



FAIR WORK  
COMMISSION

10 June 2014

Mr Timothy David Whyte  
Secretary, Queensland District Branch  
Mining and Energy Division  
CFMEU  
PO Box 508  
SPRING HILL QLD 4004

Sent to: [t.whyte@cfmeuqld.asn.au](mailto:t.whyte@cfmeuqld.asn.au)

Dear Mr Whyte,

**Re: Lodgement of Financial Statements and Accounts - Construction, Forestry, Mining and Energy Union, Mining and Energy Division, Queensland District Branch - for year ended 30 June 2013 (FR2013/149)**

I refer to the financial statements and accounts of the Construction, Forestry, Mining and Energy Union, Mining and Energy Division, Queensland District Branch ('the reporting unit') lodged with the Fair Work Commission on 20 December 2013. The documents were subject to a primary review. This involved confirming whether the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements. Please note that the report for the year ended 30 June 2014 may be subject to an advanced review, examining all disclosures.

The documents have been filed but I make the following comments in relation to particular requirements. The Fair Work Commission will confirm these matters have been addressed prior to filing next year's report. Next year's report may be subject to an advanced review.

Auditor's report: declaration regarding going concern

Paragraph 45 of the reporting guidelines requires an auditor to include in his or her auditor's statement a declaration that as part of the audit of the financial statement they have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate. This declaration was not included in the auditor's statement.

Reports must be provided to Members at least 21 days before the General Meeting of Members

The designated officer's certificate states that the first meeting, a meeting of the Board, was held on 11 November 2013 and that the financial report was presented to the annual general meeting on 3 December 2013 and that the report *"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 2014"*.

Although this is consistent with previous years, on reconsideration it does not indicate clearly formal compliance with a relevant provision of the RO Act and I must draw attention to that provision. It is my error in not correcting this previously.

### The prescribed time frames

Subsection 265(5)(a) provides that the full report must be provided to members at least 21 days before it is presented to a general meeting. Subsection 266(1) provides that presentation to the general meeting must take place within 6 months (i.e. by 31 December) of the end of the financial year. .

### Relevant rules of the Branch

Rule 10(vii)(f) provides that *“(t)he selection of an auditor, the presentation of the accounts and certificates by the auditor and all other matters to do with the audit, the keeping of and presentation of accounts to the Board of Management and to the membership, shall be according to the requirements, forms and procedures of the law affecting the accounting and auditing practices of organizations registered under the provisions of the Workplace Relations Act 1996.”*

Because there is no Branch rule that meets the description of a 5% rule as referred to in subsection 266(3), for the purposes of presentation in accordance with section 266, the full report must be presented to a general meeting.

### Distribution of copies of the report

It is my understanding that presentation for the purposes of section 266 is made at the “annual general meeting” referred to in rule 8(ii)(a) to which *“all the Lodges including Rank and File members are invited to attend”*. This being the case, the Branch must distribute copies of the signed full report to the members at least 21 days beforehand. If this is done, then the Branch can lodge, as it generally does, its financial report before the end of December regardless of the fact that a series of Lodge membership meetings is held after that time

Distribution of the audited report to the members must be broad enough to satisfy the intent of subsection 265(5) that members have access to it before the general meeting. Posting a .pdf version of the signed documents on the Branch’s website for members is an acceptable way in which to satisfy this requirement. It should be done at the earliest opportunity after the signing off of the financial reports and statements at the first meeting of the Board. The annual general meeting can then be held after the minimum interval of 21 days.

### Considerations

There are two considerations arising from the above. Firstly, future designated officer’s certificates should make clear when copies of the full report are distributed to members 21 days prior to presentation to the relevant general meeting.

Secondly, I note that rule 8(ii)(a) provides that the Annual General Meeting will be the meeting held in October/November, but that in previous years the annual general meeting frequently appears to have been held in early December. If it is difficult for the Branch to ensure, after allowing for the 21 day period, that it can hold the annual general meeting before 31 December, it should apply under subsection 265(5) for an extension of time to hold its “general meeting under section 266” before the expiry of that period. A maximum extension of one (1) month can be granted, meaning that the Branch would have additional time (until 31 January) to hold the annual general meeting, and, in consequence, until 14 February to lodge its financial reports with FWC.

Should you wish to discuss the matters raised in this letter, I may be contacted on (02) 6723 7237 or by email at [stephen.kellett@fwc.gov.au](mailto:stephen.kellett@fwc.gov.au).

