



Australian Government
Australian Industrial Registry

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Ref: FR2005/589

Mr Anthony Benson
Branch Secretary
CFMEU Construction and General Division
Tasmanian Divisional Branch
33a New Town Road
NEW TOWN TAS 7008

Dear Mr Benson

Financial Return - year ending 31 December, 2005

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

Legislation

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

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

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

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

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

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

Reporting Unit

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

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

Industrial Registrar's Guidelines

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

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

Timeline Planner and Checklist

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

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

Three Reports

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

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

Financial Statements containing:

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

Notes to the Financial Statements containing:

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

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

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

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

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

First Meeting (Committee of Management)

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

The Auditor

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

Informing Your Members

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

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

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

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

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

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

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

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

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

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

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

Lodge full report within 14 days of meeting

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at www.airc.gov.au). When lodging the financial return please quote: **FR2005/589**.

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

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

Complying with time limits

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

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

Extensions of Time

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

Reduced Reporting Requirements

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

Contact the Registry


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

Information on AIRC Website

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

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

Yours sincerely



For Deputy Industrial Registrar
27 January 2006

Documents Checklist

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

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

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

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

Committee Of Management Statement

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

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

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

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

Title of Office held:

Signature:

Date:

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

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

Certificate of Secretary or other Authorised Officer¹

s268 of Schedule 1B *Workplace Relations Act 1996*

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

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

Signature

Date: ·

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

(a) the secretary; or

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

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

³*Insert whichever is applicable*



ORIGINAL

**CFMEU Construction &
General Division (Tasmanian
Divisional Branch)**

Financial Report
For the year ended 31 December, 2005

CFMEU Construction & General Division (Tasmanian Divisional Branch)

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Certificate by State Secretary

For the year ended 31 December, 2005

Certificate by State Secretary

I Anthony Ross Benson being the Secretary of the Construction, Forestry, Mining and Energy Union, Construction and General Division, Tasmania Divisional Branch certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- that the full report was presented to members on the branch's website during the week ending 12th May 2006; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 13th June 2006; in accordance with section 266 of the RAO schedule.

AR Benson

A R Benson, State Secretary

Date *15 June 2006*

CFMEU Construction & General Division -Tasmanian Branch.

CFMEU Construction & General Division (Tasmanian Divisional Branch)

Operating Report

For the year ended 31 December, 2005

Your Committee of Management submit the financial accounts of the CFMEU Construction & General Division Tasmanian Divisional Branch (the Union) for the financial year ended 31 December, 2005.

Committee Members

The names of committee members during the financial year are (unless otherwise stated held office for the full year): B.White, D.Cracknell, D.Post, J Morgan, M.Norris, M.Van De Kamp, P.Ridgeway, P.Riley, P.McCarthy, R.Vincent, R.Smedley, S.Hevey, T.Jenkins, T.Benson (Secretary) and T.Jones.

Principal Activities

The principal activities of the Union during the financial year were: implementation of Divisional Executive Decisions, maintenance of Union Rules, Registrations and Affiliations, co-ordinating seminars and courses for Branch Officers to inform them of current relevant developments, representing the Divisions interest on various state and national committees and organisations, and the provision of member support with industrial and related issues.

There were 1001 financial members, and 5 salaried employees, plus one paid by honorarium as at 31 December 2005.

Significant Changes in Activities and Financial Position

The Union branch increased its member income by \$34,682 over the previous year. It also received \$60,000 donations from National Office, \$10,000 in 2004, to assist in the operating of the branch and allowed it to record a surplus of \$41,381 in 2005. Other than the above there was no significant change in the financial position of the Union branch.

Rights of Members to Resign

All members of the Union have the right to resign in accordance with Rule 11 of the Union Rules (National) and s174 of the RAO Schedule.

Signed in accordance with a resolution of the Members of the Committee on 8th May 2006.

