



FAIR WORK
COMMISSION

2 October 2013

Mr Timothy Whyte
Secretary, Queensland District Branch
CFMEU
PO Box 508
SPRING HILL QLD 4004

Dear Mr Whyte

RE: Financial accounts and statements - Construction, Forestry, Mining and Energy Union, Mining and Energy Division, Queensland District Branch - for year ending 30 June 2012 (FR2012/245)

I refer to the above financial accounts and statements which were lodged on 18 December 2012. I apologise for the delay in corresponding in relation to the documents.

Please note that the Operating report, the Committee of Management Statement and Auditor's report should be signed at or after the first meeting of the Board, and then provided/made available to members at least 21 days prior to presenting the report to what I understand is effectively an annual general as well as a Board meeting normally held in December. The meeting in December would appear then to constitute a meeting in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*, notwithstanding the fact the report is also subsequently presented to Lodge meetings in accordance with the rules, over following weeks in January and February.

I have filed the documents but draw the Branch's attention to the items in the table attached.

If you have any questions at any time regarding the reporting requirements, please contact me on (02) 6723 7237.

Yours faithfully,

Stephen Kellett
Senior Adviser, Regulatory Compliance Branch

cc. Mr Kishore Raniga, Finance Manager
cc. Mr Mark O'Shea

Table of particular requirements

Provision	What it says	Explanation
<p>S254(2)(a)</p> <p>Operating Report</p>	<p>“The operating report must contain a review of the reporting unit’s principal activities during the year, <i>the results of those activities</i> and any significant changes in the nature of those activities during the year”</p>	<p>This is a subtle and overlooked or misinterpreted element of operating report reviews, and it does not appear that FWC has previously clarified this.</p> <p>Though results are sometimes expressed as an operating financial profit or loss, more correctly, the results envisaged by the Act here are those which reflect the activities described. The ‘principal activities’ have been described and have not changed but there should be some indication that results have been reviewed.</p> <p>There is no prescribed degree of detail; a brief statement that the activities have achieved their objectives would suffice, although the Branch may choose to identify particular results it regards as significant.</p>
<p>Regulation 159(b)</p> <p>Operating report</p>	<p>“The following information is prescribed:</p> <p>(b) the number of persons who were.....employees of the reporting unit, where the number of employees includes both full-time employees and part-time employees measured <i>on a full-time equivalent basis</i>”.</p>	<p>The (269) “full-time and part-time” employees should be expressed as a “full-time equivalent”.</p>
<p>New Reporting Guideline 41(e)(iv)</p> <p>S252(2)</p>	<p>“The committee of management statement must include declarations by the committee of management as to whether in their opinion...</p> <p><i>(iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a manner consistent with each of the other reporting units of the organisation”</i></p> <p>“where an organisation consists of 2 or more reporting units, the financial records for each of the reporting units must, as far as practicable, be kept in a consistent manner”</p>	<p>The committee has declared it has not been able to express an opinion on the consistency of its records with other (i.e. <i>Mining Divisional</i>) reporting units, since 2005 when the Australian Industrial Registry suggested that if the Branch could not express an opinion it should state why not. This has been accepted without further comment since then.</p> <p>The declaration of opinion as to consistency is a reflection of s252(2). On further consideration, it seems that it is an opinion that should, within reason, be able to be formed and expressed, especially given that all reporting units within the Division have to comply with similar, relevant AASBs and might be thought to have some common kinds of operational and transactional activity and given that consistency is limited in any case to “as far as practicable”.</p> <p>I invite the Branch to reconsider whether or how it may make this particular declaration in future Committee of Management statements.</p>

From: KELLETT, Stephen
To: ["k.raniga@cfmeuqld.asn.au"](mailto:k.raniga@cfmeuqld.asn.au)
Cc: ["mark@enmark.com.au"](mailto:mark@enmark.com.au)
Subject: Attention Mr Timothy Whyte - Financial report y/e 30 June 2012 - filing
Date: Wednesday, 2 October 2013 4:08:00 PM
Attachments: [CFMEU QDST FR2012 245 \(final\).pdf](#)

Dear Kishore,

Please see attached my letter in relation to the above.