Yours sincerely



Stephen Kellett  
Senior Adviser, Regulatory Compliance Branch

**From:** KELLETT, Stephen  
**To:** ["t.whyte@cfmeuqld.asn.au"](mailto:t.whyte@cfmeuqld.asn.au)  
**Cc:** ["k.raniga@cfmeuqld.asn.au"](mailto:k.raniga@cfmeuqld.asn.au)  
**Subject:** Financial report y/e 30 June 2013 - filing - clarification of s265(5) RO Act  
**Date:** Tuesday, 10 June 2014 10:15:00 AM  
**Attachments:** [CFMEU QDST FR2013 149 \(primary final\).pdf](#)

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Dear Mr Whyte,

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](mailto:stephen.kellett@fwc.gov.au)

FR 2013/149.



**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 2013

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 30.06.2013**

We enclose the following for the Financial Year Ended 30.06.2013:

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

**Yours Faithfully**

**Timothy David Whyte**  
Secretary

**Kishore Raniga**  
Finance Manager

<b>Blackwater</b>	<b>Dalby</b>	<b>Dysart</b>	<b>Mackay</b>	<b>Moranbah</b>	<b>Rockhampton</b>
45 Arthur Street Blackwater Qld 4717	10/66 Drayton Street Dalby Qld 4405	Shop 24B Garden Plaza Shannon Crescent Dysart Qld 4745	33 Milton Street Mackay Qld 4740	Cnr Mills Avenue & Bacon Street Moranbah Qld 4744	QCU Building, Office 8 110 Campbell Street Rockhampton Qld 4700
P 07 4982 5131 F 07 4982 6325	P 07 4669 7088 F 07 4662 4288	P 07 4958 2318 F 07 4950 0065	P 07 4957 2644 F 07 4951 3241	P 07 4941 7004 F 07 4941 5269	P 07 4922 7100 F 07 4922 7105

*General Manager Fair Work Commission 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 2013**

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

**ABN 73 089 711 903**

**30th June 2013**

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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 11<sup>th</sup> November 2013, 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 (GPFR) of the reporting unit for the financial year ended 30 June 2013.

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 Commission;
- (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 believes its financial records have been kept, as far as practical, in a consistent manner to each of the other reporting units of the organisation

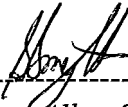
**Construction, Forestry, Mining & Energy Union  
Mining & Energy Division  
Queensland District Branch**

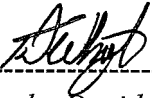
**ABN 73 089 711 903**

**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 Commission duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or General Manager Fair Work Commission; 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 Commission; 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 11<sup>th</sup> Day of November, 2013.




**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 for the Construction, Forestry, Mining & Energy Union, Mining & Energy Division, Queensland District Branch for the period ended 30<sup>th</sup> June 2013, 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 11<sup>th</sup> November 2013 (First Meeting)
- that the full report was further presented at the annual general meeting on 3<sup>rd</sup> December 2013; in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009; (Second Meeting) At the annual general meeting, all the Lodges including Rank and File members are invited to attend.
- 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 2014.

  
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*Timothy David Whyte*  
(Secretary)

*Dated at Brisbane this 3<sup>rd</sup> Day of December, 2013.*

**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 \$82,139 (2012: \$189,379). This result has been achieved despite there being a decrease in the average membership numbers over the prior year, a decrease in interest income due to lower market interest rates and an increase in expenditures resulting from the level of industrial activity in serving the membership base. There have been no significant changes to the activities or the financial affairs of the organisation.

**Member's rights**

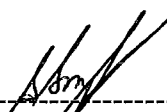
Members of the organisation have the right to resign from the organisation under section 174 of the Fair Work (Registered Organisations) Act 2009.


**Other Information:**

- The Number of members of the branch was 9,118.
- The number of full time employees of the branch was – Officials – 10, Full Time Office Staff – 20 and Full Time Equivalent Lodge Executives - 10.
- Superannuation Trustee – Timothy David Whyte

**Committee of Management:**

- Division 1-Barry Elliott
- Division 2-Simon West
- Division 3-Jeff Scales
- Division 4-Bruce West
- Division 5-Brian Cruwys (Appointed 24.06.13)
- Division 6-Michael Hartin
- Division 7-Michael Popp
- Central Councillor- Frank Baker
- Central Councillor- Scott Leggett
- Central Councillor- Fredrick Hibble
- Central Councillor- Brian Wise

  
 -----  
 Stephen Allan Smyth  
 (President)

  
 -----  
 Timothy David Whyte  
 (Secretary)

*Dated at Brisbane this 11<sup>th</sup> Day of November, 2013.*

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

**ABN 73 089 711 903  
Income Statement  
for the Year Ended 30 June 2013**

	<u>Notes</u>	2013 \$	2012 \$
<b><i>Revenue from Ordinary Activities</i></b>			
Membership Dues		13,545,916	13,079,543
Levies Received - Membership Support	1	361,714	508,965
Capitation Fees		-	-
<b><i>Expenses Recouped</i></b>			
Union Check Inspectors		24,000	24,000
Administration Costs– Legal and Assistance		144,000	144,000
Sales - Union Merchandise		22,461	17,669
Interest Received		668,015	765,969
Revenue - Sale of Plant and Equipment	5	58,364	182,227
Investment Income		111,576	91,327
Levies Received – Legal and Assistance	7	1,120,179	1,083,051
Interest Received – Legal and Assistance	7	72,415	101,384
Training Grants-CFMEU-National Office		59,775	140,817
Sundry Income		2,782	3,443
<b><i>Total Revenue</i></b>		<b>\$16,191,197</b>	<b>\$16,142,395</b>

