



**Australian Government**  
**Australian Industrial Registry**

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

**Ref: FR2005/590**

Mr Scott McLean  
Divisional Branch Secretary  
CFMEU FFPD  
Tasmanian Branch  
PO Box 1562  
LAUNCESTON TAS 7250

Dear Mr McLean

**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'<sup>1</sup>). 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.

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<sup>1</sup> 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 GPF 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](http://www.airc.gov.au)). When lodging the financial return please quote: **FR2005/590**.

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](mailto: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](http://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	✓
<b>1</b>	<b>General Purpose Financial Report</b>	
	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?	
<b>2</b>	<b>Committee of Management Statement</b>	
	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?	
<b>3</b>	<b>Auditor's Report</b>	
	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?	
<b>4</b>	<b>Operating Report</b>	
	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?	
<b>5</b>	<b>Concise report*</b>	
<b>6</b>	<b>Certificate of Secretary or other Authorised Officer</b>	
	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 Officer<sup>1</sup>**

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]<sup>2</sup>*, referred to in s268 of the RAO Schedule; and
- that the *[full report OR concise report]<sup>3</sup>*, 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]<sup>3</sup>* of the reporting unit on *[insert date]*; in accordance with section 266 of the RAO Schedule.

Signature

Date:

<sup>1</sup>*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.

<sup>2</sup>*Only applicable where a concise report is provided to members*

<sup>3</sup>*Insert whichever is applicable*



CONSTRUCTION,  
FORESTRY,  
MINING &  
ENERGY  
UNION

FORESTRY & FURNISHING  
PRODUCTS DIVISION

TASMANIAN  
DIVISIONAL  
HEAD OFFICE:

237 Wellington Street  
LAUNCESTON 7250

ACCOUNTS &  
GENERAL ENQUIRIES

PHONE: (03) 6331 7955

FAX: (03) 6334 2935

All correspondence should  
be addressed to:  
DIVISIONAL  
SECRETARY  
P.O. BOX 1562  
LAUNCESTON 7250

Email:  
cfmeutas@bigpond.net.au

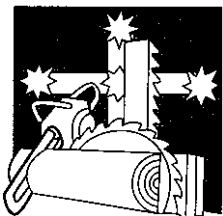
SCOTT McLEAN  
Phone: (03) 6331 7955  
Mobile: 0418 131 901

MARTIN CLIFFORD  
Phone: (03) 6331 7955  
Mobile: 0418 137 274

TIMBER INDUSTRY  
SUPERANNUATION  
SCHEME (TISS)

CO-ORDINATOR

QUENTIN COOK  
Phone: (03) 6331 7119  
Mobile: 0419 325 815



17<sup>th</sup> July 2006

Belinda Penna  
Aust Industrial Registry  
Level 8 Terrace Towers  
80 William Street  
East Sydney NSW 2011

Dear Belinda

**Re: Audit for Financial Year ending 31<sup>st</sup> December 2005**

Please find enclosed the following documents in relation to the financial year ending 31<sup>st</sup> December 2005:

- Certificate of Secretary or Other Authorised Officer
- Copy of the Audited Financial Statements – General Purpose Report containing Auditor's Report, Operating Report, Committee of Management Statement and Financial Reports
- Copy of the Concise Report provided to members

Yours faithfully

**Scott A McLean**  
State Secretary



**Certificate of Secretary or Other Authorised Officer**  
s268 of Schedule 1B Workplace Relations Act 1996

I, Scott Andrew McLean the State Secretary of the Construction Forestry Mining & Energy Union Forestry & Furnishing Products Division, Tasmanian Branch certify:

- that the documents lodged herewith are copies of the full report, and the concise report, referred to in s268 of the RAO Schedule; and
- that the concise report, was provided to members on 5<sup>th</sup> June 2006; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 13<sup>th</sup> July, 2006; in accordance with section 266 of the RAO Schedule.