Yours sincerely

STEPHEN KELLETT
Regulatory Compliance Branch
FAIR WORK COMMISSION

80 William Street
EAST SYDNEY NSW 2011

(ph) (02) 6723 7237
(email) stephen.kellett@fwc.gov.au

**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
P 07 3839 8588 F 07 3839 8404

17th December 2012

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 30.06.2012



We enclose the following for the Financial Year Ended 30.06.2012:

- (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

Timothy David Whyte
Secretary

Kishore Raniga
Finance Manager

Blackwater	Dalby	Mackay	Moranbah	Rockhampton
45 Arthur Street Blackwater Qld 4717	Unit 10/66 Drayton Street Dalby Qld 4405	33 Milton Street Mackay Qld 4740	Cnr Mills Avenue & Bacon Street Moranbah Qld 4744	QCU Building, Office 8 110 Campbell Street Rockhampton Qld 4700
07 4982 5131 07 4982 6325	07 4669 7088 07 4662 4288	07 4957 2644 07 4951 3241	07 4941 7004 07 4941 5269	07 4922 7100 07 4922 7105

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*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 2012

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

ABN 73 089 711 903

30th June 2012

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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 4th December 2012, 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 2012.

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

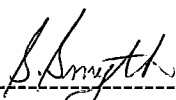
**Construction, Forestry, Mining & Energy Union
Mining & Energy Division
Queensland District Branch**

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)



Timothy David Whyte
(Secretary)

Dated at Brisbane this 4th Day of December, 2012.

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, Timothy David Whyte 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 1st November 2012 (First Meeting)
- that the full report was further presented at the annual general meeting on 4th December 2012; 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 2013.



Timothy David Whyte
(Secretary)

Dated at Brisbane this 4th Day of December, 2012.

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 \$189,379 (2011: \$320,296). 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 9,812.
- The number of employees of the branch including full and part-time members was 269 (as reported on the PAYG Payment Summary).
- Superannuation Trustee – Gregory James Betts

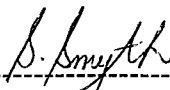
Committee of Management:

Committee of Management-Current:

- Division 1-Barry Elliott
- Division 2-Simon West (Appointed 05.10.12)
- Division 3-Jeff Scales (Appointed 01.07.12)
- Division 4-Bruce West
- Division 5-Paul Vickery
- Division 6-Michael Hartin (Appointed 01.07.12)
- Division 7-Michael Popp (Appointed 01.07.12)
- Central Councillor- Frank Baker
- Central Councillor- Scott Leggett (Appointed 01.07.12)
- Central Councillor- Fredrick Hibble
- Central Councillor- Brian Wise

Committee of Management-30.06.12:

- Barry Elliott
- Terry Low
- Wayne Woodhouse
- Bruce West
- Paul Vickery
- Gary Barnes
- Barry Spillman
- Frank Baker
- Brad Crompton
- Fredrick Hibble
- Brian Wise



Stephen Allan Smyth
(President)



Timothy David Whyte
(Secretary)

Dated at Brisbane this 4th Day of December, 2012.

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

ABN 73 089 711 903
Income Statement
for the Year Ended 30 June 2012

	<u>Notes</u>	2012 \$	2011 \$
<i>Revenue from Ordinary Activities</i>			
Membership Dues		13,588,508	11,871,624
<i>Expenses Recouped</i>			
Union Check Inspectors		24,000	24,000
Administration Costs- Legal and Assistance		144,000	144,000
Sales - Union Merchandise		17,669	8,267
Interest Received		765,969	781,659
Revenue - Sale of Plant and Equipment	5	182,227	-
Investment Income		91,327	73,425
Levies Received - Legal and Assistance	7	1,083,051	920,996
Interest Received - Legal and Assistance	7	101,384	112,592
Training Grants-CFMEU M&E National Office		140,817	-
Sundry Income		3,443	25,782
Total Revenue		\$16,142,395	\$13,962,345

