



18 June 2014

Mr Christopher Hinds
State Executive Officer
Construction, Forestry, Mining and Energy Union ("CFMEU")
Mining and Energy Division
Tasmanian District Branch

By email: chris.hinds6@bigpond.com

Dear Mr Hinds

Financial report of the CFMEU, Mining and Energy Division - Tasmanian District Branch for the year ended 31 December 2013 (FR2013/433)

I acknowledge receipt of the financial report of the CFMEU, Mining and Energy Division - Tasmanian District Branch ("the reporting unit"). The documents were lodged with the Fair Work Commission on 29 May 2014.

I further acknowledge receipt of your email of 16 and 18 June 2014 and the attached secretary's certificate dated 29 May 2014. The emails confirmed that the members of the reporting unit received a copy of the full report which was inclusive of the auditor's report dated 7 May 2014.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* ("RO Act") have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 31 December 2014 may be subject to an advanced compliance review.

I make the following comment to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged. The Fair Work Commission will confirm these concerns have been addressed prior to filing next year's report.

Operating Report - Trustee of superannuation entity - 'officer or member'

Subsection 254(2)(d) of the RO Act and Item 36 of the RG requires details of any officer or *member* of the reporting unit who is a trustee, or a director of a company that is a trustee, of a superannuation entity or an exempt public sector superannuation scheme. The lodged Operating Report included a statement regarding the 'officers and employees' of the reporting unit but it did not consider the reporting unit 'members' as per the RO Act.

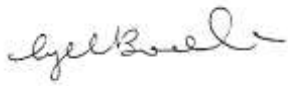
If no officers or members of the reporting unit are trustees of a superannuation entity, the preferred wording to satisfy the subsection 254(2)(d) is:

'No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation'.

Please ensure future Operating Reports comply accordingly.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7915 (Wednesdays to Fridays) or by email at cynthia.lobooth@fwc.gov.au

Yours sincerely



Cynthia Lo-Booth
Senior Adviser
Regulatory Compliance Branch

LO-BOOTH, Cynthia

From: LO-BOOTH, Cynthia
Sent: Wednesday, 18 June 2014 12:37 PM
To: 'Chris Hinds'
Subject: RE: CFMEU-M&E Div- Tas Branch Financial Report 2013

Thank you for your email that confirmed that you have since sent another electronic copy to the reporting unit members.

In future, it would probably assist the reporting unit in fulfilling their financial reporting obligations by uploading the full report on the National website. However, the members will need to be notified that it has been uploaded and the full report should be easily accessible on the website i.e. link on the front page of the relevant Division and Branch.

I will send a letter shortly confirming that the financial report has been filed and concluded.
Thank you for your prompt responses.

Regards

CYNTHIA LO-BOOTH
Senior Adviser
Regulatory Compliance Branch

Fair Work Commission
Tel: 03 8661 7915
Fax: 03 9655 0410
cynthia.lobooth@fwc.gov.au

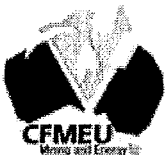
From: Chris Hinds [mailto:chris.hinds6@bigpond.com]
Sent: Wednesday, 18 June 2014 12:23 PM
To: LO-BOOTH, Cynthia
Subject: RE: CFMEU-M&E Div- Tas Branch Financial Report 2013

Dear Cynthia,

An Electronic version was sent to members of the reporting unit on the 2nd May 2014, when the report was resolved at the BOM. I have since sent, on your request another electronic copy to the reporting unit members. The Lodge Officials (BOM) distributes it to the members of their Lodge. I have attended meeting to ratify the GPFR where members had a full copy or copies were available to them.

We do not have a District web site; however we are looking at placing it on our National web site next year.

Regards



Chris Hinds
State Executive Officer
Tasmanian District
PO Box 72
George Town TAS 7253
Ph/Fax: 03 6382 4011 Mob: 0418 302 704

From: LO-BOOTH, Cynthia [<mailto:Cynthia.Lobooth@fwc.gov.au>]
Sent: Wednesday, 18 June 2014 10:58 AM
To: Chris Hinds
Subject: RE: CFMEU-M&E Div- Tas Branch Financial Report 2013

Dear Mr Hinds

Thank you for your prompt reply to my request.

In relation to point one of your email, there appears to be a misunderstanding in relation to the provision of the full report to members of the reporting unit (CFMEU M&E Division, Tas Branch).

