



31 July 2019

Ricky Gale  
Honorary District President  
Construction, Forestry, Maritime, Mining and Energy Union-Mining and Energy Division -  
Tasmanian District Branch  
Sent via email: [ricky.gale@cemaust.com.au](mailto:ricky.gale@cemaust.com.au)  
CC: [mark.watson@cfmeu.com.au](mailto:mark.watson@cfmeu.com.au)  
[Gregory.harper@cameronsaa.com.au](mailto:Gregory.harper@cameronsaa.com.au)

Dear Ricky Gale,

**Construction, Forestry, Maritime, Mining and Energy Union-Mining and Energy Division  
Tasmanian District Branch  
Financial Report for the year ended 31 December 2018 – (FR2018/301)**

I acknowledge receipt of the financial report of the Construction, Forestry, Maritime, Mining and Energy Union-Mining and Energy Division Tasmanian District Branch (**the reporting unit**). The documents were lodged with the Registered Organisations Commission (**the ROC**) on 5 June 2019.

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 2019 may be subject to an advanced compliance review.

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

**General purpose financial report (GPFR)**

Officer's declaration statement – to include all nil activity disclosures not elsewhere disclosed

Item 21 of the reporting guidelines (**RGs**) states that if any of the activities identified within items 10-20 of the RGs have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. I note that the officer's declaration statement includes the following nil activity disclosures for which there was already an equivalent form of disclosure in the body of the notes:

- "Receiving capitation fees from another reporting unit" is disclosed in the statement of comprehensive income, Note 3a and the officer's declaration statement;
- "Receiving revenue via compulsory levies" is disclosed in the statement of comprehensive income, Note 3b and the officer's declaration statement;

- "Receiving donations or grants" is disclosed in the statement of comprehensive income, Note 3e and the officer's declaration statement;
- "Incurring fees as consideration for employers making payroll deductions of membership subscriptions" is disclosed in both Note 4d and the officer's declaration statement;
- "Paying affiliation fees to another entity" is disclosed in the statement of comprehensive income, Note 4c and the officer's declaration statement;
- "Paying compulsory levies" is disclosed in both Note 4d and the officer's declaration statement;
- "Paying a grant that was \$1,000 or less", "paying a grant that exceeded \$1,000", "paying a donation that was \$1,000 or less" and "paying a donation that exceeded \$1,000" are disclosed in the statement of comprehensive income, Note 4e and the officer's declaration statement;
- "Paying legal costs relating to litigation" and "paying legal costs relating to other legal matters" are disclosed in the statement of comprehensive income, Note 4h and the officer's declaration statement;
- "Paying a penalty imposed under RO Act or the *Fair Work Act 2009*" is disclosed in both Note 4k and the officer's declaration statement;
- "Having a receivable with another reporting unit" is disclosed in both Note 5b and the officer's declaration statement;
- "Having a payable to employer as consideration for that employer making payroll deductions of membership subscriptions", "having a payable in respect of legal cost relating to litigation" and "having a payable in respect of legal cost relating to other legal matters" are disclosed in both Note 7b and the officer's declaration statement; and
- "Receiving cash flows from another reporting units and/or controlled entity" are disclosed in the cash flow statement, Note 10b and the officer's declaration statement.

I also note that the body of the notes includes the following nil activity disclosures for which there was already an equivalent form of disclosure in the financial statements:

- "Employee expenses related to holders of office of the reporting unit" and "employee expenses related to employees (other than holders of offices) of the reporting unit" are disclosed in both the statement of comprehensive income and Note 4a; and
- "Employee provisions in respect of holders of offices in the reporting unit" and "employee provision in respect of employees (other than holders of offices) of the reporting unit" are disclosed in both the statement of financial position and Note 8a.

Please note that nil activities only need to be disclosed once.

#### Disclosures of financial information

##### (a) National Office's fund

The statement of comprehensive income includes capitation fees of \$177,334 for the financial year 2017 and makes a reference to Note 3a *Capitation fees*. As per Note 3a, the amount of \$177,334 was related to the CFMEU National Office's Divisional funding and LSL payout.

Please note for future years, funds received from the CFMEU National Office should be recorded as other revenue from other reporting unit, and not as capitation fees.

##### (b) Contributions made by members to an external trust

During the assessment of the reporting unit's financial report a matter relating to the disclosure of membership subscriptions was identified. A letter seeking further information related to this was sent to the reporting unit on 21 June 2019.

The reporting unit responded on 23 July 2019 explaining that the membership subscriptions for the 2017 financial year included revenue from members to be on-forwarded to an external trust. As a result, the membership subscription revenue line for 2017 is overstated by \$20,475.

The reporting unit also advised that the amount onforwarded to the fund are was included in capitation expenses. As a result, the capitation fee expense line for the 2017 financial year is also overstated by the same amount.

Please note for future years, any receipts and payments made by members to an external trust should be recorded as separate revenue and expense items, and not as part of the membership subscriptions and capitation fee expenses.

(c) Other matters

Matters related to Note 10b *Cash flow information* and Note 13 *Related party transactions* were also identified in the letter sent on 21 June 2019.

Please ensure that necessary adjustments relating to these matters are made to the comparative figures in the financial report for the year ending 31 December 2019.

**Auditor's report**

Audit scope to include subsection 255(2A) report and officer's declaration statement

A GPFR prepared under section 253 of the RO Act includes the expenditure report required to be prepared under subsection 255(2A) as prescribed by RG 22. Also where nil activity disclosures are contained in an officer's declaration statement, in accordance with RG 21, the officer's declaration statement forms part of a GPFR prepared under section 253 of the RO Act (see subsection 253(2)(c) of the RO Act)

The subsection 255(2A) report and the officer's declaration statement (where one is prepared) must be identified by title in the auditor's statement in accordance with paragraph 24(c) of Australian Auditing Standard *ASA 700 Forming an Opinion and Reporting on a Financial Report*.

