

THE UNITED MINE WORKERS SOUTH WESTERN DISTRICT

(Division of the Construction, Forestry, Mining and Energy Union)

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15th October, 2002.

Your Ref: 105N-SWDT

Australian Industrial Registry
Level 8
Terrace Towers
80 William Street
EAST SYDNEY NSW 2011



Attention: Robin Godfrey

Dear Sir,

RE: FINANCIAL DOCUMENTS – 31 DECEMBER 2000.

We refer to your letter dated 16 October 2001 regarding our Accounts for the year ended 31 December 2001.

As requested in your letter we detail below feedback pertaining to the various steps you have queried in respect of the 2001 year :-

1. Our Organisation has prepared accounts in accordance with section 273 of the Workplace Relations Act 1996 (the Act);
2. Those accounts were audited in accordance with section 276 of the Act;
3. The accounts were presented to an Annual Board of the Committee of Management 27 March 2001;
4. Copies of the accounts were circulated to the members 26th & 27th March 2001 in conjunction with section 279(1) and (3);
5. The accounts were subsequently tabled at the next Committee of Management meeting held 26th & 27th March 2001; and
6. As far as lodgment of the accounts with the Registrar it appears by virtue of your letter that this has not occurred. Please be aware that there was a change in the Secretary's position at the Annual Board, which might explain why the accounts have not been lodged.

We now enclose a copy of the above mentioned accounts together with a certification in accordance with section 280(1).

Should you have any further questions on the above please contact our Wollongong office.

Yours faithfully,
Bob Mitchell
District Secretary.

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President
H. Fisher

Secretary
B. Mitchell

Senior Vice President
W. McAndrew

Vice President
G. White

Check Inspectors
Glenn Dwyer & Trevor Schram

I Bob Mitchell, District Secretary of The United Mine Workers – South Western Districts, hereby certify that the documents lodged herewith are true copies of the Financial Report, Auditors Report and Certificates presented to the Committee of Management meeting held on 26th & 27th March 2001 in respect of the financial year of the organisation ending 31 December, 2001.

The documents lodged herewith are:

- (i) copies of the financial statements prepared in accordance with the requirements of section 273(1) of the Act;
- (ii) a copy of the report of the auditor of the organisation prepared in accordance with the requirements of section 276 of the Act;
- (iii) a copy of the certificate given by the accounting officer of the organisation in accordance with the requirements of section 273(2) of the Act;
- (iv) a copy of the certificate given by the committee of management in accordance with the requirements of section 273(2) of the Act; and
- (v) a statement by an officer in respect of loans, grants or donations by the organisation which are notifiable in accordance with the requirements of section 269(5) of the Act.


.....
General Secretary

Dated this 17th day of OCTOBER, 2002.....



THE UNITED MINE WORKERS – SOUTH WESTERN DISTRICT
(A Division of the Construction, Forestry, Mining and Energy Union – Mining Division)

FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2001

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INDEPENDENT AUDIT REPORT TO THE MEMBERS

To the members of The United Mine Workers – South Western District (A Division of the Construction, Forestry, Mining and Energy Union - Mining Division), "the Union";

SCOPE

We have audited the financial report comprising the Statement of Financial Position, Statement of Financial Position, Statement of Cash Flows and Notes to the Financial Statements of the Union for the year ended 31 December 2001. The District's Board of Management and Accounting Officer are responsible for the preparation and presentation of the financial report and the information it contains. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the District.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report 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 financial report is presented fairly in accordance with Australian Accounting Standards, other mandatory professional reporting requirements and statutory requirements, so as to present a view of the Union which is consistent with our understanding of its financial position and the results of its operations and cash flows.

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

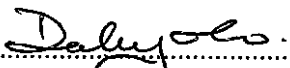
AUDIT OPINION


We have received all the information and explanations required for the purposes of our audit.

In our opinion:

- (a) Satisfactory accounting records have been kept by the Union so far as appears from our examination of these books, including:
 - (i) records of the sources and nature of the income of the Union (including income from members); and
 - (ii) records of the nature and purposes of the expenditure of the Union; and
- (b) The financial report required to be prepared under Section 273 of the Workplace Relations Act 1996 has been properly drawn up so as to give a true and fair view of:
 - (i) the financial affairs of the Union as at 31 December 2001; and
 - (ii) the income and expenditure, and result of the Union for the year ended on that date;
- (c) The financial report has been prepared in accordance with Accounting Standards and other mandatory professional reporting requirements.

We have where necessary, obtained all the information and explanations that, to the best of our knowledge and belief, were necessary for the purposes of our audit.


.....
Daley & Co
Chartered Accountants
98 Kembla Street
Wollongong NSW 2500



.....
M L Gleeson
Registered Company Auditor

Dated this 26th day of March 2002.

