



Australian Government
Australian Industrial Registry

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

Ref: FR2005/585

Mr Graham Murray
District Secretary
CFMEU Mining and Energy Division
South Australia District Branch
1st Floor, 32 South Terrace
ADELAIDE SA 5000

Dear Mr Murray

Financial Return - year ending 31 December, 2005

Our records show your organisation's financial year ended recently. This letter outlines some of the things you must do to meet your financial reporting obligations and when you have to do them. For simplicity, we will call the documents you have to lodge with us your *financial return*.

Legislation

This letter is intended as guide to the law applicable on the date of this letter and should not be used as a substitute for legal or accounting advice. We only summarise some of the reporting requirements in this letter. More detailed information is at the end of this letter.

In May 2003 the Industrial Registrar wrote to all organisations forwarding a number of facts sheets outlining the major changes made by Schedule 1B of the Workplace Relations Act 1996 ('RAO'¹). While the immediate changes affected the rules and elections in organisations, the changes affecting financial returns involve a longer lead time.

The key differences under the new legislation affecting financial returns are:

- a reduced financial reporting cycle (now maximum periods of 5 or 6 months depending on internal arrangements of organisation)
- a greater emphasis given to Australian Accounting Standards
- the introduction of a new report, known as an Operating Report (broadly similar in concept to a Director's Report under the corporations legislation)
- extensions of time are limited to one month
- restructured penalty provisions involving more extensive use of Civil Penalties
- the introduction of the Industrial Registrar's Reporting Guidelines
- organisations and their branches to report according to their financial structures, known as 'reporting units'.

We recommend you discuss the new requirements with your accountant or auditor.

¹ Registration and Accountability of Organisations Schedule (RAO) (Schedule 1B to the *Workplace Relations Act 1996*)

Reporting Unit

One of the new concepts of the RAO legislation is that reporting entities are known as "*reporting units*". Where an organisation is **not** divided into branches the reporting unit is the whole of the organisation. Where an organisation is divided into branches each branch will be a reporting unit unless the Industrial Registrar has determined a division of the organisation into reporting units on an alternative basis. We can discuss this with you if you need more information.

For simplicity, we will refer to your organisation as a reporting unit in this letter.

Industrial Registrar's Guidelines

The Industrial Registrar's reporting guidelines set out certain disclosure requirements in addition to those prescribed by Australian Accounting Standards having in mind the nature of organisations registered under the Workplace Relations Act.

The disclosure requirements prescribed by the reporting guidelines are directed towards providing members of the reporting unit with information to enable them to gauge the performance of the committee of management and other holders of office in relation to the financial management of the reporting unit. In addition, the reporting guidelines seek to improve the quality of information available to users of the financial report about the reporting unit's economic support of, or economic dependency on, other reporting units of the organisation.

Timeline Planner and Checklist

We have attached a Timeline/Planner (*Attachment A*) to help you **plan** your financial return and carry out all the necessary steps. We have also attached a Document Checklist (*Attachment B*) to **check** your documents before lodging them in the Registry. Both documents are abbreviated summaries of the relevant provisions of the RAO Schedule, RAO Regulations and the Industrial Registrar's Reporting Guidelines.

In the following section we describe some of the documents your reporting unit must prepare and the sequence of their preparation and completion.

Three Reports

Your reporting unit must prepare two reports as soon as practicable after its financial year, which, together with the Auditor's Report, comprise the reporting unit's financial return.

1. **General Purpose Financial Report** - this must comply with the Australian Accounting Standards and the Industrial Registrar's Reporting Guidelines. The GPFR consists of:

Financial Statements containing:

- a profit and loss statement, or other operating statement; and
- a balance sheet; and
- a statement of cash flows; and
- any other statements required by the Australian Accounting Standards; and

Notes to the Financial Statements containing:

- notes required by the Australian Accounting Standards; and
- information required by the Industrial Registrar's *Reporting Guidelines* under section 255); and

Committee of Management Statement as required by the Registrar's Reporting Guidelines (a sample certificate for illustrative purposes is at Attachment C)

2. **Operating Report** - this report includes a review of your reporting unit's principal activities for the year and other specified information.

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

3. an **Auditor's Report**.