Subsection 265(1) of the RO Act requires that the full report must be provided to members free of charge. Subsection 265(4) provides that if a member requests a copy of the full report and the auditor's report as mentioned in s.265(3)(e), the reporting unit must send the reports to the member requesting for them. However ss.265(3) and (4) relate to reporting units that prepare concise reports. It does not appear that your reporting unit has prepared a concise report, therefore s.265(1) applies and a full report must automatically be provided to members free of charge.

Accordingly, I request that a copy of the full report be provided to the members of the reporting unit. This is usually do this via email with the full report attached or send an email to your members and upload the full report on the CFMEU, M&E, Tasmanian Branch's website. Please advise me via email when this is done so I can conclude this matter. Thank you.

If you have any questions please do not hesitate to contact me via email or by telephone (Wednesdays to Fridays).

Yours sincerely

CYNTHIA LO-BOOTH
Senior Adviser
Regulatory Compliance Branch

Fair Work Commission
Tel: 03 8661 7915
Fax: 03 9655 0410
cynthia.lobooth@fwc.gov.au

From: Chris Hinds [<mailto:chris.hinds6@bigpond.com>]
Sent: Monday, 16 June 2014 6:57 AM
To: LO-BOOTH, Cynthia
Subject: CFMEU-M&E Div- Tas Branch Financial Report 2013

Dear Cynthia,

I refer to the telephone conversation we had on the 11 June 2014.

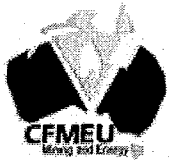
- 1) The Auditors report was signed of on the 7th May 2014, after checking my records I have since ascertained that the complete report was then emailed to BOM which are the Lodge Presidents on the 7th May 2014. You are correct in stating that a full report was not received until the 7th May 2014, however no meetings were held until the 28th and the 29th May 2014. I did a road show on this matter and other District issues that arose from the BOM. I had sent a letter to FWC stating that there may be delays in lodging our GPFR due to the auditor requesting more time; this however was not needed as we were within the time provisions.

There were no requests from members for a copy of the full report; I will however make sure that this situation does not occur again.

- 2) The designated Officers certificate was signed and misdated on completion of the last Lodge meeting. This has since been rectified.

I do apologise for the problems that I have created.

Regards



Chris Hinds
State Executive Officer
Tasmanian District
PO Box 72
George Town TAS 7253
Ph/Fax: 03 6382 4011 Mob: 0418 302 704

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**CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
Mining & ENERGY DIVISION TASMANIAN DISTRICT BRANCH**

**FINANCIAL REPORTS FOR THE YEAR ENDED 31 DECEMBER 2013
(FR2013/433)**

CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER

I Christopher Gregory Hinds being the State Executive Officer of the Construction, Forestry, Mining & Energy Union of Mining & Energy Division, Tasmanian District Branch certify:

- That the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisation Schedule) Act 2009; and
- That the full report was provided to members on 7th May 2014; and
- That in accordance with s266 of the Fair Work (Registered Organisations) Act 2009 following presentation to a second meeting of the committee of management of the reporting unit on 2nd May 2014 the full report was further presented to a series of Lodge members' meetings which endorsed the report in accordance with the rules, held from 28th May 2014 to 29th May 2014.

Signed: Christopher G. Hinds



Date: 29th May 2014

**CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
Mining & ENERGY DIVISION TASMANIAN DISTRICT BRANCH**

**FINANCIAL REPORTS FOR THE YEAR ENDED 31 DECEMBER 2013
(FR2013/433)**

CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER

I Christopher Gregory Hinds being the State Executive Officer of the Construction, Forestry, Mining & Energy Union of Mining & Energy Division, Tasmanian District Branch certify:

- That the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisation Schedule) Act 2009; and
- That the full report was provided to members on 3rd May 2014; and
- That in accordance with s266 of the Fair Work (Registered Organisations) Act 2009 following presentation to a second meeting of the committee of management of the reporting unit on 2nd May 2014 the full report was further presented to a series of Lodge members' meetings which endorsed the report in accordance with the rules, held from 22nd May 2014 to 29th May 2014.

Signed: Christopher G. Hinds



Date: 3rd June 2014

**CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
MINING & ENERGY DIVISION TASMANIAN DISTRICT BRANCH**

**FINANCIAL REPORTS FOR THE YEAR ENDED 31 DECEMBER 2013
(FR2013/433)**

Resolution BOM Tasmanian District Branch Financial Report

A copy of the full report will be provided on request to members in accordance with s265 (5) (a) and s266 (1) & (2) of the Fair Work (Registered Organisations) Act 2009

Moved & Seconded

Signed: Christopher G. Hinds

A handwritten signature in black ink, appearing to read 'CHH', is positioned below the text 'Signed: Christopher G. Hinds'.

