



FAIR WORK  
AUSTRALIA

17 January 2011

Mr Graham White  
District Vice President, South-Western District Mining Divisional Branch  
Construction, Forestry, Mining and Energy Union  
636 Northcliffe Drive  
KEMBLA GRANGE NSW 2526



Dear Mr White

**Re: Lodgement of Financial Statements and Accounts –  
Construction, Forestry, Mining and Energy Union, South-Western District Mining  
Divisional Branch – for year ending 31 December 2009 (FR2009/10212)**

I refer to the above financial statements and accounts which were lodged with Fair Work Australia on 23 September 2010. I apologise for the delay in acknowledgment. The documents were received electronically and were overlooked until a recent review of outstanding returns.

The legislative requirements appear to have been met. Accordingly the documents have been filed.

Yours sincerely,

Stephen Kellett

Statutory Services Branch

Fair Work Australia

**From:** Michelle George [mailto:MGeorge@umw.com.au]  
**Sent:** Thursday, 23 September 2010 1:34 PM  
**To:** KELLETT, Stephen  
**Subject:** RE: financial return 2009

Hi Stephen

I have attached the 2009 Financials and Secretary's Letter.

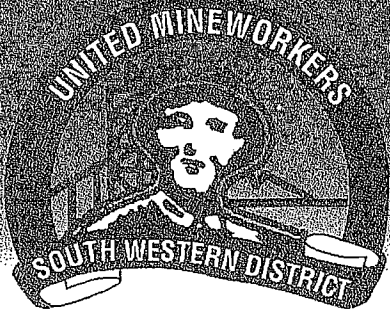
RECEIVED  
23-9-10

Regards

*Michelle George*

United Mine Workers South/West District  
636 Northcliffe Drive,  
KEMBLA GRANGE NSW 2526  
Phone 02 4271 7577

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.....



# THE UNITED MINE WORKERS SOUTH WESTERN DISTRICT

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

636 Northcliffe Drive  
Kembla Grange NSW 2526  
Ph: (02) 4271 7577  
Fax: (02) 4271 7677  
Email: admin@umw.com.au

RECEIVED  
23-9-10

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

## CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER s268 Fair Work (Registered Organizations) Act 2009

I, **Graham White**, a prescribed designated officer of the South Western District Branch, Mining Division, CFMEU, certify that the financial statements and accounts for the year ended 31 December 2009 lodged with Fair Work Australia on 23/09/2010 are :

- copies of the full report referred to in s268 of the *Fair Work (Registered Organizations) Act 2009*
- copies of the documents provided to the members on or from 04/05 / 2010
- subsequently presented to a meeting (or series of meetings) in accordance with section 266 on 09/08 / 2010

(Signature)

(Position) District Secretary

Date 23/09/2010

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

**FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**CONTENTS**

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## OPERATING REPORT

Your Board of Management present their Operating Report on the Union for the year ended 31 December 2009.

### *Board of Management*

The names of Board of Management in office at any time during the year are:

Name	Position	Period of Appointment
Mr A Honeysett	District President	23/11/2009 – 31/12/2009
Mr W McAndrew	District President	1/1/2009 – 23/11/2009
Mr R Mitchell	District Secretary	1/1/2009 – 31/12/2009
Mr G White	District Vice President - South	1/1/2009 – 31/12/2009
Mr G Braes	District Vice President – Metalliferous	1/7/2009 – 31/12/2009
Mr G Osborne	District Vice President – West	1/1/2009 – 31/12/2009
Mr S Winter	BOM Member	1/1/2009 – 31/12/2009
Mr R Marjoram	BOM Member	1/1/2009 – 31/12/2009
Mr A Townsend	BOM Member	1/1/2009 – 31/12/2009
Mr S Field	BOM Member	1/1/2009 – 31/12/2009
Mr N Everill	BOM Member	1/1/2009 – 01/06/2009
Mr A Giddings	BOM Member	1/1/2009 – 31/12/2009
Mr R Crawford	BOM Member	1/1/2009 – 31/12/2009
Mr B Reeves	BOM Member	1/1/2009 – 31/12/2009
Mr B Neall	BOM Member	15/11/2009 – 31/12/2009
Mr A Honeysett	Central Councillor	1/1/2009 – 23/11/2009

### *Principal Activities*

The principal activities of the Union during the year were:-

- Adherence to the rules of the District in furtherance of the objectives of the Union consistent with the industrial relations legislation.
- Implementation of the decisions of the District Executive and Board of Management.
- Implementation of the Union's organising agenda, including assistance and advice on organising site projects, training and development of officials, and planning and resourcing campaigns.
- Industrial support including assistance with legal and legislative matters.
- The administration and variation of federal and state awards.
- Negotiation and registration of certified industrial instruments on behalf of members consistent with the objects of the Fair Work Act and the Union rules.
- Media and other communications to members and to the broader local communities of the District on issues affecting the rank and file.

### *Results of Activities*

The result for the year was a profit of \$344,896 (2008: loss of \$209,304). Membership contributions in the current year amounted to \$3,145,443 being a \$407,157 increase on last year.

