



FAIR WORK  
AUSTRALIA

25 January 2012

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



Dear Mr Valery

**Re: Lodgment of Financial Accounts and Statements – Queensland District Branch –  
for year ending 30 June 2011 (FR2011/2560)**

Thank you for lodging the above financial statements and accounts, which were received by Fair Work Australia on 22 December 2011.

The documents have been filed.

Yours respectfully,

Stephen Kellett

Organisations, Research and Advice Branch



**Enmark** Pty Ltd  
A.C.N. 104 728 850  
PO Box 10118  
Brisbane Adelaide Street  
Brisbane Qld 4000

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Ph: 07 3229 5024  
Fax: 07 3221 8960

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 30<sup>th</sup> June 2011 and the income statement, statement of changes in equity and cash flow statement for the year ended 30<sup>th</sup> June 2011, 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 30<sup>th</sup> June 2011 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 6<sup>th</sup> December 2011

FR 2011/2560



**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  
07 3839 8588 07 3839 8404

7th December 2011

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 30.06.2011**

We enclose the following for the Financial Year Ended 30.06.2011:

- (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 27, 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

07 4982 5131  
07 4982 6325

**Dalby**  
Unit 10/66 Drayton Street  
Dalby Qld 4405

07 4669 7088  
07 4662 4288

**Mackay**  
33 Milton Street  
Mackay Qld 4740

07 4957 2644  
07 4951 3241

**Moranbah**  
Cnr Mills Avenue &  
Bacon Street  
Moranbah Qld 4744

07 4941 7004  
07 4941 5269

**Rockhampton**  
QCU Building, Office 8  
110 Campbell Street  
Rockhampton Qld 4700

07 4922 7100  
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 2011**

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

**ABN 73 089 711 903**

**30th June 2011**

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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 6<sup>th</sup> December 2011, 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 2011.

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

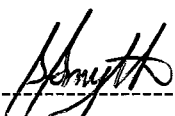
**Construction, Forestry, Mining & Energy Union  
Mining & Energy Division  
Queensland District Branch**

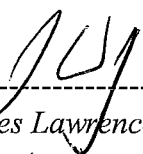
ABN 73 089 711 903

**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 6<sup>th</sup> Day of December, 2011.*

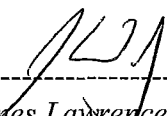


**Construction, Forestry, Mining & Energy Union  
Mining & Energy Division  
Queensland District Branch**

**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 3<sup>rd</sup> November 2011 (First Meeting)
- that the full report was further presented at the annual general meeting on 6<sup>th</sup> December 2011; 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 2012.

  
-----  
*James Lawrence Valery*  
(Secretary)

*Dated at Brisbane this 6<sup>th</sup> Day of December, 2011.*

**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 \$320,296 (2010: \$1,515,039). 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:**

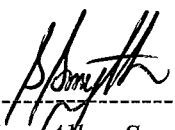
- The Number of members of the branch was 8,964.
- The number of employees of the branch including full and part-time members was 272 (as reported on the PAYG Payment Summary).
- Superannuation Trustee – Gregory James Betts

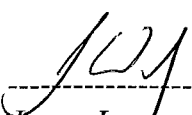
**Committee of Management-Names:**

**Period Covered:**

**11 Current Committee of Management As at 30.06.11:**

- |                                       |                            |
|---------------------------------------|----------------------------|
| - Division 1-Barry Elliott            | 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- Frank Baker     | Full Year Committee Member |
| - Central Councillor- Brad Crompton   | Full Year Committee Member |
| - Central Councillor- Fredrick Hibble | Full Year Committee Member |
| - Central Councillor- Brian Wise      | Full Year Committee Member |

  
 -----  
 Stephen Allan Smyth  
 (President)

  
 -----  
 James Lawrence Valery  
 (Secretary)

Dated at Brisbane this 6<sup>th</sup> Day of December, 2011.