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

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

**ABN 73 089 711 903  
Income Statement  
for the Year Ended 30 June 2013**

	<u>Notes</u>	2013 \$	2012 \$
<b><i>Expenses from Ordinary Activities</i></b>			
Advertising & Public Relations		75,391	118,109
<b>Affiliation Fees</b>			
Australian Labour Party		80,933	54,232
Others		21,922	72,254
Bank Charges		23,365	21,747
Campaign Administration Costs		65,682	142,404
Cleaning and Pest Control		82,999	74,275
Computer Maintenance		122,136	153,928
Credit Card Charges		2,116	1,820
Depreciation	1c, 5	422,794	366,408
Donations and Grants		869,072	679,537
<b><i>Dues</i></b>			
Federal Body		3,140,070	3,129,428
Electricity & Power		67,922	63,162
Executive Honoraria		19,269	23,880
<b><i>Functions &amp; Hospitality</i></b>			
District Office		6,766	36,766
Lodges		263,595	204,299
Fringe Benefits Tax		118,285	69,689
<b><i>Insurance</i></b>			
Property, Plant and Equipment		46,406	72,047
Workers Compensation		14,599	12,627
Leasing Costs - Operating	1i	6,799	10,429
Legal Settlements		-	(80,000)
Loans Written Off		2,000	-
Expense - Sale of Plant and Equipment		75,155	208,737
Lodge Closure Expenditure		-	24,117
May / Picnic Day		116,797	252,678
<b><i>Meeting &amp; Conference Expenses</i></b>			
District Office (Includes Convention)		224,203	5,688
Lodges		44,066	76,677
Wages - Officers (Lodges)		627,009	384,174
Wages – BOM (Board of Management)		116,718	67,011
Travel Allowances - Officers		439,613	392,777
Travel Allowances – Board of Management		31,925	31,059

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

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

**ABN 73 089 711 903  
Income Statement  
for the Year Ended 30 June 2013**

<u>Notes</u>	2013 \$	2012 \$
<b><i>Expenses from Ordinary Activities (Cont'd)</i></b>		
<b><i>Meeting &amp; Conference Expenses- cont'd</i></b>		
Travel Allowances - Other	25,850	58,598
Travel Costs - Officers	433,572	581,245
Travel Costs – Board of Management	44,108	27,047
Travel Costs - Other	7,227	6,079
Seminars & Training Courses	159,776	124,100
Hire of Venue	1,964	6,245
Motor Vehicle Expenses	107,945	101,545
Office Requirements	69,962	72,044
Parking Costs	5,988	10,038
Payroll Tax	377,076	173,869
Picket Line Costs	125	283,363
Postage, Printing & Stationery	391,709	361,966
<b><i>Professional Costs</i></b>		
Auditors Remuneration 4b	61,829	58,745
Consultancy Fees	144,890	192,936
Legal Expenses 4b	265,815	304,901
Property Valuation Fees 4b	(1,824)	20,072
<b><i>Provision Movements - Employee Entitlements</i></b>		
Annual Leave 10a	40,013	125,577
Sick Leave 10a	89,758	(6,341)
Long Service Leave 10a	8,384	29,384
<b><i>Purchases</i></b>		
Union Merchandise and Books	320,690	289,361
Acts, Awards, etc.	3,379	7,046
Rates & Land Tax	51,645	55,333
<b><i>Rental Costs</i></b>		
QCEUE – Rental Charge	69,440	83,250
CFMEUQ – Rental Charge	13,888	-
Regional Offices	34,935	39,548
Recruitment of Staff Costs	9,285	6,918
Relocations Costs-Union Officials	12,501	5,621
Repairs & Maintenance	57,703	49,795
Retirement Gifts & Parties	182,220	64,845
Revaluation of Properties-Decrements	-	545,599