The District has been involved in lobbying and negotiating with different levels of Government and key industry organisations around issues of importance to the members, including but not limited to health and safety issues, industrial and compensation matters, superannuation entitlements and environmental matters impacting the mining industry.

The District has successfully implemented certified agreements for the benefits of members.

The District has successfully recruited new members in conjunction with a national objective of recruitment and training.

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**OPERATING REPORT**  
*continued*

***Significant Changes in Nature of Activities***

There were no significant changes in the nature of activities of the Union during the year.

***Significant Changes in Financial Affairs***

Significant changes in the financial affairs of the Union include a rise in income from membership contributions during the year of 15% as a consequence of an increase in the average number members during the year. As noted in the 2008 Financial Report there was significant doubt over the settlement of the Union's sale of its interest in an associate, this sale contract has now been cancelled (at no additional cost to the Union).

***Membership of the Union***

There were 3,217 members of the Union as at 31 December 2009 (2008: 3,341).

***Rights of Members to Resign***

All members of the Union have the right to resign in accordance with Rule 5 (iv)(a) of the Union Rules (and section 174 of the Fair Work Act), namely, by providing written notice addressed and delivered to the District Secretary.

***Employees of the Union***

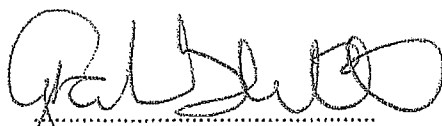
As at 31 December 2009 the Union employed 10 full time employees (2008: 10).

***Superannuation Trustees***

Mr G Osborne is an executive of the Union and holds a directorship of Auscoal Superannuation.

No other officer or member of the Union acts:

- (i) as a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) as a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

  
.....  
Graham White

Signed this 13<sup>th</sup> day of April 2010.

**BOARD OF MANagements' CERTIFICATE**

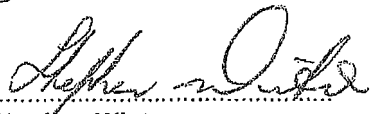
On 13<sup>th</sup> April 2010 the Board of Management of The United Mine Workers – South Western District Branch (A Division of the Construction, Forestry, Mining and Energy Union - Mining & Energy Division), passed the following resolution in relation to the financial report of the Union for the year ended 31 December 2009.

The Board of Management declares in relation to the general purpose financial report that in its opinion:

- (a) The financial report and notes comply with Australian Accounting Standards;
- (b) The financial report and notes comply with the reporting guidelines of the General Manager of FWA;
- (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 year ended 31 December 2009;
- (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 to which the general purpose financial report relates and since the end of that year:-
  - (i) Meetings of the Board of Management were held in accordance with the rules of the Union; and
  - (ii) The financial affairs of the Union have been managed in accordance with the rules of the Union; and
  - (iii) The financial records of the Union have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009s and the Fair Work (Registered Organisations) Regulations 2009; and
  - (iv) The financial records of the Union have been kept, as far as practicable, in a consistent manner to each other reporting unit of the Union; and
  - (v) No information has been sought in any request of a member of the Union or by a Registrar duly made under section 272 of the Fair Work (Registered Organisations) Act 2009; and
  - (vi) No orders have been made by Fair Work Australia or FWA in regard to inspection of the financial records under section 273 of the Fair Work (Registered Organisations) Act 2009.

Signed for and on behalf of the Board of Management by:

  
Richard Marjoram

  
Stephen Winter

Signed this 13<sup>th</sup> day of April 2010.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS  
OF THE UNITED MINE WORKERS – SOUTH WESTERN DISTRICT BRANCH (A DIVISION OF THE  
CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION - MINING & ENERGY DIVISION)**

**Report on the Financial Report**

We have audited the accompanying financial report of The United Mine Workers – South Western District Branch (A Division of the Construction, Forestry, Mining and Energy Union - Mining & Energy Division) ("the Union"), which comprises the Balance Sheet as at 31 December 2009 and the Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement for the year ended on that date, a summary of the significant accounting policies and other explanatory notes and the Board of Management Statement.

*Board of Management's Responsibility for the Financial Report*

The Union's Board of Management are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 ("the RO Act"). This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Audit Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. 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 of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the financial report.

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



**INDEPENDENT AUDIT REPORT TO THE MEMBERS  
OF THE UNITED MINE WORKERS – SOUTH WESTERN DISTRICT BRANCH (A DIVISION OF THE  
CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION - MINING & ENERGY DIVISION)**  
Continued...

**AUDIT OPINION**

In our opinion, the general purpose financial report of The United Mine Workers – South Western District Branch (A Division of the Construction, Forestry, Mining and Energy Union - Mining & Energy Division) is in accordance with:

- (a) The Fair Work (Registered Organisations) Act 2009 ("the RO Act"), including:
  - (i) Giving a true and fair value of the Union's financial position as at 31 December 2009 and of its performance for the year ended on that date; and
  - (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations); and
  
- (b) The requirements imposed by Part 3 of Chapter 8 of the Act.

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

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

Dated this 13<sup>th</sup> day of April 2010.