First Meeting (Committee of Management)

For simplicity, we will call the meeting at which the committee of management first considers the GPFR the first meeting. At the first meeting your committee, if satisfied that all is in order, will resolve to express its opinion on the GPFR and complete a Committee of Management Statement.

The Auditor

After the first meeting, the auditor takes the GPFR and the Committee of Management Statement and prepares a report on the GPFR. In practice, your auditor may have already completed most of his or her examination of your accounts. The auditor may only be waiting on the Committee to pass the required resolution and make the Statement before signing the report the same day.

Informing Your Members

Your reporting unit must provide free of charge to the general membership, copies of the GPFR, the Operating Report and the Auditor's Report. RAO calls these the "full report". Under certain circumstances, your reporting unit can provide a more limited *concise report*.

The reporting unit can meet its obligation to provide copies of the full or concise report to members by publishing the report in a journal that is available to the members free of charge.

A reporting unit may meet this obligation in whole or in part by publication of the report in a journal published on a web site on the Internet dependent on:

- a. the extent of the accessibility of the members of the reporting unit to the Internet; and
- b. that the members are notified by the reporting unit in the usual manner in which it communicates with its members that the report has been so published at a specified Internet address.

The report must be provided within 5 or 6 months from the end of the financial year, depending on the internal arrangements of the organisation for the presentation of its financial reports.

The Second Meeting - if it is a General Meeting of Members

After providing the full report to members it must be presented to a general meeting of members. For simplicity this is referred to as the *second meeting*.

Your reporting unit must always allow a minimum of 21 days for members to receive the full report before presenting it to a general meeting of members (s265(5)). The purpose of the interval and the second meeting is to enable the members to have time to consider the report and, if they wish, to attend the second meeting to discuss it.

If the rules of the organisation permit a general meeting to be a series of meetings held at different locations, the full report may be presented to such a series of meetings. In this case the 'date' of the general meeting is taken to be the date of the last meeting in the series (see s266(2)).

The Second Meeting - if it is a Committee of Management Meeting

If the rules of your organisation contain a provision that allows up to 5% of members to demand a general meeting to be held consider the report (see s266(3)), it is permissible to present the report directly to a Committee of Management meeting.

Lodge full report within 14 days of meeting

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at www.airc.gov.au). When lodging the financial return please quote: **FR2005/585**.

The Secretary (or another officer appropriately authorised under the rules of the organisation) must *certify* that the full report is a copy of the one provided to members and presented to the second meeting and provide the date of the meeting (a sample certification for illustrative purposes is at *Attachment D*).

When we receive your return we will check that it includes the information you must provide your members and that you have provided it to them correctly.

Complying with time limits

This letter has outlined some of the steps in preparing and lodging your return. Many of the steps must be completed within fixed time limits.

Failure to complete them in time could make your reporting unit or its officers liable to financial or "civil penalties".

Extensions of Time

We appreciate that sometimes circumstances beyond your reporting unit's control may delay completion of a financial return. If you believe your reporting unit is going to be unable to meet a time limit tell us as soon as you know. We can advise you if the step is one for which you may apply under RAO to the Industrial Registrar for extra time to complete. The maximum extra time allowed can be no more than one month.

Reduced Reporting Requirements

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

Contact the Registry

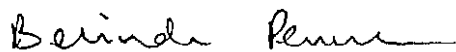
We encourage you to contact the Registry on (02) 8374 6666 or by e-mail at belinda.penna@air.gov.au as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedure but we cannot give you legal or accounting advice.

Information on AIRC Website

We recommend you and your accountant/auditor refer to the following documents on the Commission's website at www.airc.gov.au:

- [RAO Schedule and RAO Regulations](#)
- [Registrar's Reporting Guidelines](#) - All GPFR's must comply with these Guidelines. Please note that the Guidelines set out requirements that are *in addition* to those required by the Australian Accounting Standards.
- [RAO Fact Sheets](#) - These Fact Sheets explain the new requirements of the RAO Schedule - many of them deal with financial reporting matters.

Yours sincerely



For Deputy Industrial Registrar
27 January 2006

Documents Checklist

You can use this checklist as soon as possible after the financial year ends to ensure you have all the necessary documents prepared and that those documents contain all information required by RAO.

You can also use this checklist to ensure all documents in your financial return are complete before lodging them in the Registry.