Signature:

  
\_\_\_\_\_

Date:

17<sup>th</sup> July 2006

CFMEU FORESTRY & FURNISHING  
PRODUCTS DIVISION (TASMANIAN  
BRANCH)

Audited Financial Statements  
For The Year Ended 31 December 2005

CLIENT COPY  
(PLEASE RETAIN FOR YOUR RECORDS)

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
CFMEU FORESTRY & FURNISHING PRODUCTS DIVISION  
TASMANIAN BRANCH**

**Scope**

We have audited the attached financial statements of the CFMEU Forestry & Furnishing Products Division (Tasmanian Branch) for the year ended 31 December 2005. The committee is responsible for the financial statements and have determined that the accounting policies used are consistent with the financial reporting requirements. We have conducted an independent audit of the financial statements in order to express an opinion on it to the members.

We disclaim any assumption of responsibility for any reliance on this report or on the financial statements to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards, reporting requirements under the Workplace Relations Act 1996 and other mandatory professional reporting requirements so as to present a view that is consistent with our understanding of the unions financial position and performance as represented by the results of its operations and its cash flows.


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

## Audit Opinion

In our opinion, the financial reports presents fairly in accordance with applicable accounting standards, reporting requirements under the Workplace Relations Act 1996 and other mandatory professional requirements the financial position of the CFMEU Forestry & Furnishing Products Division (Tasmanian Branch) as at 31 December 2005 and the results of its operations for the year then ended.

Name of Firm: CORE FINANCIAL SOLUTIONS

Name of Auditor: Scott Anthony Reed



23<sup>rd</sup> May 2006

Date:

Address: Suite 2  
1 Blaydon Street  
KINGS MEADOWS TAS 7249

**CFMEU FORESTRY & FURNISHING PRODUCTS DIVISION**  
**TASMANIAN BRANCH**

**OPERATING REPORT**

**FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2005**

This Operating Report covers the activities of the Union, for the financial year ended 31<sup>st</sup> December 2005, the results of those activities and any significant changes in the nature of those activities during the year.

1. Principal Activities of the Union

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

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

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

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

2. The Union's Financial Affairs

Financial Membership has declined during the financial year. Employee provisions have increased due to long service leave entitlements being reached in full.

3. Right of Members to Resign

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

4. Superannuation Trustees

Scott Andrew McLean is an officer of the Union and is a Trustee and Member of the Board of Directors of the Timber Industry Superannuation Scheme.

5. Membership

The number of financial members as at the 31<sup>st</sup> December 2005 was 755.

6. Employees of the Union

As at the 31<sup>st</sup> December 2005, the Union employed 3 full time employees and 2 part time employees with a total number of employees measured on a full-time equivalent basis of 3.8.

7. Divisional Branch Management Committee members are:

Name:	Period:
Colin J Butler	1-1-05 to 31-12-05
Scott A McLean	1-1-05 to 31-12-05
Margaret A Watson	1-1-05 to 31-12-05
Leanne J Hardy	1-1-05 to 31-12-05
Narelle A Bassett	1-1-05 to 31-12-05
Kylie M Dundas	1-1-05 to 31-12-05
Paul R Worker	1-1-05 to 31-12-05
Robert B Bowen	1-1-05 to 31-12-05
Adrian J Littlejohn	1-1-05 to 31-12-05
Joseph M Kelly	1-1-05 to 31-12-05
Lindsay R Hills	1-1-05 to 31-12-05
Shiralee A Powell	1-1-05 to 31-12-05
Ricky K Wiggins	1-1-05 to 31-12-05
Barry L Summers	1-1-05 to 31-12-05
Martin J Clifford	1-1-05 to 31-12-05

Signature:   
Scott Andrew McLean

Date: 28<sup>th</sup> February 2006



## Committee of Management Statement

On twenty eighth day of February 2006 the Committee of Management of CFMEU Forestry & Furnishing Products Division Tasmanian Branch passed the following resolution in relation to the general purpose financial report of the reporting unit for the financial year ended 31<sup>st</sup> December 2005:

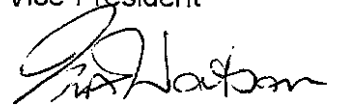
The Committee of Management declares in relation to the general purpose financial report that in its opinion:

- (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 CFMEU F&FPD Tas Branch for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the CFMEU F&FPD Tas Branch will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the general purpose financial report 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 and the rules of the committee of management; and
  - ii. the financial affairs of the Union have been managed in accordance with the rules of the organisation and the rules of the Union; and
  - iii. the financial records of the Union have been kept and maintained in accordance with Schedule 1B to the Workplace Relations Act 1996 and the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003; and
  - iv. the financial records of the Union have been kept, as far as practicable, in a consistent manner to each of the other Branches of the organisation; and
  - v. no information has been sought in any request of a member of the Union or a Registrar under section 272 of Schedule 1B to the Workplace Relations Act 1996; and
  - vi. no orders have been made by the Industrial Registrar under section 273 of Schedule 1B to the Workplace Relations Act 1996 during the period.

For Committee of Management: Margaret Ann Watson

Title of Office held: Vice-President

Signature:



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Date:

28<sup>th</sup> February 2006

**CFMEU FORESTRY & FURNISHING PRODUCTS DIVISION  
TASMANIAN BRANCH**

**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 DECEMBER 2005**

	NOTES	2005 \$	2004 \$
Revenues from ordinary activities	2	301,174	306,147
Forestry Tas. - industry communications		-	63,636
Loss on sale of fixed assets		-	2,184
Employee expenses			
- Office Holders		- 91,712	- 100,467
- Others		- 91,253	- 112,334
Affiliation Fees ALP		- 1,950	- 2,083
Conference and meeting costs		- 13,865	- 12,844
Depreciation and amortisation expenses		- 4,604	- 5,075
Other expenses from ordinary activities		- 146,967	- 121,684
<b>Profit from Ordinary activities before income tax expense</b>	3	- 49,177	13,112
Income tax expense relating to ordinary activities		-	-
<b>Profit or loss from ordinary activities after income tax expense</b>		- 49,177	13,112
Profit or loss from abnormal items after income tax expense		-	-
Profit or loss from extraordinary items after income tax expense		-	-
<b>Total changes in equity of the union</b>		- 49,177	13,112

The accompanying notes form part of these financial statements.

**CFMEU FORESTRY & FURNISHING PRODUCTS DIVISION  
TASMANIAN BRANCH**

**STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 DECEMBER 2005**

	NOTES	2005 \$	2004 \$
<b>CURRENT ASSETS</b>			
Cash	4	24,880	72,930
Receivables		5,857	4,090
<b>TOTAL CURRENT ASSETS</b>		<u>30,736</u>	<u>77,020</u>
<b>NON-CURRENT ASSETS</b>			
Loan - National Office		10,000	-
Loan - NLDA		6,657	-
Property, Plant & Equipment	5	16,653	20,309
Investments	6	117,408	116,260
<b>TOTAL NON-CURRENT ASSETS</b>		<u>150,718</u>	<u>136,569</u>
<b>TOTAL ASSETS</b>		<u>181,455</u>	<u>213,589</u>
<b>CURRENT LIABILITIES</b>			
Trade Creditors		16,880	11,209
Other	7	18,668	19,390
Provisions	8	64,174	52,081
		<u>99,722</u>	<u>82,680</u>
<b>TOTAL LIABILITIES</b>		<u>99,722</u>	<u>82,680</u>
<b>NET ASSETS</b>		<u>81,732</u>	<u>130,909</u>
<b>EQUITY</b>			
Retained Profits		<u>81,732</u>	<u>130,909</u>
<b>TOTAL EQUITY</b>		<u>81,732</u>	<u>130,909</u>

The accompanying notes form part of these financial statements.