T Benson

Secretary - (T.Benson)

8 May 2006

CFMEU Construction & General Division (Tasmanian Divisional Branch)
Committee of Management Statement
For the year ended 31 December, 2005

On 8th May 2006 the Committee of Management of CFMEU - Construction and General Division (Tasmanian Divisional Branch) passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31st December 2005:

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

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

Signed for the Committee of Management



A R Benson - State Secretary

Date: 8th May 2006

CFMEU Construction & General Division (Tasmanian Divisional Branch)
Independent Audit Report

Scope

I have audited and inspected the accounting records kept by the Construction, Forestry, Mining & Energy Union, Construction & General Division, Tasmanian Divisional Branch in respect of the year ended 31 December 2005, and have received all the information and explanations for the purposes of my audit.

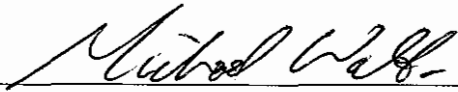
In my opinion:

1. There were kept by the union in respect of the year under review, satisfactory records detailing the sources and nature of income of the Union (including income from members) and the nature and purposes of expenditure in accordance with s252 of the RAO schedule, and
2. The attached general purpose financial report has been prepared in accordance with s253 of the RAO schedule. The accounts set out on the accompanying pages have been prepared from the accounting records of the Union Branch and are properly drawn up so as to give a true and fair view of:
 - (a) the financial affairs of the Union as at 31 December 2005; and
 - (b) the Income and Expenditure and surplus of the Union for the year ended on that date.

Audit opinion

In my opinion, the financial report presents fairly, in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of CFMEU Construction & General Division (Tasmanian Divisional Branch) as at 31 December, 2005 and the results of its operations for the year then ended.

Signed on : 13th June 2006



M C Watts (BBus CPA)

429 Elizabeth Street, North Hobart. TAS 7000.

CFMEU Construction & General Division (Tasmanian Divisional Branch)
Detailed Statement of Financial Performance
For the year ended 31 December, 2005

	2005	2004
	\$	\$
Income		
Administration & Directors Fees	3,000	14,040
Member Contributions	338,935	304,253
Training Fees	25,052	12,806
Sundry Income	5,870	2,993
Donations From Other Branches	60,000	10,000
Transfer From Social Club	1,889	-
Advertising & Sponsorship Income	236	400
Insurance recoveries	1,188	1,595
Interest received	4,405	4,868
Other income	-	153,970
Total income	440,576	504,925

Expenses

Advertising and promotion	705	820
Affiliation & Capitation	36,625	34,278
Accountancy & Audit fees	2,970	2,900
Bank Fees And Charges	1,933	2,523
Campaign Levy & Expenses	4,312	-
Cleaning/rubbish removal	778	-
Computer Software	628	-
Depreciation - M/V & Eq.	3,618	4,692
Donations	8,000	2,410
Electricity	2,139	2,137
Xmas And Member Events	10,250	3,600
Fees & charges	290	130
Fringe benefits tax	2,712	3,772
Honorariums	7,000	7,000
Insurance	8,725	8,830
Interest - Australia	585	-
Legal & Collection Fees	845	-
Long service leave	179	405
Meeting & Executive Expenses	1,953	3,155
M/V - car expenses	19,787	20,209
Payroll tax	14,546	13,507

The accompanying notes form part of these financial statements.

CFMEU Construction & General Division (Tasmanian Divisional Branch)
Detailed Statement of Financial Performance
For the year ended 31 December, 2005

	2005 \$	2004 \$
Printing, Postage & Office Expenses	16,596	16,168
Protective clothing	2,612	2,500
Rates & land taxes	2,402	2,751
Rent -Plant & Equip	2,076	3,870
Repairs & maintenance	4,043	2,035
Salaries - ordinary	89,134	64,255
Salaries - Office Bearers	95,647	93,713
Security	879	1,210
Sundry expenses	1,524	2,208
Superannuation	25,114	22,397
Telephone, Fax & I'net	21,951	16,500
Travel, Accom & Organisers expenses	8,637	11,845
Total expenses	<u>399,195</u>	<u>349,821</u>
Surplus from ordinary activities before income tax	41,381	155,103
Income tax revenue relating to ordinary activities	-	-
Net surplus attributable to the Union branch	<u>41,381</u>	<u>155,103</u>
Total changes in equity of the Union branch	<u>41,381</u>	<u>155,103</u>
Opening retained surpluses	277,227	122,124
Net surplus attributable to the Union branch	41,381	155,103
Closing retained surpluses/ members funds	<u>318,609</u>	<u>277,227</u>

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The accompanying notes form part of these financial statements.