No	Document	✓
1	General Purpose Financial Report	
	Does the report contain a Profit and Loss Statement?	
	Does the report contain a Balance Sheet?	
	Does the report contain a Statement of Cash Flows?	
	Does the report contain notes to the financial statements as required by AAS and the reporting guidelines?	
	Does the report contain all other information required by the reporting guidelines?	
2	Committee of Management Statement	
	Is the statement signed by the officer responsible for undertaking functions necessary to enable the reporting unit to comply with RAO?	
	Is the statement dated?	
	Is the statement in accordance with a resolution of the committee?	
	Does the statement specify the date of the resolution?	
	Does the statement contain declarations required by the reporting guidelines?	
3	Auditor's Report	
	Is the Report dated and signed by the auditor?	
	Is the name of the auditor clear?	
	Are the qualifications of the auditor on the report?	
	Has the auditor expressed an opinion on all matters required?	
4	Operating Report	
	Is the report signed and dated?	
	Does the report provide the number of members?	
	Does the report provide the number of employees?	
	Does the report contain a review of principal activities?	
	Does the report give details of significant changes?	
	Does the report give details of right of members to resign?	
	Does the report give details of superannuation trustees?	
	Does the report give details of membership of the committee of management?	
5	Concise report*	
6	Certificate of Secretary or other Authorised Officer	
	Is the certificate signed and dated?	
	Is the signatory the secretary or another officer authorised to sign the certificate?	
	Is the date that the report was provided to members stated?	
	Is the date of the Second Meeting at which the report was presented stated?	
	Does the certificate state that the documents are copies of those provided to members?	
	Does the certificate state that the documents are copies of those presented to the Second Meeting?	

* This is an optional way of providing documents to members (see RAO s265(3) and RAO Reg. 161).

Committee Of Management Statement

On *[date of meeting]* the Committee of Management of *[name of reporting unit]* passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended *[date]*:

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply* with the Australian Accounting Standards;
- (b) the financial statements and notes comply* with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view* of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds* to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held* in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been* managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been* kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - #(iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been* kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - #(v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been* furnished to the member or Registrar; and
 - #(vi) there has been* compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: *[name of designated officer per section 243 of the RAO Schedule]*

Title of Office held:

Signature:

Date:

* *Where compliance or full compliance has not been attained - set out details of non compliance instead.*

Where not relevant these may be modified accordingly (e.g. in (vi) "No orders have been made by the Commission under section 273 of the RAO Schedule during the period."

Certificate of Secretary or other Authorised Officer¹

s268 of Schedule 1B *Workplace Relations Act 1996*

I [name] being the [title of office] of the [name of the organisation] certify:

- that the documents lodged herewith are copies of the full report, [and the concise report]², referred to in s268 of the RAO Schedule; and
- that the [full report **OR** concise report]³, was provided to members on [insert date]; and
- that the full report was presented to [a general meeting of members **OR** the last of a series of general meetings of members **OR** a meeting of the committee of management]³ of the reporting unit on [insert date]; in accordance with section 266 of the RAO Schedule.

Signature

Date:

¹RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

²Only applicable where a concise report is provided to members

³Insert whichever is applicable



Construction Forestry Mining and Energy Union

Construction & General Division
President: Peter Kaine
Secretary: Martin O'Malley

Mining & Energy Division
President: Geoff Day
Secretary: Graham Murray

The Australian Industrial Registry
80 William Street,
East Sydney 2011

20th June 2006

Att: Deputy Industrial Registrar

Re: Audit Returns

Dear Sir/Madam,

The South Australian Mining & Energy Divisional Branch of the CFMEU seeks an extension of one month as per section 265(5) of the Workplace Relations Act 1996.

In seeking this extension, we ask you to please take the following into consideration.

During the audit period we moved offices, experienced a significant turnover in administration staff and commenced a number of different business systems. This resulted in major delays to the audit process. As a result of the above, our presentation time table has been seriously disrupted. An extension of a month will allow the Branch to fulfill its obligations under the Act.