**CFMEU FORESTRY & FURNISHING PRODUCTS DIVISION  
TASMANIAN BRANCH**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2005**

	NOTES	2005 \$	2004 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from members		247,245	258,356
Payments to suppliers and employees		- 328,705	- 336,234
Interest Received		2,108	2,747
Other		48,906	108,598
<b>Net cash provided from operating activities</b>	9	<u>- 30,446</u>	<u>33,467</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed asset purchases		- 948	- 7,751
Proceeds from sale of fixed assets		-	2,727
Loan - NLDA		- 6,657	-
Loan - National Office		- 10,000	-
<b>Net cash flow from investing activities</b>		<u>- 17,605</u>	<u>- 5,024</u>
<b>Net increase / (decrease) in cash held</b>		- 48,051	28,443
<b>Cash at the beginning of the financial year</b>		<u>72,930</u>	<u>44,487</u>
<b>Cash at the end of the financial year</b>	4	<u><u>24,880</u></u>	<u><u>72,930</u></u>

The accompanying notes form part of these financial statements.

**CFMEU FORESTRY & FURNISHING PRODUCTS DIVISION TASMANIAN DIVISIONAL  
BRANCH  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2005**

**Note 1 Statement of Significant Accounting Policies**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report of CFMEU Forestry & Furnishing Products Division Tasmanian Divisional Branch complies with all Australian equivalents to International Financial Reporting Standards (IFRS) in their entirety.

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

**Accounting Policies**

**(a) Plant & Equipment**

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

**Plant and equipment**

Plant and equipment are measured on the cost basis less depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by directors 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.

**Depreciation**

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the entity 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.

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

Class of Fixed Asset	Depreciation Rate
Plant and equipment	10 - 40%

**(b) Provisions**

Provisions are recognised when the entity 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.

**(c) 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.

**CFMEU FORESTRY & FURNISHING PRODUCTS DIVISION TASMANIAN DIVISIONAL  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2005**

**(d) Revenue**

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

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

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

**(e) 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset.

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.

**Note 2 Revenue**

	<b>2005</b>	<b>2004</b>
Operating activities		
— interest received	2,108	2,747
— Membership Contributions	247,245	258,356
Total Revenue	<u>249,354</u>	<u>261,103</u>
Non-operating activities		
— Reimbursements	5,974	2,600
— TISS Office Support	22,267	20,517
— Mining & Energy Division - Wages C Hinds	17,444	20,337
— Miscellaneous	2,238	1,044
— Partnership Distribution CFMEU & NLDA	1,148	(7)
— For Forestry Tasmania - Industry Communications	-	63,636
— Workers Compensation	2,751	-
— Other Income	-	546
— Loss on sale non-current assets	-	(2,184)
— Other revenue from non-operating	-	-
Other Income	<u>51,820</u>	<u>106,489</u>
Total Revenue	<u>301,174</u>	<u>367,592</u>

**CFMEU FORESTRY & FURNISHING PRODUCTS DIVISION TASMANIAN DIVISIONAL  
BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2005**

**Note 3 Profit from Ordinary Activities**

Profit from ordinary activities before income tax expense has been determined after :

	<b>2005</b>	<b>2004</b>
(a) Expenses		
Remuneration of the auditor	1,800	1,450
Sustentation CFMEU National Divisional Office	49,544	51,672

**Note 4 Cash Assets**

	<b>2005</b>	<b>2004</b>
Petty Cash	200	200
ISCU at call account 53786	4,534	7,536
Payroll clearing account	6,356	8,239
ISCU No 2 account 60345	2,207	8,240
ISCU Term Deposit 60345	-	36,883
ISCU Members relief fund 11570	8,100	7,655
CBA Property Account	3,482	4,178
	<u>24,880</u>	<u>72,930</u>

**Note 5 Property, Plant and Equipment**

	<b>2005</b>	<b>2004</b>
PLANT AND EQUIPMENT		
At cost	74,041	73,093
Accumulated depreciation	57,388	52,784
	<u>16,653</u>	<u>20,309</u>