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

**ABN 73 089 711 903  
Income Statement  
for the Year Ended 30 June 2011**

	<u>Notes</u>	2011 \$	2010 \$
<i>Revenue from Ordinary Activities</i>			
Membership Dues		11,871,624	10,218,702
<i>Expenses Recouped</i>			
Union Check Inspectors		24,000	24,000
Administration Costs– Legal and Assistance		144,000	-
Sales - Union Merchandise		8,267	14,477
Interest Received		781,659	637,288
Revenue - Sale of Plant and Equipment	5	-	238,216
Investment Income		73,425	63,410
Directors Fees		-	17,524
Levies Received – Legal and Assistance		920,996	986,865
Interest Received – Legal and Assistance		112,592	62,088
Sundry Income		25,782	55,763
		-----	-----
<b>Total Revenue</b>		<b>\$13,962,345</b>	<b>\$12,318,333</b>
		-----	-----

*Notes to the financial statements are included on pages 15 - 31*

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

**ABN 73 089 711 903  
Income Statement  
for the Year Ended 30 June 2011**

	<u>Notes</u>	2011 \$	2010 \$
<b><i>Expenses from Ordinary Activities</i></b>			
Advertising & Public Relations		147,390	132,054
<b>Affiliation Fees</b>			
Australian Labour Party		48,539	46,555
Others		59,256	47,758
Bank Charges		17,848	
	13,501		
Cleaning and Pest Control		68,080	52,823
Computer Maintenance		137,830	130,618
Credit Card Charges		1,938	1,840
Depreciation	1c, 5	297,809	257,011
Donations		992,637	464,582
<b><i>Dues</i></b>			
Federal Body		2,823,806	2,586,076
Election Costs		4,044	7,145
Electricity & Power		40,903	33,570
Executive Honoraria		17,843	27,605
<b><i>Functions &amp; Hospitality</i></b>			
District Office		18,221	31,166
Lodges		185,919	195,213
Fringe Benefits Tax		46,987	33,584
<b><i>Insurance</i></b>			
Property, Plant and Equipment		47,319	42,921
Workers Compensation		9,358	6,991
Interest-Freehold Land Conversion		-	(191)
Leasing Costs - Operating	1i	92,711	39,887
Legal Settlements		80,000	-
Loans Written Off		-	3,482
Expense - Sale of Plant and Equipment		-	264,930
Lodge Closure Expenditure		-	21,074
May / Picnic Day		189,335	170,784
<b><i>Meeting &amp; Conference Expenses</i></b>			
District Office		126,999	21,699
Lodges		63,955	62,693
Wages - Officers (Lodges)		603,566	441,433
Wages - BOM (Board of Management)		86,709	104,608
Travel Allowances - Officers		331,254	227,369
Travel Allowances - Board of Management		39,249	53,343

*Notes to the financial statements are included on pages 15 - 31*

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

ABN 73 089 711 903  
**Income Statement  
for the Year Ended 30 June 2011**

	<u>Notes</u>	2011 \$	2010 \$
<b><i>Expenses from Ordinary Activities (Cont'd)</i></b>			
<b><i>Meeting &amp; Conference Expenses- cont'd</i></b>			
Travel Allowances - Other		53,124	32,863
Travel Costs - Officers		500,936	362,384
Travel Costs – Board of Management		28,691	47,206
Travel Costs - Other		9,239	3,541
Seminars & Training Courses		136,766	118,835
Hire of Venue		1,271	1,272
Motor Vehicle Expenses		111,258	77,014
Office Requirements		54,901	41,635
Organisers-Unite Costs		277,335	-
Parking Costs		8,024	9,208
Payroll Tax		145,830	114,704
Picket Line Costs		23,249	3,043
Postage, Printing & Stationery		174,095	152,351
<b><i>Professional Costs</i></b>			
Auditors Remuneration	4b	50,093	52,965
Consultancy Fees	4b	125,460	-
Legal Expenses	4b	-	-
Property Valuation Fees	4b	-	1,400
<b><i>Provision Movements - Employee Entitlements</i></b>			
Annual Leave	10a	122,251	33,671
Sick Leave	10a	77,641	28,470
Long Service Leave	10a	39,470	11,185
<b><i>Purchases</i></b>			
Union Merchandise and Books		367,438	237,619
Acts, Awards, etc.		10,486	4,079
Rates & Land Tax		46,394	29,222
<b><i>Rental Costs</i></b>			
Head Office – Depreciation recoupment		79,875	79,875
Regional Offices		30,517	32,764
Recruitment of Staff Costs		-	9,508
Relocations Costs-Union Officials		2,409	3,550
Repairs & Maintenance		36,643	33,308
Retirement Gifts & Parties		81,795	93,009