CFMEU Construction & General Division (Tasmanian Divisional Branch)
Detailed Statement of Financial Position As At 31 December, 2005

	2005	2004
	\$	\$
Current Assets		
Cash Assets		
Cash At Bank -CBA	97,746	50,118
Cash at Bank -ISCU	-	2,221
Cash At Bank - ISCU GST	-	3,304
Term Deposits - CBA	94,176	88,158
Petty Cash On Hand	43	256
	<u>191,965</u>	<u>144,057</u>
Other		
Prepayments	-	4,290
	-	4,290
	<u> </u>	<u> </u>
Total Current Assets	<u>191,965</u>	<u>148,347</u>
Non-Current Assets		
Property, Plant and Equipment		
Buildings - at cost	198,090	198,090
Office equipment	39,954	37,922
Less: Accumulated Depreciation	(30,702)	(29,087)
Motor vehicles - at cost	34,765	34,765
Less: Accumulated depreciation	(27,868)	(25,865)
	<u>214,239</u>	<u>215,825</u>
Total Non-Current Assets	<u>214,239</u>	<u>215,825</u>
Total Assets	<u>406,204</u>	<u>364,172</u>

The accompanying notes form part of these financial statements.

CFMEU Construction & General Division (Tasmanian Divisional Branch)
Detailed Statement of Financial Position As At 31 December, 2005

	2005 \$	2004 \$
Current Liabilities		
Payables		
Unsecured:		
- Creditors	-	2,194
- Other Creditors -Capitation Payable	20,260	19,148
	<u>20,260</u>	<u>21,342</u>
Current Tax Liabilities		
GST payable control account	9,662	5,157
Input tax credit control account	(3,512)	(857)
Amounts withheld from salary and wages	4,430	4,548
FBT Payable	926	926
	<u>11,506</u>	<u>9,774</u>
Provisions		
Provision for Annual Leave	2,268	2,268
Provision for Long Service Leave	11,651	11,651
Provision for Redundancy	11,910	11,910
	<u>25,829</u>	<u>25,829</u>
Total Current Liabilities	<u>57,595</u>	<u>56,945</u>
Non-Current Liabilities		
Interest-Bearing Liabilities		
Secured:		
- Loan From NSW Office	30,000	30,000
	<u>30,000</u>	<u>30,000</u>
Total Non-Current Liabilities	<u>30,000</u>	<u>30,000</u>
Total Liabilities	<u>87,595</u>	<u>86,945</u>
Net Assets	<u>318,609</u>	<u>277,227</u>

The accompanying notes form part of these financial statements.

CFMEU Construction & General Division (Tasmanian Divisional Branch)
Detailed Statement of Financial Position As At 31 December, 2005

	2005	2004
	\$	\$
<hr/>		
Members' Funds		
Accumulated surplus (deficit)	318,609	277,227
Total Members' Funds	<u>318,609</u>	<u>277,227</u>

The accompanying notes form part of these financial statements.

CFMEU Construction & General Division (Tasmanian Divisional Branch)

Statement of Cash Flows

For the year ended 31 December, 2005

	2005	2004
Cash Flow From Operating Activities		
Receipts from customers	436,171	353,689
Payments to Suppliers and employees	(390,636)	(354,520)
Interest received	4,405	4,868
Net cash provided by (used in) operating activities (note 2)	<u>49,940</u>	<u>4,037</u>
Cash Flow From Investing Activities		
Payment for:		
Payments for property, plant and equipment	<u>(2,032)</u>	<u>(5,000)</u>
Net cash provided by (used in) investing activities	<u>(2,032)</u>	<u>(5,000)</u>
Cash Flow From Financing Activities		
Proceeds of borrowings	<u>-</u>	<u>10,000</u>
Net cash provided by (used in) financing activities	<u>-</u>	<u>10,000</u>
Net increase (decrease) in cash held	47,908	9,037
Cash at the beginning of the year	<u>144,057</u>	<u>135,020</u>
Cash at the end of the year (note 1)	<u><u>191,965</u></u>	<u><u>144,057</u></u>

The accompanying notes form part of these financial statements.