THE UNITED MINE WORKERS – SOUTH WESTERN DISTRICT BRANCH  
(A DIVISION OF THE CONSTRUCTION FORESTRY MINING AND ENERGY UNION - MINING & ENERGY DIVISION)

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2009**

	NOTES	2009 \$	2008 \$
Revenue	2	3,797,944	3,561,809
Other Income	2	-	2,073
Wages and Related Costs		(1,576,943)	(1,720,142)
Depreciation and Amortisation Expenses		(129,056)	(144,290)
Doubtful Debts Provision		-	(94,385)
Sustentation Fees		(976,980)	(892,877)
Other Expenses		(768,782)	(696,792)
Sale of Interest in Associate – Provision for Doubtful Debt	5(i)	-	(209,471)
Loss on Disposal of Assets		(2,070)	(12,230)
<b>Net Result Before Income Tax</b>		<u>344,113</u>	<u>(206,305)</u>
<b>Other Comprehensive Income</b>			
Net Gains (Losses) on Available for Sale Financial Assets	1(c)	783	(2,999)
Income Tax Expense	1(b)	-	-
<b>Total Comprehensive Income Attributable to Members</b>		<u>344,896</u>	<u>(209,304)</u>

The accompanying notes form part of these financial statements.

THE UNITED MINE WORKERS – SOUTH WESTERN DISTRICT BRANCH  
(A DIVISION OF THE CONSTRUCTION FORESTRY MINING AND ENERGY UNION - MINING & ENERGY DIVISION)

**BALANCE SHEET  
AS AT 31 DECEMBER 2009**

	NOTES	2009 \$	2008 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	4	473,814	398,256
Trade and Other Receivables	5	242,493	1,301,963
Financial Assets	6	1,725,595	357,353
Other Current Assets	7	58,745	31,189
<b>TOTAL CURRENT ASSETS</b>		<u>2,500,647</u>	<u>2,088,761</u>
<b>NON-CURRENT ASSETS</b>			
Trade and Other Receivables	5	300	300
Property, Plant and Equipment	8	1,982,489	2,067,488
<b>TOTAL NON-CURRENT ASSETS</b>		<u>1,982,789</u>	<u>2,067,788</u>
<b>TOTAL ASSETS</b>		<u>4,483,436</u>	<u>4,156,549</u>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	9	512,923	594,543
Short-term Provisions	10	554,990	534,003
Other Current Liabilities	11	133,874	91,250
<b>TOTAL CURRENT LIABILITIES</b>		<u>1,201,787</u>	<u>1,219,796</u>
<b>TOTAL LIABILITIES</b>		<u>1,201,787</u>	<u>1,219,796</u>
<b>NET ASSETS</b>		<u>3,281,649</u>	<u>2,936,753</u>
<b>ACCUMULATED FUNDS</b>			
Accumulated Members' Funds		3,279,836	2,935,723
Reserves		1,813	1,030
<b>Members' Funds</b>		<u>3,281,649</u>	<u>2,936,753</u>

The accompanying notes form part of these financial statements.

THE UNITED MINE WORKERS – SOUTH WESTERN DISTRICT BRANCH  
 (A DIVISION OF THE CONSTRUCTION FORESTRY MINING AND ENERGY UNION - MINING & ENERGY DIVISION)

STATEMENT OF CHANGES IN EQUITY  
 FOR THE YEAR ENDED 31 DECEMBER 2009

	NOTE	Accumulated Funds \$	Available – for-Sale Investment Reserve \$	TOTAL \$
Opening Balance as at 1 January 2008		3,142,028	4,029	3,146,057
Loss Attributable to Members		(206,305)	-	(206,305)
Total Other Comprehensive Income for the Year	1(d)	-	(2,999)	(2,999)
Closing Balance as at 31 December 2008		<u>2,935,723</u>	<u>1,030</u>	<u>2,936,753</u>
Profit Attributable to Members		344,113	-	344,113
Total Other Comprehensive Income for the Year	1(d)	-	783	783
Closing Balance as at 31 December 2009		<u>3,279,836</u>	<u>1,813</u>	<u>3,281,649</u>

The accompanying notes form part of these financial statements.

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2009**

	NOTES	2009 \$	2008 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Members		3,348,905	2,916,455
Payments to Suppliers and Employees		(3,690,647)	(3,541,804)
Administration Fees		74,408	72,689
Interest and Distributions Received		12,968	22,296
Dividends Received		208	46
Grants Received		59,000	44,000
Long Service Leave – National Office		24,631	166,151
Donations Received		40,000	-
Rent Received		179,842	167,587
Caravan Park Site and Other Fees		274,283	281,869
Sundry Income		21,016	14,822
Subsidy Received – NSW Government		27,500	27,500
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	14(a)	<u>372,114</u>	<u>171,611</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Movement in Investments		(250,429)	(109,325)
Proceeds from Sale of Fixed Assets		45,003	201,328
Payments for Fixed Assets		(91,130)	(313,444)
<b>NET CASH (USED IN) INVESTING ACTIVITIES</b>		<u>(296,556)</u>	<u>(221,441)</u>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>		75,558	(49,830)
<b>CASH AT START OF YEAR</b>		398,256	448,086
<b>CASH AT END OF YEAR</b>	4	<u>473,814</u>	<u>398,256</u>

The accompanying notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**1. STATEMENT OF ACCOUNTING POLICIES**

The financial report covers The United Mine Workers – South Western District Branch (A Division of the Construction, Forestry, Mining and Energy Union - Mining & Energy Division) ("the Union") as an individual entity. The Union is an organisation of employees registered under the Fair Work Act, 2009 ("the Act"). In accordance with the Act, the Union is a body corporate and has perpetual succession, by virtue of this method of incorporation, the Union is not subject to the Corporations Act 2001.