*Notes to the financial statements are included on pages 15 - 31*

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

**ABN 73 089 711 903  
Income Statement  
for the Year Ended 30 June 2011**

	<b>2011</b>	<b>2010</b>
<u>Notes</u>	\$	\$
<b><i>Expenses from Ordinary Activities (Cont'd)</i></b>		
<b><i>Salaries &amp; Wages (District Office)</i></b>		
Officers	1,460,322	1,286,081
Office Staff	1,106,074	953,712
Security Costs	1,490	579
Staff Amenities	12,497	13,918
Subscriptions & Periodicals	36,986	51,358
<b><i>Superannuation Cont - Statutory</i></b>		
Officers (including Lodges)	179,977	151,411
Staff	151,052	121,381
<b><i>Superannuation Cont - Non Statutory</i></b>		
Officers	48,371	46,986
Staff	80,147	63,260
Sundry Expenses	25,782	55,763
Telephone & Facsimile	404,618	356,210
Wreaths & Tributes	11,807	11,212
Legal and Assistance Fund Expenses	948,230	554,618
	-----	-----
<b><i>Total Expenses</i></b>	<b>\$13,642,049</b>	<b>\$10,803,294</b>
	-----	-----
	-----	-----
<b><i>Profit from Ordinary Activities</i></b>	<b>\$320,296</b>	<b>\$1,515,039</b>
	=====	=====

*Notes to the financial statements are included on pages 15 - 31*

**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 2011**

	<u>Notes</u>	2011 \$	2010 \$
<i>Profit from Ordinary Activities</i>		320,296	1,515,039
 <i>Other Transfers &amp; Appropriations</i>			
Accumulated General Funds			
Beginning of Year		14,377,443	13,356,739
Transfer of Reserves from / (to):			
Legal and Assistance Reserve	7	(85,358)	(494,335)
		-----	-----
<i>Accumulated General Fund - End of Year</i>		<b>\$14,612,381</b>	<b>\$14,377,443</b>
		=====	=====

*Notes to the financial statements are included on pages 15 - 31*

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

ABN 73 089 711 903

**Balance Sheet  
as at 30 June 2011**

	<u>Notes</u>	2011 \$	2010 \$
<i><b>Current Assets</b></i>			
Cash on Hand		1,189	968
Cash at Bank		15,085,488	15,590,234
Receivables	6	1,099,889	826,308
Investments	8	178,771	162,800
		-----	-----
<i><b>Total Current Assets</b></i>		<b>\$16,365,337</b>	<b>\$16,580,310</b>
		-----	-----
<i><b>Non-Current Assets</b></i>			
Investments	8	157,203	157,203
Receivables	6	57,986	57,986
Property, Plant & Equipment	5	4,300,739	3,020,280
		-----	-----
<i><b>Total Non-Current Assets</b></i>		<b>\$4,515,928</b>	<b>\$3,235,469</b>
		-----	-----
<i><b>Total Assets</b></i>		<b>\$20,881,265</b>	<b>\$19,815,779</b>
		=====	=====
<i><b>Current Liabilities</b></i>			
Accounts Payable	9	2,949,745	2,443,917
Provision for employee entitlements	10	1,120,594	881,232
		-----	-----
<i><b>Total Liabilities</b></i>		<b>\$4,070,339</b>	<b>\$3,325,149</b>
		=====	=====
<i><b>Net Assets</b></i>		<b>\$16,810,926</b>	<b>\$16,490,630</b>
		=====	=====