Date: 2nd May 2014

**CFMEU-MINING & ENERGY UNION
TASMANIA DISTRICT BRANCH**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

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**Construction, Forestry, Mining & Energy Union- Mining & Energy Division
Tasmania District Branch**

OPERATING REPORT

For the period ended 31st December 2013

The committee presents its report on the reporting unit for the financial year ended 31st December 2013.

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

- Representing individual members in grievance disputes with employers. The level of activity in this area was consistent with the previous year's activity.
- Representing groups of members at various workplaces regarding disputes with employers.
- Negotiating Collective Bargaining Agreements resulting in increased wages and conditions for members covered by those Agreements. Agreements were renegotiated as they expired and new agreements were entered into. The number of members covered by Collective Bargaining Agreements was at approximately the same level as the previous year.
- Providing certain classes of members with professional indemnity and legal benefits insurance. The number of claims made against these policies was consistent with the previous year.
- Providing Union Delegates and Worksite Committee members with training and education to enable them to better represent members in the workplace. There was an increase in the amount of training provided to delegates and the number of delegates accessing that training during the year.

Significant changes in financial affairs

The net assets of the Branch decreased by \$20,782 during the financial year.

INCOME

Revenue was down \$20,241 on the previous financial year.

Membership subscriptions decreased by \$4,990 compared to the previous financial year due primarily to a decrease in membership numbers during the financial year.

Grants from CFMEU National Office decreased by \$14,203 compared to last year.

EXPENSES

Employee expenses were down by \$20,118 due to a large annual leave and long service provision expense in the 2012 year, which was counteracted in 2013 with a wage increase in line with a Board of Members resolution.

Capitation fees were down \$363 on the previous year due to a membership decrease.

Administration expenses varied both up and down during the financial year resulting in an overall decrease in administrative operating expenses of \$1,223. A summary of the main movement in areas of administrative operating expenditure are:

- Meeting and conference expense, including allowances, decreased by \$1,992, due to less allowances being claimed this year, compared to the previous year.
- Information communications technology expense increased by \$814, due to an increase in phone bill costs, in relation to the CEO working overseas for a part of the year.
- Office expenses decreased by \$45 due to a lesser demand for postage this year.

Right of members to resign

Section 174 of Fair Work (Registered Organisations) Act 2009 states that a member of the Union may resign from membership by written notice addressed and delivered to the State Secretary giving two weeks' notice.

Officers & employees who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee

No Officers or employees were superannuation fund trustee(s) or directors of a company that is a superannuation fund trustee during the financial year.

Number of members

The number of persons that were members of the union at 31 December 2013 was 165.

Number of employees

As at 31 December 2013 the number of full-time equivalent persons, excluding casuals, who were employees of the Union, was 1.

Names of Committee of Management members and period positions held during the financial year

The following persons were members of the Committee of Management of the reporting unit during the 2013 Financial Year.

Christopher Hinds	State Executive Office	1 Jan 2012 to 31 st Dec 2013
David Bean	Vice President	1 Jan 2012 to 31 st Dec 2013
Timothy Sutcliffe	Board Member	1 Jan 2012 to 31 st Dec 2013
Shane Spotswood	Board Member	1 Jan 2012 to 31 st Dec 2013
Gregory Dawson	Board Member	1 Jan 2012 to 31 st Dec 2013

Officers & employees who are directors of a company or a member of a board

No Officers or employees of the Construction, Forestry, Mining & Energy Union- Mining & Energy Division (Tasmania District Branch) are a director of a company or a member of a board

Name of prescribed designated officer:

Christopher Hinds

Title of prescribed designated officer:

State Executive Officer

Signature:



Dated:

2nd May 2014

Construction, Forestry, Mining & Energy Union, Mining & Energy Division

Tasmanian District Branch

COMMITTEE OF MANAGEMENT STATEMENT

for the period ended 31st December 2013

On the 2nd May 2014 the Construction, Forestry, Mining & Energy Union, Mining & Energy Division Tasmanian District Branch passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 31st December 2013.

Construction, Forestry, Mining & Energy Union, Mining & Energy Division Tasmanian District Branch declares 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 General Manager;
- (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; and
- (e) during the financial year to which the GPRF 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 RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) in relation to recovery of wages activity:
 - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager; and

- (ii) the committee of management instructed the auditor to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity; and
- (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
- (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
- (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

This declaration is made in accordance with a resolution of the Committee of Management.