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

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

ABN 73 089 711 903
Income Statement
for the Year Ended 30 June 2012

	<u>Notes</u>	2012 \$	2011 \$
<i>Expenses from Ordinary Activities</i>			
Advertising & Public Relations		118,109	147,390
Affiliation Fees			
Australian Labour Party		54,232	48,539
Others		72,254	59,256
Bank Charges		21,747	17,848
Campaign Administration Costs		142,404	-
Cleaning and Pest Control		74,275	68,080
Computer Maintenance		153,928	137,830
Credit Card Charges		1,820	1,938
Depreciation	1c, 5	366,408	297,809
Donations		679,537	992,637
Dues			
Federal Body		3,129,428	2,823,806
Election Costs		-	4,044
Electricity & Power		63,162	40,903
Executive Honoraria		23,880	17,843
Functions & Hospitality			
District Office		36,766	18,221
Lodges		204,299	185,919
Fringe Benefits Tax		69,689	46,987
Insurance			
Property, Plant and Equipment		72,047	47,319
Workers Compensation		12,627	9,358
Leasing Costs - Operating	1i	10,429	92,711
Legal Settlements		(80,000)	80,000
Expense - Sale of Plant and Equipment		208,737	-
Lodge Closure Expenditure		24,117	-
May / Picnic Day		252,678	189,335
Meeting & Conference Expenses			
District Office		5,688	126,999
Lodges		76,677	63,955
Wages - Officers (Lodges)		384,174	603,566
Wages - BOM (Board of Management)		67,011	86,709
Travel Allowances - Officers		392,777	331,254
Travel Allowances - Board of Management		31,059	39,249

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 2012**

<u>Notes</u>	2012 \$	2011 \$
<i>Expenses from Ordinary Activities (Cont'd)</i>		
<i>Meeting & Conference Expenses- cont'd</i>		
Travel Allowances - Other	58,598	53,124
Travel Costs - Officers	581,245	500,936
Travel Costs – Board of Management	27,047	28,691
Travel Costs - Other	6,079	9,239
Seminars & Training Courses	124,100	136,766
Hire of Venue	6,245	1,271
Motor Vehicle Expenses	101,545	111,258
Office Requirements	72,044	54,901
Organisers-Unite Costs	-	277,335
Parking Costs	10,038	8,024
Payroll Tax	173,869	145,830
Picket Line Costs	283,363	23,249
Postage, Printing & Stationery	361,966	174,095
<i>Professional Costs</i>		
Auditors Remuneration 4b	58,745	50,093
Consultancy Fees	192,936	125,460
Legal Expenses 4b	304,901	-
Property Valuation Fees 4b	20,072	-
<i>Provision Movements - Employee Entitlements</i>		
Annual Leave 10a	125,577	122,251
Sick Leave 10a	(6,341)	77,641
Long Service Leave 10a	29,384	39,470
<i>Purchases</i>		
Union Merchandise and Books	289,361	367,438
Acts, Awards, etc.	7,046	10,486
Rates & Land Tax	55,333	46,394
<i>Rental Costs</i>		
QCEUE – Depreciation recoupment	83,250	79,875
Regional Offices	39,548	30,517
Recruitment of Staff Costs	6,918	-
Relocations Costs-Union Officials	5,621	2,409
Repairs & Maintenance	49,795	36,643
Retirement Gifts & Parties	64,845	81,795
Revaluation of Properties-Decrements	545,599	-