BOARD OF MANAGEMENT CERTIFICATE

We, Gordon Lester and Edward Butcher, being two members of the Board of Management of The United Mine Workers – South Western District (A Division of the Construction, Forestry, Mining and Energy Union - Mining Division), do state that on behalf of the Board and in accordance with a resolution passed by the Board, that:

- (i) In the opinion of the Board of Management, the attached financial report shows a true and fair view of the financial affairs of the District as at 31 December 2001;
- (ii) In the opinion of the Board of Management, meetings of the Board were held during the period 1 January 2001 to 31 December 2001 in accordance with the rules of the Union;
- (iii) To the knowledge of any member of the Board there have been no instances where records of the District or other documents not being documents containing information made available to a member of the District under sub-section 274(2) of the Workplace Relations Act 1996 or copies of these records or documents, or copies of the rules of the Union, have not been furnished, or made available to members in accordance with requirements of the Workplace Relations Act, 1996 and the Regulations thereto, or the rules of the Union ;and
- (iv) The District has complied with sub-section 279 (1) and (6) of the Act, in relation to the financial report in respect of the preceding financial year and the Audit Report thereon.


.....
Gordon Lester


.....
Edward Butcher

Signed this 26th day of March 2002.

ACCOUNTING OFFICER'S CERTIFICATE

I, Robert Mitchell, being the Officer responsible for keeping the accounting records of The United Mine Workers – South Western District (A Division of the Construction, Forestry, Mining and Energy Union - Mining Division), certify that as at 31 December 2001 the number of members of the District was 2,100.

In my opinion:

- (i) The attached financial report shows a true and fair view of the financial affairs of the District as at 31 December 2001.
- (ii) A record has been kept of all monies paid by, or collected from, members and all moneys so paid or collected have been credited to the bank/credit union accounts to which those moneys are to be credited, in accordance with the rules of the Union.
- (iii) Before any expenditure was incurred by the District, approval of the incurring of the expenditure was obtained in accordance with the rules of the Union.
- (iv) With regards to the funds of the District raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated.
- (v) No loans or other financial benefits, other than remuneration in respect of their full time employment with the District, were made to person holding office in the District.
- (vi) The register of members of the District was maintained in accordance with the Act.



Robert Mitchell

Signed this 26th day of March 2002.

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2001**

	NOTES	2001 \$	2000 \$
<i>CLASSIFICATION OF EXPENSES BY NATURE</i>			
Revenue from Ordinary Activities		<u>2,029,831</u>	<u>1,987,376</u>
Expenses from Ordinary Activities			
Employee Benefits Expense		1,124,963	1,045,429
Depreciation and Amortisation Expenses		84,552	90,371
Other Expenses		1,111,032	1,128,940
Written Down Value of Assets Sold		<u>42,294</u>	<u>133,259</u>
		<u>2,362,841</u>	<u>2,397,999</u>
Loss from Ordinary Activities Before Income Tax		(333,010)	(410,623)
Income Tax Expense relating to Ordinary Activities	1(d)	-	-
Net Loss Attributable to Members		<u>(333,010)</u>	<u>(410,623)</u>

The accompanying notes form part of this financial report

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2001**

	NOTES	2001 \$	2000 \$
CURRENT ASSETS			
Cash	4	194,930	138,013
Receivables	5	149,897	358,433
Investments	6	1,116,653	1,290,342
Other	7	32,664	46,706
TOTAL CURRENT ASSETS		<u>1,494,144</u>	<u>1,833,494</u>
NON-CURRENT ASSETS			
Receivables	5	242,191	242,191
Investments	6	305,222	295,222
Property, Plant and Equipment	8	704,135	753,697
TOTAL NON-CURRENT ASSETS		<u>1,251,548</u>	<u>1,291,110</u>
TOTAL ASSETS		<u>2,745,692</u>	<u>3,124,604</u>
CURRENT LIABILITIES			
Accounts Payable	9	468,844	479,362
Provisions	10	391,046	426,375
Other	11	35,084	35,139
TOTAL CURRENT LIABILITIES		<u>894,974</u>	<u>940,876</u>
TOTAL LIABILITIES		<u>894,974</u>	<u>940,876</u>
NET ASSETS		<u>1,850,718</u>	<u>2,183,728</u>
MEMBERS FUNDS			
Accumulated Funds	12	<u>1,850,718</u>	<u>2,183,728</u>

The accompanying notes form part of this financial report

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2001**

	NOTES	2001 \$	2000 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Members		1,710,522	1,638,090
Payments to Suppliers and Employees		(2,409,243)	(2,173,003)
Administration Fees		70,110	81,840
Interest and Distributions Received		68,749	67,226
Dividends Received		9,355	33,665
Grants Received		40,000	40,000
LSL Receipts		79,324	-
Rent Received		38,211	31,316
Caravan Park Site and Other Fees		126,809	120,599
Sundry Income		39,833	13,359
Subsidy Received – NSW Government		25,000	25,000
NET CASH USED IN OPERATING ACTIVITIES	15(a)	<u>(201,330)</u>	<u>(121,908)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Movement in Investments		163,690	439,292
Proceeds from Sale of Fixed Assets		33,848	84,307
Payments for Fixed Assets		(77,284)	(194,549)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		<u>120,254</u>	<u>329,050</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Movement in Loan – Trade Union Centre		-	(241,891)
Movement in Loan – Southern Mine Personnel		137,993	150,000
NET CASH USED IN FINANCING ACTIVITIES		<u>137,993</u>	<u>(91,891)</u>
NET INCREASE (DECREASE) IN CASH HELD		56,917	115,251
CASH AT START OF YEAR		138,013	22,762
CASH AT END OF YEAR	15(b)	<u>194,930</u>	<u>138,013</u>

The accompanying notes form part of this financial report

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

1. STATEMENT OF ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other pronouncements of the Australian Accounting Standards Board and the requirements of the Workplace Relations Act, 1996.