Signature of designated officer:



Name and title of designated officer: Christopher Hinds

Dated:

2ND MAY 2014

**CFMEU- MINING & ENERGY UNION
TASMANIA DISTRICT BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013**

	NOTES	2013 \$	2012 \$
Revenue			
Membership Subscription			
Capitation fees	3a	123,825	128,815
Levies	3b	-	-
Interest	3c	3,070	4,118
Rental revenue	3d	-	-
Grants or donations	3e	51,099	65,302
Other revenue	3g	-	-
Total Revenue		<u>177,994</u>	<u>198,235</u>
Other Income			
Net gains/(losses) from sale of assets	3f	(4,263)	10,131
Total Other Income		<u>(4,263)</u>	<u>10,131</u>
Total Income		<u>173,731</u>	<u>208,365</u>
Expenses			
Employee expenses	4a	97,257	117,375
Capitation fees	4b	51,945	52,308
Affiliation fees	4c	-	-
Administration expenses	4d	30,635	31,858
Grants or donations	4e	2,000	-
Depreciation and amortisation	4f	10,279	8,532
Finance costs	4g	-	-
Legal costs	4h	-	-
Audit fees	13	1,760	1,705
Other expenses		5,021	9,029
Total Expenses		<u>198,897</u>	<u>220,807</u>
Profit (loss) for the year		<u>(25,166)</u>	<u>(12,442)</u>
Other Comprehensive Income			
Items that will not be subsequently reclassified to profit or loss		-	-
Gain on revaluation of land & buildings		-	-
Total comprehensive income for the year		<u>(25,166)</u>	<u>(12,442)</u>

This report should be read in conjunction with the notes

CFMEU- MINING & ENERGY UNION
TASMANIA DISTRICT BRANCH

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

	NOTES	2013 \$	2012 \$
ASSETS			
Current assets			
Cash and cash equivalents	5a	138,646	144,887
Trade and other receivables	5b	-	-
Other current assets	5c	10	10
Total current assets		<u>138,656</u>	<u>144,897</u>
Non-current assets			
Land and buildings	6a	-	-
Plant and equipment	6b	615	990
Furniture and fittings	6c	-	-
Motor vehicles	6d	26,511	40,677
Intangibles	6e	-	-
Total non- financial assets		<u>27,126</u>	<u>41,667</u>
Total assets		<u>165,782</u>	<u>186,564</u>
LIABILITIES			
Current liabilities			
Trade payables	7a	-	-
Other payables	7b	7,924	-
Employee provisions	8a	39,072	39,706
Total current liabilities		<u>46,996</u>	<u>39,706</u>
Non-current liabilities			
Employee provisions	8a	7,480	5,719
Other non-current liabilities	9a	-	-
Total non-current liabilities		<u>7,480</u>	<u>5,719</u>
Total liabilities		<u>54,476</u>	<u>45,425</u>
Net assets		<u>111,305</u>	<u>141,139</u>
EQUITY			
Asset revaluation reserve	10a	-	-
Retained earnings/(accumulated deficit)	10a	111,305	141,139
Total equity		<u>111,305</u>	<u>141,139</u>

This report should be read in conjunction with the notes

**CFMEU- MINING & ENERGY UNION
TASMANIA DISCTRICT BRANCH**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013**

	NOTES	Retained Earnings \$	Asset Revaluation Reserve	Total Equity \$
Balance as at 1 January 2012		153,582	-	153,582
Adjustment for errors		-	-	-
Adjustment for changes in accounting policies		-	-	-
Profit for the year		(12,443)	-	(12,443)
Other comprehensive income for the year		-	-	-
Transfers to/from		-	-	-
Transfers from retained earnings		-	-	-
Closing balance as at 31 December 2012		141,139	-	141,139
Adjustment for errors		(4,668)	-	(4,668)
Adjustment for changes in accounting policies		-	-	-
Profit for the year		(25,166)	-	(25,166)
Other comprehensive income for the year		-	-	-
Transfers to/from		-	-	-
Transfers from retained earnings		-	-	-
Closing balance as at 31 December 2013	10a	111,305	-	111,305