CFMEU Construction & General Division (Tasmanian Divisional Branch)

Statement of Cash Flows

For the year ended 31 December, 2005

2005

2004

Note 1. Reconciliation Of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

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 At Bank -CBA	97,746	50,118
Cash at Bank -ISCU	-	2,221
Cash At Bank - ISCU GST	-	3,304
Term Deposits - CBA	94,176	88,158
Petty Cash On Hand	43	256
	<u>191,965</u>	<u>144,057</u>

Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Profit

Operating surplus (loss) after tax	41,381	1,133
Depreciation	3,618	4,692
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	-	7,602
(Increase) decrease in prepayments	4,290	(4,290)
Increase (decrease) in trade creditors and accruals	(2,194)	4,587
Increase (decrease) in other creditors	2,845	(210)
Increase (decrease) in sundry provisions	-	(304)
Net cash provided by operating activities	<u>49,940</u>	<u>4,037</u>

CFMEU Construction & General Division (Tasmanian Divisional Branch)

Notes to the Financial Statements

For the year ended 31 December, 2005

Note 1: Statement of Accounting Policies

The accounts have been prepared in accordance with the Statement of Accounting Concepts and applicable Accounting Standards. The accounts have been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. The accounting policies have been consistently applied, unless otherwise stated. The report is a general purpose financial report and has been prepared under the RAO schedule.

In accordance with the requirements of s272 of the RAO schedule, members attention is drawn to the following:

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



5 July 2006

CONSTRUCTION

FORESTRY

Email to Belinda Penna

MINING

belindapenna@air.gov.au

ENERGY

UNION

Please be advised that the audit report of the Construction Forestry Mining and Energy Union (Construction and General Division) Tasmanian Divisional Branch for the period ending 31st December 2005, that was presented to the membership on the Union's website on the week ending 12th May 2006, was undated.

The Branch Management Committee met on the 8th May 2006 and the audit report was tabled and approved.

The audit report was re-presented to the Branch Management Committee Meeting on the 13th June 2006 and approved by resolution of the Committee.

Regards


CONSTRUCTION &
GENERAL DIVISION
ABN 88 101 929 955

DALE CRACKNELL
President

TONY BENSON
State Secretary

AR Benson
State Secretary

**TASMANIAN DIVISIONAL
BRANCH**

33A Newtown Road
NEWTOWN TAS 7008

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WEB:
www.cfmeu.asn.au/construction

C:\Documents and Settings\Penna\Local Settings\Temporary Internet Files\OLK621\Aust Industrial Registry re financial statements 2005.doc



Australian Government
Australian Industrial Registry

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

Mr A Benson
Branch Secretary
CFMEU Construction & General Division
Tasmanian Divisional Branch
33A Newtown Road
NEWTOWN TAS 7008

Dear Mr Benson

Re: Lodgement of Financial Statements and Accounts for the CFMEU Construction & General Division, Tasmanian Branch for the year ending 31 December 2005 (FR2005/589)

Receipt is acknowledged of the abovementioned financial statements and accounts, which were lodged in the Registry on 15 June 2006.

Audit Opinion – Sequence of Events

The Audit opinion included in the documents was signed and dated 13th June 2006. The Secretary's Certificate received stated that the full report was "presented to the members on the Branch's website during the week ending 12th May 2006", which was prior to the date that the Audit report was signed and dated.

This would appear to indicate that the audit report was not included in the documents presented to the members, in which case the Branch would not have discharged its financial reporting obligations to its members. To do so would require that the full report including the signed and dated audit report be provided to the members again, and presented to the Branch Management Committee again.

However, I note your further correspondence dated 5 July 2006 advising that the audit report which was provided to the membership on the Union website was undated. To ensure that the Branch fully discharges its financial reporting obligations to its members in future all reports and statements provided to the members, and lodged in the Registry, are required to be properly signed and dated.

Operating Report

Section 254(d) of the *Workplace Relations Act 1996* Schedule 1 states that the Operating Report should include a statement which gives details (including details of the position held) of any officer or member of the reporting unit who is a trustee of a superannuation entity or an exempt public sector superannuation scheme; or a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme. I have attached an extract of section 254(d) for your information.