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

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

**ABN 73 089 711 903  
Income Statement  
for the Year Ended 30 June 2013**

	2013	2012
<u>Notes</u>	\$	\$
<i>Expenses from Ordinary Activities (Cont'd)</i>		
<i>Salaries &amp; Wages (District Office)</i>		
Officers	2,022,732	1,761,730
Office Staff	1,441,882	1,418,734
Security Costs	3,099	8,993
Staff Amenities	18,589	10,477
Subscriptions & Periodicals	45,960	29,625
<i>Superannuation Cont - Statutory</i>		
Officers (including Lodges)	235,013	164,853
Staff	195,317	172,946
<i>Superannuation Cont - Non Statutory</i>		
Officers	35,510	32,433
Staff	68,155	85,502
Telephone & Facsimile	365,214	389,125
Wreaths & Tributes	9,059	25,155
Legal and Assistance Fund Expenses	7 1,551,070	1,504,754
<b><i>Total Expenses</i></b>	<b>\$16,109,058</b>	<b>\$15,953,016</b>
-----		
-----		
<b><i>Profit from Ordinary Activities</i></b>	<b>\$82,139</b>	<b>\$189,379</b>
=====		
=====		

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

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

**ABN 73 089 711 903  
Statement of Changes in Equity  
for the Year Ended 30 June 2013**

	2013	2012
<u>Notes</u>	\$	\$
<i>Profit from Ordinary Activities</i>	82,139	189,379
 <i>Other Transfers &amp; Appropriations</i>		
Accumulated General Funds		
Beginning of Year	15,122,080	14,612,381
Transfer of Reserves from / (to):		
Legal and Assistance Reserve	7            358,475	320,319
	-----	-----
<b><i>Accumulated General Fund</i></b>		
<b><i>- End of Year</i></b>	<b>\$15,562,694</b>	<b>\$15,122,080</b>
	=====	=====

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

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

**ABN 73 089 711 903**

**Balance Sheet  
as at 30 June 2013**

	<u>Notes</u>	2013 \$	2012 \$
<b><i>Current Assets</i></b>			
Cash on Hand		1,961	1,352
Cash at Bank		15,552,094	15,730,172
Receivables	6	1,200,846	1,233,977
Prepayments		10,162	55,290
Investments	8	211,565	184,123
		-----	-----
<b><i>Total Current Assets</i></b>		<b>\$16,976,628</b>	<b>\$17,204,914</b>
		-----	-----
<b><i>Non-Current Assets</i></b>			
Investments	8	157,203	157,203
Receivables	6	57,906	57,986
Other Assets	6	205,728	-
Property, Plant & Equipment	5	3,996,529	4,144,289
		-----	-----
<b><i>Total Non-Current Assets</i></b>		<b>\$4,417,366</b>	<b>\$4,359,478</b>
		-----	-----
<b><i>Total Assets</i></b>		<b>\$21,393,994</b>	<b>\$21,564,392</b>
		=====	=====
<b><i>Current Liabilities</i></b>			
Accounts Payable	9	2,878,083	3,268,774
Provision for employee entitlements	10	1,318,289	1,180,134
		-----	-----
<b><i>Total Liabilities</i></b>		<b>\$4,196,372</b>	<b>\$4,448,908</b>
		=====	=====
<b><i>Net Assets</i></b>		<b>\$17,197,622</b>	<b>\$17,115,484</b>
		=====	=====

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



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

**ABN 73 089 711 903**

**Balance Sheet  
as at 30 June 2013**

	<u>Notes</u>	2013 \$	2012 \$
<i>Members' Funds</i>			
Accumulated General Fund		15,562,694	15,122,080
Reserves	7	1,634,928	1,993,404
		-----	-----
<i>Total Members' Funds</i>		<b>\$17,197,622</b>	<b>\$17,115,484</b>
		=====	=====

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

**Construction, Forestry, Mining & Energy Union**  
**Mining & Energy Division**  
**Queensland District Branch**  
**ABN 73 089 711 903**  
**Cash Flow Statement**  
**for the Year Ended 30 June 2013**

	<u>Note</u>	2013 \$	2012 \$
<b><i>Cash Flow from Operating Activities:</i></b>			
Receipts for Membership Dues		14,663,945	14,791,630
Receipts-CFMEU National Office		211,258	247,931
Payments to Creditors and Employees		(12,810,778)	(12,134,088)
Payments-CFMEU National Office		(3,335,935)	(3,159,188)
Legal and Assistance Fund		1,192,594	1,184,435
Interest Received		712,350	781,450
Expenses Recouped		24,000	24,000
Sale of CFMEU Merchandise and Books		22,461	17,669
Other Income		114,358	94,770
		-----	-----
Net cash provided by / (used in) operating activities	19(b)	<b>\$794,253</b>	<b>\$1,848,609</b>
		=====	=====
<b><i>Cash Flow from Investing Activities:</i></b>			
Proceeds from Sale of Property, Plant and Equipment		58,364	182,227
Payments for Property, Plant and Equipment		(350,189)	(849,116)
		-----	-----
Net cash provided by / (used in) investing activities		<b>(\$291,825)</b>	<b>(\$666,889)</b>
		=====	=====
<b><i>Cash Flow from Financing Activities:</i></b>			
Loans to members		(91,120)	(168,241)
Repayments by members		86,197	40,288
		-----	-----
Net cash provided by / (used in) financing activities		<b>(\$4,923)</b>	<b>(\$127,953)</b>
		=====	=====
Net (Decrease) / Increase in Cash Held		(177,469)	644,847
Cash at Beginning of Year		15,731,524	15,086,677
		-----	-----
<b><i>Cash at End of Year</i></b>	<b>19(a)</b>	<b>\$15,554,055</b>	<b>\$15,731,524</b>
		=====	=====

