	2008 \$
<i>Expenses from Ordinary Activities (Cont'd)</i>			
<i>Meeting & Conference Expenses- cont'd</i>			
Travel Allowances - Other		31,893	21,679
Travel Costs - Officers		331,684	371,724
Travel Costs - Board of Management		55,702	21,733
Travel Costs - Other		2,682	2,606
Seminars & Training Courses		122,061	111,202
Hire of Venue		2,282	1,638
Motor Vehicle Expenses		79,309	79,646
Office Requirements		40,149	42,464
Parking Costs		9,418	6,880
Payroll Tax		102,728	92,888
Postage, Printing & Stationery		117,114	114,514
<i>Professional Costs</i>			
Auditors Remuneration	4b	43,935	48,441
Legal Expenses	4b	2,524	1,381
Property Valuation Fees	4b	1,132	6,341
<i>Provision Movements - Employee Entitlements</i>			
Annual Leave	10a	18,121	105,972
Sick Leave	10a	17,155	43,335
Long Service Leave	10a	(9,388)	2,768
<i>Purchases</i>			
Union Merchandise and Books		352,314	301,694
Acts, Awards, etc		3,643	4,680
Rates & Land Tax		24,360	26,476
<i>Rental Costs</i>			
Head Office - Depreciation recoupment		82,421	68,697
Regional Offices		23,984	26,829
Recruitment of Staff Costs		10,618	14,098
Relocations Costs-Union Officials		-	17,489
Repairs & Maintenance		41,807	24,227
Retirement Gifts & Parties		44,854	77,571
<i>Salaries & Wages (District Office)</i>			
Officers		1,187,576	1,105,687
Office Staff		933,539	822,381
Security Costs		1,812	4,576

Notes to the financial statements are included on pages 15 - 30

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

**ABN 73 089 711 903
Income Statement
for the Year Ended 30 June 2009**

	2009	2008
<u>Notes</u>	\$	\$
<i>Expenses from Ordinary Activities (Cont'd)</i>		
Staff Amenities	10,889	10,757
Subscriptions & Periodicals	24,033	27,249
<i>Superannuation Cont - Statutory</i>		
Officers (including Lodges)	127,964	98,834
Staff	125,622	103,801
<i>Superannuation Cont - Non Statutory</i>		
Officers	69,044	46,356
Staff	55,003	49,331
Sundry Expenses	8,500	-
Telephone & Facsimile	316,004	303,778
Wreaths & Tributes	12,806	6,857
Legal and Assistance Fund Expenses	838,077	756,656
Total Expenses	\$10,950,814	\$10,552,710
 <i>Profit from Ordinary Activities</i>	 \$1,131,445	 \$853,852

Notes to the financial statements are included on pages 15 - 30

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

**ABN 73 089 711 903
Statement of Changes in Equity
for the Year Ended 30 June 2009**

	<u>Notes</u>	2009 \$	2008 \$
<i>Profit from Ordinary Activities</i>		1,131,445	853,852
 <i>Other Transfers & Appropriations</i>			
Accumulated General Funds			
Beginning of Year		12,413,534	11,666,103
Transfer of Reserves from / (to):			
Legal and Assistance Reserve	7	(188,240)	(106,421)
		-----	-----
<i>Accumulated General Fund - End of Year</i>		<u><u>\$13,356,739</u></u>	<u><u>\$12,413,534</u></u>

Notes to the financial statements are included on pages 15 - 30

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

ABN 73 089 711 903

**Balance Sheet
as at 30 June 2009**

	<u>Notes</u>	2009 \$	2008 \$
<i>Current Assets</i>			
Cash on Hand		851	777
Cash at Bank		16,200,923	14,826,667
Receivables	6	733,901	798,799
Investments	8	143,333	163,949
		-----	-----
<i>Total Current Assets</i>		\$17,079,008	\$15,790,192
		-----	-----
<i>Non-Current Assets</i>			
Investments	8	157,203	157,203
Receivables	6	57,986	57,986
Property, Plant & Equipment	5	938,418	1,070,926
		-----	-----
<i>Total Non-Current Assets</i>		\$1,153,607	\$1,286,115
		-----	-----
<i>Total Assets</i>		\$18,232,615	\$17,076,307
		=====	=====
<i>Current Liabilities</i>			
Accounts Payable	9	2,449,118	2,450,143
Provision for employee entitlements	10	807,906	782,018
		-----	-----
<i>Total Liabilities</i>		\$3,257,024	\$3,232,161
		=====	=====
<i>Net Assets</i>		\$14,975,591	\$13,844,146
		=====	=====

