



Australian Government
Australian Industrial Registry

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
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Ref: FR2004/700-[105N-SAT]

Mr David Kirner
Divisional Branch Secretary
CFMEU FFPD
South Australian Divisional Branch
Level 1, 125 Port Road
HINDMARSH SA 5007

Dear Mr Kirner

Financial Return - year ending 31 December, 2004

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*.

New 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.

The legislation has changed since your last return. 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: **FR2004/700**.

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

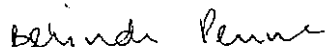
We encourage you to contact the Registry on (02) 8374 6666 or by e-mail at peter.mckerrrow@air.gov.au or belinda.penna@air.gov.au as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedure but we cannot give 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
19 January 2005

Attachment B

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:

¹*RAO 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.

²*Only applicable where a concise report is provided to members*

³*Insert whichever is applicable*



**CONSTRUCTION
FORESTRY
MINING
ENERGY
UNION**

ABN 72 880 539 797

**FORESTRY & FURNISHING
PRODUCTS DIVISION**

Branch Secretary

David Kirner

SA Branch Office

Level 1

125 Port Rd

HINDMARSH SA 5007

Ph: (08) 8424 3040

Fax: (08) 8424 3011

E: cfmeusa@optusnet.com.au

Mt Gambier Branch Office

40 Percy Street

MT GAMBIER SA 5290

Ph: (08) 8725 9966

Fax: (08) 8724 9377

E: cfmeusea@bigpond.net.au

Outside Australia

International Code

Ph: 61 8 8424 3040

Fax: 61 8 8424 3011

Mr. P. Kinne
Deputy Industrial Registrar
Australian Industrial Registry
Level 8, Terrace Towers
East Sydney NSW 2001

Certificate of Secretary

I David Kirner being the SA Branch Secretary of the Construction Forestry Mining & Energy Union – Forestry Furnishing Building Products and Manufacturing Division certify:

That the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and

That the full report was provided to members on 8th April 2005; and

That the full report was presented to the Committee of Management of the reporting unit on 3rd May 2005; in accordance with section 266 of the RAO Schedule.

.....
D. Kirner

Date: 18 / 5 / 2005



CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

FORESTRY FURNITURE BUILDING PRODUCTS & MANUFACTURING DIVISION SA DIVISIONAL BRANCH

FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST DECEMBER, 2004

CONTENTS

	Page No.
Operating Report	1-3
Committee of Management's Statement	4
Auditor's Report to the Members	5-6
Statement of Financial Position	7
Statement of Accumulated Funds	8
Statement of Financial Performance	9-10
Statement of Cash Flows	11
Notes to and forming part of the Accounts	12-17

Prepared by:

Major, May & Associates
Chartered Accountants

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**CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
FORESTRY FURNITURE BUILDING PRODUCTS
& MANUFACTURING DIVISION
SA DIVISIONAL BRANCH**

OPERATING REPORT

This Operating Report covers the activities of the Union, for the financial year ended 31st December, 2004, the results of those activities and any significant changes in the nature of those activities during the year.

1. Principal Activities of the Union

The principal activities of the Union during the past year fell into the following categories:

- Implementation of the decisions of the Committee of Management.
- Implementation of the union's organising agenda, including direct assistance and strategic advice on particular industry or site organising projects, and the training and development of officials.
- Industrial support including representation of individual member grievances, advice on legal and legislative matters, pursuing relevant changes to the conditions of eligibility rules of the union, and responding to other unions' rules applications where they impact on membership of the CFMEU.
- The administration of awards.
- Management of information technology and strategic membership system designs to support organising.

Where appropriate, the Union has assisted in the implementation of relevant decisions via the variation of awards.

The Union has also been involved in lobbying and negotiations with different levels of Government and key industry organisations around issues of importance to CFMEU members.

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SA DIVISIONAL BRANCH**

OPERATING REPORT (CONT)

2. The Union's Financial Affairs

Significant changes in the financial affairs of the Union include an increase in income from Members' Contributions, and a corresponding increase in expenditure on Sustentation Fees. A substantial increase in Salaries, and the payment of a backlog of several years' Payroll Tax resulted in a deficit of \$72,585 for the Branch.