	Office Equipment	Motor Vehicles	Total
Balance at the beginning of year	8,100	12,209	20,309
Additions	948	-	948
Disposals	-	-	-
Depreciation expense	(2,085)	(2,519)	(4,604)
Carrying amount at the end of year	<u>6,963</u>	<u>9,690</u>	<u>16,653</u>

**Note 6 Other Assets**

	<b>2005</b>	<b>2004</b>
Shares - ISCU	10	10
Partnership Equity CFMEU & NLDA	117,398	116,250
	<u>117,408</u>	<u>116,260</u>

**Note 7 Payables**

	<b>2005</b>	<b>2004</b>
CURRENT		
Payroll Liabilities	2,866	4,430
GST Control	2,911	2,069
Relief Funds held in trust	12,891	12,891
	<u>18,668</u>	<u>19,390</u>

**CFMEU FORESTRY & FURNISHING PRODUCTS DIVISION TASMANIAN BRANCH**  
**CONCISE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2005**

**WORKPLACE RELATIONS ACT 1996**  
**INFORMATION TO BE PROVIDED TO MEMBER OR REGISTRAR**

In accordance with the requirements of the Workplace Relations Act 1996, the attention of the members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272 of the Registration and Accountability of Organisations Schedule (Schedule 1B to the Workplace Relations Act 1996) which reads as follows:

1. A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
2. The application must be 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).

This report is a concise report and a copy of the full report and auditor's report will be sent to the member free of charge if requested by the member. The concise report has been derived from the full report, and cannot be expected to provide as full an understanding of financial performance as the full report.

**Auditors' Certificate**

We certify that the attached concise financial report is a fair and accurate reflection of the financial statements of the CFMEU Forestry & Furnishing Products Division Tasmanian Branch for the year ended 31<sup>st</sup> December 2005. Our auditors report on the accounts did not contain details of any deficiency, failure or shortcoming as referred to in the Workplace Relations Act 1996 and complies with relevant Australian Accounting Standards.

**CORE FINANCIAL SOLUTIONS**



**SCOTT REED**

Suite 2, 1 Blaydon Street  
KINGS MEADOWS

Dated :



## Committee of Management Statement

On twenty eighth day of February 2006 the Committee of Management of CFMEU Forestry & Furnishing Products Division Tasmanian Branch passed the following resolution in relation to the general purpose financial report of the reporting unit for the financial year ended 31<sup>st</sup> December 2005:

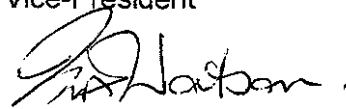
The Committee of Management declares in relation to the general purpose financial report that in its opinion:

- (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 CFMEU F&FPD Tas Branch for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the CFMEU F&FPD Tas Branch will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the general purpose financial report 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 and the rules of the committee of management; and
  - ii. the financial affairs of the Union have been managed in accordance with the rules of the organisation and the rules of the Union; and
  - iii. the financial records of the Union have been kept and maintained in accordance with Schedule 1B to the Workplace Relations Act 1996 and the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003; and
  - iv. the financial records of the Union have been kept, as far as practicable, in a consistent manner to each of the other Branches of the organisation; and
  - v. no information has been sought in any request of a member of the Union or a Registrar under section 272 of Schedule 1B to the Workplace Relations Act 1996; and
  - vi. no orders have been made by the Industrial Registrar under section 273 of Schedule 1B to the Workplace Relations Act 1996 during the period.

For Committee of Management: Margaret Ann Watson

Title of Office held: Vice-President

Signature:



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Date:

28<sup>th</sup> February 2006

**CFMEU FORESTRY & FURNISHING PRODUCTS DIVISION**  
**TASMANIAN BRANCH**

**OPERATING REPORT**

**FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2005**

This Operating Report covers the activities of the Union, for the financial year ended 31<sup>st</sup> December 2005, the results of those activities and any significant changes in the nature of those activities during the year.