A subsection 255(2A) report and an officer's declaration statement were included in the documents lodged with the ROC but the auditor did not refer to these reports in the scope of the auditor.

Please ensure in future years that the subsection 255(2A) report and the officer's declaration statement (where one is prepared) are included within the scope of the audit.

**Reporting Requirements**

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 RGs and a model set of financial statements.

The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 RGs and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 9603 0764 or via email at [kylie.ngo@roc.gov.au](mailto:kylie.ngo@roc.gov.au).

Yours sincerely



**Kylie Ngo**  
**Registered Organisations Commission**

23 July 2019



Kylie Ngo  
Registered Organisations Commission  
By Email: [kylie.ngo@roc.gov.au](mailto:kylie.ngo@roc.gov.au)

Dear Kylie,

**Re: CFMMEU Tasmanian District Branch Financial Report – 31 December 2018**

After consultation with our auditors please find detailed below further information relating to your queries from 21 June 2019.

**Decrease in Membership Subscriptions**

The 2018 membership subscriptions amount of \$84,163 is correct. The comparative amount in 2017 incorrectly included contributions made by members to an external trust. The branch acts in an administrative capacity to collect these trust contributions (in conjunction with Union Dues), but they do not form part of the membership subscriptions of the Union. The Membership Subscription revenue line for 2017 is overstated by \$20,475. The correct comparative figure should be \$93,605.

The collections are passed through the branch to the Trust, and should not affect the net profit and loss of the reporting unit. Equally the comparative figure for Capitation Fees is overstated by the same amount (\$20,475). The correct comparative figure should be \$12,146.

The net profit for the year does not change as a result of the above overstatements.

**Accounting Treatment for membership subscriptions income**

The membership subscription income is recorded on an accruals basis. The values are similar to the physical cashflow due to the timing and receipt of the membership subscriptions (which are fortnightly payroll deductions).

**Disclosures**

*Notes to the cash flow statement*

Upon further review of the cash flow statement, the cash paid to other reporting units should be \$28,831, and the cash payments to suppliers should be \$46,270.

Note 10(b) – National Office Capitation Fees should be \$28,831

**Trade Payables**

The \$22,000 amount payable to the National Office relates to capitation fees owing. This amount was calculated by the National Office for amounts owing and is also represented in their financial statements as a receivable from the Tasmanian Branch.

**Related Party Transactions**

The wording in Note 13 could be clearer. The intent of the note was to outline the amounts received from, and paid to the National Office (as the related party). For clarity, the District Branch does not

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**CFMEU Mining & Energy** (Tasmanian District Branch)

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Australia

collect membership fees from the National Office. The \$0 disclosure for 2018 is correct, but the use of the words "membership fees collected" is not completely accurate.

For the note to be clearer, the words should probably state;

*"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 National Office on a quarterly basis. From time to time the National Office provides money back to the District Branch for varying reasons. In the 2018 year \$0 was received by the District Branch from the National Office (2017: \$52,334 was received for LSL entitlement funding). In 2018 \$35,145 was paid or owing to the National Office for capitation fees (2017: \$12,146)"*

#### **Administrative Arrangements**

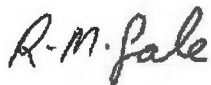
There have been a number of changes in its administrative arrangements.

- I can confirm that there is no employee or paid office holder within the reporting unit.
- The District Branch did not receive any funding from the National Office in the 2018 financial year, as it was not required. There has been no decision by the National Office to cease funding if it is required in the future.
- The District Branch has sought administrative assistance from the National Office commencing in the 2019 financial year.

We apologise for these inconsistencies. The net assets and profit of the Union do not change as a result of the clarifications. Please advise if you require a restated set of financial statements, otherwise we are happy to make the required changes in the comparatives for the following financial year.

Should you require any further information please do not hesitate to contact me.

Yours sincerely,



**Ricky Gale**

*Honorary District President*



21 June 2019

Ricky Gale  
Honorary District President  
Construction, Forestry, Maritime, Mining and Energy Union-Mining and Energy Division -  
Tasmanian District Branch

Sent via email: [ricky.gale@cemaust.com.au](mailto:ricky.gale@cemaust.com.au)  
[mark.watson@cfmeu.com.au](mailto:mark.watson@cfmeu.com.au)  
[Gregory.harper@cameronsaa.com.au](mailto:Gregory.harper@cameronsaa.com.au)

Dear Ricky Gale,

**Construction, Forestry, Maritime, Mining and Energy Union-Mining and Energy Division -  
Tasmanian District Branch**

**Financial Report for the year ended 31 December 2018 – (FR2018/301)**

I acknowledge receipt of the financial report of the Construction, Forestry, Maritime, Mining and Energy Union-Mining and Energy Division - Tasmanian District Branch (**the reporting unit**). The documents were lodged with the Registered Organisations Commission (**the ROC**) on 5 June 2019.

In order for the assessment of the reporting unit's financial report to be completed, further information is required relating to the following matters.

**Membership subscriptions**

Decrease in membership subscriptions income

The statement of comprehensive income includes membership subscription income of \$84,163 for the 2018 financial year. This is a decrease of \$29,917 from 2017 financial year. The operating report discloses total members of the reporting unit as at 31 December 2018 of 110, comparing to 112 members as at 31 December 2017.

As membership numbers have remained consistent between 2017 and 2018, please provide an explanation as to why there has been a significant drop in membership subscription income for the 2018 financial year.

Accounting treatment for membership subscriptions income

Note 1.5 *Revenue* states that revenue from subscriptions is accounted for on an accrual basis. The statement of comprehensive income and the cash flow statement disclose the same amount of \$84,163 for the membership subscription income and cash received for membership subscriptions. This indicates that the membership income may be accounted for on a cash basis.

Please confirm the accounting method used for recording membership subscription income.