*Notes to the financial statements are included on pages 15 - 31*



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

**ABN 73 089 711 903**

**Balance Sheet  
as at 30 June 2011**

	<u>Notes</u>	2011 \$	2010 \$
<i>Members' Funds</i>			
Accumulated General Fund		14,612,381	14,377,443
Reserves	7	2,198,545	2,113,187
		-----	-----
<b><i>Total Members' Funds</i></b>		<b>\$16,810,926</b>	<b>\$16,490,630</b>
		=====	=====

*Notes to the financial statements are included on pages 15 - 31*

**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 2011**

	<u>Note</u>	2011 \$	2010 \$
<b><i>Cash Flow from Operating Activities:</i></b>			
Receipts for Membership Dues		13,026,992	11,179,515
Payments to Creditors and Employees		(12,818,599)	(9,994,393)
Interest Received		765,203	529,482
Expenses Recouped		24,000	24,000
Sale of CFMEU Merchandise and Books		8,267	14,478
Other Income		99,207	136,697
		-----	-----
Net cash provided by / (used in) operating activities	19(b)	<b>\$1,105,070</b>	<b>\$1,889,779</b>
		=====	=====
<b><i>Cash Flow from Investing Activities:</i></b>			
Proceeds from Sale of Property, Plant and Equipment		-	238,216
Payments for Property, Plant and Equipment		(1,578,268)	(2,577,089)
		-----	-----
Net cash provided by / (used in) investing activities		<b>(\$1,578,268)</b>	<b>(\$2,338,873)</b>
		=====	=====
<b><i>Cash Flow from Financing Activities:</i></b>			
Loan to members		(34,974)	(77,183)
Repayment by members		60,023	34,058
		-----	-----
Net cash provided by / (used in) financing activities		<b>\$25,049</b>	<b>(\$43,125)</b>
		=====	=====
Net (Decrease) / Increase in Cash Held		(504,525)	(610,572)
Cash at Beginning of Year		15,591,202	16,201,774
		-----	-----
<b><i>Cash at End of Year</i></b>	19(a)	<b>\$15,086,677</b>	<b>\$15,591,202</b>
		=====	=====

*Notes to the financial statements are included on pages 15 - 31*

**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 2011**

**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 2011**

**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.

Collectability of trade receivables is reviewed on an ongoing 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**  
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**Notes to the Financial Statements for the Year Ended 30 June 2011**

**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.

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**Notes to the Financial Statements for the Year Ended 30 June 2011**

**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 2011 that relates to the 2011 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**  
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**Notes to the Financial Statements for the Year Ended 30 June 2011**

**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  
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**Notes to the Financial Statements for the Year Ended 30 June 2011**

**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:

	<b>2011</b>	<b>2010</b>
	<b>No.</b>	<b>No.</b>
\$0 - \$9,999	-	-
\$30,000 - \$39,999	-	1
\$120,000 - \$139,999	-	-
\$140,000 - \$149,999	-	-
\$150,000 - \$159,999	-	-
\$160,000 - \$169,999	-	-
\$170,000 - \$179,999	1	1
\$180,000 - \$189,999	1	4
\$190,000 - \$199,999	3	2
\$200,000 - \$269,999	5	-
\$300,000 - \$309,999		1
<b>Aggregate income paid or payable – officers</b>	<b>\$1,975,482</b>	<b>\$1,659,503</b>
	=====	=====
<b>Aggregate income paid or payable – employees</b>	<b>\$1,479,534</b>	<b>\$1,258,572</b>
	=====	=====

**(b) Professional Services**

**- Legal Costs paid from:**

General Funds	-	-
Legal and Assistance Reserve (Included in Note 7)	364,839	300,708

The following Solicitors provided services:

Hall Payne, Taylors, Rees R & Sydney Jones, Maurice Blackburn & CM Hartigan

**- Auditors Remuneration**

Auditing the Financial Report	46,750	45,250
Other Services	3,343	7,715
	-----	-----
	<b>\$50,093</b>	<b>\$52,965</b>
	=====	=====

The following Accountants provided services: Enmark Chartered Accountants.