Yours faithfully,

Geoff Day
President



Construction, Forestry, Mining and Energy Union
(Mining and Energy Division
South Australian Divisional Branch)

FOR THE YEAR ENDED 31 DECEMBER, 2005

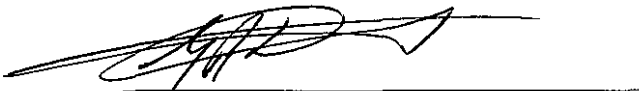
Schedule 1B

Workplace Relations Act 1996

Section 268

CERTIFICATE

Pursuant to Section 268 of Schedule 1B the *Workplace Relations Act 1996*, I, Geoffrey Ronald Day, certify that the documents attached hereto are copies of the documents provided to members of the above-named Division on 2nd June 2006 and presented to a final meeting in a series of meetings, being a meeting of the Divisional Branch Management Committee on 28th June 2006.



Divisional Branch President
CFMEU
Mining and Energy Division
South Australian Divisional Branch

Date... 7th July 2006



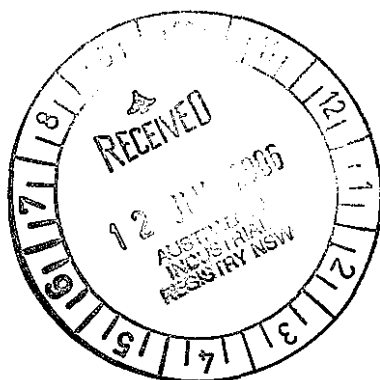
CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

MINING & ENERGY DIVISION SOUTH AUSTRALIAN BRANCH

FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST DECEMBER, 2005

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Prepared by:

Major, May & Associates
Chartered Accountants

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**CONSTRUCTION FORESTRY MINING & ENERGY UNION
MINING & ENERGY DIVISION – SOUTH AUSTRALIAN BRANCH**

OPERATING REPORT FOR THE YEAR ENDED 31ST DECEMBER 2005

Principal Activities

The CFMEU, Mining & Energy Division – SA Branch (“the Union”) is committed to advancing the wages, conditions and well-being of its membership.

The Union’s principal activities during the year were:

- Joining up new members.
- Representation of members and others on the job.
- Union-negotiated collective agreements.
- Assisting members with legal representation.
- Facilitating access to training courses.
- Informing members through meetings and newsletters.
- Sale of products to union members.
- Representing members and other workers through Tri partite and Bi partite key Government and Industry Committees.
- Pursuing the objectives of the organization as prescribed by Rule 4 Objects, of the CFMEU.

Financial Affairs

There were no significant changes to the Union’s financial affairs during the year.

Members’ Rights to Resign

Members have the right to resign from the Union in accordance with section 174 of Schedule 1B of the Workplace Relations Act 1996 and Rule 11 of the Federal Rules.

Superannuation Fund Trustees

The officers and members listed below were trustees or directors of a trustee company of a Superannuation Fund as a consequence of their position with the Union:

- Nil

Number of Members

The number of members at the end of the financial year recorded in the register of members and taken to be members of the Union was 260.

Number of Employees

The number of full-time equivalent employees of the Union at the end of the financial year was nil.

**CONSTRUCTION FORESTRY MINING & ENERGY UNION
MINING & ENERGY DIVISION – SOUTH AUSTRALIAN BRANCH**

OPERATING REPORT FOR THE YEAR ENDED 31ST DECEMBER 2005
(CONT)

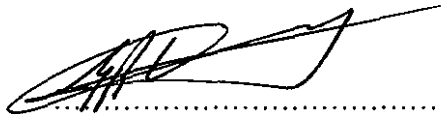
Committee of Management

The members of the Committee of Management at any time during the financial year were as follows:

Geoff Day	Allan Cooper
Steve Kutcher	Graham Murray
Barry Cockshell	Robert Geyer

All Appointments were for the Period 1st January 2005 – 31st December 2005

Signed on behalf of the Committee of Management by:



.....
Geoffrey Ronald Day
President
CFMEU
Mining and Energy Division, SA Branch

Date:..... 2/6/06

**CONSTRUCTION, FORESTRY MINING & ENERGY UNION
MINING & ENERGY DIVISION, SA BRANCH**

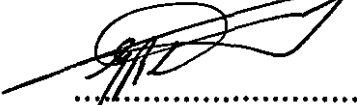
COMMITTEE OF MANAGEMENT STATEMENT

On the *2nd June* 2006, the Committee of Management of the Union passed the following resolution to the general purpose financial report (GPFR) of the Union for the year ended 31st December, 2005.