## **Inconsistency in disclosures of financial information**

### Note to the cash flow statement

The statement of comprehensive income includes payment to other reporting units/controlled entity(s) of \$35,145. This amount appears to be similar to the capitation fees expended to the Construction, Forestry, Maritime, Mining and Energy Union – Mining & Energy Division National Office (**the National Office**) for the 2018 financial year. This item also makes reference to Note 10b *Cash flow information*. The information contained in Note 10b does not add up to \$35,145.

Please provide clarification on the discrepancy between the cash flow statement and Note 10b.

### Trade payables

Note 7a *Trade payables* discloses capitation fees payable to the National Office of \$22,000. As abovementioned, the cash flow statement also includes payment to other reporting units/controlled entity(s) of \$35,145 which would appear to be the same as the capitation fees expended to the National Office as per the statement of comprehensive income and Note 4b.

Please confirm if the \$22,000 is the capitation fees owing to the National Office as at 31 December 2018 and how this amount has been calculated.

### Related party transactions

Note 13 *Related Party Disclosures* discloses that in 2018 year, \$0 membership fees were collected. The statement of comprehensive income and the cash flow statement both show membership income received of \$84,163.

Note 13 also discloses membership income collected for 2017 of \$52,334. However, Note 10b shows that this amount relates to Other National Office Funding (LSL entitlements).

Please explain the inconsistency in the disclosures of Note 13.

## **Administrative arrangements**

It would appear that the reporting unit has undergone some changes in its administrative arrangements. Please confirm the followings:

- There is no employee or paid office holder within the reporting unit.
- The reporting unit is no longer receiving funding from the National Office.

Please also advise if the changes in administrative arrangements has impacted the collections of membership subscriptions and/or the payments of capitation fees to the National Office.

If you have any queries regarding this letter, please contact me on (03) 9603 0764 or via email at [kylie.ngo@roc.gov.au](mailto:kylie.ngo@roc.gov.au).

Yours sincerely



**Kylie Ngo**  
**Registered Organisations Commission**

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

**DESIGNATED OFFICER CERTIFICATE**

**Certificate for the period ended 31 December 2018**

I, Ricky Gale, being the State Executive Officer of the Construction, Forestry, Maritime, Mining & Energy Union Mining & Energy Division, Tasmanian District Branch, certify:

- That the documents lodged herewith are copies of the full report for the Construction, Forestry, Maritime, Mining & Energy Union Mining & Energy Division, Tasmanian District Branch, for the period ended 31 December 2018, referred to in s.268 the Fair Work (Registered Organisations) Act 2009; and
- That the full report, was provided to members of the reporting unit through the Union website and circulation at work sites on 24<sup>th</sup> May 2019, and
- That the full report was presented to a Committee of Management of the reporting Unit on 25<sup>th</sup> May 2019; in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.



**Ricky Gale  
Honorary District President**

5 June 2019



# CFMMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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

### Report on the Audit of the Financial Report

#### Opinion

I have audited the financial report of Construction, Forestry, Mining, Maritime & Energy Union-Mining & Energy Union Division Tasmanian District Branch (the Reporting Unit), which comprises the statement of financial position as at 31<sup>st</sup> December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31<sup>st</sup> December 2018, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Construction, Forestry, Mining, Maritime & Energy Union-Mining & Energy Union Division Tasmanian District Branch as at 31<sup>st</sup> December 2018, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

I declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

#### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Information Other than the Financial Report and Auditor's Report Thereon

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

## **Responsibilities of Committee of Management for the Financial Report**

The Committee of Management of the Reporting Unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management is responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Report**

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion.

I communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I declare that I am an approved auditor, a member of Institute of Chartered Accountants Australia and New Zealand and hold a current Public Practice Certificate.

CAMERONS  
ACCOUNTANTS & ADVISORS

A handwritten signature in black ink, appearing to read 'G. Harper', is written over a faint, light-colored circular stamp or watermark.

GREGORY HARPER  
PRINCIPAL

**Date: 24 May 2019**

Registration number (as registered by the RO Commissioner under the RO Act): AA2018/132

**CONSTRUCTION, FORESTRY, MARITIME, MINING & ENERGY UNION - MINING & ENERGY DIVISION  
TASMANIA DISTRICT BRANCH**

**REPORT REQUIRED UNDER SUBSECTION 255(2A)**

*for the year ended 31 December 2018*

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 December 2018.

<b>Categories of expenditures</b>	<b>2018 \$</b>	<b>2017 \$</b>
Remuneration and other employment-related costs and expenses - employees	-	173,847
Advertising	-	-
Operating costs	58,089	79,251
Donations to political parties	-	-
Legal costs	-	-



Ricky Gale

Honorary District President

## **CONSTRUCTION, FORESTRY, MARITIME, MINING & ENERGY UNION - MINING & ENERGY DIVISION TASMANIA DISTRICT BRANCH**

### **OPERATING REPORT**

#### ***For the period ended 31<sup>st</sup> December 2018***

The committee presents its report on the reporting unit for the financial year ended 31<sup>st</sup> December 2018.

#### **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.

#### **Change of name**

On 27 March 2018, as a result of an amalgamation, the Construction, Forestry, Mining and Energy Union changed its name to the Construction, Forestry, Maritime, Mining and Energy Union, which is identified on a revised certificate of registration under the Fair Work (Registered Organisations) Act 2009. As a result, the Union is now referred to as the Construction, Forestry, Maritime, Mining and Energy Union – Mining and Energy Division, Tasmanian Branch.

#### **Significant changes in financial affairs**

There were no significant changes in the financial affairs of the organization.

#### **Operating Results**

The profit of the Reporting Unit for the financial year amounted to \$26,602 (2017: profit of \$15,825)

#### **Events after the reporting date**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Reporting Unit, the results of those operations or the state of affairs of the Reporting Unit in future years.

#### **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 2018 was 110.

#### **Number of employees**

As at 31 December 2018 the number of full-time equivalent persons, excluding casuals, who were employees of the Union, was nil. The position of State Executive Officer was replaced by an Honorary District President.

