



FAIR WORK
AUSTRALIA

6 July 2012

The Secretary
South Australia District Branch, Mining and Energy Division
Construction, Forestry, Mining and Energy Union
Level 1, 32 South Terrace
ADELAIDE SA 5000

FILE COPY

Dear Sir

Lodgement of Financial Accounts and Statements - Construction, Forestry, Mining and Energy Union, Mining and Energy Division, South Australia District Branch - for year ending 31 December 2011 (FR2011/2827)

I refer to the above financial statements and accounts which were lodged with Fair Work Australia on 28 May 2012, by the President of the above Branch Mr Geoffrey Day.

The documents have been filed.

Yours sincerely

Stephen Kellett
Organisations, Research and Advice Branch

FRZ011/2827

Construction, Forestry, Mining and Energy Union

**(Mining & Energy Division
South Australian Branch)**

FOR THE YEAR ENDED 31 DECEMBER 2011

Fair Work (Registered Organisations) Act 2009

Section 268

DESIGNATED OFFICER'S CERTIFICATE



I, Geoffrey Day, being the President of the Construction Forestry Mining & Energy Union, Mining & Energy Division, South Australian Branch, certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the Fair Work (Registered Organisations) Act 2009, and
- that the full report was provided to members on the 23rd of April 2012, and
- that the full report was presented to a final meeting in a series of meetings to the Divisional Branch Board of Management of the reporting unit on the 25th May 2012 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

A handwritten signature in black ink, appearing to be "G. Day", written over a horizontal line.

Divisional Branch President
CFMEU
Mining & Energy Division
South Australian Branch

28th May 2012

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

MINING & ENERGY DIVISION SOUTH AUSTRALIAN BRANCH

**FINANCIAL REPORT FOR THE
YEAR ENDED 31ST DECEMBER, 2011**

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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 2011

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.
- Keeping members informed of developments via 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 organisation 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 the Fair Work (Registered Organisations) Act 2009 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 405 (2010: 297).

Number of Employees

The number of full-time equivalent employees of the Union at the end of the financial year was 1.

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

**OPERATING REPORT FOR THE YEAR ENDED 31ST DECEMBER 2011
(CONT)**

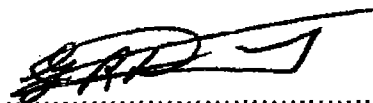
Committee of Management

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

Geoff Day	Allan Cooper
Robert Geyer	Graham Murray
Tony Nickels	Larry Young

All Appointments were for the Period 1st January 2011 – 31st December 2011.

Signed on behalf of the Committee of Management by:



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

Date: 20th April 2012.....

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

COMMITTEE OF MANAGEMENT STATEMENT

On the 20th April 2012, 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, 2011.

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

- (a) the financial report and notes comply with the applicable 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 2011;
- (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, subject to the ongoing financial support of the CFMEU, Construction & General Division, as detailed in Note 2 to the Financial Report; and
- (e) during the financial year ended 31st December, 2011 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 Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009;
 - (iv) the financial records of the Union have been kept, as far as practicable, in a manner consistent with 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 the Fair Work (Registered Organisations) Act 2009; and
 - (vi) no orders have been made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.

For the Committee of Management



Geoffrey Ronald Day
President

MAJOR, MAY
& ASSOCIATES
CHARTERED ACCOUNTANTS

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TIM MAJOR
ANDREW MAY

**CONSTRUCTION, FORESTRY,
MINING & ENERGY UNION
MINING & ENERGY DIVISION
SOUTH AUSTRALIAN BRANCH
AUDITOR'S REPORT
YEAR ENDED 31ST DECEMBER 2011**



Report on the Financial Report

We have audited the Financial Report, being the Balance Sheet, Statement of Accumulated Funds, Income Statement, 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 2011.

Committee's Responsibility for the Financial Report

The Committee of Management is responsible for the preparation and fair presentation of the Financial Report and has determined that the accounting policies described in Note 1 to the Financial Report, which form part of the Financial Report, are consistent with the financial reporting requirements of the Fair Work (Registered Organisations) Act 2009, and are appropriate to meet the needs of the members. The Committee's responsibilities also include establishing and maintaining internal controls relevant to the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the Financial Report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the Financial Report is free from 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 in 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, as well as evaluating the overall presentation of the financial report.

The Financial Report has been prepared for distribution to members for the purpose of fulfilling the Committee's financial reporting obligations under the Fair Work (Registered Organisations) Act 2009. We disclaim any assumption of responsibility for any reliance on this report or on the Financial Report to which it relates to any person other than the members, or for any other purpose other than that for which it was prepared.

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

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

AUDITOR'S REPORT (cont.)