The Committee declares in relation to the GPFR that in its opinion:

- (a) the financial report and notes comply with the Australian Accounting Standards;
- (b) the financial report and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the Union for the financial year ended 31st December 2005;
- (d) there are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year ended 31st December, 2005 and since the end of the financial year:
 - (i) meetings of the COM were held in accordance with the rules of the organisation and the rules of the COM;
 - (ii) the financial affairs of the Union have been managed in accordance with the rules of the organisation and the rules of the Union;
 - (iii) the financial records of the Union have been kept and maintained in accordance with Schedule 1B to the Workplace Relations Act 1996 and the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003;
 - (iv) the financial records of the Union have been kept, as far as practicable, in a consistent manner to each of the other branches of the organisation;
 - (v) no information has been sought in any request of a member of the Union or a Registrar under section 272 of Schedule 1B to the Workplace Relations Act 1996; and
 - (vi) no orders have been made by the Commission under section 273 of Schedule 1B to the Workplace Relations Act 1996.

For the Committee of Management



.....
Geoffrey Ronald Day
President

**CONSTRUCTION, FORESTRY,
MINING & ENERGY UNION
MINING & ENERGY DIVISION
SOUTH AUSTRALIAN BRANCH**

AUDITOR'S REPORT
YEAR ENDED 31ST DECEMBER, 2005



SCOPE

We have audited the Accounts, being the Balance Sheet, Statement of Accumulated Funds, Statement of Income & Expenditure, Statement of Cash Flows and Notes to and forming part of the Accounts, of the Construction, Forestry, Mining & Energy Union, Mining & Energy Division, South Australian Branch, for the year ended 31st December, 2005.

The Committee of Management is responsible for the preparation and presentation of the Accounts and the information they contain.

We have conducted an independent audit of these Accounts in order to express an opinion on them to the Members of the Branch.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the Accounts are free from material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the Accounts, and the evaluation of accounting policies and significant accounting estimates.

These procedures have been undertaken to form an opinion as to whether, in all material respects, the Accounts are presented fairly in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and statutory requirements so as to present a view of the Branch which is consistent with our understanding of its financial position and the results of its operations.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In our opinion:-

- (1) There were kept by the Branch in respect of the period ended 31st December, 2005, satisfactory accounting records detailing the sources and nature of the Income of the Branch (including Income from Members) and the nature and the purposes of Expenditure.
- (2) The attached Accounts and Statements are properly drawn up:-
 - (a) in accordance with the Workplace Relations Act, 1996, as amended;
 - (b) so as to give a true and fair view of:
 - (i) the state of affairs of the Branch as at 31st December, 2005; and
 - (ii) the Income and Expenditure and Deficit of the Branch for the year ended on that date;
 - (c) in accordance with applicable Accounting Standards. and
 - (d) so as to comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of Schedule 1B of the Act.

**CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
MINING & ENERGY DIVISION
SOUTH AUSTRALIAN BRANCH**

AUDITOR'S REPORT (cont.)

AUDIT OPINION (cont.)

- (3) We received from the Officers and Employees of the Branch all the information and explanations which we required for the purposes of our audit.

**MAJOR, MAY & ASSOCIATES
Chartered Accountants**



**ANDREW MAY ACA, BA (Acc)
Registered Company Auditor
Partner**

Signed at Adelaide this *2nd* day of *June*, 2006.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

MINING & ENERGY DIVISION SOUTH AUSTRALIAN BRANCH

BALANCE SHEET As at 31st December 2005

	Note	2005	2004
ACCUMULATED FUNDS		\$	\$
Accumulated Surplus/(Deficit)		(61,056)	(53,679)
Leigh Creek Levy Fund	5	35,900	41,224
		<u>\$ (25,156)</u>	<u>\$ (12,455)</u>
TOTAL FUNDS			
These funds are represented by:-			
CURRENT ASSETS			
Bank Accounts			
Port Pirie Commonwealth Account		362	362
Leigh Creek Powerstate Account		232	230
Leigh Creek Levy Fund	5	33,578	38,833
		<u>34,172</u>	<u>39,425</u>
TOTAL CURRENT ASSETS			
		<u>34,172</u>	<u>39,425</u>
TOTAL ASSETS			
CURRENT LIABILITIES			
Provision for Annual Leave		9,915	7,345
Provision for Long Service Leave		43,260	43,260
Interdivisional Loan Account		6,153	1,275
		<u>59,328</u>	<u>51,880</u>
TOTAL CURRENT LIABILITIES			
		<u>59,328</u>	<u>51,880</u>
NET ASSETS			
		<u>\$ (25,156)</u>	<u>\$ (12,455)</u>