**Basis of Preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements imposed by the Reporting Guidelines of Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act, 2009.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis, except where specifically stated, and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**Accounting Policies**

(a) PROPERTY, PLANT AND EQUIPMENT

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

**Property, Plant and Equipment**

Property, Plant and Equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of property, plant and equipment is reviewed annually by the Board of Management 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 that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Property, Plant and equipment that have been contributed at no cost, or for nominal cost are valued at the fair value of the asset at the date it is acquired.

**Depreciation**

The depreciation amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009

1. STATEMENT OF ACCOUNTING POLICIES (Continued)

(a) PROPERTY, PLANT & EQUIPMENT CONTINUED

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.50%
Furniture, Fittings and Equipment	7.50 - 20%
Motor Vehicles	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Balance Sheet date.

An assets' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Comprehensive Income.

(b) 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.

(c) FINANCIAL INSTRUMENTS

**Recognition and Initial Measurement**

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the Union becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified at fair value through the Statement of Comprehensive Income. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to the Statement of Comprehensive Income immediately. Financial instruments are classified and measured as set out below.

**Classification and Subsequent Measurement**

***Loans and Receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

***Held-to-Maturity Investments***

These investments have fixed maturities, and it is the Union's intention to hold these investments to maturity. Any held-to-maturity investments held by the Union are stated at amortised cost using the effective interest rate method.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

Continued

(c) FINANCIAL INSTRUMENTS CONTINUED

***Available-for-Sale Financial Assets***

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

***Financial Liabilities***

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

***Fair Value***

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

***Impairment***

At each reporting date, the Union assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the Statement of Comprehensive Income.

(d) IMPAIRMENT OF ASSETS

At each reporting date, the Union reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Comprehensive Income.

Where the future economic benefits of the asset are not primarily dependent upon on the assets ability to generate net cash inflows and when the Union would, if deprived of the asset, replace its remaining future economic benefits, value in use is depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the Union estimates the recoverable amount of cash-generating unit to which the asset belongs.

(e) EMPLOYEE BENEFITS

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to Balance Sheet date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled. Other employee benefits payable later than one year have been measured at the net present value.

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



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

*Continued*

(f) PROVISIONS

Provisions are recognised when the Union has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(g) CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Balance Sheet.

(h) REVENUE

Revenue from membership contributions are recognised upon receipt, which is reflective of the timing and nature of the benefits provided to members.

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Donations and bequests are recognised as revenue when received unless they are designated for a specific purpose, where they are carried forward as prepaid income on the balance sheet.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from the rendering of a service is recognised upon the delivery of the services to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

(i) GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are presented in the Cash Flow Statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(j) COMPARATIVE FIGURES

When required by Auditing Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

*Continued*

(k) COMPARATIVE ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

During the current year the Union adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these standards and interpretations has had on the financial statements of The United Mine Workers – South Western District Branch (A Division of the Construction, Forestry, Mining and Energy Union - Mining & Energy Division).

- **AASB 101: Presentation of Financial Statements**

In September 2007 the Australian Accounting Standards Board revised AASB 101 and as a result, there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the Union's financial statements.

*Disclosure impact*

**Terminology changes** — The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

**Reporting changes in equity** — The revised AASB 101 requires all changes in equity arising from transactions with owners, in their capacity as owners, to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the statement of changes in equity, with non-owner changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required that owner changes in equity and other comprehensive income be presented in the statement of changes in equity.

**Statement of comprehensive income** — The revised AASB 101 requires all income and expenses to be presented in either one statement, the statement of comprehensive income, or two statements, a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The Union's financial statements now contain a statement of comprehensive income.

**Other comprehensive income** — The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expenses that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

Continued

(I) New Accounting Standards for Application in Future Periods

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods. The Union has decided against early adoption of these standards. A discussion of those future requirements and their impact on the Union follows:

- AASB 2008–5: Amendments to Australian Accounting Standards arising from the Annual Improvements Project (applicable for annual reporting periods commencing from 1 January 2009) and AASB 2008–6: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (applicable for annual reporting periods commencing from 1 July 2009).

These standards detail numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvements project. No changes are expected to materially affect the Union.

- AASB 2009–4: Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 2 and AASB 138 and AASB Interpretations 9 & 16] (applicable for annual reporting periods commencing from 1 July 2009) and AASB 2009–5: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139] (applicable for annual reporting periods commencing from 1 January 2010).