#### **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 2017 Financial Year.

David Bean	State Executive Officer	1 Jan 2018 to 2 Nov 2018
Ricky Gale	Honorary District President	1 Aug 2018 to 31 Dec 2018
Ricky Gale	Board Member	1 Jan 2018 to 1 Aug 2018
Brent Ashman	Board Member	1 Jan 2018 to 31 Dec 2018
Pren Cetaj	Board Member	16 Aug 2018 to 31 Dec 2018
Darren Redshaw	Board Member	16 Aug 2018 to 31 Dec 2018

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

No Officers or employees of the Construction, Forestry, Maritime, 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:** Ricky Gale

**Title of prescribed designated officer:** Honorary District President

**Signature:**



**Dated:** 24<sup>th</sup> May 2019

**CONSTRUCTION, FORESTRY, MARITIME, MINING & ENERGY UNION - MINING & ENERGY DIVISION  
TASMANIA DISTRICT BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2018**

On 24 May 2019, the Committee of Management of the Construction, Forestry, Maritime, Mining & Energy Union, Mining & Energy Tasmanian District Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2018:

The Committee of Management 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 any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (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 GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the 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 Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; 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.

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



Ricky Gale  
Honorary District President  
Dated: 24 May 2019



## CFMMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

	NOTES	2018 \$	2017 \$
<b>Revenue</b>			
Membership subscription		84,163	114,080
Capitation fees	3a	-	177,334
Levies	3b	-	-
Interest	3c	528	706
Rental revenue	3d	-	-
Grants or donations	3e	-	-
Other revenue	3g	-	-
<b>Total Revenue</b>		<u>84,691</u>	<u>292,120</u>
<b>Other Income</b>			
Net gains/(losses) from sale of assets	3f	-	(23,197)
<b>Total Other Income</b>		<u>-</u>	<u>(23,197)</u>
<b>Total Income</b>		<u>84,691</u>	<u>268,923</u>
<b>Expenses</b>			
Employee expenses	4a	-	173,847
Capitation fees	4b	35,145	32,621
Affiliation fees	4c	-	-
Administration expenses	4d	14,048	34,482
Grants or donations	4e	-	-
Depreciation and amortisation	4f	501	5,215
Finance costs	4g	-	-
Legal costs	4h	-	-
Audit fees	12	4,290	3,850
Other expenses	4j	4,105	3,083
<b>Total Expenses</b>		<u>58,089</u>	<u>253,098</u>
<b>Profit (loss) for the year</b>		<u>26,602</u>	<u>15,825</u>
<b>Other Comprehensive Income</b>			
Items that will not be subsequently reclassified to profit or loss		-	-
<b>Total comprehensive income for the year</b>		<u>26,602</u>	<u>15,825</u>

This report should be read in conjunction with the notes

## CFMMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

### STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	NOTES	2018 \$	2017 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5a	102,033	92,443
Trade and other receivables	5b	-	-
Other current assets	5c	10	10
<b>Total current assets</b>		<u>102,043</u>	<u>92,453</u>
<b>Non-current assets</b>			
Plant and equipment	6a	149	650
Motor vehicles	6b	-	-
<b>Total non- financial assets</b>		<u>149</u>	<u>650</u>
<b>TOTAL ASSETS</b>		<u><u>102,192</u></u>	<u><u>93,103</u></u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables	7a	22,000	9,086
Other payables	7b	-	30,427
Employee provisions	8a	-	-
<b>Total current liabilities</b>		<u>22,000</u>	<u>39,513</u>
<b>Non-current liabilities</b>			
Employee provisions	8a	-	-
<b>Total non-current liabilities</b>		<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>		<u><u>22,000</u></u>	<u><u>39,513</u></u>
<b>NET ASSETS</b>		<u><u>80,192</u></u>	<u><u>53,590</u></u>
<b>EQUITY</b>			
Retained earnings	9a	<u>80,192</u>	<u>53,590</u>
<b>TOTAL EQUITY</b>		<u><u>80,192</u></u>	<u><u>53,590</u></u>

This report should be read in conjunction with the notes

## CFMMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	NOTES	Retained Earnings \$	Total Equity \$
<b>Balance as at 1 January 2017</b>		37,765	37,765
Adjustment for errors		-	-
Adjustment for changes in accounting policies		-	-
Profit for the year		15,825	15,825
Other comprehensive income for the year		-	-
Transfers from retained earnings		-	-
<b>Closing balance as at 31 December 2017</b>		<u>53,590</u>	<u>53,590</u>
Adjustment for errors		-	-
Adjustment for changes in accounting policies		-	-
Profit for the year		26,602	26,602
Other comprehensive income for the year		-	-
Transfers from retained earnings		-	-
<b>Closing balance as at 31 December 2018</b>	9a	<u>80,192</u>	<u>80,192</u>

This report should be read in conjunction with the notes

## CFMMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

	NOTES	2018 \$	2017 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Membership Subscriptions		84,163	114,080
Receipts from other reporting units/controlled entity(s)	10b	-	177,334
Interest received		528	706
Other		-	-
<b>Cash used</b>			
Employees		-	(288,833)
Suppliers		(39,956)	14,735
Payments to other reporting units/controlled entity(s)	10b, 13	(35,145)	(53,096)
<b>Net cash from (used by) operating activities</b>	10a	<u>9,590</u>	<u>(35,074)</u>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from the sale of plant and equipment		-	-
<b>Cash used</b>			
Purchase of plant and equipment		-	-
<b>Net cash from (used by) investing activities</b>		<u>-</u>	<u>-</u>
<b>Net increase / (decrease) in cash held</b>		<u>9,590</u>	<u>(35,074)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>92,443</u>	<u>127,517</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	5a	<u>102,033</u>	<u>92,443</u>

This report should be read in conjunction with the notes

## CFMMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

#### 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.

Grants funding is recorded as revenue when control of the benefit is received, unless conditions are attached to the funding, whereby the income is recorded on satisfaction of these conditions.