To be read in conjunction with the notes to the accounts

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

**MINING & ENERGY DIVISION
SOUTH AUSTRALIAN BRANCH**

**STATEMENT OF ACCUMULATED FUNDS
For the year ended 31st December, 2005**

	2005	2004
	\$	\$
Total Surplus/(Deficit)	(7,377)	14,239
Add Accumulated (Deficit) at the beginning of the Year	(53,679)	(67,918)
ACCUMULATED (DEFICIT) AT THE END OF THE YEAR	\$ (61,056)	\$ (53,679)

To be read in conjunction with the notes to the accounts

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

MINING & ENERGY DIVISION SOUTH AUSTRALIAN BRANCH

STATEMENT OF INCOME & EXPENDITURE For the year ended 31st December, 2005

	2005	2004
	\$	\$
INCOME		
Members' Contributions	94,226	101,855
Wages, Other Costs Reimbursed & Sundry Income	70	2,083
	94,296	103,938
LESS EXPENDITURE		
BIRST Payments	2,520	-
Depreciation	-	3,806
Motor Vehicle Expenses	2,720	2,523
Organiser's Expenses	939	-
Payroll Tax	3,410	-
Provision for Annual Leave	2,570	(215)
Salaries - Officials	55,560	52,975
Sub-Branch Expenses		
- Leigh Creek	93	267
- Port Pirie	3,729	3,480
- Whyalla	84	-
Sundry Expenses	467	-
Superannuation	6,431	4,217
Sustentation & Capitation	14,135	9,246
Telephone	1,616	1,414
Travel & Accommodation	6,287	10,868
Workcover	1,112	1,118
	101,673	89,699
TOTAL EXPENDITURE		
	\$(7,377)	\$14,239
OPERATING SURPLUS/(DEFICIT)		

To be read in conjunction with the notes to the accounts

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

MINING & ENERGY DIVISION SOUTH AUSTRALIAN BRANCH

STATEMENT OF CASH FLOWS For the year ended 31st December, 2005

	Notes	2005 \$	2004 \$
CASH FROM OPERATING ACTIVITIES			
Members' Contributions		94,226	101,855
Other Income		70	2,083
Payments to Suppliers and Employees		(99,549)	(103,509)
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	8	<u>(5,253)</u>	<u>429</u>
CASH FROM INVESTING ACTIVITIES			
Payment for Plant & Equipment		-	2,196
NET CASH USED IN INVESTING ACTIVITIES		<u>-</u>	<u>(2,196)</u>
NET INCREASE/(DECREASE) IN CASH HELD		(5,253)	(1,767)
Cash at Beginning of Year	7	39,425	41,192
CASH AT END OF YEAR	7	<u>\$34,172</u>	<u>\$39,425</u>

To be read in conjunction with the notes to accounts.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

MINING & ENERGY DIVISION SOUTH AUSTRALIAN BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS For the year ended 31st December, 2005

Note 1. Accounting Methods

Membership Contributions are accounted for on a cash basis. Otherwise, the Accounts are prepared under the Historical Cost Convention on an accruals basis and in accordance with the Accounting Standards jointly issued by the Australian Professional Accounting Bodies. In particular:-

- (a) The Accounts have not been adjusted to reflect changes in the general purchasing power of the dollar or in the prices of specific assets.
- (b) Provision for Employee Benefits, in the form of Accrued Annual Leave, has been made based on the estimated accrued entitlements of all employees on the basis of their terms of employment. The Long Service Leave provision in respect of this Branch was previously considered to be a National Office expense, but the liability for this Provision was passed to the SA Branch from 1st July 2001.

Note 2. Divisional Rationalisation

Since 1st September 1996, the Mining and Energy Division, South Australian Branch, has operated financially via a loan account with the Construction and General Division, South Australian Branch, utilising that Branch's Bank Account for all of its income and payments.