Notes to the financial statements are included on pages 15 - 30

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

**ABN 73 089 711 903
Balance Sheet
as at 30 June 2009**

	<u>Notes</u>	2009 \$	2008 \$
<i>Members' Funds</i>			
Accumulated General Fund		13,356,739	12,413,534
Reserves	7	1,618,852	1,430,612
		-----	-----
<i>Total Members' Funds</i>		<u><u>\$14,975,591</u></u>	<u><u>\$13,844,146</u></u>

Notes to the financial statements are included on pages 15 - 30

Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch
ABN 73 089 711 903
Cash Flow Statement
for the Year Ended 30 June 2009

	<u>Note</u>	2009 \$	2008 \$
<i>Cash Flow from Operating Activities:</i>			
Receipts for Membership Dues		10,925,226	9,974,880
Payments to Creditors and Employees		(10,453,153)	(9,317,586)
Interest Received		1,015,483	871,432
Expenses Recouped		24,000	24,000
Sale of CFMEU Merchandise and Books		10,552	22,172
Other Income		123,071	89,505
		-----	-----
Net cash provided by / (used in) operating activities	19(b)	<u><u>\$1,645,179</u></u>	<u><u>\$1,664,403</u></u>
<i>Cash Flow from Investing Activities:</i>			
Proceeds from Sale of Property, Plant and Equipment		176,228	465,216
Payments for Property, Plant and Equipment		(291,907)	(759,683)
Purchase of Investments		-	(78,200)
		-----	-----
Net cash provided by / (used in) investing activities		<u><u>(\$115,679)</u></u>	<u><u>(\$372,667)</u></u>
<i>Cash Flow from Financing Activities:</i>			
Loan to members		(47,018)	(19,593)
Repayment by members		40,356	38,799
		-----	-----
Net cash provided by / (used in) financing activities		<u><u>(\$6,662)</u></u>	<u><u>\$19,206</u></u>
		-----	-----
Net (Decrease) / Increase in Cash Held		1,374,330	1,225,238
Cash at Beginning of Year		14,827,444	13,602,206
		-----	-----
<i>Cash at End of Year</i>	19(a)	<u><u>\$16,201,774</u></u>	<u><u>\$14,827,444</u></u>

Notes to the financial statements are included on pages 15 - 30

**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 2009

1. *Statement of Significant Accounting Policies*

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The general purpose financial report has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, Fair Work (Registered Organisations) Act 2009 and other requirements of law.

(b) 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.

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.

(c) Property, plant and equipment

Land and Buildings (except for investment properties) are shown at fair value, based on valuations by external independent valuers on a four yearly basis as per Union Policy, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the costs of the item can be measured reliably.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

- Buildings	25 – 40 years
- Machinery	10 – 15 years
- Vehicles	3 – 5 years
- Furniture, fittings and equipment	3 – 8 years
- Leasehold improvements	10 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 2009

1. Statement of Accounting Policies (cont'd)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the income statement. When revalued assets are sold, it is Union policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

(d) Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are due for settlement no more than 120 days from the date of recognition.

Collectibility of trade receivables is reviewed on an on going basis. Debts, which are known to be uncollectible, are written off. A provision for doubtful receivables is established when there is objective evidence that the Union will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the income statement.

(e) 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.

(f) Trade and other payable

These amounts represent liabilities for goods and services provided to the union prior to the end of financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

**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 2009

1. *Statement of Accounting Policies (cont'd)*

(g) Income Tax

No liability exists 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

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating lease. Payments made under operating lease (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

(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) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts (if any) are shown within borrowings in current liabilities on the balance sheet

(k) Employee benefits

(i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

**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 2009

1. Summary of Accounting Policies (cont'd)

(l) Revenue

Membership revenue is recognised on an accrual basis. The amount recognised as a receivable represents cash received until 30 September 2009 that relates to the 2009 financial year.

Interest income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Union reduces the carrying amount to its receivable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

Dividends are recognised as revenue when the right to receive payment is established.

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received.

(m) 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.