These standards detail numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvements project. No changes are expected to materially affect the Union.

- AASB 2009–7: Amendments to Australian Accounting Standards [AASB 5, 7, 107, 112, 136 & 139 and Interpretation 17] (applicable for annual reporting periods commencing on or after 1 July 2009).

This standard reflects editorial changes made to a number of accounting standards by the IASB. No changes are expected to materially affect the Union.

The Union does not anticipate early adoption of any of the above reporting requirements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009

	2009 \$	2008 \$
<b>2. REVENUE</b>		
Administration Fees	67,644	66,081
Contributions and Levies	3,145,443	2,738,286
Rents Received	150,207	152,466
Site Rental Income	246,851	259,874
Grants Received	55,000	40,000
Donations Received	40,000	-
Interest Received	21,942	99,084
Long Service Leave – National Office	24,631	166,151
Subsidy – NSW State Government	25,000	25,000
Other Revenue	21,226	14,867
	<u>3,797,944</u>	<u>3,561,809</u>
<i>Other Income</i>		
Profit on Sale of Assets	-	2,073
	<u>3,797,944</u>	<u>3,563,882</u>
<b>3. RESULT FOR THE YEAR</b>		
Doubtful Debts Provision	-	94,385
Write Down Sale in Associate	-	209,471
Remuneration of Auditors		
- Auditing the Financial Report	14,800	14,100
- Other Services	10,746	10,176
<b>4. CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	1,720	1,620
Cash at Bank/Credit Unions	472,094	396,636
	<u>473,814</u>	<u>398,256</u>
<b>5. TRADE AND OTHER RECEIVABLES</b>		
<b>Current</b>		
Debtors	233,519	222,755
Accrued Interest	8,974	129,553
	<u>242,493</u>	<u>352,308</u>
Less : Provision for Doubtful Debts	-	(167,374)
	<u>242,493</u>	<u>184,934</u>
Debtor – Sale of Interest in Associate	-	1,326,500
Less : Provision for Doubtful Debt	-	(209,471)
	<u>-</u>	<u>1,117,029</u>
	<u>242,493</u>	<u>1,301,963</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009

		2009 \$	2008 \$
<b>5. TRADE AND OTHER RECEIVABLES</b>			
Continued			
<b>Non-Current</b>			
Deposits Refundable		300	300
		<u>300</u>	<u>300</u>
<b>TOTAL</b>		242,793	1,302,263
		<u>242,793</u>	<u>1,302,263</u>
Amounts relating to CFMEU – Mining & Energy Division		-	-
		<u>-</u>	<u>-</u>
<b>6. FINANCIAL ASSETS</b>			
Held to Maturity Financial Assets	(a)	432,283	181,854
Available for Sale Financial Assets	(b)	1,293,312	175,499
		<u>1,725,595</u>	<u>357,353</u>
Split As:			
Current		1,725,595	357,353
Non Current		-	-
		<u>1,725,595</u>	<u>357,353</u>
(a) <i>Held-to-maturity Financial Assets Comprise:</i>			
Term Deposits and Bank Bills held with Financial Institutions.		432,283	181,854
		<u>432,283</u>	<u>181,854</u>
(b) <i>Available for Sale Financial Assets Comprise:</i>			
Shares in Listed Corporations – at Fair Value		2,429	1,645
Shares in Unlisted Corporations – at Fair Value		1,290,882	173,854
		<u>1,293,311</u>	<u>175,499</u>
Available-for-sale financial assets comprise investments in the ordinary share capital of various entities. There are no fixed returns or fixed maturity date attached to these investments.			
<b>7. OTHER CURRENT ASSETS</b>			
Prepayments		58,745	31,189
		<u>58,745</u>	<u>31,189</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
<b>8. PROPERTY, PLANT AND EQUIPMENT</b>		
<u>Land and Buildings – at Cost</u>		
Caravan Park Holiday Centre	480,085	474,685
Less Provision for Depreciation	(279,768)	(267,763)
	<u>200,317</u>	<u>206,922</u>
Land and Buildings	1,661,691	1,661,691
Less Provision for Depreciation	(176,378)	(145,781)
	<u>1,485,313</u>	<u>1,515,910</u>
Leasehold Improvements	51,362	45,862
Less Provision for Depreciation	(40,247)	(38,745)
	<u>11,115</u>	<u>7,117</u>
<b>TOTAL LAND AND BUILDINGS</b>	<u>1,696,745</u>	<u>1,729,949</u>
<u>Plant and Equipment – at Cost</u>		
Motor Vehicles	249,160	242,476
Less Provision for Depreciation	(70,772)	(34,666)
	<u>178,388</u>	<u>207,810</u>
Office Furniture and Equipment	282,827	271,450
Less Provision for Depreciation	(191,126)	(163,184)
	<u>91,701</u>	<u>108,266</u>
Improvements	4,598	4,598
Less Provision for Depreciation	(4,267)	(3,834)
	<u>331</u>	<u>764</u>
Caravan Park Machinery and Equipment	106,601	106,601
Less Provision for Depreciation	(91,277)	(85,902)
	<u>15,324</u>	<u>20,699</u>
<b>TOTAL PLANT &amp; EQUIPMENT</b>	<u>285,744</u>	<u>337,539</u>
<b>TOTAL PROPERTY, PLANT &amp; EQUIPMENT</b>	<u>1,982,489</u>	<u>2,067,488</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009