The financial report has been prepared on an accruals basis and is based on historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the Union in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) COMPARATIVES

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(b) PROPERTY, PLANT AND EQUIPMENT

The Union has applied the revised AASB1041 Revaluation of Non-Current Assets for the first time from 1 January 2001. This standard requires each class of non-current asset to be measured on either the cost or fair value basis. The application of this accounting policy has had no effect upon the statement of financial performance or position.

The Union has continued to apply the cost basis for measuring its fixed assets. Property, plant and equipment are measured on the cost basis. The carrying amount of property, plant and equipment is reviewed periodically to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated over their useful lives to the Union commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvement.

The depreciation rates used for each class of depreciable assets are:

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Buildings	2.50%
Leasehold Improvements	20.00%
Office Furniture and Equipment	7.50% to 33.00%
Plant and Equipment	7.50% to 33.00%
Motor Vehicles	22.50%

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001**

continued

1. STATEMENT OF ACCOUNTING POLICIES

(Continued)

(C) EMPLOYEE ENTITLEMENTS

Provision for employee entitlements in the form of untaken Sick Leave and Accrued Annual Leave have been made for the estimated accrued entitlements of all employees on the basis of their terms of employment. Provision for employee entitlements in the form of Long Service leave has also been made for the estimated accrued entitlements of the Caravan Park Staff and the Office Staff. Related on-costs are included in these provisions.

Contributions are made by the Union to employee superannuation funds and are charged as expenses when incurred.

(d) INCOME TAX

No provision for Income Tax is necessary as the Industrial Trade Unions are exempt from Income Tax under Section 50-15 of the Income Tax Assessment Act.

(E) INVESTMENTS

Shares in listed companies held at balance date are carried at cost. The gains or losses realised are included in profit from ordinary activities.

Non-current investments are also measured on the cost basis. The carrying amount of non-current investments are reviewed periodically by the Union to ensure they are not carried in excess of the recoverable amount of those investments. The recoverable amount is assessed from the quoted market value for listed investments or the underlying net assets for other non-listed investments.

2. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

(a) In accordance with the requirements of the Workplace Relations Act, 1996, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 274 which reads as follows:

- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under sub-section (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.
- (3) A Registrar may only make an application under sub-section (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received of an application made at the request of the member.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001**

continued

	2001 \$	2000 \$
3. OPERATING PROFIT FROM ORDINARY ACTIVITIES		
Profit from ordinary activities before income tax is arrived at after taking into account:		
(a) REVENUE:		
<i>Operating Activities</i>		
Administration Fees	70,110	79,973
Contributions and Levies	1,469,502	1,468,467
Rents Received	38,211	31,042
Investment Revenue	48,769	56,791
Grants Received	40,000	40,000
Legal Recoveries	26,204	7,290
Long Service Leave – National Office	79,324	-
Subsidy – NSW State Government	25,000	25,000
Other Income	198,865	194,506
	<u>1,995,983</u>	<u>1,903,069</u>
<i>Non-Operating Activities</i>		
Proceeds from Sale of Assets	33,848	84,307
	<u>2,029,831</u>	<u>1,987,376</u>
(b) EXPENSES		
Depreciation of Non-Current Assets		
Buildings	16,969	16,971
Plant & Equipment	67,583	73,400
Total Depreciation	<u>84,552</u>	<u>90,371</u>
Movements in Employee Entitlements	(38,267)	(11,780)
Written - Down Value of Assets Sold	42,294	133,259
Remuneration of Auditors		
- Auditing the Financial Report	17,580	20,500
- Other Services	14,963	8,375
4. CASH		
Petty Cash	1,820	1,820
Cash at Bank/Credit Unions	153,517	113,025
Cash at Solicitors Trust Account	39,593	23,168
	<u>194,930</u>	<u>138,013</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001**

continued

	NOTES	2001 \$	2000 \$
5. RECEIVABLES			
Current			
Sundry Debtors		135,019	206,177
Accrued Interest		14,878	14,263
Loan – Southern Mine Personnel Pty Ltd		-	137,993
		<u>149,897</u>	<u>358,433</u>
Non-Current			
Deposits Refundable		300	300
Loan – The Trade Union Centre Pty Ltd		241,891	241,891
		<u>242,191</u>	<u>242,191</u>
TOTAL		<u>392,088</u>	<u>600,624</u>
Amounts receivable from other related parties		-	3,740
6. INVESTMENTS			
Current			
NAB Managed Funds		891,559	1,071,815
CBA/Colonial State Deposits		225,094	218,527
		<u>1,116,653</u>	<u>1,290,342</u>
Non-Current			
Shares in the Trade Union Centre Wollongong Pty Ltd	13	243,057	243,057
Shares in Public Companies		11,165	11,165
Debentures			
Esanda Finance Corporation		46,000	36,000
AGC		5,000	5,000
		<u>305,222</u>	<u>295,222</u>
TOTAL		<u>1,421,875</u>	<u>1,585,564</u>
7. OTHER			
Prepayments		17,580	31,567
UMW Trust Fund – Brock Stephenson		15,084	15,139
		<u>32,664</u>	<u>46,706</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001**