Committee of Management Statement

The Committee of Management Statement should include a statement that "there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule".

Please see the letter dated 27 January 2006 which had attached a format for a Committee of Management Statement including the above statement at point (vi) of Attachment C.

Please ensure this statement is included in future Committee of Management Statements prepared for the Branch.

Donations

I note that an amount of \$8,000 dollars is included as Donations in the Statement of Financial Performance – Expenses.

I would like to remind you that pursuant to s237 of the *Workplace Relations Act 1996* the organisation must lodge a statement showing

- The amount of each, if any, donation exceeding \$1,000
- The name and address of the recipient of each donation
- The purpose of the donation

The statement must be signed by an officer of the organisation. I have enclosed for your information a copy of section 237, and a form you may wish to use to lodge the required information.

The documents for the financial year ending 31 December 2005 have been filed, and may be viewed on the internet at www.e-airc.gov.au/105ntas/financial.

I would like to take this opportunity to advise you that for financial years beginning after 1 November 2004 information about any recovery of wages activity undertaken by the branch is required to be disclosed in the financial statements, and various declarations to be made in the Committee of Management Statement.

Further information is contained in the Industrial Registrars' Reporting Guidelines, which can be found at www.airc.gov.au/organisations/rao/rao_253_a.pdf

Yours sincerely,



Belinda Penna
for Deputy Industrial Registrar

19 July 2006

237 Organisations to notify particulars of loans, grants and donations

(1) An organisation must, within 90 days after the end of each financial year (or such longer period as the Registrar allows), lodge in the Industrial Registry a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 made by the organisation during the financial year.

Note: This subsection is a civil penalty provision (see section 305).

(2) A statement lodged in the Industrial Registry under subsection (1) must be signed by an officer of the organisation.

(3) An organisation must not, in a statement under subsection (1), make a statement if the person knows, or is reckless as to whether, the statement is false or misleading.

Note: This subsection is a civil penalty provision (see section 305).

(4) A statement lodged in the Industrial Registry under subsection (1) may be inspected at any registry, during office hours, by a member of the organisation concerned.

(5) The relevant particulars, in relation to a loan made by an organisation, are:

- (a) the amount of the loan; and
- (b) the purpose for which the loan was required; and
- (c) the security given in relation to the loan; and
- (d) except where the loan was made to relieve a member of the organisation, or a dependant of a member of the organisation, from severe financial hardship-the name and address of the person to whom the loan was made and the arrangements made for the repayment of the loan.

(6) The relevant particulars, in relation to a grant or donation made by an organisation, are:

- (a) the amount of the grant or donation; and**
- (b) the purpose for which the grant or donation was made; and**
- (c) except where the grant or donation was made to relieve a member of the organisation, or a dependant of a member of the organisation, from severe financial hardship-the name and address of the person to whom the grant or donation was made.**

(7) Where an organisation is divided into branches:

- (a) this section applies in relation to the organisation as if loans, grants or donations made by a branch of the organisation were not made by the organisation; and
- (b) this section applies in relation to each of the branches as if the branch were itself an organisation.

(8) For the purposes of the application of this section in accordance with subsection (7) in relation to a branch of an organisation, the members of the organisation constituting the branch are taken to be members of the branch.

254 Reporting unit to prepare operating report

(1) As soon as practicable after the end of each financial year, the committee of management of a reporting unit must cause an operating report to be prepared in relation to the financial year.

(2) The operating report must:

(a) contain a review of the reporting unit's principal activities during the year, the results of those activities and any significant changes in the nature of those activities during the year; and

(b) give details of any significant changes in the reporting unit's financial affairs during the year; and

(c) give details of the right of members to resign from the reporting unit under section 174; and

(d) give details (including details of the position held) of any officer or member of the reporting unit who is:

(i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or

(ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and

where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation; and

(e) contain any other information that the reporting unit considers is relevant; and

(f) contain any prescribed information.

(3) To avoid doubt, the operating report may be prepared by the committee of management or a designated officer.

Note: This section is a civil penalty provision (see section 305).