**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 2009

1. *Summary of Accounting Policies (cont'd)*

(n) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the costs of acquisition of the asset or as part of the expenses.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

**2. *Fair Work (Registered Organisations) Act 2009
Information to be provided to members***

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Sub-Sections (1), (2) and (3) of Section 272 of the Fair Work (Registered Organisations) Act 2009 which read as follows:

- (1) A member of an organisation, or a General Manager Fair Work Australia, 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)

**3. *Fair Work (Registered Organisations) Act 2009
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.

**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 2009

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:

	2009 No.	2008 No.
\$0 - \$9,999	-	-
\$60,000 - \$69,999	-	-
\$120,000 - \$139,999	-	-
\$140,000 - \$149,999	-	-
\$150,000 - \$159,999	-	2
\$160,000 - \$169,999	-	3
\$170,000 - \$179,999	2	2
\$180,000 - \$189,999	4	-
\$190,000 - \$199,999	1	1
\$200,000 - \$269,999	1	-
Aggregate income paid or payable – officers	\$1,479,734	\$1,359,492
Aggregate income paid or payable – employees	\$1,223,116	\$1,101,304

(b) Professional Services

- Legal Costs paid from:

General Funds	2,524	1,381
Legal and Assistance Reserve (Included in Note 7)	656,323	640,108

The following Solicitors provided services: Hall Payne, Taylors, Rees R & Sydney Jones.

- Auditors Remuneration

Auditing the Financial Report	43,150	41,650
Other Services	785	6,791
	<u>43,935</u>	<u>48,441</u>

The following Accountants provided services: Enmark Business Advisors.

- Property Valuation Costs

Valuation of Properties	<u>\$1,132</u>	<u>\$6,341</u>
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Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch

Notes to the Financial Statements for the Year Ended 30 June 2009

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

	2009	2008
	\$	\$
(i) Assets or liability acquired during the financial year as a result of:		
• an amalgamation under Chapter 3, Part 2 of the Fair Work (Registered Organisations) Act 2009 in which the organisation was the amalgamated organisation; or	-	-
• a restructure of the branches of the organisation; or	-	-
• a determination by the General Manager Fair Work Australia under subsection 245(1) of Fair Work (Registered Organisations) Act 2009 of an alternative reporting structure of the organisation; or	-	-
• a revocation by the General Manager Fair Work Australia under subsection 249(1) of the Fair Work (Registered Organisations) Act 2009 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
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Notes to the Financial Statements for the Year Ended 30 June 2009

5. Property, Plant and Equipment

	2009	2008
	\$	\$
Property		
Land At Independent Valuation (30 June 2008)	100,000	100,000
Buildings At Independent Valuation (30 June 2008)	126,850	126,850
	-----	-----
	226,850	226,850
Less: Accumulated Depreciation	(4,975)	(1,850)
	-----	-----
	221,875	225,000
	-----	-----
Motor Vehicles		
At Cost	512,859	655,910
Less: Accumulated Depreciation	(142,278)	(178,379)
	-----	-----
	370,581	477,531
	-----	-----
Plant and Equipment		
At Cost	953,384	801,887
Less: Accumulated Depreciation	(607,422)	(433,492)
	-----	-----
	345,962	368,395
	-----	-----
Lease Improvements		
At Cost	6,325	6,325
Less: Accumulated Depreciation	6,325	6,325
	-----	-----
	-	-
	-----	-----
Totals	\$938,418	\$1,070,926
	=====	=====

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	477,531	368,395
Additions	260,892	87,114
Disposals	232,327	-
Depreciation	135,515	109,547
	-----	-----
Carrying amount at the end of the year	370,581	345,962
	-----	-----

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

Notes to the Financial Statements for the Year Ended 30 June 2009

5. Property, Plant and Equipment- cont'd

	<u>Property</u>	<u>Leasehold Improvements</u>
	<u>At CV</u>	<u>At CV</u>
Balance at the beginning of the year	225,000	0
Depreciation	3,125	0
	-----	-----
Carrying amount at the end of the year	\$221,875	\$0
	-----	-----
	2009	2008
	\$	\$
<u>Sale of Fixed Assets:</u>		
Proceeds on sale of Fixed Assets	176,228	465,216
	-----	-----
<u>Reconciliation of Depreciation Expense</u>		
Plant and Equipment	109,547	130,548
Motor Vehicles	135,515	167,308
Property	3,125	1,850
Leasehold Improvements	-	-
	-----	-----
Total Depreciation Expense	248,187	299,706
	-----	-----

Property Revaluation are done at four year intervals.

The Properties were revalued as at 30th June 2008 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 has been any material movement to that value since balance date.