continued

	2001	2000
	\$	\$
8. PROPERTY, PLANT AND EQUIPMENT		
<u>Land and Buildings – at Cost</u>		
Caravan Park Holiday Centre	474,685	474,685
Less Provision for Depreciation	(184,680)	(172,811)
	<u>290,005</u>	<u>301,874</u>
Land and Buildings	223,200	223,200
Less Provision for Depreciation	(59,105)	(54,005)
	<u>164,095</u>	<u>169,195</u>
Leasehold Improvements	35,283	35,283
Less Provision for Depreciation	(12,886)	(9,689)
	<u>22,397</u>	<u>25,594</u>
TOTAL LAND AND BUILDINGS	<u>476,497</u>	<u>496,663</u>
<u>Plant and Equipment – at Cost</u>		
Motor Vehicles	180,197	187,450
Less Provision for Depreciation	(34,146)	(2,102)
	<u>146,051</u>	<u>185,348</u>
Office Furniture and Equipment	282,793	275,019
Less Provision for Depreciation	(233,772)	(218,490)
	<u>49,021</u>	<u>56,529</u>
Partitioning	96,585	96,585
Less Provision for Depreciation	(96,585)	(96,585)
	<u>-</u>	<u>-</u>
Improvements	2,433	2,433
Less Provision for Depreciation	(1,948)	(1,461)
	<u>485</u>	<u>972</u>
Caravan Park Machinery and Equipment	81,676	62,591
Less Provision for Depreciation	(49,595)	(48,406)
	<u>32,081</u>	<u>14,185</u>
TOTAL PLANT & EQUIPMENT	<u>227,638</u>	<u>257,034</u>
TOTAL PROPERTY, PLANT & EQUIPMENT	<u>704,135</u>	<u>753,697</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001**

continued

	2001	2000
	\$	\$
9. ACCOUNTS PAYABLE		
Current		
Creditors and Accruals	440,645	298,148
National Assistance Funding – In Advance	-	150,000
Tax Payable	28,199	31,214
	<u>468,844</u>	<u>479,362</u>
10. PROVISIONS		
Employee Entitlements		
Provision – Annual Leave	225,633	304,697
Provision – Sick Pay	61,955	14,791
Provision – Long Service Leave	18,570	21,999
	<u>306,158</u>	<u>341,487</u>
Other		
Provision – Payroll Tax	84,888	84,888
	<u>84,888</u>	<u>84,888</u>
TOTAL PROVISIONS	<u>391,046</u>	<u>426,375</u>
11. OTHER		
Current		
Grant in Advance	20,000	20,000
UMW Trust Fund – B Stephenson	15,084	15,139
	<u>35,084</u>	<u>35,139</u>
12. ACCUMULATED FUNDS		
Balance at Start Of Year	2,183,728	2,594,451
Add: Net Profit Attributable to Members	(333,010)	(410,623)
Balance at End of Year	<u>1,850,718</u>	<u>2,183,828</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001**

continued

	2001 \$	2000 \$
13. THE TRADE UNION CENTRE WOLLONGONG PTY LTD		
The District has acquired the following shares in this Company for the purposes of obtaining office accommodation:		
1 Ordinary Share	1	1
374 (2000 - 303) 'A' Class Shares	619,194	619,194
11 (2000 - 10) 'B' Class Shares	114,217	114,217
	<u>733,412</u>	<u>733,412</u>
Less: Provision for Diminution in Value	(490,355)	(490,355)
	<u>243,057</u>	<u>243,057</u>
14. UMW TRUST FUND – BROCK STEPHENSON		
Balance at Beginning of Year	15,139	15,152
Add: Interest (Net)	445	288
Less: Advances	(500)	(301)
BALANCE AT END OF YEAR	<u>15,084</u>	<u>15,139</u>
15. CASH FLOW INFORMATION		
(a) RECONCILIATION OF CASH FLOWS FROM OPERATIONS WITH OPERATING DEFICIT		
Operating Deficit from Ordinary Activities	(333,010)	(410,623)
Non-Cash Flows in Operating Deficit		
(Profit)/Loss on Sale of Fixed Assets	8,446	48,952
(Profit)/Loss on Sale of Shares	-	(17,361)
Provision for Annual Leave	(79,064)	21,966
Depreciation and Amortisation	84,552	90,371
Provision for Sick Leave	47,164	2,391
Provision for Long Service Leave	(3,429)	(36,137)
Provision for Payroll Tax and Other	-	(114,423)
Changes in Assets and Liabilities		
(Increase) Decrease in Receivables	70,542	(43,455)
Decrease in Other Assets	14,042	4,478
(Decrease) Increase in Accounts Payable	(10,573)	331,933
CASH FLOWS USED IN OPERATIONS	<u>(201,330)</u>	<u>(121,908)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001**