This report should be read in conjunction with the notes

**CFMEU- MINING & ENERGY UNION
TASMANIA DISTRICT BRANCH**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2013**

	NOTES	2013 \$	2012 \$
OPERATING ACTIVITIES			
Cash received			
Membership Subscriptions		123,826	128,815
Receipts from other reporting units/controlled entity(s)	11b	50,000	65,302
Interest received		3,070	4,118
Other		1,099	-
Cash used			
Employees		(96,131)	(71,950)
Suppliers		(36,158)	(42,593)
Payments to other reporting units/controlled entity(s)	14	(51,945)	(52,308)
Net cash from (used by) operating activities	11a	(6,239)	31,384
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant & equipment		-	23,000
Proceeds from sale of land & buildings		-	-
Other		-	-
Cash used			
Purchase of plant & equipment		-	(40,513)
Purchase of land & buildings		-	-
Other		-	-
Net cash from (used by) investing activities		-	(17,513)
FINANCING ACTIVITIES			
Cash received			
Contributed entity		-	-
Other		-	-
Cash used			
Repayment of borrowings		-	-
Other		-	-
Net cash from (used by) investing activities		-	-
Net increase / (decrease) in cash held		(6,239)	13,871
Cash and cash equivalents at the beginning of the reporting period		144,887	131,016
Cash and cash equivalents at the end of the reporting period	5a	138,646	144,887

This report should be read in conjunction with the notes

**CFMEU- MINING & ENERGY UNION
TASMANIA DISTRICT BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31st DECEMBER 2013**

1. Accounting Policies

1.1 Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the CFMEU- Mining & Energy Union (Tasmanian District Branch) is a not-for-profit entity

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities at measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

1.2 Comparative amounts

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

1.3 Significant Accounting Judgements and Estimates

There are no accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date stated in the standard.

The accounting policies adopted are consistent with those of the previous financial year.

Future Australian Accounting Standards Requirements

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on CFMEU- Mining & Energy Union (Tasmanian District Branch) are nil.

1.5 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates. Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised on an accrual basis using the effective interest method.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

1.6 Gains

Sale of assets

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

1.7 Capitation fees and levies

Capitation fees and levies are to be recognised on an accrual basis and record as a revenue and/or expense in the year to which it relates.

**CFMEU- MINING & ENERGY UNION
TASMANIA DISTRICT BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31st DECEMBER 2013**

1.8 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably. Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits due within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. Reporting Unit recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

1.9 Borrowing costs

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.10 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

1.11 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.12 Land, Buildings, Plant and Equipment

Asset Recognition Threshold

Purchases of land, buildings, plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Revaluations—Land and Buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2013	2012
Plant and equipment	0 to 5 years	0 to 5 years

Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised

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1.13 Taxation

CFMEU- Mining & Energy Union (Tasmanian District Branch) is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing or financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flow.

1.14 Comparative Figures

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

Where the company has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

The 2012 financial statements have been restated to reflect the addition of employee annual leave and long service leave provisions. This entity was required to restate its operational profit to ensure compliance with AASB 137 - *Provisions, Contingent Liabilities and Contingent Assets*. The employee expenses were originally disclosed in 2012 as \$71,950 but restated to \$117,375. The operating profit was originally disclosed in 2012 as \$33,008 but restated to a loss of \$12,443. The carrying value of the provisions was originally disclosed in 2012 as \$nil but later restated with an annual leave provision of \$39,706 and a long service leave provision of \$5,719.

1.15 Going Concern

The ability of the entity to continue as a going concern is largely dependent upon the continued financial support of funding from CFMEU Mining & Energy Division National Office. The CFMEU Mining & Energy Division National Office is committed to providing continued financial support for the period ending December 2014.

2. Events after the reporting period

There were no events that occurred after 31st December 2013, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of CFMEU- Mining & Energy Union (Tasmanian District Branch).

	2013	2012
	\$	\$
3. Revenue		
a) Capitation Fees		
Total capitation fees	<u>123,825</u>	<u>128,815</u>
	<u>123,825</u>	<u>128,815</u>
b) Levies		
Total levies	<u>-</u>	<u>-</u>
c) Interest		
Deposits	<u>3,070</u>	<u>4,118</u>
Total interest	<u>3,070</u>	<u>4,118</u>
d) Rental Revenue		
Properties	<u>-</u>	<u>-</u>
Total rent	<u>-</u>	<u>-</u>