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.

## CFMMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

#### 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.

## CFMMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

#### 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:

	2018	2017
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.

##### 1.14 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 National Office. The CFMEU Mining & Energy Division National Office is committed to providing continued financial support for the period ending 31 December 2018.

## CFMMEU MINING & ENERGY DIVISION TAS DISTRICT BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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

##### 1.15 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.

#### 2. Events after the reporting period

There were no events that occurred after 31 December 2018, 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).

	2018	2017
	\$	\$
<b>3. Revenue</b>		
<b>a) Capitation fees</b>		
CFMEU National Office (Divisional Funding)	-	125,000
CFMEU National Office (District Development)	-	-
CFMEU National Office (LSL payout)	-	52,334
Total capitation fees	<u>-</u>	<u>177,334</u>
<b>b) Levies</b>		
Levies	<u>-</u>	<u>-</u>
Total levies	<u>-</u>	<u>-</u>
<b>c) Interest</b>		
Deposits	<u>528</u>	<u>706</u>
Total interest	<u>528</u>	<u>706</u>
<b>d) Rental revenue</b>		
Properties	<u>-</u>	<u>-</u>
Total rental revenue	<u>-</u>	<u>-</u>
<b>e) Grants and donations</b>		
Grants	<u>-</u>	<u>-</u>
Donations	<u>-</u>	<u>-</u>
Total grants and donations	<u>-</u>	<u>-</u>
<b>f) Net gain/(loss) on sale from assets</b>		
Motor vehicles	<u>-</u>	<u>(23,197)</u>
Plant and equipment	<u>-</u>	<u>-</u>
Total net gain/(loss) on sale from assets	<u>-</u>	<u>(23,197)</u>
<b>g) Other revenue</b>		
Other	<u>-</u>	<u>-</u>
Total other revenue	<u>-</u>	<u>-</u>



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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 \$	2017 \$
<b>4. Expenses</b>		
<b>a) Employee Expenses</b>		
<b>    Holders of office</b>		
Wages and salaries	-	77,643
Superannuation	-	3,598
Leave and other entitlements	-	92,606
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	<u>-</u>	<u>173,847</u>
<b>    Employees other than office holders</b>		
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><u>-</u></u>	<u><u>173,847</u></u>
<b>b) Capitation Fees</b>		
CFMEU- National Office	<u>35,145</u>	<u>32,621</u>
Total capitation fees	<u><u>35,145</u></u>	<u><u>32,621</u></u>
<b>c) Affiliation fees</b>		
Fees	<u>-</u>	<u>-</u>
Total affiliation fees	<u><u>-</u></u>	<u><u>-</u></u>
<b>d) Administration expenses</b>		
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	1,133	6,879
Conference and meeting expenses	5,170	4,516
Contractors/consultants	-	-
Property expenses	-	-
Office expenses	145	144
Information communications technology	1,000	2,468
Other	6,600	20,475
Total administration expenses	<u><u>14,048</u></u>	<u><u>34,482</u></u>
<b>e) Grants and donations</b>		
Grants	-	-
Donations	-	-
Total grants and donations	<u><u>-</u></u>	<u><u>-</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 \$	2017 \$
<b>4. Expenses (cont.)</b>		
<b>f) Depreciation</b>		
Property, plant and equipment	1,097	1,097
Motor Vehicles	(596)	4,118
Total depreciation	<u>501</u>	<u>5,215</u>
<b>g) Finance Costs</b>		
Overdrafts/loans	-	-
Total finance costs	<u>-</u>	<u>-</u>
<b>h) Legal costs</b>		
Litigation	-	-
Other legal matters	-	-
Total legal costs	<u>-</u>	<u>-</u>
<b>i) Write-down and impairment of assets</b>		
Asset write-downs and impairments of:	-	-
Plant and equipment	-	-
Motor vehicles	-	-
Total write-down and impairment of assets	<u>-</u>	<u>-</u>
<b>j) Other expenses</b>		
Other expenses	4,105	3,083
Total other expenses	<u>4,105</u>	<u>3,083</u>
<b>k) Penalties</b>		
Penalties imposed on the organisation under the RO Act with respect to conduct of the reporting unit.		
<b>5. Current Assets</b>		
<b>a) Cash and cash equivalents</b>		
Cash at bank	102,033	92,443
Cash on hand	-	-
Deposits at call	-	-
Other	-	-
Total Cash and cash equivalents	<u>102,033</u>	<u>92,443</u>
<b>b) Trade and other receivables</b>		
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>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018	2017
	\$	\$
<b>Other receivables:</b>		
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>	<u><u>-</u></u>
<b>c) Other Current Assets</b>		
Shares in unlisted companies- Unity Bank	10	10
Total other current assets	<u><u>10</u></u>	<u><u>10</u></u>
<b>6. Non-Current Assets</b>		
<b>a) Plant and equipment</b>		
Plant and equipment:		
at cost	5,684	5,684
less accumulated depreciation	<u>(5,535)</u>	<u>(5,034)</u>
Total plant and equipment	<u><u>149</u></u>	<u><u>650</u></u>
Reconciliation of the opening and closing balances of plant and equipment		
Balance at beginning of year:	650	1,210
Additions	-	-
Disposals	-	-
Depreciation expense	(501)	(560)
Profit/(loss) on disposal	<u>-</u>	<u>-</u>
Balance at end of year	<u><u>149</u></u>	<u><u>650</u></u>
<b>b) Motor vehicles</b>		
Motor vehicles:		
at cost	-	-
less accumulated depreciation	<u>-</u>	<u>-</u>
Total motor vehicles	<u><u>-</u></u>	<u><u>-</u></u>
Reconciliation of the opening and closing balances of motor vehicles		
Balance at beginning of year:	-	27,852
Additions	-	-
Disposals	-	-
Depreciation expense	-	(4,655)
Profit/(loss) on disposal	<u>-</u>	<u>(23,197)</u>
Balance at end of year	<u><u>-</u></u>	<u><u>-</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 \$	2017 \$
<b>7. Current liabilities</b>		
<b>a) Trade payables</b>		
Trade creditors and accruals		
Operating lease rentals	-	-
Subtotal trade creditors	<u>-</u>	<u>-</u>
Payables to other reporting unit(s):		
Other - National Office Capitation fees	22,000	9,086
Subtotal payables to other reporting unit(s)	<u>22,000</u>	<u>9,086</u>
Total trade payables	<u>22,000</u>	<u>9,086</u>