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Audit Opinion

- (1) There were kept by the Branch in respect of the year ended 31st December 2011, 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 Financial Report and Statements are properly drawn up:-
 - (a) in accordance with the Fair Work (Registered Organisations) Act 2009;
 - (b) so as to give a true and fair view of;
 - (i) the state of affairs of the Branch as at 31st December 2011; and
 - (ii) the Income and Expenditure and Surplus 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 the Act.
- (3) We received from the Officers and Employees of the Branch all the information and explanations that 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 28th day of April, 2012.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

MINING & ENERGY DIVISION SOUTH AUSTRALIAN BRANCH

STATEMENT OF FINANCIAL POSITION As at 31st December 2011

	Note	2011	2010
ACCUMULATED FUNDS		\$	\$
Accumulated Surplus/(Deficit)		(91,038)	* (109,851)
Port Pirie Welfare Fund	5	24,534	24,303
Leigh Creek Levy Fund	5	24,378	24,570
TOTAL FUNDS		\$ (42,126)	\$ (60,978)
These funds are represented by:-			
CURRENT ASSETS			
Bank Accounts			
Port Pirie PCCU Accounts		457	1,965
Port Pirie Welfare Fund	5	24,077	22,339
Leigh Creek Levy Fund	5	21,846	22,038
TOTAL CURRENT ASSETS		46,380	46,342
TOTAL ASSETS		46,380	46,342
CURRENT LIABILITIES			
Creditors & Accruals		4,176	7,082
Provision for Annual Leave		14,450	14,396
Provision for Long Service Leave		58,648	56,104
Interdivisional Loan Account		11,232	29,738
TOTAL CURRENT LIABILITIES		88,506	107,320
NET ASSETS/(LIABILITIES)		\$ (42,126)	\$ (60,978)

To be read in conjunction with the Notes to the Financial Report

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

**MINING & ENERGY DIVISION
SOUTH AUSTRALIAN BRANCH**

**STATEMENT OF ACCUMULATED FUNDS
For the year ended 31st December, 2011**

	2011	2010
	\$	\$
Total Surplus/(Deficit)	18,813	(8,887)
Add Accumulated (Deficit) at the beginning of the Year	<u>(109,851)</u>	<u>(100,964)</u>
ACCUMULATED (DEFICIT) AT THE END OF THE YEAR	<u>\$ (91,038)</u>	<u>\$ (109,851)</u>

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

MINING & ENERGY DIVISION SOUTH AUSTRALIAN BRANCH

INCOME STATEMENT For the year ended 31st December, 2011

	Note	2011 \$	2010 \$
INCOME			
Members' Contributions		141,633	107,538
Sundry Income		2,457	-
TOTAL INCOME		<u>144,090</u>	<u>107,538</u>
LESS EXPENDITURE			
Audit & Accounting Fees		820	700
BIRST Payments		2,544	2,080
Motor Vehicle Expenses		6,384	7,889
Provision for Annual Leave		54	(180)
Provision for Long Service Leave		2,544	2,366
Salaries - Officials	6	71,058	67,911
Sub-Branch Expenses		1,312	1,456
Sundry Expenses		-	838
Superannuation	6	10,321	9,181
Sustentation & Capitation		14,195	10,679
Telephone		1,782	2,248
Travel & Accommodation		12,733	10,227
Workcover	6	1,530	1,030
TOTAL EXPENDITURE		<u>125,277</u>	<u>116,425</u>
OPERATING SURPLUS/(DEFICIT)		<u>\$18,813</u>	<u>(\$8,887)</u>

To be read in conjunction with the Notes to the Financial Report

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

MINING & ENERGY DIVISION SOUTH AUSTRALIAN BRANCH

STATEMENT OF CASH FLOWS For the year ended 31st December, 2011

	Notes	2011 \$	2010 \$
CASH FROM OPERATING ACTIVITIES			
Members' Contributions		141,633	107,538
Other Income		2,457	-
Payments to Suppliers and Employees		(144,052)	(104,972)
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	8	<u>38</u>	<u>2,566</u>
CASH FROM INVESTING ACTIVITIES			
Payment for Plant & Equipment		-	-
NET CASH USED IN INVESTING ACTIVITIES		<u>-</u>	<u>-</u>
NET INCREASE/(DECREASE) IN CASH HELD		38	2,566
Cash at Beginning of Year	7	46,342	43,776
CASH AT END OF YEAR	7	<u>\$46,380</u>	<u>\$46,342</u>

To be read in conjunction with the Notes to the Financial Report.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

MINING & ENERGY DIVISION SOUTH AUSTRALIAN BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT For the year ended 31st December, 2011

Note 1. Accounting Methods

Membership Contributions are accounted for on a cash basis. Otherwise, the Financial Report is 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 Financial Report has not been adjusted to reflect changes in the general purchasing power of the dollar or in the prices of specific assets.
- (b) Provision for Annual Leave and Long Service Leave has been made based on the estimated accrued entitlements of all employees, on the basis of their terms of employment.