8. PROPERTY, PLANT AND EQUIPMENT *Continued*

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year:-

	LAND & BUILDINGS \$	MOTOR VEHICLES \$	OFFICE EQUIPMENT \$	FURNITURE, PLANT AND EQUIPMENT \$	TOTAL \$
Balance at Start of Year	1,729,949	207,810	109,030	20,699	2,067,488
Additions	10,900	68,623	11,607	-	91,130
Disposals	-	(47,073)	-	-	(47,073)
Amortisation/Depreciation Expense	(44,104)	(50,972)	(28,605)	(5,375)	(129,056)
Carrying Amount - End of Year	1,696,745	178,388	92,032	15,324	1,982,489

	2009 \$	2008 \$
<b>9. TRADE AND OTHER PAYABLES</b>		
<b>Current</b>		
Creditors and Accruals	512,923	594,543
Amounts relating to CFMEU – Mining & Energy Division	285,661	314,063

10. PROVISIONS

	PROVISION FOR ANNUAL LEAVE \$	PROVISION FOR LSL \$	OTHER EMPLOYEE ENTITLEMENT \$	TOTAL \$
Opening balance at 1 January	383,639	32,265	118,099	534,003
Additional provisions	169,851	4,606	92,928	267,385
Amounts used	(167,896)	-	(78,502)	(246,398)
Balance at 31 December	385,594	36,871	132,525	554,990

(a) Analysis of ageing of provisions

Current	554,990	534,003
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(b) Total Employee Benefits Attributable to:

Office Holders	475,802	458,387
Staff	79,188	75,616
	554,990	534,003

**NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009	2008
	\$	\$
<b>11. OTHER CURRENT LIABILITIES</b>		
Income in Advance	99,326	61,250
Grant in Advance	20,000	30,000
Funds Held in Trust	14,548	-
	<u>133,874</u>	<u>91,250</u>

**12. 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	57,200	55,000
• later than one year but not later than two years	57,200	55,000
• later than two years but not later than five years	171,600	165,000
• later than five years	800,800	825,000
	<u>1,086,800</u>	<u>1,100,000</u>

**13. KEY MANAGEMENT PERSONNEL COMPENSATION**

Total Compensation		
- Short Term Benefits	767,938	697,007
- Post Employment Benefits	167,126	252,894
- Long Term Benefits	-	-
	<u>935,064</u>	<u>949,901</u>



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
<b>14. CASH FLOW INFORMATION</b>		
<b>(a) RECONCILIATION OF CASH FLOWS FROM OPERATIONS WITH OPERATING RESULT</b>		
Operating Result	344,113	(206,305)
<b>Non-Cash Flows in Operating Deficit</b>		
Loss on Sale of Fixed Assets	2,070	12,230
Depreciation and Amortisation	129,056	144,290
Profit on Sale of Fixed Assets	-	(2,073)
Sale of Interest in Associate – Provision for Doubtful Debt	-	209,471
Doubtful Debts Provision	(167,374)	94,384
<b>Changes in Assets and Liabilities</b>		
(Increase) in Receivables	109,814	(79,668)
(Increase) Decrease in Other Assets	(27,556)	9,054
Increase in Accounts Payable	(28,996)	9,295
Increase (Decrease) in Grants in Advance	(10,000)	(60,000)
Increase in Provisions	20,987	40,933
<b>CASH FLOWS PROVIDED BY OPERATING ACTIVITIES</b>	<u>372,114</u>	<u>171,611</u>
<b>(b) Cash at the end of the year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:</b>		
Cash on Hand [Note 5]	473,814	398,256
Bank Overdraft	-	-
	<u>473,814</u>	<u>398,256</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**15. FINANCIAL RISK MANAGEMENT**

**Financial Risk Management Policies**

The Union's financial instruments consist mainly of deposits with banks and accounts receivable and payable.

The Board of Managements' overall risk management strategy seeks to assist the Union in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The Union does not have any derivative instruments at 31 December 2009.

	2009 \$	2008 \$
<b>Financial Assets</b>		
Cash and cash equivalents	473,814	398,256
Held to Maturity Financial Assets	432,283	181,854
Available-for-sale financial assets		
- Shares in Listed Corporations - at fair value	2,429	1,645
- Shares in Unlisted Corporations - at fair value	1,290,883	173,854
Trade and other receivables	242,793	1,302,263
	<u>2,442,202</u>	<u>2,057,872</u>
<b>Financial Liabilities</b>		
Financial liabilities at amortised cost		
- Trade and other payables	512,953	594,543
- Borrowings	-	-
	<u>512,953</u>	<u>594,543</u>

***Specific Financial Risk Exposures and Management***

The main risks the Union is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate.