3. Right of Members to Resign

All Members of the Union have the right to resign from the Union in accordance with Rule 11 of the Union Rules, (and Section 174 of the Workplace Relations Act); namely, by providing written notice addressed and delivered to the Secretary of the relevant Branch, including via email.

4. Superannuation Trustees

David Kirner is an officer of the Union and is a Trustee and Member of the Board of Directors of the FIRST Superannuation Fund.

David Kirner is an officer of the Union and is a Trustee and Member of the Board of Directors of BIRST.

David Kirner is an officer of the Union and is a Trustee and Member of the Board of TISS Superannuation Fund.

5. Membership of the Union

There were 2,535 members of the union as at 31st December, 2004.

6. Employees of the Union

As at 31st December, 2004, the Union employed 7 full time employees and 2 part time employees with a total number of 8 employees on a fulltime equivalent basis.

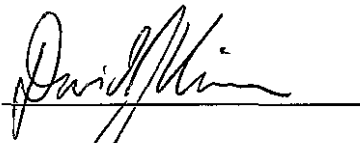
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FORESTRY FURNITURE BUILDING PRODUCTS
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SA DIVISIONAL BRANCH**

OPERATING REPORT (CONT)

7. Committee of Management

The following people were members of the Committee of Management during the year ended 31st December, 2004:

Name	Period of Appointment
David Kirner	1/1/04 - 31/12/04
Brad Coates	1/1/04 - 31/12/04
Tom Kenny	1/1/04 - 31/12/04
Maree Gale	1/1/04 - 31/12/04
Tony Howlett	1/1/04 - 31/12/04
Laurence Barbary	1/1/04 - 31/12/04
Jim Emery	1/1/04 - 31/12/04
Kylie Little	1/1/04 - 31/12/04
Andrew Sampson	1/1/04 - 31/12/04
Greg Muhovics	1/1/04 - 31/12/04
Scott Harvey	1/1/04 - 31/12/04
Peter Nelson	1/1/04 - 31/12/04
John Hocking	1/1/04 - 31/12/04
Karen Cory	1/1/04 - 26/10/04
William Burns	1/1/04 - 3/12/04
Leonie Kiploks	1/1/04 - 3/12/04
Carla Doody	1/1/04 - 3/12/04
Margaret Sexton	1/1/04 - 31/5/04



D KIRNER
SECRETARY

8/3 , 2005

**CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
FORESTRY FURNITURE BUILDING PRODUCTS
& MANUFACTURING DIVISION
SA DIVISIONAL BRANCH**


COMMITTEE OF MANAGEMENT'S STATEMENT

On the 8th March, 2005 the Committee of Management (COM) of the Union passed the following resolution to the general purpose financial report (GPFR) of the Union for the year ended 31st December, 2004.

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, 2004;
- (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, 2004 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 manner to each of the other branches of the organisation;
 - (v) no information has been sought by 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 Industrial Registrar under section 273 of Schedule 1B to the Workplace Relations Act 1996.

For the COM



D KIRNER
SECRETARY

8/3 March 2005

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MINING & ENERGY UNION
FORESTRY FURNITURE BUILDING PRODUCTS
AND MANUFACTURING DIVISION
SA DIVISIONAL BRANCH**

AUDITOR'S REPORT TO THE MEMBERS
For the Year Ended 31st December, 2004



SCOPE

We have audited the Accounts, being the Statement of Financial Position, Statement of Accumulated Funds, Statement of Financial Performance and Notes to and Forming part of the Accounts, of the Construction, Forestry, Mining & Energy Union, Forestry Furniture Building Products & Manufacturing Division, SA Divisional Branch, for the year ended 31st December, 2004.

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 year ended 31st December, 2004, 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.

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**FORESTRY FURNITURE BUILDING PRODUCTS
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SA DIVISIONAL BRANCH**

AUDITOR'S REPORT TO THE MEMBERS (cont.)

- (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, 2004; 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.
- (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 *10th* day of *March*, 2005.

