



23 July 2015

Mr Chris Hinds  
State Executive Officer  
Tasmanian District Branch  
Mining and Energy Division,  
Construction, Forestry, Mining and Energy Union,  
[chris.hinds6@bigpond.com](mailto:chris.hinds6@bigpond.com)

CC: Camerons Accountants and Advisors by email [reception@cameronsaa.com.au](mailto:reception@cameronsaa.com.au)

Dear Mr Hinds,

**Construction, Forestry, Mining and Energy Union, Mining and Energy Division, Tasmanian District Branch  
Financial Report for the year ended 31 December 2014 - [FR2014/397]**

I acknowledge receipt of the financial report of the Construction, Forestry, Mining and Energy Union, Mining and Energy Division, Tasmanian District Branch. The documents were lodged with the Fair Work Commission on 1 June 2015. Thank you for the further information concerning the superannuation board information.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

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 2015 may be subject to an advanced compliance review.

I make the following comments 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.

**Revenue recognition**

The Australian Accounting Standard *AASB 101 Presentation of Financial Statements* paragraph 117 and *AASB 118: Revenue* paragraph 35(a) requires that the entity must disclose the measurement basis or bases used in recognising revenue.

The accounting policy for Grants for the Tasmanian District Branch has not been disclosed. Please ensure that there are policies for all material streams of revenue in next year's report.

**Capitation Fees and Membership Subscriptions**

There are places within the report where the terms 'Capitation Fees' and 'Membership Subscriptions' are used to describe the same figure. Membership Subscriptions includes money that is received from members. Capitation Fees is a term employed to describe money that is

received directly from another reporting unit, such as the national office (though this is frequently called sustentation fees) or another branch. It may be that the branch does not receive capitation fees, in which case please ensure in next year's report that the capitation line item is left as NIL.

### Employee Provisions

The employee provisions note to the financial statements has disclosed annual leave, long service leave and separation and redundancies separately for employees other than office holders, but does not separately disclose other employee provisions provided to employees.

The Reporting Guidelines require that all employee and office holder provisions be detailed separately (refer to items 20(c) and 20(d)).

Please note that Reporting Guideline 21 states that if the activities identified in item 20 have not occurred in the reporting period, a statement of this effect must be included in the GPFR.

### **Reporting Requirements**

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 8661 7974 or via email at [catherine.bebbington@fwc.gov.au](mailto:catherine.bebbington@fwc.gov.au).

Yours sincerely



**CATHERINE BEBBINGTON**  
Regulatory Compliance Branch

### **FAIR WORK COMMISSION**

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



*Tasmanian District Branch*

State Executive Officer: Chris Hinds  
PO BOX 72  
GEORGE TOWN TAS 7253  
Phone/Fax 03 6382 4011  
Mob 0418 302 704

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Date: 20<sup>th</sup> July 2015

Ms. Catherine Bebbington  
Regulatory Compliance Branch  
Fair Work Commission  
GPO Box 1994  
Melbourne Vic 3001

I would like to confirm that:

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.

Yours Sincerely

A handwritten signature in black ink, appearing to be 'CHH'.

Chris Hinds  
State Executive Officer

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

**FINANCIAL REPORTS FOR THE YEAR ENDED 31 DECEMBER 2014  
(FR2014/397)**

**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 4<sup>th</sup> May 2015; 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 4<sup>th</sup> May 2015 the full report was further presented to a series of Lodge members' meetings which endorsed the report in accordance with the rules, held from 28<sup>th</sup> May 2015 to 29<sup>th</sup> May 2015.

Signed: Christopher G. Hinds



Date: 29<sup>th</sup> May 2015

# **CFMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014**

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

**OPERATING REPORT**

***For the period ended 31<sup>st</sup> December 2014***

The committee presents its report on the reporting unit for the financial year ended 31<sup>st</sup> December 2014.

**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 increased 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 \$32,043 during the financial year.

**INCOME**

Revenue was up \$17,758 on the previous financial year.

Membership subscriptions increased by \$17,533 compared to the previous financial year due primarily to an increase in membership fees per member during the financial year.

Grants from CFMEU National Office decreased by \$218 compared to last year.

**EXPENSES**

Employee expenses were up by \$28,649 due to adjustments made in the annual leave provision, which was previously understated.

Capitation fees were up \$17,533 on the previous year due to an increase in fees per member.