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e) Grants or donations		
Grants - CFMEU National Office (Divisional Funding)	50,000	65,302
Grants - CFMEU National Office (District Development)	1,099	-
Donations	-	-
Total Grants or donations	<u>51,099</u>	<u>65,302</u>
f) Net gain on sale from assets		
Land and buildings	-	-
Intangibles	-	-
Motor vehicles	-	-
Plant and equipment	(4,263)	10,131
	<u>(4,263)</u>	<u>10,131</u>
g) Other revenue		
Other	-	-
Total Revenue	<u>-</u>	<u>-</u>
4. Expenses		
a) Employee Expenses		
Holders of Office		
Wages and salaries	87,152	66,810
Superannuation	8,979	5,140
Leave and other entitlements	1,126	45,425
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	<u>97,257</u>	<u>117,375</u>
Employees other than office holders		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses employees other than holders of office	<u>-</u>	<u>-</u>
Total employee expense	<u>97,257</u>	<u>117,375</u>
b) Capitation Fees		
CFMEU- National Office	51,945	52,308
Total capitation fees	<u>51,945</u>	<u>52,308</u>
c) Affiliation fees		
Total affiliation fees	<u>-</u>	<u>-</u>
d) Administration expenses		
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	15,840	26,559
Conference and meeting expenses	8,727	-
Contractors/consultants	-	-
Property expenses	-	-
Office expenses	795	840
Information communications technology	5,273	4,459
Other	-	-
Subtotal administration expenses	<u>30,635</u>	<u>31,858</u>

**CFMEU- MINING & ENERGY UNION
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FOR THE YEAR ENDING 31st DECEMBER 2013**

e) Grants or donations		
Grants	-	-
Donations - Red Cross Fire Appeal	2,000	-
Donations	-	-
Total grants or donations	<u>2,000</u>	<u>-</u>
f) Depreciation and amortisation		
Depreciation:		
Land & buildings	-	-
Property, plant and equipment	375	614
Office Furniture	-	-
Motor Vehicles	9,904	7,918
Total depreciation	<u>10,279</u>	<u>8,532</u>
Amortisation:		
Information Systems	-	-
Total amortisation	<u>-</u>	<u>-</u>
Total depreciation and amortisation	<u>10,279</u>	<u>8,532</u>
g) Finance Costs		
Overdrafts/loans	-	-
Total finance costs	<u>-</u>	<u>-</u>
h) Legal costs		
Other legal matters	-	-
Total legal costs	<u>-</u>	<u>-</u>
i) Write- down & impairment of assets		
Asset write- downs and impairments of:		
Land and buildings	-	-
Plant and equipment	-	-
Intangible assets	-	-
Other	-	-
Total write down and impairment of assets	<u>-</u>	<u>-</u>
j) Other expenses		
	-	-
	<u>-</u>	<u>-</u>
5. Current Assets		
a) Cash and cash equivalents		
Cash at bank	138,646	144,887
Cash on hand	-	-
Deposits at call	-	-
Other	-	-
Total Cash and cash equivalents	<u>138,646</u>	<u>144,887</u>
b) Trade and other receivables		
Receivables from other reporting unit(s)	-	-
	<u>-</u>	<u>-</u>
Total receivables from other reporting unit(s)	<u>-</u>	<u>-</u>
less provision for doubtful debts		
Total provision for doubtful debts	-	-
Net receivable from other reporting units	<u>-</u>	<u>-</u>
Other receivables:		
GST receivable from the Australian Taxation Office	-	-
Other trade receivables	-	-
Total other receivables	<u>-</u>	<u>-</u>
Total trade and other receivables (net)	<u>-</u>	<u>-</u>

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c) Other Current Assets		
Shares in unlisted companies- Maritime Workers Credit Union	10	10
Total other current assets	<u>10</u>	<u>10</u>
6. Non - current Assets		
a) Land and Buildings		
Land and buildings:		
Fair value	-	-
Accumulated depreciation	-	-
Total land and buildings	<u>-</u>	<u>-</u>
Reconciliation of the Opening and Closing Balances of Land and Buildings		
Balance at beginning of year	-	-
Additions	-	-
Disposals	-	-
Depreciation expense	-	-
Profit/(Loss) on disposal	-	-
Balance at end of year	<u>-</u>	<u>-</u>
b) Plant and equipment		
Plant and equipment:		
at cost	9,295	9,295
accumulated depreciation	(8,680)	(8,305)
Total plant and equipment	<u>615</u>	<u>990</u>
Reconciliation of the Opening and Closing Balances of Plant and equipment		
Balance at beginning of year	990	1,607
Additions	-	-
Disposals	-	-
Depreciation expense	(375)	(617)
Profit/(Loss) on disposal	-	-
Balance at end of year	<u>615</u>	<u>990</u>
c) Furniture & Fittings		
Furniture & Fittings		
at cost	-	-
accumulated depreciation	-	-
Total furniture & fittings	<u>-</u>	<u>-</u>
Reconciliation of the Opening and Closing Balances of Furniture & Fittings		
Balance at beginning of year	-	-
Additions	-	-
Disposals	-	-
Depreciation expense	-	-
Profit/(Loss) on disposal	-	-
Balance at end of year	<u>-</u>	<u>-</u>
d) Motor vehicles		
Motor Vehicles		
at cost	40,514	70,396
accumulated depreciation	(14,003)	(29,719)
Total motor vehicles	<u>26,511</u>	<u>40,677</u>
Reconciliation of the Opening and Closing Balances of Motor vehicles		
Balance at beginning of year	40,677	20,949
Additions	-	40,515
Disposals	-	(23,000)
Depreciation expense	(9,904)	(7,918)
Profit/(Loss) on disposal	(4,263)	10,131
Balance at end of year	<u>26,511</u>	<u>40,677</u>