**- Property Valuation Costs**

Valuation of Properties	-	\$1,400
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**Construction, Forestry, Mining & Energy Union  
Mining & Energy Division  
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**Notes to the Financial Statements for the Year Ended 30 June 2011**

**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.

<b>(d) Others</b>	<b>2011</b>	<b>2010</b>
	\$	\$
(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**  
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**Notes to the Financial Statements for the Year Ended 30 June 2011**

**5. Property, Plant and Equipment**

	2011	2010
	\$	\$
<b>Property</b>		
Land At Independent Valuation (30 June 2008)	100,000	100,000
Buildings At Independent Valuation (30 June 2008)	125,000	125,000
	-----	-----
	225,000	225,000
Less: Accumulated Depreciation	(9,375)	(6,250)
	-----	-----
	215,625	218,750
	-----	-----
<b>Property</b>		
Land At Costs	258,000	108,000
Buildings At Costs	987,717	373,450
	-----	-----
	1,245,717	481,450
Less: Accumulated Depreciation	(23,634)	(1,945)
	-----	-----
	1,222,083	479,505
	-----	-----
<b>Capital Works in Progress-Property</b>	2,089,161	1,567,859
	-----	-----
<b>Total Property</b>	3,526,869	2,266,114
	-----	-----
<b>Motor Vehicles</b>		
At Cost	548,735	534,645
Less: Accumulated Depreciation	(161,734)	(62,318)
	-----	-----
	387,001	472,327
	-----	-----
<b>Plant and Equipment</b>		
At Cost	1,149,742	997,623
Less: Accumulated Depreciation	(773,766)	(715,784)
	-----	-----
	375,976	281,839
	-----	-----
<b>Lease Improvements</b>		
At Cost	17,414	6,325
Less: Accumulated Depreciation	(6,521)	(6,325)
	-----	-----
	10,893	-
	-----	-----
<b>Totals</b>	<b>\$4,300,739</b>	<b>\$3,020,280</b>
	=====	=====

**Construction, Forestry, Mining & Energy Union  
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**Notes to the Financial Statements for the Year Ended 30 June 2011**

**5. Property, Plant and Equipment- cont'd**

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

	<u>At CV</u>	<u>At CV</u>
	<u>Motor Vehicles</u>	<u>Plant and Equipment</u>
Balance at the beginning of the year	472,327	281,839
Additions	51,069	230,541
Disposals	-	-
Depreciation	(136,395)	(136,404)
	-----	-----
Carrying amount at the end of the year	387,001	375,976
	-----	-----
	<u>Property</u>	<u>Leasehold Imp</u>
Balance at the beginning of the year	2,266,114	-
Additions	1,285,569	11,089
Disposals	-	-
Depreciation	(24,814)	(196)
	-----	-----
Carrying amount at the end of the year	\$3,526,869	\$10,893
	-----	-----
	<b>2011</b>	<b>2010</b>
	\$	\$
<b><u>Sale of Fixed Assets:</u></b>		
Proceeds on sale of Fixed Assets	-	238,216
	-----	-----
<b><u>Reconciliation of Depreciation Expense</u></b>		
Plant and Equipment	136,404	134,161
Motor Vehicles	136,395	117,780
Property	24,814	5,070
Leasehold Improvements	196	-
	-----	-----
Total Depreciation Expense	297,809	257,011
	-----	-----

**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.

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**Mining & Energy Division**  
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**Notes to the Financial Statements for the Year Ended 30 June 2011**

**6. Receivables**

	2011	2010
	\$	\$
<b>(a) Current Receivables represented by:</b>		
Dues Receivable	353,056	324,151
Loans - Members (unsecured)	62,386	87,435
Other Receivables	428,021	174,752
Interest Receivable	256,426	239,970
	\$1,099,889	\$826,308