Administration expenses varied both up and down during the financial year resulting in an overall decrease in administrative operating expenses of \$1,802. A summary of the main movement in areas of administrative operating expenditure are:

- Meeting and conference expense, including allowances, decreased by \$1,788, due to less allowances being claimed this year, compared to the previous year.
- Information communications technology expense decreased by \$1,445, due to an decrease in phone bill costs.
- Office expenses decreased by \$399 during the 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 2014 was 152.

#### **Number of employees**

As at 31 December 2014 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 2014 Financial Year.

Christopher Hinds	State Executive Office	1 Jan 2013 to 31 <sup>st</sup> Dec 2014
David Bean	Vice President	1 Jan 2013 to 31 <sup>st</sup> Dec 2014
Timothy Sutcliffe	Board Member	1 Jan 2013 to 31 <sup>st</sup> Dec 2014
Shane Spotswood	Board Member	1 Jan 2013 to 31 <sup>st</sup> Dec 2014
Gregory Dawson	Board Member	1 Jan 2013 to 31 <sup>st</sup> Dec 2014


**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:**

A handwritten signature in black ink, appearing to read 'CH', written over a horizontal line.

**Dated:** 1<sup>st</sup> May 2015



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

**Tasmanian District Branch**

**COMMITTEE OF MANAGEMENT STATEMENT**

*for the period ended 31<sup>st</sup> December 2014*

On the 4th May 2015 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 31<sup>st</sup> December 2014.

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:** 7<sup>th</sup> May 2015



# CAMERONS

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION- MINING & ENERGY  
UNION DIVISON  
TASMANIAN DISTRICT BRANCH

AUDITOR'S INDEPENDENCE DECLARATION  
UNDER S 307C OF THE CORPORATIONS ACT 2001

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2014 there have been

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

GREGORY HARPER  
Registered Company Auditor  
ASIC Registration: 337294

CAMERONS  
46 Cameron Street  
Launceston Tas  
Dated: 4 May 2015

## CFMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2014

	NOTES	2014 \$	2013 \$
<b>Revenue</b>			
Membership Subscription			
Capitation fees	3a	141,356	123,825
Levies	3b	-	-
Interest	3c	3,513	3,070
Rental revenue	3d	-	-
Grants or donations	3e	50,881	51,099
Other revenue	3g	-	-
<b>Total Revenue</b>		<u>195,750</u>	<u>177,994</u>
<b>Other Income</b>			
Net gains/(losses) from sale of assets	3f	(248)	(4,263)
<b>Total Other Income</b>		<u>(248)</u>	<u>(4,263)</u>
<b>Total Income</b>		<u>195,502</u>	<u>173,731</u>
<b>Expenses</b>			
Employee expenses	4a	126,958	97,257
Capitation fees	4b	54,870	51,945
Affiliation fees	4c	-	-
Administration expenses	4d	28,833	30,635
Grants or donations	4e	-	2,000
Depreciation and amortisation	4f	7,067	10,279
Finance costs	4g	-	-
Legal costs	4h	-	-
Audit fees	12	3,850	1,760
Other expenses	4j	5,967	5,021
<b>Total Expenses</b>		<u>227,545</u>	<u>198,897</u>
<b>Profit (loss) for the year</b>		<u>(32,043)</u>	<u>(25,166)</u>
<b>Other Comprehensive Income</b>			
Items that will not be subsequently reclassified to profit or loss		-	-
Gain on revaluation of land & buildings		-	-
<b>Total comprehensive income for the year</b>		<u>(32,043)</u>	<u>(25,166)</u>

This report should be read in conjunction with the notes

## CFMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

### STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

	NOTES	2014 \$	2013 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5a	154,116	138,646
Trade and other receivables	5b	-	-
Other current assets	5c	10	10
<b>Total current assets</b>		<u>154,126</u>	<u>138,656</u>
<b>Non-current assets</b>			
Plant and equipment	6a	1,604	615
Motor vehicles	6b	19,883	26,511
<b>Total non- financial assets</b>		<u>21,487</u>	<u>27,126</u>
<b>TOTAL ASSETS</b>		<u><u>175,613</u></u>	<u><u>165,782</u></u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables	7a	-	-
Other payables	7b	6,447	7,924
Employee provisions	8a	78,286	39,072
<b>Total current liabilities</b>		<u>84,733</u>	<u>46,996</u>
<b>Non-current liabilities</b>			
Employee provisions	8a	11,618	7,480
<b>Total non-current liabilities</b>		<u>11,618</u>	<u>7,480</u>
<b>TOTAL LIABILITIES</b>		<u><u>96,351</u></u>	<u><u>54,476</u></u>
<b>NET ASSETS</b>		<u><u>79,262</u></u>	<u><u>111,305</u></u>
<b>EQUITY</b>			
Retained earnings/(accumulated deficit)	9a	<u>79,262</u>	<u>111,305</u>
<b>TOTAL EQUITY</b>		<u><u>79,262</u></u>	<u><u>111,305</u></u>