CFMEU- MINING & ENERGY UNION
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e) Intangibles		
Computer software at cost:		
Internally developed	-	-
Purchased	-	-
Accumulated amortisation	-	-
Total intangibles	<u>-</u>	<u>-</u>
Reconciliation of the Opening and Closing Balances of Intangibles		
Balance 1 December 2013		
Additions	-	-
Disposals	-	-
Depreciation expense	-	-
Profit/(Loss) on disposal	-	-
Balance 31 December 2013	<u>-</u>	<u>-</u>
7. Current liabilities		
a) Trade payables		
Trade creditors and accruals		
Operating lease rentals	-	-
Subtotal trade creditors	<u>-</u>	<u>-</u>
Payables to other reporting unit(s)		
Other	-	-
Subtotal payables to other reporting unit(s)	<u>-</u>	<u>-</u>
Total trade payables	<u>-</u>	<u>-</u>
b) Other payables		
Wages and Salaries	-	-
Consideration to employers for payroll deductions	7,924	-
Legal costs	-	-
GST payable	-	-
Other	-	-
Total other payables	<u>7,924</u>	<u>-</u>
Total other payables are expected to be settled in:		
No more than 12 months	7,924	-
More than 12 months	-	-
Total other payables	<u>7,924</u>	<u>-</u>
8. Provisions		
a) Employee provisions		
<i>Office Holders</i>		
Annual leave	39,072	39,706
Long service leave	7,480	5,719
Seperation and redundancies	-	-
Other	-	-
Subtotal employee provision - office holders	<u>46,552</u>	<u>45,425</u>
<i>Employees other than Office Holders</i>		
Annual leave	-	-
Long service leave	-	-
Seperation and redundancies	-	-
Subtotal employee provision - employees	<u>-</u>	<u>-</u>
Total employee provisions	<u>46,552</u>	<u>45,425</u>
Current	39,072	39,706
Non Current	7,480	5,719
Total employee provisions	<u>46,552</u>	<u>45,425</u>

CFMEU- MINING & ENERGY UNION
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9. Non Current Liabilities

a) Other non current liabilities		
Other	-	-
Total other non current liabilities	<u>-</u>	<u>-</u>

10. Equity

a) General Funds		
<i>Retained Earnings</i>		
Balance as at start of year	141,139	153,582
Accumulated profit/(losses)	(25,166)	(12,443)
Adjustments to prior period errors	(4,668)	-
Transferred (to)/from reserves	-	-
	<u>111,305</u>	<u>141,139</u>
<i>Asset Revaluation Reserve</i>		
Balance as at start of year		
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at year end	<u>-</u>	<u>-</u>
Total Reserves	<u>111,305</u>	<u>141,139</u>

11. Cash Flow

a) Cash Flow Reconciliation

Reconciliation of cash and cash equivalents as per balance sheet to cash flow statement

Cash and cash equivalents as per:		
Cash flow statement	138,646	144,887
Balance sheet	<u>138,646</u>	<u>144,887</u>
Difference	<u>-</u>	<u>-</u>

Reconciliation of profit/(deficit) to net cash from operating activities:

profit/(deficit) for the year	(25,165)	32,983
Adjustments for non cash items		
Depreciation/amortisation	10,279	8,532
Net write down of non financial assets	-	-
Gain (loss) on disposal of assets	(4,263)	(10,131)
Changes in assets/liabilities		
(increase)/decrease in net receivables	-	-
(increase)/decrease in prepayments	-	-
(increase)/decrease in net supplier payables	21,961	-
(increase)/decrease in other payables	(7,924)	-
(increase)/decrease in employee provisions	(1,127)	-
(increase)/decrease in other provisions	-	-
Net cash from (used by) operating activities	<u>(6,239)</u>	<u>31,384</u>

b) Cash flow information

<i>Cash inflows</i>		
National Office Grants	50,000	65,302
Total cash inflows	<u>50,000</u>	<u>65,302</u>
<i>Cash outflows</i>		
National Office - capitation fees	51,945	52,308
Other	-	-
Total cash outflows	<u>51,945</u>	<u>52,308</u>