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 2012

<u>Notes</u>	2012 \$	2011 \$
<i>Expenses from Ordinary Activities (Cont'd)</i>		
<i>Salaries & Wages (District Office)</i>		
Officers	1,761,730	1,460,322
Office Staff	1,418,734	1,106,074
Security Costs	8,993	1,490
Staff Amenities	10,477	12,497
Subscriptions & Periodicals	29,625	36,986
<i>Superannuation Cont - Statutory</i>		
Officers (including Lodges)	164,853	179,977
Staff	172,946	151,052
<i>Superannuation Cont - Non Statutory</i>		
Officers	32,433	48,371
Staff	85,502	80,147
Sundry Expenses	-	25,782
Telephone & Facsimile	389,125	404,618
Wreaths & Tributes	25,155	11,807
Legal and Assistance Fund Expenses	7 1,504,754	948,230
<i>Total Expenses</i>	<u>\$15,953,016</u>	<u>\$13,642,049</u>
 <i>Profit from Ordinary Activities</i>	 <u>\$189,379</u>	 <u>\$320,296</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
Statement of Changes in Equity
for the Year Ended 30 June 2012

	<u>Notes</u>	2012 \$	2011 \$
<i>Profit from Ordinary Activities</i>		189,379	320,296
<i>Other Transfers & Appropriations</i>			
Accumulated General Funds			
Beginning of Year		14,612,381	14,377,443
Transfer of Reserves from / (to):			
Legal and Assistance Reserve	7.	320,319	(85,358)
		-----	-----
<i>Accumulated General Fund</i>			
<i>- End of Year</i>		<u>\$15,122,080</u>	<u>\$14,612,381</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 2012

	<u>Notes</u>	2012 \$	2011 \$
<i>Current Assets</i>			
Cash on Hand		1,352	1,189
Cash at Bank		15,730,172	15,085,488
Receivables	6	1,233,977	1,099,889
Prepayments		55,290	-
Investments	8	184,123	178,771
<i>Total Current Assets</i>		\$17,204,914	\$16,365,337
<i>Non-Current Assets</i>			
Investments	8	157,203	157,203
Receivables	6	57,986	57,986
Property, Plant & Equipment	5	4,144,289	4,300,739
<i>Total Non-Current Assets</i>		\$4,359,478	\$4,515,928
<i>Total Assets</i>		\$21,564,392	\$20,881,265
<i>Current Liabilities</i>			
Accounts Payable	9	3,268,774	2,949,745
Provision for employee entitlements	10	1,180,134	1,120,594
<i>Total Liabilities</i>		\$4,448,908	\$4,070,339
<i>Net Assets</i>		\$17,115,484	\$16,810,926

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 2012

	<u>Notes</u>	2012 \$	2011 \$
<i>Members' Funds</i>			
Accumulated General Fund		15,122,080	14,612,381
Reserves	7	1,993,404	2,198,545
<i>Total Members' Funds</i>		<u>\$17,115,484</u>	<u>\$16,810,926</u>

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

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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 2012

	<u>Note</u>	2012 \$	2011 \$
<i>Cash Flow from Operating Activities:</i>			
Receipts for Membership Dues		15,039,561	13,026,992
Payments to Creditors and Employees		(15,434,093)	(12,818,599)
Legal and Assistance Fund		1,184,435	-
Interest Received		781,450	765,203
Expenses Recouped		24,000	24,000
Sale of CFMEU Merchandise and Books		17,669	8,267
Training Grants-CFMEU National Office		140,817	-
Other Income		94,770	99,207
		-----	-----
Net cash provided by / (used in) operating activities	19(b)	\$1,848,609	\$1,105,070
		=====	=====
<i>Cash Flow from Investing Activities:</i>			
Proceeds from Sale of Property, Plant and Equipment		182,227	-
Payments for Property, Plant and Equipment		(849,116)	(1,578,268)
		-----	-----
Net cash provided by / (used in) investing activities		(\$666,889)	(\$1,578,268)
		=====	=====
<i>Cash Flow from Financing Activities:</i>			
Loan to members		(168,241)	(34,974)
Repayment by members		40,288	60,023
		-----	-----
Net cash provided by / (used in) financing activities		(\$127,953)	\$25,049
		=====	=====
Net (Decrease) / Increase in Cash Held		644,847	(504,525)
Cash at Beginning of Year		15,086,677	15,591,202
		-----	-----
<i>Cash at End of Year</i>	19(a)	\$15,731,524	\$15,086,677
		=====	=====

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 2012

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

ABN 73 089 711 903

Notes to the Financial Statements for the Year Ended 30 June 2012

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
Mining & Energy Division
Queensland District Branch

ABN 73 089 711 903

Notes to the Financial Statements for the Year Ended 30 June 2012

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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Construction, Forestry, Mining & Energy Union
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Notes to the Financial Statements for the Year Ended 30 June 2012

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 2012 that relates to the 2012 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.