This report should be read in conjunction with the notes

## CFMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2014

	NOTES	Retained Earnings \$	Total Equity \$
<b>Balance as at 1 January 2013</b>		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 from retained earnings		-	-
<b>Closing balance as at 31 December 2013</b>		<u>111,305</u>	<u>111,305</u>
Adjustment for errors		-	-
Adjustment for changes in accounting policies		-	-
Profit for the year		(32,043)	(32,043)
Other comprehensive income for the year		-	-
Transfers from retained earnings		-	-
<b>Closing balance as at 31 December 2014</b>	9a	<u>79,262</u>	<u>79,262</u>

This report should be read in conjunction with the notes

## CFMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

	NOTES	2014 \$	2013 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Membership Subscriptions		141,356	123,826
Receipts from other reporting units/controlled entity(s)	10b	50,000	50,000
Interest received		3,513	3,070
Other		881	1,099
<b>Cash used</b>			
Employees		(94,090)	(96,131)
Suppliers		(29,644)	(36,158)
Payments to other reporting units/controlled entity(s)	10b,13	(54,870)	(51,945)
<b>Net cash from (used by) operating activities</b>	10a	<u>17,146</u>	<u>(6,239)</u>
<b>INVESTING ACTIVITIES</b>			
<b>Cash used</b>			
Purchase of plant & equipment		(1,676)	-
<b>Net cash from (used by) investing activities</b>		<u>(1,676)</u>	<u>-</u>
<b>Net increase / (decrease) in cash held</b>		<u>15,470</u>	<u>(6,239)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>138,646</u>	<u>144,887</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	5a	<u>154,116</u>	<u>138,646</u>

This report should be read in conjunction with the notes

**CFMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH**

**RECOVERY OF WAGES ACTIVITY  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	NOTE	2014 \$	2013 \$
<b>Cash assets in respect of recovered money at beginning of year</b>		-	-
<b>Receipts</b>			
Amounts recovered from employers in respect of wages etc.		-	-
Interest received on recovered money		-	-
<b>Total receipts</b>		-	-
<b>Payments</b>			
Deductions of amounts due in respect of membership for:			
12 months or less		-	-
Greater than 12 months		-	-
Deductions of donations or other contributions to accounts or funds of:			
The reporting unit:			
name of account		-	-
name of fund		-	-
Name of other reporting unit of the organisation:			
name of account		-	-
name of fund		-	-
Name of other entity:			
name of account		-	-
name of fund		-	-
Deductions of fees or reimbursement of expenses		-	-
Payments to workers in respect of recovered money		-	-
<b>Total payments</b>		-	-
<b>Cash asset's in respect of recovered money at end of year</b>		-	-
Number of workers to which the monies recovered relates		-	-
<b>Aggregate payables to workers attributable to recovered monies but not yet distributed</b>			
Payable balance		-	-
Number of workers the payable relates to		-	-
<b>Fund or account operated for recovery of wages</b>		-	-



## CFMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

#### 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.

## CFMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

#### 1. Accounting Policies (cont.)

##### 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.

##### 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.

## CFMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

#### 1. Accounting Policies (cont.)

##### 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 amount.

###### **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 periods, as appropriate.

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

	<b>2014</b>	<b>2013</b>
Plant and equipment	0 to 5 years	0 to 5 years
Motor vehicles	8 years	8 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 in the profit and loss.

##### 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 and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

## CFMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

#### 1. Accounting Policies (cont.)

##### 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.

##### 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 received from CFMEU Mining & Energy Division Nation Office. The CFMEU Mining & Energy Division Nation Office is committed to providing continued financial support for the period ending 31 December 2014.

#### 2. Events after the reporting period

There were no events that occurred after 31 December 2014, 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).