**CFMEU- MINING & ENERGY UNION
TASMANIA DISTRICT BRANCH
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12. Key Management Personnel Remuneration for the Reporting Period

Short term employee benefits		
Salary (including leave entitlements taken)	87,152	66,810
Annual leave accrued	39,072	39,706
Performance Bonus	-	-
Total Short Term employee benefits	<u>126,224</u>	<u>106,516</u>
Post - employment benefits:		
Superannuation	8,979	5,140
Total post employment benefits	<u>8,979</u>	<u>5,140</u>
Other long term benefits:		
Long service leave	7,480	5,719
Total other long term benefits	<u>7,480</u>	<u>5,719</u>
Termination benefits	-	-
Total	<u>142,683</u>	<u>117,375</u>

13. Remuneration

Value of the services provided		
Financial statement audit services	1,760	1,705
Other services	-	-
Total Remuneration of auditors	<u>1,760</u>	<u>1,705</u>

14. Related Party Disclosures

CFMEU Mining & Energy Division (Tasmanian District Branch) collects capitation fees on behalf of local union members. A portion of the fees are remitted to CFMEU Mining & Energy Division Nation Office on a quarterly basis. In the 2013 year, \$123,826 of membership fees were collected; \$51,945 were paid to the National Office (2012: \$128,815 collected, \$52,308)

In order for CFMEU Mining & Energy Division (Tasmanian District Branch) to remain financial viable, the CFMEU Mining & Energy Division Nation Office contributed funding to the operational activities. In 2013, \$50,000 was received from the National Office (2012: \$65,305)

CFMEU Mining & Energy Division (Tasmanian District Branch) does not have any other affiliation with political, federation, congress, council or other group of organisations that have interest in industrial matters.

15. Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272 which reads as follows:

Information to be provided to members or the General Manager of Fair Work Australia:

(1) A member or reporting unit, or the general manager of Fair Work Australia, may apply to the CFMEU- Mining & Energy Union (Tasmanian District Branch) for specified prescribed information in relation to the CFMEU- Mining & Energy Union (Tasmanian District Branch) to be made available to the person making the application.

(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the CFMEU- Mining & Energy Union (Tasmanian District Branch).

(3) CFMEU- Mining & Energy Union (Tasmanian District Branch) must comply with an application made under subsection (1).

16. Recovery of wages

No recovery of wages activities have taken place for this reporting period



CAMERONS

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF CONSTRUCTION, FORESTRY, MINING & ENERGY UNION- MINING & ENERGY UNION DIVISION TASMANIAN DISTRICT BRANCH

Scope

We have audited the general purpose financial report of the Construction, Forestry, Mining & Energy Union- Mining & Energy Division Tasmanian District Branch for the year ended 31st December 2013 being the Profit and Loss Statement, Balance Sheet, Statement of Cash Flows, Statement of Changes in Equity, Notes to the Financial Statements and Committee of Management Statement. The Committee of Management is responsible for the general purpose financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the union.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the general purpose financial report is free of material misstatement. Our procedures include examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the general purpose financial report is presented fairly in accordance with Australian Accounting Standards, reporting requirements under the Fair Work (Registered Organisations) Act 2009 and other mandatory professional reporting requirements so as to present a view that is consistent with our understanding of the union's 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.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional and ethical pronouncements.

Audit Opinion

In our opinion the general purpose financial report, which has been appropriately prepared using the Going Concern basis of accounting, presents fairly in accordance with applicable Australian accounting standards and the reporting requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 and other mandatory professional reporting requirements the financial position of the Construction, Forestry, Mining & Energy Union- Mining & Energy Division Tasmanian District Branch as at 31st December 2013, and the results of its operations and cash flows for the year then ended.

Our audit encompassed the audit of wages recovery activity of the Construction, Forestry, Mining & Energy Union- Mining & Energy Division Tasmanian District Branch for the year ended 31st December 2013 and in our opinion the general purpose financial report on the recovery of wages activity presents fairly in accordance with the requirements of the Industrial Registrar.

GREGORY HARPER
Registered Company Auditor
CAMERONS

46 Cameron Street, Launceston, Tas

Dated: 07th May 2014

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