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

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

ABN 73 089 711 903

**Notes to the Financial Statements for the Year Ended 30 June 2013**

**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

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**Notes to the Financial Statements for the Year Ended 30 June 2013**

**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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**Queensland District Branch**

ABN 73 089 711 903

**Notes to the Financial Statements for the Year Ended 30 June 2013**

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

**(g) Income Tax**

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

**(h) Leased Assets**

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

**(i) Acquisition of Assets**

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

**(j) Cash and cash equivalents**

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

**(k) Employee benefits**

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

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

**(ii) Long service leave**

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

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

ABN 73 089 711 903

**Notes to the Financial Statements for the Year Ended 30 June 2013**

**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 2013 that relates to the 2013 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.

Membership Support Levies (Voluntary) - \$361,714 (2012 - \$508,965) were collected during the year and these were collected from those Lodges that have made In-Kind support payments in addition to the weekly \$700 Legal and Assistance support payments. In-Kind support payments ranges from \$300 to \$700 and are included as Donations Paid in the Income Statement.

**(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.

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**ABN 73 089 711 903**

**Notes to the Financial Statements for the Year Ended 30 June 2013**

**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 Commission, 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**

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**Notes to the Financial Statements for the Year Ended 30 June 2013**

**4. Statutory Disclosures**

**(a) Employee Expenses**

	2013	2012
	\$	\$
<b>Holders of Office:</b>		
Wages and Salaries	1,657,642	1,391,995
Superannuation	160,251	137,224
Leave and Other Entitlements	293,580	198,353
Seperation and Redundancies	151,943	212,897
Other Employee Expenses	124,645	168,710
	=====	=====
<b>Employee Expenses-Holders of Office</b>	<b>\$2,388,061</b>	<b>\$2,109,179</b>
	=====	=====
<b>Employees other than Holders of Office:</b>		
Wages and Salaries	1,598,048	1,249,642
Superannuation	195,317	172,946
Leave and Other Entitlements	119,779	205,855
Seperation and Redundancies	51,668	140,717
Other Employee Expenses	-	-
	=====	=====
<b>Employee Expenses-Other than Holders of Office</b>	<b>\$1,964,812</b>	<b>\$1,769,160</b>
	=====	=====

**(b) Professional Services**

- Legal Costs – Litigation	-	-
- Legal Costs – Other Legal Matters paid from:		
General Funds	265,815	304,901
Legal and Assistance Reserve (Note 7)	801,024	855,433
	=====	=====
<b>- Auditors Remuneration (Enmark Chartered Accountants)</b>		
Auditing the Financial Report	50,200	53,240
Other Services	11,629	5,505
	-----	-----
	<b>\$61,829</b>	<b>\$58,745</b>
	=====	=====
<b>- Property Valuation Costs</b>		
Valuation of Properties	(\$1,824)	\$20,072
	=====	=====

*Legal Costs – Other Legal Matters related to Unfair Dismissals, Workcover Claims, Supreme and Federal Court Hearings and were outsourced to Legal Firms - Hall Payne, Taylors, Slater & Gordon, Maurice Blackburn, AM Slevin & CM Hartigan*



**Construction, Forestry, Mining & Energy Union  
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**Notes to the Financial Statements for the Year Ended 30 June 2013**

**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**

	<b>2013</b>	<b>2012</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 Commission 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 Commission 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) Penalties imposed on the entity under the Act or regulation	-	-
(iv) 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 2013**

**5. Property, Plant and Equipment**

	<b>2013</b>	<b>2012</b>
	\$	\$
<b>Property</b>		
Land At Independent Valuation (30 June 2012)	865,000	865,000
Buildings At Independent Valuation (30 June 2012)	2,365,000	2,365,000
Buildings At Cost	28,396	-
	-----	-----
	3,258,396	3,230,000
Less: Accumulated Depreciation	(59,728)	-
	-----	-----
<b>Total Property</b>	<b>3,198,668</b>	<b>3,230,000</b>
	-----	-----
<b>Motor Vehicles</b>		
At Cost	767,859	649,124
Less: Accumulated Depreciation	(309,162)	(151,257)
	-----	-----
	458,697	497,867
	-----	-----
<b>Plant and Equipment</b>		
At Cost	1,164,757	1,271,773
Less: Accumulated Depreciation	(838,767)	(868,877)
	-----	-----
	325,990	402,896
	-----	-----
<b>Lease Improvements</b>		
At Cost	14,074	20,399
Less: Accumulated Depreciation	(900)	(6,873)
	-----	-----
	13,174	13,526
	-----	-----
<b>Totals</b>	<b>\$3,996,529</b>	<b>\$4,144,289</b>
	=====	=====