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FORESTRY FURNITURE BUILDING PRODUCTS & MANUFACTURING DIVISION SA DIVISIONAL BRANCH

STATEMENT OF FINANCIAL POSITION As at 31st December, 2004

	Notes	<u>2004</u>	<u>2003</u>
		\$	\$
ACCUMULATED FUNDS			
Asset Revaluation Reserve		187,788	-
Accumulated Surplus		174,881	206,924
		<hr/>	<hr/>
TOTAL FUNDS		\$ 362 669	\$ 206,924
		<hr/>	<hr/>
These Funds are represented by:-			
CURRENT ASSETS			
Commonwealth Bank Accounts	5	122,927	123,574
Sundry Petty Cash Floats	4	1,130	980
Accounts Receivable		16,386	26,453
Prepaid Wages		21,007	
Industrial Services (FFTS)		-	3,177
Administration Services (Disability Grant)		-	8,577
		<hr/>	<hr/>
TOTAL CURRENT ASSETS		161,450	162,761
		<hr/>	<hr/>
CURRENT LIABILITIES			
Other Creditors & Provisions	8	97,401	69,416
Provision for Annual Leave	1(d)	29,784	24,387
Provision for Sick Leave	1(d)	31,522	32,076
Provision for Long Service Leave	1(d)	54,905	48,844
Hire Purchase Liability		5,502	17,259
Less: Unexpired Interest		(1,166)	(2,769)
		<hr/>	<hr/>
TOTAL CURRENT LIABILITIES		217,948	189,213
		<hr/>	<hr/>
NET WORKING CAPITAL		(56,498)	(26,452)
		<hr/>	<hr/>
TOTAL FIXED ASSETS	6	419,167	239,848
		<hr/>	<hr/>
NON-CURRENT LIABILITIES			
Hire Purchase Liability		-	6,472
		<hr/>	<hr/>
TOTAL NON-CURRENT LIABILITIES		-	6,472
		<hr/>	<hr/>
NET ASSETS		\$ 362,669	\$ 206,924
		<hr/>	<hr/>

To be read in conjunction with the notes to accounts.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

**FORESTRY FURNITURE BUILDING PRODUCTS
AND MANUFACTURING DIVISION
SA DIVISIONAL BRANCH**

**STATEMENT OF ACCUMULATED FUNDS
For the Year Ended 31st December, 2004**

	<u>2004</u>	<u>2003</u>
	\$	\$
Operating Surplus/(Deficit)	(72,585)	35,757
WWF Equity Introduced	40,542	-
Add Accumulated Surplus at 1st January	206,924	171,167
ACCUMULATED SURPLUS AT 31ST DECEMBER	<u>\$ 174,881</u>	<u>\$ 206,924</u>

To be read in conjunction with the notes to accounts.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

FORESTRY FURNITURE BUILDING PRODUCTS AND MANUFACTURING DIVISION SA DIVISIONAL BRANCH

STATEMENT OF FINANCIAL PERFORMANCE For the Year Ended 31st December, 2004

	Notes	<u>2004</u>	<u>2003</u>
INCOME		\$	\$
Members' Contributions		731,646	712,612
Representation Fees		76,594	112,107
Office Services – Disability Grant		-	5,145
Interest Received		3,116	2,656
Sundry Income	9	39,228	55,622
TOTAL INCOME		850,584	888,142
EXPENDITURE			
Accommodation & Travel		13,273	8,574
Advertising		967	996
Affiliation Fees		17,949	17,142
Audit & Accountancy Fees		4,140	3,220
Bad Debts or Loans Written Off		11,754	-
Bank Charges		2,575	3,149
Cleaning		2,476	2,455
Commissions Paid		4,073	13,709
Computer Expenses		10,491	7,462
Conference & Travelling Expenses		4,658	14,081
Debt Collection		6,428	525
Depreciation		17,568	16,968
Dispute Costs		1,876	7,392
Fringe Benefits Tax		8,100	10,445
Hire Purchase Finance Charges		1,603	2,594
Insurance		7,537	6,903
Legal Expenses		2,518	19,787
Light & Power		3,717	4,072
Motor Vehicle Expenses		21,738	18,439
Office & Sundry Expenses		10,751	7,989
Photocopier Expenses		6,587	6,780
Postage & Freight		9,076	12,200