**(a) Credit risk**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss for the Union.

**Credit Risk Exposures**

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the balance sheet.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 5.

The Union has no significant concentration of credit risk exposure to any single counterparty or group of counterparties. Details with respect to credit risk of Trade and Other Receivables are provided in Note 5.

The Union has no significant concentration of credit risk exposure to any single counterparty or group of counterparties.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009

15. FINANCIAL RISK MANAGEMENT

Continued

(a) Credit risk

Continued

Credit risk related to balances with banks and other financial institutions is managed by the Board of Management. Board policy requires that surplus funds are only invested with Banks with an 'A' rating and approved deposit taking institutions (ie. Credit Unions). The following table provides information regarding the credit risk relating to cash and money market securities based on Standard & Poor's counterparty credit ratings.

	2009 \$	2008 \$
<i>CASH AND CASH EQUIVALENTS</i>		
- CASH	1,720	1,729
- AA RATED	445,835	388,678
- APPROVED DEPOSIT TAKING INSTITUTIONS	26,259	7,849
	<u>473,814</u>	<u>398,256</u>
Held to Maturity Securities		
- APPROVED DEPOSIT TAKING INSTITUTIONS	432,283	181,854

(b) Liquidity risk

Liquidity risk arises from the possibility that the Union might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The Union manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

	WITHIN 1 YEAR \$	1 TO 5 YEARS \$	OVER 5 YEARS \$	TOTAL CONTRACTUAL CASH FLOW \$
<b>At 31 December 2009</b>				
<b>Financial liabilities</b>				
Borrowings	-	-	-	-
Trade & Other Payables	512,923	-	-	512,923
Total Financial Liabilities	<u>512,923</u>	<u>-</u>	<u>-</u>	<u>512,923</u>
<b>At 31 December 2008</b>				
<b>Financial liabilities</b>				
Borrowings	-	-	-	-
Trade & Other Payables	594,543	-	-	594,543
Total Financial Liabilities	<u>594,543</u>	<u>-</u>	<u>-</u>	<u>594,543</u>

**NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2009**

**15. FINANCIAL RISK MANAGEMENT**

Continued

**(c) Market risk**

**i. Interest rate risk**

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Union is also exposed to earnings volatility on floating rate instruments.

**ii. Price risk**

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held.

The Union is exposed to securities price risk on investments held for trading or for medium to longer terms. Such risk is managed through diversification of investments across industries and geographical locations.

**Sensitivity analysis**

The following table illustrates sensitivities to the Union's exposure to changes in interest rates. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	2009 \$	2008 \$
<b>Change in profit</b>		
— Increase in interest rate by 1%	5,692	5,295
— Decrease in interest rate by 1%	(5,692)	(5,295)
<b>Change in equity</b>		
— Increase in interest rate by 1%	5,692	5,295
— Decrease in interest rate by 1%	(5,692)	(5,295)

**Net Fair Values**

*Fair value estimation*

The fair values of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**16. CAPITAL MANAGEMENT**

Management controls the capital of the Union in order to maintain a good debt to equity ratio and to ensure that the Union can fund its operations and continue as a going concern.

All debt in the Balance Sheet is interest-free and is not entered into with the view of managing the capital of the Union.

The gearing ratios for the years ended 31 December 2009 and 31 December 2008 are as follows:

	2009	2008
	\$	\$
Financial liabilities	-	-
Trade and other payables	512,923	594,543
Total	512,923	594,543
Less: Cash and cash equivalents	(473,814)	(398,256)
Less: Held to Maturity Investments	(432,283)	(181,854)
Net debt	-	14,433
Total equity	3,281,649	2,936,753
<b>Total capital</b>	<b>3,281,649</b>	<b>2,951,186</b>
Gearing ratio	Nil	0.5%

**17. INFORMATION TO BE PROVIDED TO MEMBERS OR GENERAL MANAGER**

In accordance with the requirements of the Fair Work (Registered Organisations) Act, 2009, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272 which reads as follows:

- (1) A member of a Union, or the General Manager, may apply to the Union for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) An application must be made 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 Union.
- (3) The Union must comply with an application made under subsection (1).

**18. RELATED PARTY INFORMATION**

**(a) MEMBERS OF THE BOARD OF MANAGEMENT**

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

**UNION OFFICIALS**

- Mr A Honeysett (District President – Appointed 23/11/2009)
- Mr W McAndrew (District President – Resigned 23/11/2009)
- Mr R Mitchell (District Secretary)
- Mr G White (District Vice President - South)
- Mr G Braes (District Vice President - Metalliferous)
- Mr G Osborne (District Vice President - West)

**BOARD OF MANAGEMENT MEMBERS**

- Mr S Winter
- Mr B Reeves
- Mr R Marjoram
- Mr A Townsend
- Mr S Field
- Mr N Everill (resigned 01/06/2009)
- Mr A Giddings
- Mr R Crawford
- Mr B Neall (elected 15/11/2009)

**CENTRAL COUNCILORS**

- Mr A Honeysett (appointed District President 23/11/2009)

Other elected officials not members of the Board of Management

**DISTRICT CHECK INSPECTOR**

- Mr G Horne (Check Inspector)
- Mr T Schram (Check Inspector)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**18. RELATED PARTY INFORMATION**  
CONTINUED

**(b) RELATED PARTY TRANSACTIONS**  
Continued

**Associated companies**

- i) Office space was rented from The Trade Union Centre Wollongong Pty Limited during the year. Commercial rent totaling \$47,200 (2008: \$47,009) were paid during the year.