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

**Notes to the Financial Statements for the Year Ended 30 June 2013**

**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	497,867	402,896
Additions	231,978	79,042
Disposals	(64,372)	-
Depreciation	(206,776)	(155,948)
	-----	-----
Carrying amount at the end of the year	\$458,697	\$325,990
	-----	-----
	<u>Property</u>	<u>Leasehold Imp</u>
Balance at the beginning of the year	3,230,000	13,526
Additions	28,396	-
Revaluation Increments	-	-
Revaluation Decrements	-	-
Depreciation	(59,728)	(352)
	-----	-----
Carrying amount at the end of the year	\$3,198,668	\$13,174
	-----	-----
	<b>2013</b>	<b>2012</b>
<b><u>Sale of Fixed Assets:</u></b>		
Proceeds on sale of Fixed Assets	\$58,364	\$182,227
	-----	-----
<b><u>Reconciliation of Depreciation Expense</u></b>		
Plant and Equipment	155,948	143,430
Motor Vehicles	206,766	163,501
Property	59,728	59,125
Leasehold Improvements	352	352
	-----	-----
Total Depreciation Expense	422,794	366,408
	-----	-----

**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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**Notes to the Financial Statements for the Year Ended 30 June 2013**

**6. Receivables**

	2013	2012
	\$	\$
<b>(a) Current Receivables represented by:</b>		
Dues Receivable	273,034	269,235
Loans - Members (unsecured)	195,262	190,339
Other Receivables	433,447	443,619
Interest Receivable	196,610	240,945
<i>Receivables from other reporting units:</i>		
CFMEU National Office	102,493	89,839
CFMEUQ	-	-
Provision for doubtful Debts	-	-
	\$1,200,846	\$1,233,977
	\$1,200,846	\$1,233,977
 <b>(b) Non-Current Receivables represented by:</b>		
Loans – AW Vickers (secured)	\$57,906	\$57,986
	\$57,906	\$57,986
	\$57,906	\$57,986
 <b>(c) Other Assets represented by:</b>		
Deposits Paid-Film and Apps Production	\$205,728	-
	\$205,728	-
	\$205,728	-

A Documentary is currently being produced on the Unions History in Queensland.

An App is being designed to assist in communication with the Membership through this technology.

**Construction, Forestry, Mining & Energy Union  
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**Notes to the Financial Statements for the Year Ended 30 June 2013**

**7. Reserves**

	2013	2012
	\$	\$
Legal and Assistance Reserve	1,308,215	1,666,691
Asset Revaluation Reserve	326,713	326,713
	-----	-----
<b>Total Reserves</b>	<b>\$1,634,928</b>	<b>\$1,993,404</b>
	=====	=====

**Movements in Reserves**

**Legal and Assistance Reserve Net Movements - \$358,475**

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 2012	1,666,691	1,987,010
<b>Add Income:</b>		
Member Contributions	1,120,179	1,064,327
Interest Received	72,415	101,384
Other Income	-	18,724
<b>Deduct Expenses:</b>		
Member Support Payments	(519,203)	(464,421)
Legal Costs	(801,024)	(855,433)
Share of District Costs	(144,000)	(144,000)
Other Operating Costs	(86,843)	(40,900)
	-----	-----
<b>Balance at 30 June 2013</b>	<b>\$1,308,215</b>	<b>\$1,666,691</b>
	=====	=====

The balance of the Legal and Assistance Fund is invested by the organisation in the centralised pool of funds. Interest income is allocated each six months from the earnings of the centralised pool that are invested with the Commonwealth Bank of Australia and the Maritime Mining Power Credit Union.

**Construction, Forestry, Mining & Energy Union**  
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ABN 73 089 711 903

**Notes to the Financial Statements for the Year Ended 30 June 2013**

**7. Reserves- cont'd**

***Asset Revaluation Reserves Movements***

	<b>2013</b>	<b>2012</b>
	\$	\$
Opening Balance – 1 July 2012	326,713	211,535
Revaluation Increments	-	115,178
	-----	-----
<b><i>Balance at 30 June 2013</i></b>	<b>\$326,713</b>	<b>\$326,713</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. There were no movements this year.