**Construction, Forestry, Mining & Energy Union
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Notes to the Financial Statements for the Year Ended 30 June 2009

6. Receivables

	2009	2008
	\$	\$
(a) Current Receivables represented by:		
Dues Receivable	268,644	198,097
Loans - Members (unsecured)	44,310	37,648
Other Receivables	288,783	256,068
Interest Receivable	132,164	306,986
	\$733,901	\$798,799

(b) Non-Current Receivables represented by:

	2009	2008
	\$	\$
Loans – AW Vickers (secured)	57,986	57,986
	\$57,986	\$57,986

7. Reserves

	2009	2008
	\$	\$
Legal and Assistance Reserve	1,407,317	1,219,077
Asset Revaluation Reserve	211,535	211,535
Total Reserves	\$1,618,852	\$1,430,612

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 2008	1,219,077	1,112,656
Transfer from Accumulated General Fund	188,240	106,421
Balance at 30 June 2009	\$1,407,317	\$1,219,077

**Construction, Forestry, Mining & Energy Union
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Notes to the Financial Statements for the Year Ended 30 June 2009

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

	2009	2008
	\$	\$
Opening Balance – 1 July 2008	211,535	59,135
Revaluation Increments	-	152,400
	-----	-----
Balance at 30 June 2009	\$211,535	\$211,535

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

	2009	2008
	\$	\$
Current Investments represented by:		
IOOF Global One – at fair value	\$143,333	\$163,949
	-----	-----
Non Current Investments represented by:		
Shares in Unlisted Corporations – at cost	2	2
QCU Mackay Property Unit Trust – at cost	79,001	79,001
QCU Rockhampton Property Unit Trust – at cost	78,200	78,200
	-----	-----
Total Investments – Non Current	\$157,203	\$157,203

9. Accounts Payable

	2009	2008
	\$	\$
(a) Current Accounts Payable represented by:		
Payable to National Office	467,035	432,077
Legal and Assistance Fund-Legal costs payable	154,753	169,480
Other Trade Payables	731,302	616,413
Payable to QCEUE	1,096,028	1,232,173
	-----	-----
	\$2,449,118	\$2,450,143

**Construction, Forestry, Mining & Energy Union
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Notes to the Financial Statements for the Year Ended 30 June 2009

10. (a) Provision for Employee Entitlements

	Provision Movements Increase/ (Decrease)	2009 \$	2008 \$
Current	\$		
Annual Leave	18,121	479,343	461,222
Sick Leave	17,155	270,504	253,349
Long Service Leave	(9,388)	58,059	67,447
		----- \$807,906 =====	----- \$782,018 =====

(b) Payments for Employee Entitlements

Payments for Employee Entitlements included in Wages are as follows:

Annual Leave and Loading	262,453	160,814
Sick Leave	112,274	85,052
Long Service Leave	-	3,622
	No.	No.
Number of employees at end of financial year	23	22

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 \$11.22 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 and Auto Pay

The maximum exposure of the organisation for the usage of Commonwealth Bank Business Cards currently held by various Lodge Officials and the Auto Pay Facility is \$540,000. This is secured by an undertaking in respect of the liquid assets of the organisation.

**Construction, Forestry, Mining & Energy Union
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Notes to the Financial Statements for the Year Ended 30 June 2009

	2009	2008
	\$	\$
12. Leasing Commitments	\$130,931	\$173,491
Non-Cancellable Operating Lease Commitments contracted for but not capitalised in the Financial Statements and payable as follows:		
Not later than one year	41,135	41,135
Later than one year but not later than two years	39,414	41,774
Later than two years but not later than five years	50,382	90,582
	<u>\$130,931</u>	<u>\$173,491</u>
13. Capital Commitments – Motor Vehicles	\$ Nil	Nil

14. Subsequent Events

The Union has purchased for Cash a Building in Mackay for \$1,675,449. Settlement occurred in September 2009.

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:

GJ Betts	President (Retired 09.10.09)
JL Valery	Secretary
SA Vaccaneo	Executive Vice President
GW Power	Vice President
SA Pierce	Vice President
GA Dalliston	ISHR
SA Smyth	ISHR (Elected President 30.10.09)
TD Whyte	ISHR

Past Executives:

GJ Betts	Retired 09.10.09
----------	------------------

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

**Construction, Forestry, Mining & Energy Union
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Notes to the Financial Statements for the Year Ended 30 June 2009

17. Related Party Disclosures

(a) Executive remuneration

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

(b) Related Parties

(i) Related Parties of the Reporting Unit are: The Queensland Colliery Employees' Union of Employees Queensland District Branch (QCEUE), Federated Engine Drivers' and Fireman's Association of Australasia Queensland Branch Union of Employees (FEDFA), Construction, Forestry, Mining & Energy Union Mining & Energy Division National Office (CFMEU National).