**7. Current liabilities (cont.)**

<b>b) Other payables</b>		
Wages and Salaries	-	-
Superannuation	-	-
PAYGW payable	-	30,427
Consideration to employers for payroll deductions	-	-
Legal costs - Litigation and other matters	-	-
Other	-	-
Total other payables	<u>-</u>	<u>30,427</u>
Total other payables are expected to be settled in:		
No more than 12 months	-	30,427
More than 12 months	-	-
Total other payables	<u>-</u>	<u>30,427</u>

**8. Provisions**

<b>a) Employee provisions</b>		
<i>Office Holders</i>		
Annual leave	-	-
Long service leave	-	-
Separation and redundancies	-	-
Other employee provisions	-	-
Subtotal employee provision - office holders	<u>-</u>	<u>-</u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018	2017
	\$	\$
<i>Employees other than Office Holders</i>		
Annual leave	-	-
Long service leave	-	-
Separation and redundancies	-	-
Other employee provisions	-	-
Subtotal employee provision - employees	<u>-</u>	<u>-</u>
Total employee provisions	<u><u>-</u></u>	<u><u>-</u></u>
Current	-	-
Non Current	-	-
Total employee provisions	<u><u>-</u></u>	<u><u>-</u></u>

**9. Equity**

**a) General Funds**

*Retained Earnings*

Balance as at start of the year:	53,590	37,765
add accumulated profit/(losses)	26,602	15,825
add adjustments to prior period errors	-	-
Balance at the end of the year	<u>80,192</u>	<u>53,590</u>
Total Equity	<u><u>80,192</u></u>	<u><u>53,590</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018	2017
	\$	\$
<b>10. Cash Flow</b>		
<b>a) Cash Flow Reconciliation</b>		
Reconciliation of cash and cash equivalents as per balance sheet to cash flow statement		
Cash and cash equivalents as per:		
Cash flow statement	102,033	92,443
Balance sheet	102,033	92,443
<i>Difference</i>	-	-
Reconciliation of profit/(deficit) to net cash from operating activities:		
Profit/(loss) for the year	26,602	15,825
Adjustments for non cash items		
Depreciation/amortisation	501	5,215
Net write down of non financial assets	-	-
(Gain)/loss on disposal of assets	-	23,197
Changes in assets/liabilities		
(Increase)/decrease in net receivables	-	-
(Increase)/decrease in prepayments	-	-
Increase/(decrease) in net supplier payables	-	-
Increase/(decrease) in other payables	(17,513)	32,395
Increase/(decrease) in employee provisions	-	(111,706)
Increase/(decrease) in other provisions	-	-
Net cash from (used by) operating activities	9,590	(35,074)
<b>b) Cash flow information</b>		
<i>Cash inflows</i>		
National Office Grants	-	125,000
Other National Office Funding (LSL entitlements)	-	52,334
Total cash inflows	-	177,334
<i>Cash outflows</i>		
National Office - capitation fees	26,210	23,485
Other	29,661	25,665
Total cash outflows	55,871	49,150

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018	2017
	\$	\$
<b>11. Key Management Personnel Remuneration for the Reporting Period</b>		
Short-term employee benefits		
Salary (including leave entitlements taken)	-	170,249
Annual leave accrued	-	(111,705)
Performance Bonus	-	-
Total short-term employee benefits	<u>-</u>	<u>58,544</u>
Post-employment benefits:		
Superannuation	-	3,598
Total post-employment benefits	<u>-</u>	<u>3,598</u>
Other long-term benefits:		
Long service leave	-	-
Total other long-term benefits	<u>-</u>	<u>-</u>
Termination benefits	-	-
<b>Total employee benefits</b>	<u>-</u>	<u>62,142</u>
<b>12. Remuneration of the auditor</b>		
Value of the services provided		
Financial statement audit services	4,290	3,850
Other services	-	-
Total remuneration of auditors	<u>4,290</u>	<u>3,850</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 National Office on a quarterly basis. In the 2018 year, \$0 of membership fees were collected; \$35,145 were paid to the National Office (2017: \$52,334 collected, \$32,621 paid).

In order for CFMEU Mining & Energy Division (Tasmanian District Branch) to remain financial viable, the CFMEU Mining & Energy Division National Office contributed funding to the operational activities. In 2018, \$0 was received from the National Office (2017: \$125,000)

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.

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

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

#### **14. Section 272 Fair Work (Registered Organisations) Act 2016**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2016, 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 Commissioner of the ROC:

(1) A member or reporting unit, or the Commissioner of the ROC, 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.



**CONSTRUCTION, FORESTRY, MARITIME, MINING & ENERGY UNION - MINING & ENERGY DIVISION  
TASMANIA DISTRICT BRANCH**

**OFFICER DECLARATION STATEMENT**

I, Ricky Gale being the Honorary District President of the Construction, Forestry, Maritime, Mining & Energy Union, Mining & Energy Tasmanian District Branch, declare that the following activities did not occur during the reporting period ending 31 December 2018.