**(b) Non-Current Receivables represented by:**

	2011	2010
	\$	\$
Loans – AW Vickers (secured)	57,986	57,986
	\$57,986	\$57,986

**7. Reserves**

	2011	2010
	\$	\$
Legal and Assistance Reserve	1,987,010	1,901,652
Asset Revaluation Reserve	211,535	211,535
	\$2,198,545	\$2,113,187

***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 2010	1,901,652	1,407,317
Transfer from Accumulated General Fund	85,358	494,335
	\$1,987,010	\$1,901,652

**Construction, Forestry, Mining & Energy Union  
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**Notes to the Financial Statements for the Year Ended 30 June 2011**

**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

	<b>2011</b>	<b>2010</b>
	\$	\$
Opening Balance – 1 July 2010	211,535	211,535
Revaluation Increments	-	-
	-----	-----
<b><i>Balance at 30 June 2011</i></b>	<b><u>=\$211,535</u></b>	<b><u>=\$211,535</u></b>

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**

	<b>2011</b>	<b>2010</b>
	\$	\$
<b>Current Investments represented by:</b>		
IOOF Global One – at fair value	<b>\$178,771</b>	<b>\$162,800</b>
	-----	-----
<b>Non Current Investments represented by:</b>		
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
	-----	-----
<b><i>Total Investments – Non Current</i></b>	<b><u>=\$157,203</u></b>	<b><u>=\$157,203</u></b>

**9. Accounts Payable**

	<b>2011</b>	<b>2010</b>
	\$	\$
<b>(a) Current Accounts Payable represented by:</b>		
Payable to National Office	484,442	407,085
Legal and Assistance Fund-Legal costs payable	106,919	54,062
Other Trade Payables	1,102,605	806,867
Payable to QCEUE	1,255,779	1,175,903
	-----	-----
	<b><u>=\$2,949,745</u></b>	<b><u>=\$2,443,917</u></b>

**Construction, Forestry, Mining & Energy Union  
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**Notes to the Financial Statements for the Year Ended 30 June 2011**

**10. (a) Provision for Employee Entitlements**

	<b>Provision Movements Increase/ (Decrease)</b>	<b>2011 \$</b>	<b>2010 \$</b>
<b>Current</b>	<b>\$</b>		
Annual Leave	122,251	635,265	513,014
Sick Leave	77,641	376,615	298,974
Long Service Leave	39,470	108,714	69,244
		-----	-----
		<b>\$1,120,594</b>	<b>\$881,232</b>
		=====	=====

**(b) Payments for Employee Entitlements**

Payments for Employee Entitlements included in Wages are as follows:

Annual Leave and Loading	210,043	183,499
Sick Leave	119,805	72,086
Long Service Leave	-	-

	No.	No.
Number of employees at end of financial year	26	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 \$12 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.

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**Notes to the Financial Statements for the Year Ended 30 June 2011**

	2011	2010
	\$	\$
<b>12. Leasing Commitments</b>	<b>\$89,157</b>	<b>\$50,556</b>
	<u>=====</u>	<u>=====</u>
Non-Cancellable Operating Lease Commitments contracted for but not capitalised in the Financial Statements and payable as follows:		
Not later than one year	38,775	19,407
Later than one year but not later than two years	39,414	20,046
Later than two years but not later than five years	10,968	11,103
	<u>-----</u>	<u>-----</u>
	<b>\$89,157</b>	<b>\$50,556</b>
	<u>=====</u>	<u>=====</u>
<b>13. Capital Commitments - Refurbishment of New Mackay Building</b>		<b>\$ 155,215 \$ 639,500</b>
	<u>=====</u>	<u>=====</u>
<b>14. Subsequent Events</b>	<b>Nil</b>	<b>Nil</b>
	<u>=====</u>	<u>=====</u>

**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:**

SA Smyth	President
JL Valery	Secretary
GW Power	Vice President
SA Pierce	Vice President
C Brodsky	Vice President
S Brunker	Vice President
GA Dalliston	ISHR
CJ Gilbert	ISHR
TD Whyte	ISHR

**Past Executives:**

SA Vaccaneo	Executive Vice President
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All Executives are members of the organisation and pay dues on the same basis as other members.