Note 3. Information to be provided to Members or Registrar

In accordance with the requirements of the Workplace Relations Act, 1996, the attention of Members is drawn to the provisions of Section 272 of Schedule 1B, which read as follows:-

- “(1) A Member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).”

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

MINING & ENERGY DIVISION SOUTH AUSTRALIAN BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS
For the year ended 31st December, 2005

Note 4. Mining and Energy Division Sub Branches

The Mining and Energy Division operates sub-branches at Leigh Creek and Port Pirie in South Australia. These sub-branches are funded via a self-imposed levy that is added to the members' contributions, and is then redistributed via the Adelaide branch.

Note 5. Leigh Creek Levy Fund

	2005	2004
	\$	\$
Opening Balance, 1st January, 2005	41,224	42,886
Income		
Interest Received	68	72
Total Income	68	72
Less Expenditure		
Bank Charges	8	13
Removal Expenses	5,384	1,716
Total Expenses	5,392	1,734
Closing Balance 31st December 2005	\$35,900	\$41,224

It is important to understand that while the above Levy Fund is administered via the Union, the Levy Fund Bank Account is an asset of the Members, and as such is not available to the Union for its ongoing operations.

Note 6. Salaries – Officials

From 1st July 2000, the President of the SA Branch of the Mining & Energy Division has been employed by the SA Branch of the Construction & General Division. His salary and on-costs continue to be allocated to the Mining and Energy Division via the Loan Account mentioned in Note 2.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

MINING & ENERGY DIVISION
SOUTH AUSTRALIAN BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS
For the year ended 31st December, 2005

Note 7. Reconciliation of Cash

For the purpose of the Statement of Cash Flows, Cash includes Cash on Hand, and in At Call Deposits with Banks or Financial Institutions, net of Bank Overdrafts.

	2005	2004
	\$	\$
Cash at Bank	34,172	39,425
Cash on Hand	-	-
	<u>34,172</u>	<u>39,425</u>

Note 8. Reconciliation of Cash Flow from Operations with Net Surplus

	2005	2004
	\$	\$
Net Surplus/(Deficit)	(8,489)	14,239
Non Cash Flows in Net Surplus		
Depreciation	-	3,806
Loss on Sale of Assets	-	1,203
Employee Leave Provisions	2,570	(215)
Changes in Liabilities & Equity		
(Decrease) in Levy Fund Held	(5,324)	-
Increase/(Decrease) in Creditors	5,990	(18,604)
CASH FLOWS PROVIDED BY OPERATIONS	<u>\$(5,253)</u>	<u>\$429</u>



Australian Government
Australian Industrial Registry

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990
Email: sydney@air.gov.au

Mr Geoffrey Day
Branch President, South Australian Divisional Branch
Mining and Energy Division
Construction, Forestry, Mining and Energy Union
1st Floor, 32 South Terrace
ADELAIDE SA 5000

Dear Mr Day

**Re: Lodgement of Financial Statements and Accounts – Mining and Energy Division,
South Australian Branch – for year ending 31 December 2005 (FR2005/585)**

I refer to the abovementioned financial statements and accounts which were lodged in the Registry on 26 June 2006.

As the legislative requirements have been met, the documents have been filed. I take this opportunity however to draw your attention to the following.

The financial report did not contain any Recovery of Wages Activity report referred to in paragraph 16 of the amended Industrial Registrar's Guidelines applying to financial years commencing after 11 November 2004. Paragraph 16 provides:

Where the reporting unit has undertaken recovery of wages activity (and has derived revenues for the financial year in respect of such activity) the reporting unit must cause to be prepared for purposes of paragraph 253(2)(c) of the RAO Schedule a financial report in which is disclosed financial information associated with such activity.

Paragraphs 17-23 describe what such a report must contain, and paragraph 25(f) requires that the Committee of Management Statement contain various declarations in relation to such recovery of wages activity.

On the basis of the documents lodged it appears there was no such wages activity in the financial year ending 31 December 2005. My purpose in drawing the above provisions to your attention is so that if such activity occurs in future years, the Branch is made aware that it should be reported in accordance with these Guidelines.

Yours sincerely,

A handwritten signature in black ink that reads "Stephen Kellett".

Stephen Kellett
for Deputy Industrial Registrar

8 August 2006