Notes to the Financial Statements for the Year Ended 30 June 2012

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 2012

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:

	2012 No.	2011 No.
\$0 - \$29,999	2	-
\$30,000 - \$39,999	-	-
\$120,000 - \$139,999	-	-
\$140,000 - \$149,999	-	-
\$150,000 - \$159,999	-	-
\$160,000 - \$169,999	-	-
\$170,000 - \$179,999	-	-
\$180,000 - \$189,999	-	1
\$190,000 - \$199,999	-	1
\$200,000 - \$269,999	2	3
\$300,000 - \$309,999	8	5
		-

Aggregate income paid or payable – officers	\$2,109,179	\$1,975,482
	=====	=====

Aggregate income paid or payable – employees	\$1,769,160	\$1,479,534
	=====	=====

(b) *Professional Services*

- **Legal Costs paid from:**

General Funds	304,901	-
Legal and Assistance Reserve (Note 7)	855,433	364,839

The following Solicitors provided services:
 Hall Payne, Taylors, Rees R & Sydney Jones, Maurice Blackburn & CM Hartigan

- **Auditors Remuneration**

Auditing the Financial Report	53,240	46,750
Other Services	5,505	3,343
	-----	-----
	\$58,745	\$50,093
	=====	=====

The following Accountants provided services: Enmark Business Advisors.

- **Property Valuation Costs**

Valuation of Properties	\$20,072	-
	=====	=====

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

Notes to the Financial Statements for the Year Ended 30 June 2012

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**

	2012	2011
	\$	\$
(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 Office
Mining & Energy Division
Queensland District Branch

Notes to the Financial Statements for the Year Ended 30 June 2012

5. *Property, Plant and Equipment*

	2012 \$	2011 \$
Property		
Land At Independent Valuation (30 June 2012)	865,000	100,000
Buildings At Independent Valuation (30 June 2012)	2,365,000	125,000
	-----	-----
	3,230,000	225,000
Less: Accumulated Depreciation	-	(9,375)
	-----	-----
	3,230,000	215,625
	-----	-----
Property		
Land At Costs	-	258,000
Buildings At Costs	-	987,717
	-----	-----
	-	1,245,717
Less: Accumulated Depreciation	-	(23,634)
	-----	-----
	-	1,222,083
	-----	-----
Capital Works in Progress-Property	-	2,089,161
	-----	-----
Total Property	3,230,000	3,526,869
	-----	-----
Motor Vehicles		
At Cost	649,124	548,735
Less: Accumulated Depreciation	(151,257)	(161,734)
	-----	-----
	497,867	387,001
	-----	-----
Plant and Equipment		
At Cost	1,271,773	1,149,742
Less: Accumulated Depreciation	(868,877)	(773,766)
	-----	-----
	402,896	375,976
	-----	-----
Lease Improvements		
At Cost	20,399	17,414
Less: Accumulated Depreciation	(6,873)	(6,521)
	-----	-----
	13,526	10,893
	-----	-----
Totals	\$4,144,289	\$4,300,739
	=====	=====