**Mining & Energy Division  
Queensland District Branch**

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**Notes to the Financial Statements for the Year Ended 30 June 2011**

**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:

- Division 1-Barry Elliott
- Division 2-Terry Low
- Division 3-Wayne Woodhouse
- Division 4-Bruce West
- Division 5-Paul Vickery
- Division 6-Gary Barnes
- Division 7-Barry Spillman
- Central Councillor- Frank Baker
- Central Councillor- Brad Crompton
- Central Councillor- Fredrick Hibble
- Central Councillor- Brian Wise

(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 - \$89,960

Union Dues paid and payable to CFMEU National - \$2,823,806

National Office Campaign Levy is collected from members and remitted to CFMEU National - \$1,720,794

National Office Campaign Levy support payments paid to members and recouped from CFMEU National - \$311,260

Union Merchandise purchases from CFMEU National - \$1,678

Recoupments from CFMEU National for lost wages for Central Councillors attending Union Meetings in Sydney - \$5,373

Rental paid to QCEUE - \$79,875

Organising Works Projects Costs paid to CFMEU National - \$277,335

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 - \$97,721

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

Payables:

CFMEU National - \$484,442

QCEUE - \$1,255,779

**Mining & Energy Division  
Queensland District Branch**

**ABN 73 089 711 903**

**Notes to the Financial Statements for the Year Ended 30 June 2011**

**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:

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**Notes to the Financial Statements for the Year Ended 30 June 2011**

**18. Financial Instruments— cont'd**

	Weighted Average Effective Interest Rate		Floating Interest Rate Variable		Non Interest Bearing	
	2011 %	2010 %	2011 \$	2010 \$	2011 \$	2010 \$
<b><u>Financial Assets</u></b>						
Cash at Bank	3.0	2.9	327,671	498,945	-	-
Interest						
Bearing Deposits	4.6	3.1	14,757,817	15,091,289	-	-
Investments	0.0	0.0	-	-	-	-
Trade Receivables	0.0	0.0	-	-	353,056	324,151
Officers' Loans	0.0	0.0	-	-	62,386	57,986
<b>Total Financial Assets</b>			<b>\$15,085,488</b>	<b>\$15,590,234</b>	<b>\$415,442</b>	<b>\$382,137</b>
<b><u>Financial Liabilities</u></b>						
Trade Payables	0.0	0.0	-	-	1,693,966	1,268,014
Payable-QCEUE	0.0	0.0	-	-	1,255,779	1,175,903
Employee Entitlements	0.0	0.0	-	-	1,120,594	812,232
<b>Total Financial Liabilities</b>			<b>-</b>	<b>-</b>	<b>\$4,070,339</b>	<b>\$3,256,149</b>

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 2011**

**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:

	2011 \$	2010 \$
Cash on Hand	1,189	968
Cash at Bank	15,085,488	15,590,234
	-----	-----
	<b>\$15,086,677</b>	<b>\$15,591,202</b>
	=====	=====

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

Profit from Ordinary Activities	320,296	1,515,039
<i>Adjustments for Non Cash Flow Items:</i>		
<i>Add:</i>		
Depreciation	297,809	257,011
Rental – QCEUE	79,875	79,875
Loss on Sale of Fixed Assets	-	26,714
Loans written off	-	3,482
<i>(Increase) / Decrease in Assets:</i>		
Receivables - Current	(298,630)	(49,282)
<i>Increase / (Decrease) in Liabilities:</i>		
Accounts Payable	505,828	(5,201)
Provisions	199,892	62,141
	-----	-----
	<b>\$1,105,070</b>	<b>\$1,889,779</b>
	=====	=====