To be read in conjunction with the notes to accounts.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

**FORESTRY FURNITURE BUILDING PRODUCTS
AND MANUFACTURING DIVISION
SA DIVISIONAL BRANCH**

**STATEMENT OF FINANCIAL PERFORMANCE (cont.)
For the Year Ended 31st December, 2004**

	<u>2004</u>	<u>2003</u>
	\$	\$
Printing & Stationery	15,192	15,019
Provision for Motor Vehicle Purchase	(39,152)	-
Provision to Purchase Units	(20,000)	-
Rates & Taxes	6,419	4,931
Relocation Costs	20,285	-
Rent	23,894	12,506
Salaries & On Costs		
Salaries & Allowances Officials	242,774	166,739
Salaries & Allowances Others	195,375	216,020
Superannuation	53,998	47,001
Payroll Tax	39,304	(1,735)
Workcover	8,691	7,183
Provision for Annual Leave	5,397	4,904
Provision for Long Service Leave	6,061	9,691
Provision for Sick Leave	(554)	9,375
Provision for Maternity Leave	-	<u>(2,980)</u>
Total Salaries & On Costs	<u>551,046</u>	<u>456,198</u>
Staff Training	2,127	-
Strata Title Unit Maintenance	10,000	10,133
Subscriptions & Memberships	456	1,066
Sustentation Fees	153,236	137,393
Telephone & Facsimile	29,811	30,257
	<hr/>	<hr/>
TOTAL EXPENDITURE	923,169	852,385
	<hr/>	<hr/>
SURPLUS/(DEFICIT) FOR THE YEAR	(\$ 72,585)	\$ 35,757
	<hr/>	<hr/>

To be read in conjunction with the notes to accounts.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

**FORESTRY FURNITURE BUILDING PRODUCTS
& MANUFACTURING DIVISION
SA DIVISIONAL BRANCH**

**STATEMENT OF CASH FLOWS
For the year ended 31st December, 2004**

	Notes	<u>2004</u> \$
CASH FROM OPERATING ACTIVITIES		
Members' Contributions		731,647
Representation Fees		76,594
Payments to Suppliers and Employees		(892,591)
Other Income		49,295
Interest Received		3,115
NET CASH USED BY OPERATING ACTIVITIES	11	<u>(31,940)</u>
CASH FROM INVESTING ACTIVITIES		
WWF Equity Introduced		40,543
Proceeds from Sale of Plant & Equipment		-
Payment for Plant & Equipment		(9,100)
NET CASH FROM INVESTING ACTIVITIES		<u>31,443</u>
NET INCREASE/(DECREASE) IN CASH HELD		(497)
Cash at Beginning of Year	10	124,554
CASH AT END OF YEAR	10	<u>\$124,057</u>

Note: This is the first time a Statement of Cash Flows has been prepared. As such, no comparative information is available for 2003.

To be read in conjunction with the notes to accounts.

**CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
FORESTRY FURNITURE BUILDING PRODUCTS
AND MANUFACTURING DIVISION
SA DIVISIONAL BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
For the Year Ended 31st December, 2004**

Note 1. Accounting Methods

The Accounts are prepared under the Historical Cost Convention 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 record either changes in the general purchasing power of the dollar or in the prices of specific assets.
- (b) Provision is made for depreciation of Fixed Assets at rates considered appropriate to the useful lives of such assets.
- (c) No provision for Income Tax is necessary as "Trade Unions" are exempt from Income Tax under Section 50.15 of the Income Tax Assessment Act, 1997.
- (d) Provision for Employees' Benefits, in the form of Annual Leave, Long Service Leave and Sick Leave, has been made on the basis of all employees' terms of employment. Long Service Leave is accrued from the commencement of employment, and on the basis of historical data the total Provision is classified as a current liability. It has been agreed that Maternity Leave will be expensed as it is taken, rather than creating an additional Provision

Note 2. 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.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

**FORESTRY FURNITURE BUILDING PRODUCTS
AND MANUFACTURING DIVISION
SA DIVISIONAL BRANCH**

NOTES TO AND FORMING PART OF THE ACCOUNTS (cont.)
For the Year Ended 31st December, 2004

Note 2. Information to be Provided to Members or Registrar (cont.)