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

Notes to the Financial Statements for the Year Ended 30 June 2012

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	387,001	375,976
Additions	483,104	170,350
Disposals	(208,737)	-
Depreciation	(163,501)	(143,430)
	-----	-----
Carrying amount at the end of the year	\$497,867	\$402,896
	-----	-----
	<u>Property</u>	<u>Leasehold Imp</u>
Balance at the beginning of the year	3,526,869	10,893
Additions	192,677	2,985
Revaluation Increments	115,178	-
Revaluation Decrements	(545,599)	-
Depreciation	(59,125)	(352)
	-----	-----
Carrying amount at the end of the year	\$3,230,000	\$13,526
	-----	-----
	2012	2011
<u>Sale of Fixed Assets:</u>		
Proceeds on sale of Fixed Assets	\$182,227	-
	-----	-----
<u>Reconciliation of Depreciation Expense</u>		
Plant and Equipment	143,430	136,404
Motor Vehicles	163,501	136,395
Property	59,125	24,814
Leasehold Improvements	352	196
	-----	-----
Total Depreciation Expense	366,408	297,809
	-----	-----

Property Revaluation are done at four year intervals.

The Properties were revalued as at 30th June 2012 by Independent Valuers to fair market value as follows:

CFMEU Moura Lodge at 41 Davey Street, Moura, Q4718

CFMEU District Office at 33 Milton Street, Mackay, Q4740

CFMEU District Office at 9 Joel Street, Emerald, Q4720

Valued by Herron Todd White Valuers (Central Qld), PO Box 379, Rockhampton, Q4700

CFMEU District Office at 62 Edward Street, Dalby, Q4405

CFMEU District Office at 66 Drayton Street, Dalby, Q4405

Valued by JND Partners, PO Box 438, Chinchilla, Q4413

The Committee of Management do not believe that there has been any material movement to that value since balance date.

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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 2012

6. *Receivables*

	2012	2011
	\$	\$
(a) Current Receivables represented by:		
Dues Receivable	269,235	353,056
Loans - Members (unsecured)	190,339	62,386
Other Receivables	533,458	428,021
Interest Receivable	240,945	256,426
	\$1,233,977	\$1,099,889

(b) Non-Current Receivables represented by:

	2012	2011
	\$	\$
Loans – AW Vickers (secured)	57,986	57,986
	\$57,986	\$57,986

7. *Reserves*

	2012	2011
	\$	\$
Legal and Assistance Reserve	1,666,691	1,987,010
Asset Revaluation Reserve	326,713	211,535
Total Reserves	\$1,993,404	\$2,198,545

Movements in Reserves

Legal and Assistance Reserve Net Movements - \$320,319

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 2011	1,987,010	1,901,652
Add Income:		
Member Contributions	1,064,327	920,996
Interest Received	101,384	112,592
Other Income	18,724	-
Deduct Expenses:		
Member Support Payments	(464,421)	(395,410)
Legal Costs	(855,433)	(364,839)
Share of District Costs	(144,000)	(144,000)
Other Operating Costs	(40,900)	(43,981)
Balance at 30 June 2012	\$1,666,691	\$1,987,010

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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 2012

7. *Reserves- cont'd*

Asset Revaluation Reserves Movements

	2012	2011
	\$	\$
Opening Balance – 1 July 2011	211,535	211,535
Revaluation Increments	115,178	-
	-----	-----
<i>Balance at 30 June 2012</i>	\$326,713	\$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*

	2012	2011
	\$	\$
Current Investments represented by:		
IOOF Global One – at fair value	\$184,123	\$178,771
	-----	-----
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
	-----	-----
<i>Total Investments – Non Current</i>	\$157,203	\$157,203

9. *Accounts Payable*

	2012	2011
	\$	\$
(a) Current Accounts Payable represented by:		
Payable to National Office	464,817	484,442
Legal and Assistance Fund-Legal costs payable	92,347	106,919
Other Trade Payables	1,376,263	1,102,605
Payable to QCEUE	1,335,347	1,255,779
	-----	-----
	\$3,268,774	\$2,949,745

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Construction, Forestry, Mining & Energy Union
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Notes to the Financial Statements for the Year Ended 30 June 2012