1. Principal Activities of the Union

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

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

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

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

2. The Union's Financial Affairs

Financial Membership has declined during the financial year. Employee provisions have increased due to long service leave entitlements being reached in full.

3. Right of Members to Resign

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

4. Superannuation Trustees

Scott Andrew McLean is an officer of the Union and is a Trustee and Member of the Board of Directors of the Timber Industry Superannuation Scheme.

5. Membership

The number of financial members as at the 31<sup>st</sup> December 2005 was 755.

6. Employees of the Union

As at the 31<sup>st</sup> December 2005, the Union employed 3 full time employees and 2 part time employees with a total number of employees measured on a full-time equivalent basis of 3.8.

7. Divisional Branch Management Committee members are:

Name:	Period:
Colin J Butler	1-1-05 to 31-12-05
Scott A McLean	1-1-05 to 31-12-05
Margaret A Watson	1-1-05 to 31-12-05
Leanne J Hardy	1-1-05 to 31-12-05
Narelle A Bassett	1-1-05 to 31-12-05
Kylie M Dundas	1-1-05 to 31-12-05
Paul R Worker	1-1-05 to 31-12-05
Robert B Bowen	1-1-05 to 31-12-05
Adrian J Littlejohn	1-1-05 to 31-12-05
Joseph M Kelly	1-1-05 to 31-12-05
Lindsay R Hills	1-1-05 to 31-12-05
Shiralee A Powell	1-1-05 to 31-12-05
Ricky K Wiggins	1-1-05 to 31-12-05
Barry L Summers	1-1-05 to 31-12-05
Martin J Clifford	1-1-05 to 31-12-05

Signature:   
Scott Andrew McLean

Date: 28<sup>th</sup> February 2006

**CFMEU FORESTRY & FURNISHING PRODUCTS DIVISION  
TASMANIAN BRANCH**

**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 DECEMBER 2005**

	NOTES	2005 \$	2004 \$
Revenues from ordinary activities		301,174	306,147
Forestry Tas. - industry communications		-	63,636
Loss on sale of fixed assets		-	2,184
Employee expenses			
- Office Holders	-	91,712	100,467
- Others	-	91,253	112,334
Affiliation Fees ALP	-	1,950	2,083
Conference and meeting costs	-	13,865	12,844
Depreciation Expense	-	4,604	5,075
Other expenses from ordinary activities		<u>- 146,967</u>	<u>- 121,684</u>
<b>Profit from Ordinary activities before income tax expense</b>		- 49,177	13,112
Income tax expense relating to ordinary activities		<u>-</u>	<u>-</u>
<b>Profit or loss from ordinary activities after income tax expense</b>		- 49,177	13,112
Profit or loss from abnormal items after income tax expense		-	-
Profit or loss from extraordinary items after income tax expense		-	-
<b>Total changes in equity of the union</b>		<u><u>- 49,177</u></u>	<u><u>13,112</u></u>

**CFMEU FORESTRY & FURNISHING PRODUCTS DIVISION  
TASMANIAN BRANCH**

**STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 DECEMBER 2005**

	NOTES	2005 \$	2004 \$
<b>CURRENT ASSETS</b>			
Cash		24,880	72,930
Receivables		5,857	4,090
<b>TOTAL CURRENT ASSETS</b>		<u>30,736</u>	<u>77,020</u>
<b>NON-CURRENT ASSETS</b>			
Loan - National Office		10,000	-
Loan - NLDA		6,657	-
Property, Plant & Equipment		16,653	20,309
Investments		117,408	116,260
<b>TOTAL NON-CURRENT ASSETS</b>		<u>150,718</u>	<u>136,569</u>
<b>TOTAL ASSETS</b>		<u>181,455</u>	<u>213,589</u>
<b>CURRENT LIABILITIES</b>			
Trade Creditors		16,880	11,209
Other		18,668	19,390
Provisions		64,174	52,081
		<u>99,722</u>	<u>82,680</u>
<b>TOTAL LIABILITIES</b>		<u>99,722</u>	<u>82,680</u>
<b>NET ASSETS</b>		<u>81,732</u>	<u>130,909</u>
<b>EQUITY</b>			
Retained Profits		<u>81,732</u>	<u>130,909</u>
<b>TOTAL EQUITY</b>		<u>81,732</u>	<u>130,909</u>