Members of the Committee of Management are: Brian Wise, Terry Low, Wayne Woodhouse, Bruce West, Paul Vickery, Gary Barnes, Chris Brodsky, Shane Bruncker and Frank Baker.

(ii) Transactions with related parties are as follows:

Income received from CFMEU National for Office Rental and Outgoings, Car Park, Telephone, Contribution towards Legal Officers Salaries in Brisbane and other reimbursements for postage, printing, stationery, etc - \$96,653

Union Dues paid and payable to CFMEU National - \$2,556,874

National Office Campaign Levy is collected from members and remitted to CFMEU National - \$1,578,313

Union Merchandise purchases from CFMEU National - \$931

Rental paid to QCEUE - \$82,421

Organising Works Projects Costs paid via Legal and Assistance Fund to CFMEU National - \$175,527

Office, Accounting and Reporting Services are supplied to QCEUE and FEDFA at no charge.

Payments made to members of the Committee of Management as reimbursement for lost wages whilst attending Union Meetings - \$118,272

(iii) Details of Receivables and Payables with Related Parties are as follows:

Payables:

CFMEU National - \$467,035

QCEUE - \$1,096,028

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
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ABN 73 089 711 903

Notes to the Financial Statements for the Year Ended 30 June 2009

18. Financial Instruments— cont'd

	Weighted Average Effective Interest Rate		Floating Interest Rate Variable		Non Interest Bearing	
	2009 %	2008 %	2009 \$	2008 \$	2009 \$	2008 \$
<u>Financial Assets</u>						
Cash at Bank	2.9	4.5	374,530	324,545	-	-
Interest						
Bearing Deposits	3.1	7.6	15,826,393	14,502,122	-	-
Investments	0.0	0.0	-	-	-	-
Trade Receivables	0.0	0.0	-	-	268,644	198,097
Officers' Loans	0.0	0.0	-	-	57,986	57,986
Total Financial Assets			\$16,200,923	\$14,826,667	\$326,630	\$256,083
<u>Financial Liabilities</u>						
Trade Payables	0.0	0.0	-	-	1,353,090	1,217,970
Payable-QCEUE	0.0	0.0	-	-	1,096,028	1,232,173
Employee Entitlements	0.0	0.0	-	-	807,906	782,018
Total Financial Liabilities			-	-	\$3,257,024	\$3,232,161

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.

**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 2009

18. Financial Instruments— cont'd

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

19. Notes to the Statement of Cash Flows

(a) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to items in the statement of financial position as follows:

	2009 \$	2008 \$
Cash on Hand	851	777
Cash at Bank	16,200,923	14,826,667
	<u>16,201,774</u>	<u>14,827,444</u>

(b) Reconciliation of Cash Flows from Operations with profit from ordinary activities

Profit from Ordinary Activities	1,131,445	1,006,252
---------------------------------	-----------	-----------

Adjustments for Non Cash Flow Items:

Add:

Depreciation	248,187	299,706
Rental – QCEUE	82,421	68,697
Diminution in value of Investments	20,616	14,717
(Profit)/Loss on Sale of Fixed Assets	56,099	(135,393)
Loans written Off	600	-

(Increase) / Decrease in Assets:

Receivables - Current	71,560	(104,365)
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Increase / (Decrease) in Liabilities:

Accounts Payable	(1,025)	362,714
Provisions	35,276	152,075
	<u>1,645,179</u>	<u>1,664,403</u>



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Independent Audit Report to the Members of Construction, Forestry, Mining and Energy Union,
Mining & Energy Division, Queensland District Branch

Report on the Financial Report

I have audited the accompanying financial report of Construction, Forestry, Mining and Energy Union, Mining & Energy Division, Queensland District Branch (the Union) which comprises the balance sheet as at 30th June 2009 and the income statement, statement of changes in equity and cash flow statement for the year ended 30th June 2009, a summary of significant accounting policies and other explanatory notes and Committee of Management's Certificate.

Committee of Management's Responsibility for the Financial Report

The Committee of Management of the Union is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud and error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on our audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements.



Audit Opinion

In my opinion, the general purpose financial report is properly drawn up so as to present fairly the Union's financial position as at 30th June 2009 and the results of its operations and its cash flows for the year then ended in accordance with Australian Accounting Standards, the requirements of the Fair Work (Registered Organisations) Act 2009 and other mandatory professional reporting requirements in Australia.



Mark O'Shea
Chartered Accountant

Registered Company Auditor

Brisbane
Dated 8th December 2009