	2014	2013
	\$	\$
<b>3. Revenue</b>		
<b>a) Capitation fees</b>		
Fees	141,356	123,825
Total capitation fees	<u>141,356</u>	<u>123,825</u>
<b>b) Levies</b>		
Levies	-	-
Total levies	<u>-</u>	<u>-</u>
<b>c) Interest</b>		
Deposits	3,513	3,070
Total interest	<u>3,513</u>	<u>3,070</u>
<b>d) Rental revenue</b>		
Properties	-	-
Total rental revenue	<u>-</u>	<u>-</u>
<b>e) Grants or donations</b>		
Grants - CFMEU National Office (Divisional Funding)	50,000	50,000
Grants - CFMEU National Office (District Development)	881	1,099
Donations	-	-
Total Grants or donations	<u>50,881</u>	<u>51,099</u>
<b>f) Net gain/(loss) on sale from assets</b>		
Motor vehicles	-	-
Plant and equipment	(248)	(4,263)
Total net gain/(loss) on sale from assets	<u>(248)</u>	<u>(4,263)</u>
<b>g) Other revenue</b>		
Other	-	-
Total other revenue	<u>-</u>	<u>-</u>

**CFMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**4. Expenses**

**a) Employee Expenses**

**Holders of office**

Wages and salaries	76,420	87,152
Superannuation	7,186	8,979
Leave and other entitlements	43,352	1,126
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	<u>126,958</u>	<u>97,257</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>126,958</u>	<u>97,257</u>

**b) Capitation Fees**

CFMEU- National Office	54,870	51,945
Total capitation fees	<u>54,870</u>	<u>51,945</u>

**c) Affiliation fees**

Fees	-	-
Total affiliation fees	<u>-</u>	<u>-</u>

**d) Administration expenses**

Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	17,670	15,840
Conference and meeting expenses	6,939	8,727
Contractors/consultants	-	-
Property expenses	-	-
Office expenses	396	795
Information communications technology	3,828	5,273
Other	-	-
Subtotal administration expenses	<u>28,833</u>	<u>30,635</u>

**e) Grants or donations**

Grants	-	-
Donations - Red Cross Fire Appeal	-	2,000
Other donations	-	-
Total grants or donations	<u>-</u>	<u>2,000</u>

**CFMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**4. Expenses (cont.)**

**f) Depreciation**

Property, plant and equipment	439	375
Motor Vehicles	6,628	9,904
Total depreciation	<u>7,067</u>	<u>10,279</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 and impairment of assets**

Asset write- downs and impairments of:	-	-
Plant and equipment	-	-
Motor vehicles	-	-
Total write-down and impairment of assets	<u>-</u>	<u>-</u>

**j) Other expenses**

Other expenses	5,967	5,021
Total other expenses	<u>5,967</u>	<u>5,021</u>

**5. Current Assets**

**a) Cash and cash equivalents**

Cash at bank	154,116	138,646
Cash on hand	-	-
Deposits at call	-	-
Other	-	-
Total Cash and cash equivalents	<u>154,116</u>	<u>138,646</u>

**5. Current Assets (cont.)**

**b) Trade and other receivables**

Receivables from other reporting unit(s)	-	-
Total receivables from other reporting unit(s)	<u>-</u>	<u>-</u>
less 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>

**c) Other Current Assets**

Shares in unlisted companies- Maritime Workers Credit Union	10	10
Total other current assets	<u>10</u>	<u>10</u>

**CFMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**6. Non-Current Assets**

**a) Plant and equipment**

Plant and equipment:

at cost	4,002	9,295
less accumulated depreciation	(2,398)	(8,305)
Total plant and equipment	<u>1,604</u>	<u>990</u>

Reconciliation of the opening and closing balances of plant and equipment

Balance at beginning of year:	615	990
Additions	1,676	-
Disposals	-	-
Depreciation expense	(439)	(375)
Profit/(loss) on disposal	(248)	-
Balance at end of year	<u>1,604</u>	<u>615</u>

**6. Non-Current Assets (cont.)**

**b) Motor vehicles**

Motor vehicles:

at cost	40,514	40,514
less accumulated depreciation	(20,631)	(14,003)
Total motor vehicles	<u>19,883</u>	<u>26,511</u>