**8. Investments**

	<b>2013</b>	<b>2012</b>
	\$	\$
<b>Current Investments represented by:</b>		
IOOF Global One – at fair value	<b>\$211,565</b>	<b>\$184,123</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>\$157,203</b>	<b>\$157,203</b>
	=====	=====

**9. Accounts Payable**

	<b>2013</b>	<b>2012</b>
	\$	\$
<b>(a) Current Accounts Payable represented by:</b>		
Legal and Assistance Fund-Legal costs payable	250,504	92,347
Other Trade Payables	777,004	1,376,263
<b><i>Payables to other reporting units:</i></b>		
CFMEU National Office	437,250	464,817
CFMEUQ	1,413,325	1,335,347
	-----	-----
	<b>\$2,878,083</b>	<b>\$3,268,774</b>
	=====	=====

**Construction, Forestry, Mining & Energy Union  
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**Notes to the Financial Statements for the Year Ended 30 June 2013**

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

	<b>Provision Movements</b>	<b>2013</b>	<b>2012</b>
	<b>Increase/ (Decrease)</b>	<b>\$</b>	<b>\$</b>
<b>Current</b>	<b>\$</b>		
Annual Leave	40,013	711,775	671,762
Sick Leave	89,758	460,032	370,274
Long Service Leave	8,384	146,482	138,098
Seperation and Redundancies	-	-	-
		-----	-----
<b>Total Office Holders and Employees</b>		<b>\$1,318,289</b>	<b>\$1,180,134</b>
		=====	=====
<b>The above is represented by:</b>			
<b>Office Holders</b>			
Annual Leave		612,000	574,728
Sick Leave		388,081	312,684
Long Service Leave (Accrued by CFMEU National Office)		-	-
<b>Employees other than Office Holders</b>			
Annual Leave		99,775	97,034
Sick Leave		71,951	57,590
Long Service Leave		146,482	138,098
		-----	-----
		<b>\$1,318,289</b>	<b>\$1,180,134</b>
		=====	=====

**(b) Payments for Employee Entitlements**

Payments for Employee Entitlements included in Wages are as follows:

Annual Leave and Loading	291,194	276,729
Sick Leave	116,196	127,479
Long Service Leave	5,969	-
Number of employees at end of financial year (Full Time Equivalents)	40	28

**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 CFMEUQ 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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**Notes to the Financial Statements for the Year Ended 30 June 2013**

	2013	2012
	\$	\$
<b>12. Leasing Commitments</b>	<b>Nil</b>	<b>\$25,087</b>
	=====	=====
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
Later than one year but not later than two years	-	-
Later than two years but not later than five years	-	-
	-----	-----
	<b>Nil</b>	<b>\$25,087</b>
	=====	=====
<b>13. Capital Commitments</b>	<b>Nil</b>	<b>Nil</b>
	=====	=====
<b>14. Subsequent Events</b>	<b>Nil</b>	<b>Nil</b>
	=====	=====

**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 Brunker	Vice President
GA Dalliston	ISHR
S Woods	ISHR
J L Hill	ISHR

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



**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 2013**

**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 Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland - Mining, Energy and Ports District (CFMEUQ), 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 Office).

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-Brian Cruwys (Appointed 24.06.13)
- 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) Amalgamation**

On 1<sup>st</sup> May 2013, The Queensland Colliery Employees' Union of Employees-Queensland District Branch (QCEUE) and the Federated Engine Drivers' and Fireman's Association of Australasia - Queensland Branch Union of Employees (FEDFA) amalgamated to form The Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland - Mining, Energy and Ports District (CFMEUQ).

All persons who were members of The Queensland Colliery Employees' Union of Employees-Queensland District Branch and the Federated Engine Drivers' and Fireman's Association of Australasia - Queensland Branch Union of Employees became members of The Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland - Mining, Energy and Ports District without payment of any further fees.

The assets and liabilities of The Queensland Colliery Employees' Union of Employees-Queensland District Branch and the Federated Engine Drivers' and Fireman's Association of Australasia - Queensland Branch Union of Employees became assets and liabilities of The Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland - Mining, Energy and Ports District on amalgamation day (1<sup>st</sup> May 2013).

**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 2013**

(iii) Transactions with related parties are as follows:

Income received from CFMEU National Office 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 Office - \$3,140,070

National Assistance Fund Payments is collected from members and remitted to CFMEU National Office - \$2,024,253

National Assistance Fund Support Payments paid to members on behalf of CFMEU National Office and recouped from CFMEU National Office - \$1,338,882

Recoupments from CFMEU National Office for lost wages for Central Councillors attending Union Meetings in Sydney - \$6,825

Rental charge from CFMEUQ - \$13,888

Rental charge from QCEUE - \$69,440

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

Payments made to members of the Committee of Management as reimbursement for lost wages whilst attending Union Meetings - \$238,554

(iii) Details of Receivables and Payables with Related Parties have been disclosed in Note 6 and 9 of this Financial Statements.