**Other related parties**

- iv) Sustentation fees totaling \$976,980 (2008: \$892,877) were charged by the Construction, Forestry, Mining and Energy Union – Mining and Energy Division during the year.
- v) Salary & Wages totaling \$16,688 (2008: \$14,777) were paid during the year to a relative of an elected official for the provision of secretarial services on a casual basis. Terms and conditions were within a normal employee relationship and no more favourable than those made available to other employees.

**19. ORGANISATION DETAILS**

The Union is a Trade Union registered and domiciled In Australia. The registered office and principle place of business is: Fred Moore House, 636 Northcliffe Drive, Kembla Grange, NSW 2526.

**20. EVENTS SUBSEQUENT TO BALANCE DATE**

- (a) No matter or circumstance has arisen since the end of the year that has significantly affected or may significantly affect:
  - (i) the operations of the Union;
  - (ii) the results of those operations; or
  - (iii) the state of affairs of the Union, in subsequent financial years.
- (b) The financial report was authorised for issue on 13<sup>th</sup> April 2010 by the Board of Management.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**21. ADDITIONAL DISCLOSURES REQUIRED UNDER THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009**

In accordance with the requirements of Section 255 of Fair Work (Registered Organisations) Act 2009, the following necessary disclosures are made:

	2009 \$	2008 \$
<b>i) ITEMS OF REVENUE</b>		
Donations or Grants Income	120,000	40,000
<b>ITEMS OF EXPENSE</b>		
Affiliation fees/subscriptions to organisations with an interest in industrial matters.	18,017	16,711
Donations or Grant Expenses.		
• Mines Rescue Pty Limited	-	1,000
• Australian Roof Bolting	7,000	-
• C & J Dynamic Dance Studio	2,500	-
• Centennial Golf Day	1,000	-
• Community Cancer Link Incorporated	1,000	-
• Group 10 Junior Rugby League	3,000	-
• Illawarra Committee Melanoma Foundation	2,309	-
• Lithgow Storm Ruby League	1,000	-
• Southern Collieries Surf Classic	1,000	-
• West NSW F/Ball UK Tour	1,000	-
• Bulli Surf Lifesaving	1,600	-
• General (individually less than \$1,000)	6,925	14,754
	<u>28,334</u>	<u>15,754</u>
Employee Benefits Expense:		
- Office Holders	1,218,747	1,367,312
- Employees (Other than Office Holders)	219,955	202,584
	<u>1,438,702</u>	<u>1,569,896</u>
Attendance Fees/Allowances – Conferences and Meetings	3,621	7,091
Expenses incurred in connection with meetings of members, councils, committees, panels to other bodies for which the Union was wholly or partly responsible.	56,886	49,666



10 August 2010



FAIR WORK  
AUSTRALIA

Mr Robert Mitchell  
Secretary, South Western District Branch, Mining Division  
CFMEU  
Level 1, Fred Moore House, 1 Lowden Square  
WOLLONGONG NSW 2500

Dear Mr Mitchell

**Re: Lodgement of Financial Statements and Accounts – South Western District (Mining Divisional)  
Branch – for year ending 31 December 2009 (FR2009/10212)**

The financial return for the year ending 31 December 2009 remains outstanding according to our records and is now overdue.

I am writing therefore to remind you to lodge the above as soon as possible. If there have been circumstances causing the 2009 return not to be ready to be lodged, I respectfully request your advice as to the reasons and when you anticipate being able to lodge it.

Yours sincerely,

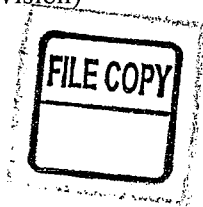
Stephen Kellett  
Statutory Services Branch



11 January 2010



Mr Robert Mitchell  
Secretary, South-Western District Branch (Mining and Energy Division)  
Construction, Forestry, Mining and Energy Union  
Box 1, Fred Moore House, Lowden Square  
WOLLONGONG NSW 2500



Fair Work  
Australia

Dear Mr Mitchell

**Lodgment of Financial Statements and Accounts –  
South-Western District Branch, Mining & Energy Division - for year ended 31 December 2009  
(FR2009/10212)**

The financial year of the South-Western 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 or an application for a certificate of exemption under the *Fair Work (Registered Organisations) Act 2009* ('the RO Act') 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 268(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 an eligible meeting(s)* (either of the members or of the committee, whichever applies). Note that this meeting (or series of meetings) is distinct from any initial committee meeting convened to prepare, sign or otherwise approve pre-audited documents.

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  
Statutory Services Branch

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EAST SYDNEY NSW 2011

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