continued

	2001	2000
	\$	\$
15. CASH FLOW INFORMATION		
(Continued)		
(b) Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows:		
Cash on Hand	194,930	138,013
16. SALARIES		
The following analysis of salaries paid during the year ended 31 December 2001 is given in compliance with the requirements of the Workplace Relations Act, 1996.		
Paid to Office Holders	792,284	653,220
Paid to Employees	235,547	248,056
	1,027,831	901,276
17. LEASING COMMITMENTS		
(a) OPERATING LEASE LAND AT WRIGHTS BEACH EROWAL BAY		
Operating lease commitments exist in respect of Land at Wrights Beach Erowal Bay (Caravan Park Site). The maximum amount contracted for but not capitalised in the financial report is as follows:		
Payable:		
• not later than one year	14,300	14,300
• later than one year but not later than two years	14,300	14,300
• later than two years but not later than five years	42,900	42,900
• later than five years	28,600	42,900
	100,100	114,400
18. LEGAL AND PROFESSIONAL FEES		
Auditors Remuneration		
• Auditing	17,580	20,500
• Other Services	14,963	8,375
• Travel Expenditure	-	-
Legal Expenses	34,072	3,484
	66,615	32,359

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001**

continued

19. RELATED PARTY INFORMATION

MEMBERS OF THE BOARD OF MANAGEMENT

Persons holding positions within the Union and as members of the Board of Management during the year:

DISTRICT OFFICIALS

- Mr H Fisher (District President)
- Mr R Mitchell (District Secretary – Appointed 1 July 2001)
- Mr K Harris (District Secretary – Resigned 30 June 2001)
- Mr W McAndrews (District Senior Vice President)
- Mr G White (District Vice President)
- Mr E Butcher (District Vice President)
- Mr G Dwyer (Check Inspector)
- Mr D Ward (Check Inspector)

BOARD OF MANAGEMENT MEMBERS

- Mr S Winter
- Mr K Fitzpatrick
- Mr G Lester
- Mr G Whiteley
- Mr B O'Halloran
- Mr G Guest
- Mr P Taylor
- Mr M Bright
- Mr R Marjoram
- Mr A Townsend

CENTRAL COUNCILORS

- Mr G Osborne

DISCLAIMER ON ADDITIONAL FINANCIAL INFORMATION

The additional financial information presented on pages 17 to 19 is in accordance with the books and records of The United Mine Workers – South Western District (A Division of the Construction Forestry Mining and Energy Union - Mining Division) ("the Union"), which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 31 December 2001. It will be appreciated that our statutory audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the Union) in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.



.....
Daley & Co
Chartered Accountants
Wollongong NSW 2500

Signed this 26th day of March 2002.

**DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2001**

GENERAL FUNDS

	2001	2000
	\$	\$
INCOME		
Administration Fees	70,110	79,973
Contributions and Levies	1,469,502	1,468,467
Rents Received – Lithgow Office	32,734	27,842
– Southern Office	3,600	3,200
– Conference Room	1,877	-
Dividends Received		
• Roma Street Building	-	32,492
• SMP	8,212	-
• Public Companies	1,143	1,173
Distributions Received – Managed Funds	48,769	56,791
Grants Received		
• Department of Minerals	40,000	40,000
Interest Received	15,196	16,230
Legal Recoveries	26,204	7,290
Long Service Leave – National Office	79,324	-
Profit on Sale of Investments	5,401	17,361
Sales of Promotional Material	1,034	896
Sundry Income	12,595	4,905
Subsidy – NSW State Government Re: 2nd Check Inspector	25,000	25,000
TOTAL INCOME	<u>1,840,701</u>	<u>1,781,620</u>
EXPENSES		
Advertising	1,015	3,028
Affiliation Fees	25,962	43,531
Accrued Annual Leave	(82,001)	26,598
Bank Charges	4,165	4,629
Board of Management, Wages and Expenses	36,541	24,223
Car Expenses	29,832	34,007
CFMEU, Mining Division – National Office	592,898	609,459
Carried Forward	<u>608,412</u>	<u>745,475</u>

**DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2001**

continued

GENERAL FUNDS

continued

	2001	2000
	\$	\$
Brought Forward	608,412	745,475
Cleaning	2,246	2,853
Depreciation	65,893	71,996
Delegates Expenses and Conferences	13,140	-
Donations and Presentations	11,797	12,765
Electricity and Gas	6,950	7,135
Fringe Benefits Tax	2,361	17,569
Funeral and Eye Benefits	10,369	14,517
Insurance	29,725	31,505
Legal and Professional Fees	65,035	30,779
Long Service Leave – National Office	20,351	-
Loss on Sale of Fixed Assets	8,546	48,952
Payroll Tax	71,216	86,557
Petty Cash	5,162	3,506
Postage and Telephone	31,554	42,329
Printing and Stationery	8,165	16,503
Provision for Sick Leave	44,246	(43,062)
Provision for Long Service Leave	(3,702)	11,439
Purchases of Promotional Materials	2,146	1,340
Rates	4,081	4,986
Rent	23,538	38,696
Repairs and Maintenance	10,566	4,894
Salaries	988,589	855,086
Staff Amenities	1,467	1,046
Staff Training	3,619	959
Subscriptions	3,020	3,464
Sundry Expenses	2,752	3,125
Superannuation	131,272	153,959
Travel Expenses, Seminars and National Convention	28,232	19,611
Uniforms	1,567	1,128
TOTAL EXPENDITURE	2,202,315	2,189,112
LOSS FOR YEAR	(361,614)	(407,492)

**DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2001**

CARAVAN PARK

	2001	2000
	\$	\$
INCOME		
Interest Received	265	582
Rentals		
• Site Fees	140,524	103,457
• Other	14,335	17,142
Sundry Income	160	268
TOTAL INCOME	<u>155,284</u>	<u>121,449</u>
EXPENSES		
Accrued Annual Leave	2,938	(4,633)
Bank Charges	266	306
Car Expenses	3,757	2,635
Cleaning	605	709
Depreciation	18,659	18,375
Electricity and Gas	11,977	12,733
Hire of Plant	159	165
Insurance	1,881	3,106
Licences	364	711
Legal and Professional Fees	1,580	1,580
Petty Cash	831	791
Provision for Sick Leave	272	(283)
Provision for Long Service Leave	2,918	(1,839)
Rates	19,188	24,011
Repairs and Maintenance	14,334	10,770
Superannuation	1,189	1,974
Telephone	2,579	2,767
Wages	39,242	46,190
Waste Removal	3,941	4,512
TOTAL EXPENDITURE	<u>126,680</u>	<u>124,580</u>
PROFIT (LOSS) FOR YEAR	<u>28,604</u>	<u>(3,131)</u>

**SUMMARY OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2001**

The financial report of The United Mine Workers – South Western Districts (A Division of the Construction Forestry Mining and Energy Union – Mining Division) ("the Union") have been audited in accordance with the provisions of the Workplace Relations Act 1996, and the following summary is provided for members in accordance with Section 279 (2) of the Act.

A copy of the Audit Report and Financial Report will be supplied free of charge to members who request the same.

Certificates required to be given under the Act by the Accounting Officer and the Central Council have been completed in accordance with the provisions of the Act and contain no qualifications.

In accordance with the requirements of the Act, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 274 which read as follows:

- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under sub-section (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such a manner, and within such time, as prescribed.
- (3) A Registrar may only make an application under sub-section (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

	2001	2000
	\$	\$
STATEMENT OF FINANCIAL POSITION		
AS AT 31 DECEMBER 2001		
ACCUMULATED FUNDS	<u>1,850,718</u>	<u>2,183,728</u>
Represented by:		
ASSETS		
Cash and Investments	1,616,805	1,723,577
Receivables	392,088	600,624
Property, Plant and Equipment	704,135	753,697
Other	32,664	46,706
TOTAL ASSETS	<u>2,745,692</u>	<u>3,124,604</u>
LIABILITIES		
Accounts Payable	468,844	479,362
Borrowings	-	-
Provisions	391,046	426,375
Other	35,084	35,139
TOTAL LIABILITIES	<u>894,974</u>	<u>940,876</u>
NET ASSETS	<u>1,850,718</u>	<u>2,183,728</u>

**SUMMARY OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2001**

continued

	2001	2000
	\$	\$
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2001		
Contributions	1,469,502	1,468,467
Other Income	526,483	434,602
	<u>1,995,985</u>	<u>1,903,069</u>
Less: Expenditure	2,328,995	2,313,692
NET DEFICIT ATTRIBUTABLE TO MEMBERS	<u>(333,010)</u>	<u>(410,623)</u>

AUDITORS CERTIFICATE

We certify that the above summary is a fair and accurate summary of the financial report of The United Mine Workers – South Western Districts (A Division of the Construction Forestry Mining and Energy Union - Mining Division) ("the Union") for the year ended 31 December 2001. Our Audit Report dated 26th March 2001 on the Financial Report, did not contain particulars of any deficiency, failure or shortcoming as referred to in the Workplace Relations Act 1996.

Daley & Co.
.....
Daley & Co
Chartered Accountants
98 Kembla Street
Wollongong NSW 2500

M. L. Gleeson
.....
M L Gleeson
Registered Company Auditor

Dated this 26th day of March 2002.

The liability of Daley & Co is limited by, and to the extent of, the Accountants' Scheme under the Professional Standards Act 1994 (NSW)



AUSTRALIAN INDUSTRIAL REGISTRY

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

Mr. Bob Mitchell
District Secretary, South Western District
Mining and Energy Division
CFMEU
Box 1, Trade Union Centre, Lowden Square
WOLLONGONG NSW 2500

Dear Mr. Mitchell

**Re Financial Return for CFMEU - Mining and Energy Division, South Western District
Branch - for year ended 31 December 2001(FR 2001/734)**

Receipt is acknowledged of the above financial statements lodged in the Registry on 22 October 2002. However, before the documents can be filed, further information is required.

The covering letter dated 15 October 2002 appears to be almost identical with the covering letter sent with the previous year's return (for year ending 31 December 2000). Consequently, the dates on which meetings are said to have taken place and members were supplied with copies of the accounts are not correct with respect to the documents lodged.

Accordingly I seek your written clarification of (a) when members of the District were supplied with their copy of the financial statements for the year ending 31 December 2001, and (b) when the financial statements were tabled at the next Committee of Management meeting. I also seek your written confirmation that the documents lodged on 22 October 2002 are copies of the financial statements in (a) and (b).