The reporting unit did not:

- ~~• agree to receive financial support from another reporting unit to continue as a going concern~~
- agree to provide financial support to another reporting unit to ensure they continue as a going concern
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- ~~• receive periodic or membership subscriptions~~
- receive capitation fees from another reporting unit
- receive any other revenue from another reporting unit
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- ~~• pay capitation fees to another reporting unit~~
- pay any other expense to another reporting unit
- pay affiliation fees to other entity
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay a donation that exceeded \$1,000
- ~~• pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit~~
- ~~• incur expenses due to holding a meeting as required under the rules of the organisation~~
- pay legal costs relating to litigation
- pay legal costs relating to other legal matters
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a receivable with other reporting unit(s)
- ~~• have a payable with other reporting unit(s)~~
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- ~~• have a balance within the general fund~~
- ~~• provide cash flows to another reporting unit and/or controlled entity~~

- receive cash flows from another reporting units and/or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by the officer: *R.M. Fale*

Dated: *24/05/2019*



21 January 2019

Mr David Bean  
District Vice-President  
Construction, Forestry, Maritime, Mining and Energy Union-Mining and Energy Division Tasmanian  
District Branch  
By Email: davidbean45@hotmail.com

Dear Mr Bean,

**Re: Lodgement of Financial Report - [FR2018/301]  
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the Construction, Forestry, Maritime, Mining and Energy Union-Mining and Energy Division Tasmanian District Branch (the reporting unit) ended on 31 December 2018. This is a courtesy letter to remind you of the reporting unit's obligations regarding financial reporting.

### **Loans Grants and Donations Statement**

The reporting unit is required to lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 of the RO Act requires this statement to be lodged with the Registered Organisations Commission (the ROC) within 90 days of the end of the reporting unit's financial year, namely on or before 31 March 2019.

The attached fact sheet *Loans Grants and Donations* (FS 009) summarises the requirements of the Loans Grants and Donations Statement. A sample statement of loans, grants or donations is available on our [website](#).

It should be noted that s.237 is a civil penalty provision. If a loan, grant or donation over \$1000 has been made, failure to lodge a statement of loans, grants and donations (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty. Currently penalties are up to \$105,000 for each contravention for a body corporate and up to \$21,000 for each contravention for an individual and may be imposed upon your organisation and/or an officer whose conduct led to the contravention.

### **Financial report**

The RO Act sets out a particular chronological order in which your financial report must be prepared, audited, provided to members, presented to a meeting and then lodged with the ROC. The attached document *Summary of Financial Reporting timelines* (FS 008) summarises these requirements.

We emphasise that the reporting unit is required to present its audited financial report to a meeting (either of members or of the committee of management, depending on its rules) no later than 30 June 2019 (s.266). The full financial report must be lodged with the ROC within 14 days of that meeting (s.268).

When assessing your financial report, we will continue to focus closely on timelines as well as how loans, grants and donations are reported (see attached *Loans Grants and Donations* fact sheet FS 009). The financial report must break down the amounts of grants and donations and these figures will be compared to the loans, grants and donations statement.

You can visit our website for more information regarding [financial reporting](#), and fact sheets regarding [financial reporting processes and requirements](#). A model set of financial statements developed by the

ROC is also available on our website. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards.

It should be noted that s.268 of the RO Act is a civil penalty provision. Failure to lodge the full financial report (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty, as set out above, being imposed upon your organisation and/or an officer whose conduct led to the contravention (s.268).

### **Subsection 255(2A) report**

A general purpose financial report prepared under section 253 of the RO Act must also include the expenditure report required to be prepared under subsection 255(2A) as prescribed by reporting guideline 22. A copy of the latest reporting guidelines for the purpose of section 253 is available on our [website](#).

It should be noted that the subsection 255(2A) report must be identified by title in the auditor's report in accordance with paragraph 24(c) of Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report*.

A [fact sheet](#) is available on our website which provides guidance on the reporting requirements under subsection 255(2A) of the RO Act.

## **REMINDER**

### **YOUR AUDITOR MUST BE REGISTERED (s.256)**

You must ensure that your auditor is registered by the Registered Organisations Commissioner. A list of registered auditors is available on our [website](#).

### **Contact**

Should you require any clarification in relation to the above, please email [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au).