10. (a) Provision for Employee Entitlements

	Provision Movements Increase/ (Decrease)	2012 \$	2011 \$
Current	\$		
Annual Leave	125,577	671,762	635,265
Sick Leave	(6,341)	370,274	376,615
Long Service Leave	29,384	138,098	108,714
		<u><u>\$1,180,134</u></u>	<u><u>\$1,120,594</u></u>

(b) Payments for Employee Entitlements

Payments for Employee Entitlements included in Wages are as follows:

Annual Leave and Loading	276,729	210,043
Sick Leave	127,479	119,805
Long Service Leave	-	-
	No.	No.
Number of employees at end of financial year	28	26

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 \$750,000. This is secured by an undertaking in respect of the liquid assets of the organisation.

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Construction, Forestry, Mining & Energy Union
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Notes to the Financial Statements for the Year Ended 30 June 2012

	2012	2011
	\$	\$
12. Leasing Commitments	\$25,087	\$89,157
Non-Cancellable Operating Lease Commitments contracted for but not capitalised in the Financial Statements and payable as follows:		
Not later than one year	25,087	38,775
Later than one year but not later than two years	-	39,414
Later than two years but not later than five years	-	10,968
	<u>\$25,087</u>	<u>\$89,157</u>
13. Capital Commitments	Nil	\$ 155,215
14. Subsequent Events	Nil	Nil
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
TD Whyte	Secretary
M Hughes	Executive Vice President
GW Power	Vice President
SA Pierce	Vice President
C Brodsky	Vice President
S Bruner	Vice President
GA Dalliston	ISHR
S Woods	ISHR
J L Hill	ISHR

Past Executives:

JL Valery	Secretary
CJ Gilbert	ISHR

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

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Notes to the Financial Statements for the Year Ended 30 June 2012

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-Simon West
- Division 3-Jeff Scales
- Division 4-Bruce West
- Division 5-Paul Vickery
- Division 6-Michael Hartin
- Division 7-Michael Popp
- Central Councillor- Frank Baker
- Central Councillor- Scott Leggett
- 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 - \$99,646

Union Dues paid and payable to CFMEU National - \$3,129,428

National Office Campaign Levy is collected from members and remitted to CFMEU National - \$2,010,342

National Office Campaign Levy support payments paid to members on behalf of CFMEU National Office and recouped from CFMEU National Office - \$10,245,715

Recoupments from CFMEU National for lost wages for Central Councillors attending Union Meetings in Sydney - \$7,468

Rental paid to QCEUE - \$83,250

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 - \$67,011

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

Payables:

CFMEU National - \$464,817

QCEUE - \$1,335,347

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Notes to the Financial Statements for the Year Ended 30 June 2012

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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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 2012

18. *Financial Instruments— cont'd*

	Weighted Average Effective Interest Rate		Floating Interest Rate Variable		Non Interest Bearing	
	2012 %	2011 %	2012 \$	2011 \$	2012 \$	2011 \$
<u>Financial Assets</u>						
Cash at Bank	3.7	3.0	629,207	327,671	-	-
Interest						
Bearing Deposits	5.5	4.6	15,100,965	14,757,817	-	-
Investments	0.0	0.0	-	-	-	-
Trade Receivables	0.0	0.0	-	-	269,235	353,056
Officers' Loans	0.0	0.0	-	-	190,339	62,386
Total Financial Assets			\$15,730,172	\$15,085,488	\$459,574	\$415,442
<u>Financial Liabilities</u>						
Trade Payables	0.0	0.0	-	-	1,933,427	1,693,966
Payable-QCEUE	0.0	0.0	-	-	1,335,347	1,255,779
Employee Entitlements	0.0	0.0	-	-	1,180,134	1,120,594
Total Financial Liabilities			-	-	\$4,448,908	\$4,070,339

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

(c) Credit Risk

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

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

(d) Net Fair Values

The net fair value approximates their carrying value. No financial assets or liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the organisation intends to hold these to maturity.