## **18. Financial Instruments**

### **(a) Significant Accounting Policies**

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

### **(b) Interest Rate Risk**

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

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

**ABN 73 089 711 903**

**Notes to the Financial Statements for the Year Ended 30 June 2013**

**18. Financial Instruments— cont'd**

	Weighted Average Effective Interest Rate		Floating Interest Rate Variable		Non Interest Bearing	
	2013 %	2012 %	2013 \$	2012 \$	2013 \$	2012 \$
<b><u>Financial Assets</u></b>						
Cash at Bank	2.5	3.7	204,942	629,207	-	-
<b>Interest</b>						
Bearing Deposits	4.7	5.5	15,347,152	15,100,965	-	-
Investments	0.0	0.0	-	-	-	-
Trade Receivables	0.0	0.0	-	-	273,034	269,235
Officers' Loans	0.0	0.0	-	-	195,262	190,339
<b>Total Financial Assets</b>			<b>\$15,552,094</b>	<b>\$15,730,172</b>	<b>\$468,296</b>	<b>\$459,574</b>
<b><u>Financial Liabilities</u></b>						
Trade Payables	0.0	0.0	-	-	1,464,758	1,933,427
Payable-QCEUE	0.0	0.0	-	-	-	1,335,347
Payable-CFMEUQ	0.0	0.0	-	-	1,413,325	-
<b>Employee Entitlements</b>	<b>0.0</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>1,318,289</b>	<b>1,180,134</b>
<b>Total Financial Liabilities</b>			<b>-</b>	<b>-</b>	<b>\$4,196,372</b>	<b>\$4,448,908</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 2013**

**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:

	2013	2012
	\$	\$
Cash on Hand	1,961	1,352
Cash at Bank	15,552,094	15,730,172
	-----	-----
	<b>\$15,554,055</b>	<b>\$15,731,524</b>
	=====	=====

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

Profit from Ordinary Activities	82,139	189,379
---------------------------------	--------	---------

Adjustments for Non Cash Flow Items:

Add:

Depreciation	422,794	366,408
Rental – CFMEUQ	13,844	-
Rental – QCEUE	69,440	83,250
Loss on Sale of Fixed Assets	16,791	26,510
Revaluation of Properties-Decrements	-	545,599
Transfers-Legal and Assistance Fund	358,475	320,319

(Increase) / Decrease in Assets:

Receivables - Current	38,054	(6,135)
Receivables – Non Current	80	-
Prepayments	45,127	(55,290)

Increase / (Decrease) in Liabilities:

Accounts Payable	(390,691)	319,029
Provisions	138,156	59,540
	-----	-----
	<b>\$794,253</b>	<b>\$1,848,609</b>
	=====	=====



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

### **Report on the Financial Report**

I have audited the accompanying financial report of Construction, Forestry, Mining and Energy Union, Mining & Energy Division, Queensland District Branch (the Union) which comprises the balance sheet as at 30<sup>th</sup> June 2013 and the income statement, statement of changes in equity and cash flow statement for the year ended 30<sup>th</sup> June 2013, 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.

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## 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 2013 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 11<sup>th</sup> November 2013



19 July 2013

Mr James Valery  
District Secretary  
Construction, Forestry, Mining and Energy Union-Mining and Energy Division Queensland District Branch

Sent by email: [j.valery@cfmeuqld.asn.au](mailto:j.valery@cfmeuqld.asn.au)

Dear Mr Valery,

**Re: Lodgement of Financial Report - [FR2013/149]  
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Construction, Forestry, Mining and Energy Union-Mining and Energy Division Queensland District Branch (the reporting unit) ended on 30 June 2013.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date, namely 15 January 2014 (that is the period within 6 months and 14 days of the end of the financial year) under s.268 of the RO Act.

The 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. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets regarding financial reporting under the RO Act are provided on the Fair Work Commission website at: [Financial Reporting Fact Sheets](#).

The documents can be emailed to [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au) . If it is envisaged that the financial report cannot be lodged by the due date you are requested to contact this office prior to the due date to discuss the issue.

**It should be noted that s.268 is a civil penalty provision.** Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$33,000 for a body corporate and \$6,600 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7936 or via email at [robert.pfeiffer@fwc.gov.au](mailto:robert.pfeiffer@fwc.gov.au) .

Yours sincerely,

Robert Pfeiffer  
Senior Adviser  
Regulatory Compliance Branch

## TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
Prepare financial statements and Operating Report.		
(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.	/ /	As soon as practicable after end of financial year
(b) A # designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).	/ /	
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	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)
Provide full report free of charge to members – s265 The full report includes: <ul style="list-style-type: none"> <li>the General Purpose Financial Report (which includes the Committee of Management Statement);</li> <li>the Auditor's Report; and</li> <li>the Operating Report.</li> </ul>	/ /	(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,  or  (b) in any other case including where 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.
Present full report to:		
(a) General Meeting of Members - s266 (1),(2); OR	/ /	Within 6 months of end of financial year
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	Within 6 months of end of financial year
Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268	/ /	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.