- (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)."

Note 3. Merger of Bodies

On 1st March 2002, the CFMEU, Federated Furnishing Trades Society, Union Division, SA Branch, merged its operations with the CFMEU, Forestry and Forest Products Division, SA Branch, to form the CFMEU, Forestry Furniture Building Products and Manufacturing Division, SA Divisional Branch.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

**FORESTRY FURNITURE BUILDING PRODUCTS
AND MANUFACTURING DIVISION
SA DIVISIONAL BRANCH**

NOTES TO AND FORMING PART OF THE ACCOUNTS (cont.)
For the Year Ended 31st December, 2004

Note 4. Sundry Petty Cash Floats

	<u>2004</u>	<u>2003</u>
	\$	\$
Petty Cash - Adelaide Office	550	550
Petty Cash - South East Office	300	150
Contributions Float	180	180
Cab Charge Bond	100	100
	<hr/>	<hr/>
	\$ 1,130	\$ 980
	<hr/>	<hr/>

Note 5. Cash at Bank

Cheque Account	17,439	46,575
Cash Management (L.S.L.)	24,064	29,520
Term Deposit	38,517	47,260
Workers' Welfare Fund Accounts	42,818	-
Trust Account	89	219
	<hr/>	<hr/>
	\$122,927	\$123,574
	<hr/>	<hr/>

Note 6. Fixed Assets

	<u>2004</u>	<u>2003</u>
	\$	\$
(2004 - At Valuation; 2003 - At Cost 7)		
Strata Title Units 19 & 20 (80% Equity) 7	187,928	147,047
Strata Title Unit 21 7	33,680	20,194
Strata Title Unit 22 7	33,680	-
Strata Title Unit 23 7	55,945	-
Strata Title Unit 25 (2003 - 50% Equity) 7	55,945	12,149
	<hr/>	<hr/>
	367,178	179,390
	<hr/>	<hr/>
Office Furniture & Equipment at Cost	119,889	172,175
Less : Provision for Depreciation	(114,612)	(165,796)
	<hr/>	<hr/>
	5,277	6,379
	<hr/>	<hr/>

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

FORESTRY FURNITURE BUILDING PRODUCTS AND MANUFACTURING DIVISION SA DIVISIONAL BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS (cont.)
For the Year Ended 31st December, 2004

Note 6. Fixed Assets (cont.)

	\$	\$
Motor Vehicles	115,090	110,090
Less : Provision for Depreciation	(68,378)	(56,011)
	46,712	54,079
 TOTAL FIXED ASSETS	 \$ 419,167	 \$ 239,848

Note 7. Strata Title Valuation

The Division's 80% equity in Strata Title Units 19 and 20, 50% equity in Unit 25, and ownership of Unit 21, all at Trades Hall, were previously carried in the accounts at cost. During 2004, the Division acquired the remaining 50% equity in Unit 25, and also acquired full equity in Units 22 & 23. There is now a contract for the sale of Trades Hall, which is due to settle in June 2005. The Committee of Management believed it to be appropriate to revalue their equity in these units to reflect the relevant portion of the final selling price, and as such have created an Asset Revaluation Reserve to reflect this.

Note 8. Other Creditors & Provisions

	<u>2004</u>	<u>2003</u>
	\$	\$
Trade & Sundry Creditors	102,304	8,792
Provision to purchase Motor Vehicle	-	39,152
Provision to purchase Units	-	20,000
Net GST Payable	(4,903)	1,472
Provision for Maternity Leave	-	-
	\$ 97,401	\$ 69,416

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

**FORESTRY FURNITURE BUILDING PRODUCTS
AND MANUFACTURING DIVISION
SA DIVISIONAL BRANCH**

NOTES TO AND FORMING PART OF THE ACCOUNTS (cont.)
For the Year Ended 31st December, 2004

Note 9.	Sundry Income		
		<u>2004</u>	<u>2003</u>
		\$	\$
	Reimbursements - TISS	1,190	3,833
	- WELL	6,326	2,711
	- Workcover	-	4,062
	- Cleaning	-	636
	Rent Received	13,578	17,440
	Other	18,134	26,940
		<u>\$ 39,228</u>	<u>\$ 55,622</u>

Note 10. 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.