Reconciliation of the opening and closing balances of motor vehicles

Balance at beginning of year:	26,511	40,678
Additions	-	-
Disposals	-	-
Depreciation expense	(6,628)	(9,904)
Profit/(loss) on disposal	-	(4,263)
Balance at end of year	<u>19,883</u>	<u>26,511</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 suppliers for payroll deductions	6,447	7,324
Total other payables	<u>6,447</u>	<u>7,324</u>

Total other payables are expected to be settled in:

No more than 12 months	6,447	7,324
More than 12 months	-	-
Total other payables	<u>6,447</u>	<u>7,324</u>

## CFMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

#### 8. Provisions

##### a) Employee provisions

###### *Office Holders*

Annual leave	78,286	39,072
Long service leave	11,618	7,480
Separation and redundancies	-	-
Other	-	-
Subtotal employee provision - office holders	<u>89,904</u>	<u>46,552</u>

###### Employees other than Office Holders

Annual leave	-	-
Long service leave	-	-
Separation and redundancies	-	-
Subtotal employee provision - employees	<u>-</u>	<u>-</u>
Total employee provisions	<u>89,904</u>	<u>46,552</u>

Current	78,286	39,072
Non Current	11,618	7,480
Total employee provisions	<u>89,904</u>	<u>46,552</u>

#### 9. Equity

##### a) General Funds

###### *Retained Earnings*

Balance as at start of the year:	111,305	141,139
add accumulated profit/(losses)	(32,043)	(25,166)
add adjustments to prior period errors	-	(4,668)
Balance at the end of the year	<u>79,262</u>	<u>111,305</u>
Total Equity	<u>79,262</u>	<u>111,305</u>



## CFMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

#### 10. 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	154,116	138,646
Balance sheet	154,116	138,646
<i>Difference</i>	<u>-</u>	<u>-</u>

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

Profit/(loss) for the year	(32,043)	(25,165)
Adjustments for non cash items		
Depreciation/amortisation	7,067	10,279
Gain/(loss) on disposal of assets	248	(4,263)
Changes in assets/liabilities		
Increase/(decrease) in net supplier payables	-	21,961
Increase/(decrease) in other payables	(1,478)	(7,924)
Increase/(decrease) in employee provisions	43,352	(1,127)
Net cash from (used by) operating activities	<u>17,146</u>	<u>(6,239)</u>

##### b) Cash flow information

###### *Cash inflows*

National Office Grants	50,000	50,000
Total cash inflows	<u>50,000</u>	<u>50,000</u>

###### *Cash outflows*

National Office - capitation fees	54,870	51,945
Other	-	-
Total cash outflows	<u>54,870</u>	<u>51,945</u>

## CFMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

#### 11. Key Management Personnel Remuneration for the Reporting Period

Short-term employee benefits		
Salary (including leave entitlements taken)	76,420	87,152
Annual leave accrued	39,214	39,072
Performance Bonus	-	-
Total short-term employee benefits	<u>115,634</u>	<u>126,224</u>
Post-employment benefits:		
Superannuation	<u>7,186</u>	<u>8,979</u>
Total post-employment benefits	<u>7,186</u>	<u>8,979</u>
Other long-term benefits:		
Long service leave	<u>4,138</u>	<u>7,480</u>
Total other long-term benefits	<u>4,138</u>	<u>7,480</u>
Termination benefits	<u>-</u>	<u>-</u>
Total	<u>126,958</u>	<u>142,683</u>

#### 12. Remuneration of the auditor

Value of the services provided		
Financial statement audit services	3,850	1,760
Other services	-	-
Total Remuneration of auditors	<u>3,850</u>	<u>1,760</u>

#### 13. 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 2014 year, \$141,357 of membership fees were collected; \$54,870 were paid to the National Office (2013: \$123,826 collected, \$51,945 paid).

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 2014, \$50,000 was received from the National Office (2013: \$50,000)

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.

## **CFMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014**

#### **14. 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)

#### **15. Subsection 254(2)(d) Fair Work (Registered Organisations) Act 2009**

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.



# 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 31<sup>st</sup> December 2014 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.

### Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the general purpose financial report and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the union.

The 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 31<sup>st</sup> December 2014, and the results of its operations and cash flows for the year then ended.

Our procedures encompassed an audit of wages recovery activity of the Construction, Forestry, Mining & Energy Union- Mining & Energy Division Tasmanian District Branch for the year ended 31<sup>st</sup> December 2014 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**  
**ASIC Registration: 337294**

**CAMERONS**  
46 Cameron Street  
Launceston Tas  
Dated: 4 May 2015