Note 2. Divisional Rationalisation & Financial Support

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

The Division will be able to continue operating provided it continues to receive the financial support of the Construction & General Division.

Note 3. Information to be provided to Members or Registrar

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of Members is drawn to the provisions of Section 272, 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 FINANCIAL REPORT For the year ended 31st December, 2011

Note 4. Mining & Energy Division Sub Branches

The Mining & 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 & Port Pirie Welfare Fund

Although the above Levy Funds are administered by the Union, the Levy Fund Bank Accounts are assets of the Members, and as such are not available to the Union for its ongoing operations.

Note 6. Salaries – Officials

Since 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 of the CFMEU. His salary and on-costs continue to be allocated to the Mining and Energy Division via the Loan Account described in Note 2.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

**MINING & ENERGY DIVISION
SOUTH AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
For the year ended 31st December, 2011**

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.

	2011	2010
	\$	\$
Cash at Bank	46,380	46,342
Cash on Hand	-	-
	<u>46,380</u>	<u>46,342</u>

Note 8. Reconciliation of Cash Flow from Operations with Net Surplus/(Deficit)

Net Surplus/(Deficit)	18,813	(8,887)
Non Cash Flows in Net Surplus		
Employee Leave Provisions	2,598	2,186
Changes in Liabilities & Equity		
Increase/(Decrease) in Levy Funds Held	38	1,874
Increase/(Decrease) in Creditors	(21,411)	7,393
CASH FLOWS PROVIDED/(USED) BY OPERATIONS	<u>\$38</u>	<u>\$2,566</u>

**MAJOR, MAY
& ASSOCIATES**
CHARTERED ACCOUNTANTS

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PO BOX 3460
NORWOOD SA 5067
TELEPHONE 08 8331 0422
FACSIMILE 08 8331 0433

TIM MAJOR
ANDREW MAY

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE MEMBERS OF
CONSTRUCTION, FORESTRY,
MINING & ENERGY UNION
MINING & ENERGY DIVISION
SOUTH AUSTRALIAN BRANCH**


[m]²

In accordance with the requirements of Section 307C of the Corporations Act 2001, as lead auditor for the audit of the Branch for the year ended 31st December 2011, I declare that, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b) No contraventions of any applicable code of professional conduct in relation to the audit.

Signed at Norwood, South Australia,
this *20th* day of *April* 2012.

MAJOR, MAY & ASSOCIATES
Chartered Accountants


ANDREW MAY
Partner
Registered Company Auditor



FAIR WORK
AUSTRALIA

13 January 2012

Mr Chris Hogan
Secretary, South Australian District Branch, Mining and Energy Division
Construction, Forestry, Mining and Energy Union
Trades Hall, 1st Floor, 32 South Terrace
ADELAIDE SA 5000

Dear Mr Hogan



**Lodgment of Financial Statements and Accounts –
South Australian District Branch, Mining & Energy Division - for year ended 31 December 2011
(FR2011/2827)**

The financial year of the South Australian District Branch has recently ended. This is a courtesy letter to remind you of the obligation to prepare the reporting unit's financial documents and to lodge audited financial accounts and statements with Fair Work Australia within the prescribed time frame unless a 1 month extension is applied for and granted.

The documents you must lodge include:

- (i) A *general purpose financial report* [see section 253(2)]; (ii) A *Committee of Management statement* (see the General Manager's Reporting Guidelines); (iii) An *operating report* [see section 254(2)]; (iv) An *auditor's report* [see sections 257(5) to 257(11)]; and (v) A *certificate* of the *secretary or other designated officer* [see section 258(c)].

I draw your particular attention to

- (a) s237 which requires you to prepare and lodge *a separate statement* providing the prescribed particulars of any loan, grant or donation made during the year which exceeds \$1,000;
- (b) s265(5) which requires you to publish or otherwise *provide your members with completed/signed copies* of the audited accounts, report and statements before final presentation and lodgment; and
- (c) s266 which requires you to *present the completed documents to a second meeting* (which, by past practice and under the rules will include Lodge meetings endorsing presentation to the Board).

Relevant references may be found at <http://www.fwa.gov.au/index.cfm?pagename=regorgsfrguidelines> and <http://www.fwa.gov.au/index.cfm?pagename=legislationfwroact>. If you are in any doubt as to the requirements or wish to clarify any aspect of the relevant legislation, or anticipate any difficulty in complying with the requirements, do not hesitate to contact Fair Work Australia.

Yours sincerely,

Stephen Kellett
Organisations, Research and Advice

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