**CFMEU FORESTRY & FURNISHING PRODUCTS DIVISION  
TASMANIAN BRANCH**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2005**

	2005	2004
	\$	\$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Receipts from members	247,245	258,356
Payments to suppliers and employees	- 328,705	- 336,234
Interest Received	2,108	2,747
Other	48,906	108,598
<b>Net cash provided from operating activities</b>	<b>- 30,446</b>	<b>33,467</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed asset purchases	- 948	- 7,751
Proceeds from sale of fixed assets	-	2,727
Loan - NLDA	- 6,657	-
Loan - National Office	- 10,000	-
<b>Net cash flow from investing activities</b>	<b>- 17,605</b>	<b>- 5,024</b>
<b>Net increase / (decrease) in cash held</b>	<b>- 48,051</b>	<b>28,443</b>
<b>Cash at the beginning of the financial year</b>	<b>72,930</b>	<b>44,487</b>
<b>Cash at the end of the financial year</b>	<b>24,880</b>	<b>72,930</b>



**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 Scott McLean  
State Secretary, Tasmanian Branch, FFPD Division  
Construction, Forestry, Mining and Energy Union  
PO Box 1562  
LAUNCESTON TAS 7250

Dear Mr McLean

**Re: Lodgement of Financial Statements and Accounts – FFPD Division, Tasmanian Branch – for year ending 31 December 2005 (FR2005/590)**

I refer to the abovementioned financial statements and accounts which were lodged in the Registry on 20 July 2006.

On the basis that the legislative requirements have been substantially met, the documents have been filed. However I need for the record to draw your attention to the following points arising from the documents.

Firstly I note that the meeting at which the full report was presented on the 13<sup>th</sup> July 2006 was a Committee of Management meeting. The Registry's view has been that given the current FFPD rules, full reports have to be presented to a general members' meeting.

However I am aware that recent rule alterations to the Division's rule 40, currently before a Registrar, would in future allow the branches of the FFPD Division, in accordance with s266(3), to present the full report to a second committee meeting rather than to a general members' meeting,. I am also mindful that it may have been the expectation of the Branch at the time that it could comply with the RAO Schedule on the basis of the said rule alterations having been passed by the Division and lodged for certification.

Under the circumstances I would simply note for the record that for this year at least the Branch should have presented the full report to a general members' meeting.

Secondly, subsection 265(2) only permits concise reports to be provided to members if the relevant management committee or council resolves under the rules to do so. This is a formality but I could not identify any other statement or document from which it might be clearly inferred that this was the case. I suggest therefore that in future returns the concise report should include somewhere an explicit statement confirming that the Committee of Management resolved to provide a concise report. This would enable the Registry to be satisfied on the face of the concise report that the Branch had complied in this respect.

Thirdly, the concise report lodged did not include the "*discussion and analysis of the principal factors affecting the financial performance, financial position and financial and investing activities of the reporting unit to assist the understanding of members*" required by RAO regulation 161(1)(c). There is no prescribed format or length for such an item but I would suggest that in future returns the concise report should include somewhere some explicit reference to this and some explanatory notes that would fulfil this requirement.

There is no further action to be taken in respect of this return but if you wish to discuss any aspect I have raised, please feel welcome to contact me on 0429 462 979 Mondays to Wednesdays.

Yours sincerely,

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right from the end of the name.

Stephen Kellett  
Statutory Services Branch

15 August 2006