I also draw your attention to the income and expenditure statement, which identifies an amount of \$11,797 as Donations and Presentations (see page 18). You are reminded that, pursuant to subsection 269(1) of the *Workplace Relations Act 1996*, if any individual donation exceeded \$1000 then a statement showing the relevant particulars of such donations must be lodged in the Registry.

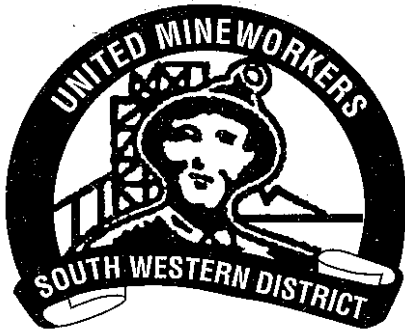
I also seek your comments on the apparent inconsistency between the balance of \$2,183,828 at end of 2000 financial year and the balance of \$2,183,728 at the start of the 2001 financial year in Note 12 - Accumulated funds on page 12 in the Notes to the Accounts.

I look forward to receiving further documentation and clarification of the issues raised at your earliest convenience. Please do not hesitate to contact me on (02) 8374 6509 should you wish to discuss any of these matters.

Yours sincerely,

Robin Godfrey
Deputy Industrial Registrar, NSW Registry

29 November 2002



THE UNITED MINE WORKERS SOUTH WESTERN DISTRICT

(Division of the Construction, Forestry, Mining and Energy Union)

A.B.N. 49 954 293 181

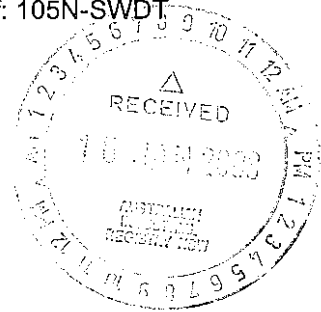
Box 1 Trade Union Centre
Lowden Square
Wollongong NSW 2500
Ph: (02) 4229 7166
Fax: (02) 4228 7962
Email: sdmining@ozemail.com.au

50 Main Street
P.O. Box 364
Lithgow NSW 2790
Ph: (02) 6351 3287
Fax: (02) 6352 3229
Email: umfa@lisp.com.au

10th December, 2002.

Your Ref: 105N-SWDT

Australian Industrial Registry
Level 8
Terrace Towers
80 William Street
EAST SYDNEY NSW 2011



Attention: Robin Godfrey

Dear Sir,

RE: FINANCIAL DOCUMENTS – 31 DECEMBER 2001.

We refer to your letter dated 20th October 2002 regarding our Accounts for the year ended 31 December 2001.

As requested in your letter we detail below feedback pertaining to the various steps you have queried in respect of the 2001 year :-

1. Our Organisation has prepared accounts in accordance with section 273 of the Workplace Relations Act 1996 (the Act);
2. Those accounts were audited in accordance with section 276 of the Act;
3. The accounts were presented to an Annual Board of the Committee of Management 25th & 26th March 2002;
4. Copies of the accounts were circulated – made available to the members 26th & 27th March 2002 in conjunction with section 279(1) and (3);
5. The accounts were subsequently tabled at the next Board of Management meeting held 26th and 27th March, 2002; and

We now enclose a copy of the above mentioned accounts together with a certification in accordance with section 280(1).

Should you have any further questions on the above please contact our Wollongong office.

Yours faithfully,
Bob Mitchell
District Secretary.

President
H. Fisher

Secretary
B. Mitchell

Senior Vice President
W. McAndrew

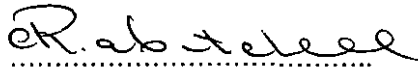
Vice President
G. White

Check Inspectors
Glenn Dwyer & Trevor Schram

I Bob Mitchell, District Secretary of The United Mine Workers – South Western Districts, hereby certify that the documents lodged herewith are true copies of the Financial Report, Auditors Report and Certificates presented to the Committee of Management meeting held on 26th and 27th March, 2002 in respect of the financial year of the organisation ending 31 December, 2001.

The documents lodged herewith are:

- (i) copies of the financial statements prepared in accordance with the requirements of section 273(1) of the Act;
- (ii) a copy of the report of the auditor of the organisation prepared in accordance with the requirements of section 276 of the Act;
- (iii) a copy of the certificate given by the accounting officer of the organisation in accordance with the requirements of section 273(2) of the Act;
- (iv) a copy of the certificate given by the committee of management in accordance with the requirements of section 273(2) of the Act; and
- (v) a statement by an officer in respect of loans, grants or donations by the organisation which are notifiable in accordance with the requirements of section 269(5) of the Act.



.....
District Secretary

Dated this 12 day of Dec, 2002.....



AUSTRALIAN INDUSTRIAL REGISTRY

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

Mr. Bob Mitchell
District Secretary,
Construction, Forestry, Mining and Energy Union
-Mining and Energy Division South Western District Branch
Box 1 Trade Union Centre Lowden Square
WOLLONGONG NSW 2500

Dear Mr. Mitchell

**Re Financial Return for Construction, Forestry, Mining and Energy Union-Mining
and Energy Division South Western District Branch for year ended 31 December
2001(FR 2001/734)**

Receipt is acknowledged of the above-mentioned financial return lodged in the Registry on 10 January 2003.