	<u>2004</u>	<u>2003</u>
	\$	\$
Cash at Bank	122,927	123,574
Cash on Hand	<u>1,130</u>	<u>980</u>
	<u>\$124,057</u>	<u>\$124,554</u>

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION

**FORESTRY FURNITURE BUILDING PRODUCTS
AND MANUFACTURING DIVISION
SA DIVISIONAL BRANCH**

NOTES TO AND FORMING PART OF THE ACCOUNTS (cont.)
For the year ended 31st December, 2004

Note 11. Reconciliation of Cash Flow from Operations with Net Deficit

	<u>2004</u>
	\$
Net Surplus/(Deficit)	(72,585)
Non Cash Flows in Net Surplus	
Depreciation	17,568
Employee Leave Provisions	10,904
Other Provisions	(59,152)
Changes in Assets and Liabilities	
(Increase)/Decrease in Receivables	21,821
(Increase)/Decrease in Prepayments	(21,007)
Increase/(Decrease) in Creditors	70,511
CASH FLOW USED BY OPERATIONS	<u><u>(\$31,940)</u></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 Dave Kirner
Branch Secretary
CFMEU FFPD
South Australian Divisional Branch
Level 1, 125 Port Road
HINDMARSH SA 5007

Dear Mr Kirner

Re: Lodgement of Financial Statements & Accounts for the CFMEU FFPD South Australian Divisional Branch for the year ending 31 December 2004 (FR2004/700)

Receipt is acknowledged of the abovementioned financial statements and accounts, which were lodged in the Registry on 23 May 2005.

Thank you for your attention to this matter. The documents have been filed, and may be viewed on the internet at www.e-airc.gov.au/105nsat/financial.

I also enclose for your information a copy of a letter from the Deputy Industrial Registrar to the Divisional Secretary Mr Trevor Smith, regarding presentation of financial reports to a Committee of Management meeting, for your information.

Yours sincerely,

A handwritten signature in cursive script that reads 'Belinda Penna'.

Belinda Penna
for Deputy Industrial Registrar

8 July 2005



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 Trevor Smith
Divisional Secretary
CFMEU - Forestry, Furnishing, Building Products & Manufacturing Division
Level 1, 125 Port Road
HINDMARSH SA 5007

Dear Mr Smith

Financial Return - year ending 31 December 2004 (FR2004/671)

I refer to the copies of the full report of the Division lodged in the Registry on 22 Jun 2005. The documents have been filed.

As foreshadowed in the recent phone discussion with an officer of the Registry, I note that the full report was presented to the Division's committee of management on 10 June 2005. As you know, s266(1) of the RAO Schedule provides that a reporting unit must present the full report to a general meeting of members within the time specified. If the rules of a reporting unit provide for the matters specified in s266(3), the reporting unit may instead, present the report to a meeting of its committee of management.

In assessing whether a reporting unit's rules provide for those matters the Registry has taken the view that the reference to "members" in s266(3) should not be confined only to "financial members" of a reporting unit. I note that sub-rule 40(c) of the Division's rules provides for a petition to call a meeting to consider the full report but requires that those signing the petition be "financial members".

In coming to this view, the Registry has taken into account the absence of any legislative definition of the term "member". We have also considered the general objects of the RAO Schedule in s5 which include encouraging members' participation in the affairs of their organisation and high standards of financial and other forms of accountability by organisations to members.

I note that the alteration which inserted sub-rule 40(c) in the Division's rules was certified in matter R2003/361 on 5 February 2004.

As there is no decision of any Court on this provision and in the circumstances I am prepared to accept that the Division has on this occasion satisfied its financial reporting obligations. The Division should however amend this provision when next considering alterations to its rules.

As other reporting units of the Division lodge their financial returns in the Registry, I will draw their attention to this matter if relevant and provide them with a copy of this letter for their information.

If you have any questions please contact Peter McKerrow or me on (02) 8374 6666.

Yours sincerely

A handwritten signature in black ink, appearing to read "Barry Jenkins".

Barry Jenkins
Deputy Industrial Registrar

5 July 2005