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Construction, Forestry, Mining & Energy Union
Mining & Energy Division
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Notes to the Financial Statements for the Year Ended 30 June 2012

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:

	2012	2011
	\$	\$
Cash on Hand	1,352	1,189
Cash at Bank	15,730,172	15,085,488
	\$15,731,524	\$15,086,677

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

Profit from Ordinary Activities	189,379	320,296
---------------------------------	---------	---------

Adjustments for Non Cash Flow Items:

Add:

Depreciation	366,408	297,809
Rental – QCEUE	83,250	79,875
Loss on Sale of Fixed Assets	26,510	-
Revaluation of Properties-Decrements	545,599	-
Transfers-Legal and Assistance Fund	320,319	-

(Increase) / Decrease in Assets:

Receivables - Current	(6,135)	(298,630)
Prepayments	(55,290)	-

Increase / (Decrease) in Liabilities:

Accounts Payable	319,029	505,828
Provisions	59,540	199,892

	\$1,848,609	\$1,105,070

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

Ph: 07 3229 3024
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 30th June 2012 and the income statement, statement of changes in equity and cash flow statement for the year ended 30th June 2012, 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.

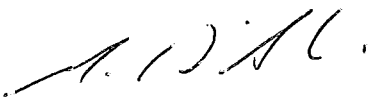
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 2012 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 4th December 2012



FAIR WORK
AUSTRALIA

16 July 2012

Mr James Valery
Secretary, Queensland District Branch, Mining and Energy Division
CFMEU
PO Box 508
SPRING HILL QLD 4004

Dear Mr Valery

Lodgement of Financial Documents for year ended 30 June 2012 - Fair Work (Registered Organisations) Act 2009 (“the FW(RO) Act”) - Queensland District Branch (FR2012/245)

The financial year of the Queensland District Branch of the Mining and Energy Division of the Construction, Forestry, Mining and Energy Union (the “reporting unit”) has recently ended. This is a courtesy letter to remind you of the obligation to prepare and process the reporting unit’s financial documents. The full financial report must be lodged with Fair Work Australia within the prescribed time period of 6 months and 14 days of the end of the financial year.

The FW(RO) Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. The attached *Timeline/Planner* summarises these requirements.

In addition, financial reporting fact sheets and sample documents can be found on the Fair Work Australia website. The information can be viewed at [FWA Registered Organisations Fact Sheets](#). This site also contains the General Manager’s Reporting Guidelines which set out mandatory financial disclosures.

I draw your particular attention to section 237 of the FW(RO) Act which provides that where the reporting unit makes individual loans, grants or donations exceeding \$1,000, a separate statement containing prescribed particulars must be lodged within 90 days of the end of the financial year, i.e. by 30 September.

If you need any further information or if you believe you will be unable to lodge the full financial report within the period mentioned above please contact me on (02) 6723 7097 or by email at stephen.kellett@fwa.gov.au

Yours sincerely,

Stephen Kellett
Organisations, Research & Advice
Fair Work Australia

TIMELINE/ PLANNER

Financial reporting period ending:	30/ 06 /2012
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1. Prepare financial statements and Operating Report.

1(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.	/ /
1(b) A #designated officer must sign the Committee of Management Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).	/ /

As soon as practicable after end of financial year

This step must be completed and the Statement signed first

2. Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /
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*Within a reasonable time of having received the GPFR
(NB: Auditor's report must be dated on or after date of Committee of Management Statement*

3. Provide full report free of charge to members – s265 The full report must include: <ul style="list-style-type: none"> • the General Purpose Financial Report (which includes the Committee of Management Statement); • the Auditor's Report; and • the Operating Report. 	/ /
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*(a) if the report is to be presented to a General Meeting the report must be provided to members 21 days before the General Meeting,

or

(b) if the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.*

4. Present full report to second meeting: (a) General Meeting of Members - s266 (1),(2); OR (b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ / / /
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Within 6 months of end of financial year

Within 6 months of end of financial year

5. Lodge full report with Fair Work Australia, together with the #Designated Officer's certificate++ – s268	/ /
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Within 14 days of meeting

* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.