Further to our phone conversation, please find the detail of the two outstanding matters. Your reply addresses most of the concerns raised in the letter of Robin Godfrey dated 29 November 2002. The following matters require further information to be lodged before the financial documents can be filed:

I seek your written clarification of the date when the financial statements were tabled for adoption at the Committee of Management meeting (the second meeting). Your letter of 10 December 2002 refers at point 3 to a meeting on 25/26 March 2002 and at point 5 to a subsequent meeting on 26/27 March 2002. You are aware that members have at least 7 days to consider the statements between the first and second meetings.

I require a statement pursuant to subsection 269(1) of the *Workplace Relations Act 1996*. If any individual donation exceeded \$1000 then a statement showing the relevant particulars of such donations must be lodged in the Registry. This statement is confidential and is only available for viewing on request from your union members. At page 18 of the income and expenditure statement, an amount of \$11,797 is described as Donations and Presentations.

I look forward to receiving further documentation and clarification of the issues raised at your earliest convenience. Please do not hesitate to contact me on (02) 8374 6516 should you wish to discuss any of these matters.

Yours sincerely,

Caroline Pryor
NSW Statutory Services Branch

17 January 2003



AUSTRALIAN INDUSTRIAL REGISTRY

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

Mr Bob Mitchell
District Secretary, South Western District Branch
Mining and Energy Division
Construction, Forestry, Mining & Energy Union
Box 1, Trade Union Centre Lowden Square
WOLLONGONG NSW 2500

Dear Mr Mitchell,


**Re: Financial Return for Construction, Forestry, Mining and Energy Union -
Mining and Energy Division, South Western District Branch for the year
ended 31 December 2001 (FR2001/734)**

I refer to a previous letter in relation to the above matter dated 17 January 2003 requesting written clarification of the following:

- the date when the financial statements were tabled for adoption at the Committee of Management meeting;

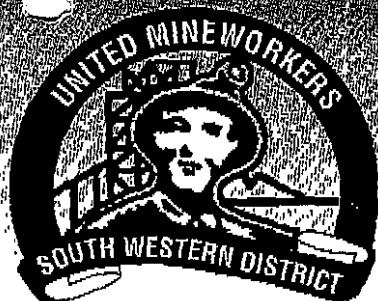
I request your written advice on the above matter by 16 April 2003. If you should have any enquires regarding these matters, please do not hesitate to contact me on (02) 8374 6519.

Yours sincerely



Wendy Burgess
Statutory Services Branch

1 April 2003



THE UNITED MINE WORKERS SOUTH WESTERN DISTRICT

(Division of the Construction, Forestry, Mining and Energy Union)
A.B.N. 49 954 293 181

Box 1, Trade Union Centre,
Lowden Square
Wollongong NSW 2500
Ph: (02) 4229 7166
Fax: (02) 4228 7962
Email: sdmining@ozemail.com.au

30 Main Street,
P.O. Box 364
Lithgow NSW 2790
Ph: (02) 6351 3287
Fax: (02) 6352 3229
Email: umfa@lisp.com.au

BM

12th May 2003

Attention Belinda Penna

As per our phone conversation last week this is the procedure we use to inform our members as to our financial report.

Once the accounts have been audited by Daley & Co "our accountants" the executive then meet with the accountants to go through the statement.

A copy of the statement is then given to our Board of Management elected members to go over prior to our annual Board of Management Meeting "about ten days"

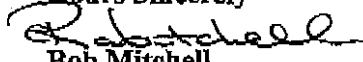
At the annual Board it is then presented to the Board members by the accountant and is voted on to accept or not to accept the statement.

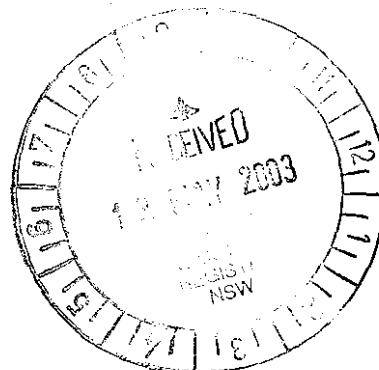
Once accepted the statement is then sent out to the members at their lodges to be voted on by the rank & file.

The final voting figures are then sent to the District office to be placed on record.

I hope this is what you require, if not please contact me at my office on 42297166

Yours Sincerely


Bob Mitchell
District Secretary



President
H. Fisher

Secretary
B. Mitchell

Senior Vice President
W. McAndrew

Vice President
G. White

Check Inspectors
Glenn Dwyer & Trevor Schram



AUSTRALIAN INDUSTRIAL REGISTRY

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

Mr Bob Mitchell
South Western District Secretary
Mining & Energy Division, CFMEU
Box 1, Trade Union Centre
Lowden Square
WOLLONGONG NSW 2500

Dear Mr Mitchell

**Re: Financial Return for the CFMEU, Mining & Energy Division South Western District
Branch for the year ending 31 December 2001 (FR2001/734)**

Following the receipt of your fax dated 12 May 2003, confirming that the members were given the opportunity to see the financial statements and accounts prior to voting being held by the lodges, the financial return has been filed.

Thank you for your attention to this matter.

Yours sincerely,

Belinda Penna
for Deputy Industrial Registrar

13 May 2003