Yours faithfully,

**Kylie Ngo**  
**Registered Organisations Commission**

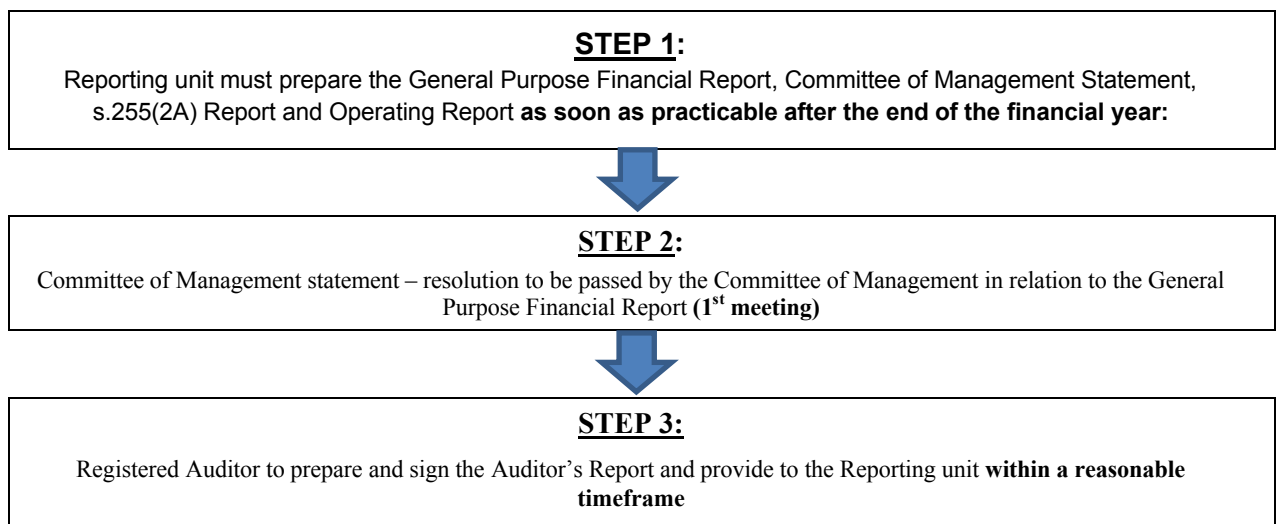


## Fact sheet

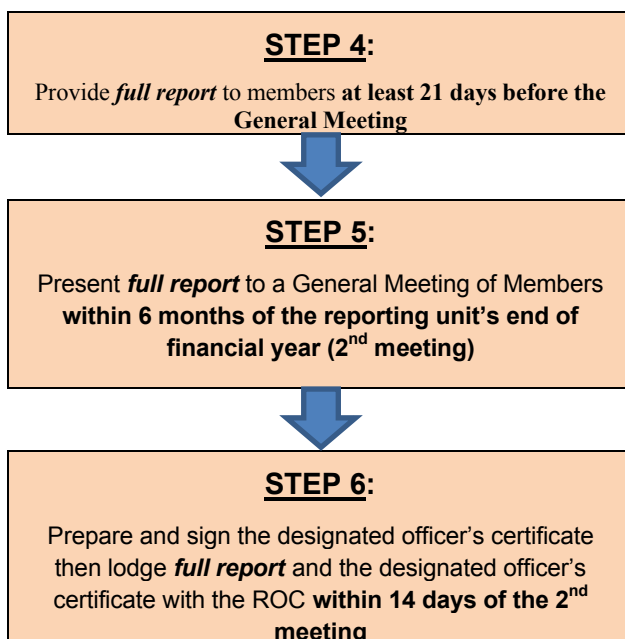
### Summary of financial reporting timelines – s.253 financial reports

General Information:

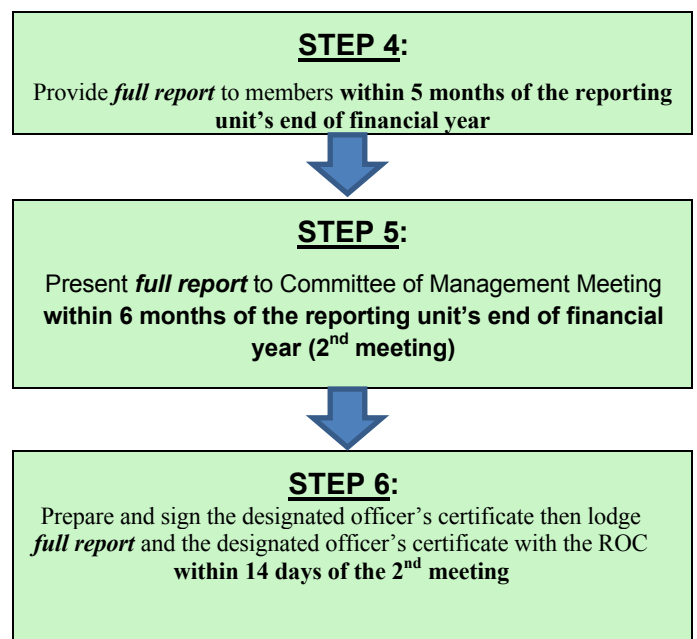
- The **full report** consists of the General Purpose Financial Report, Committee of Management Statement, Operating report, s.255(2A) Report and signed Auditors' Report
- For an explanation of each of the steps below see our [Fact sheet—financial reporting process](#).



IF RULES PROVIDE FOR PRESENTATION OF FULL REPORT  
AT **GENERAL MEETING OF MEMBERS**  
(this is the default process in the RO Act)





















IF RULES PROVIDE FOR PRESENTATION OF FULL REPORT AT  
**COMMITTEE OF MANAGEMENT MEETING**  
(Special rules must be in the rulebook to use this process)



## Misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Financial Reporting Process. They include:

Misconception	Requirement
<p> The Committee of Management statement is just copied from the Reporting Guidelines</p>	<p> The Committee of Management statement must have the date of the Committee of Management resolution recorded upon it and it must be signed and dated BEFORE the auditor signs their report</p> <p>Further, if any of the statements within it need to be modified to suit the reporting unit (for instance not holding meetings) these changes must also be made</p>
<p> The Auditor's Report does not need to be signed until just before it is lodged with the ROC</p>	<p> The Auditor's Report must be signed and dated BEFORE the full report (including the Auditor's Report) is sent to members and presented to the second meeting</p>
<p> The Designated Officer's Certificate must be signed before the report is sent to members</p>	<p> The Designated Officer's Certificate declares what the reporting unit HAS ALREADY DONE to provide the report to members and present it to the meeting. It must be signed and dated AFTER sending the report to members and the second meeting</p>
<p> Documents can be dated when they should have been signed or when the events in the document occurred</p>	<p> Documents must always be dated at the date they are actually signed by an officer or auditor</p>
<p> Any auditor can audit a financial report</p>	<p> Only registered auditors can audit the financial report</p>
<p> The Committee of Management statement can be signed at any time</p>	<p> The resolution passing the Committee of Management Statement must occur and the statement signed and dated BEFORE the auditor's report is signed and dated</p>
<p> Any reporting unit can present the Full Report to a second COM meeting</p>	<p> Only reporting units with a 5% rule in their rulebook are able to present their report to a second Committee of Management Meeting. Otherwise, it must be presented to a General Meeting of members</p>
<p> Everything can be done at one Committee of Management meeting</p>	<p> If the rules allow for presenting the report to the Committee of Management, there must still be <u>two meetings</u>. The first meeting resolves the Committee of Management statement (including signing and dating it). Between the two meetings the Auditor's report is signed and dated. Only then can the full report be presented to the second Committee of Management meeting (if the rules allow)</p>
<p> The reporting unit has 6 months and 14 days to lodge their financial report with the ROC</p>	<p> The reporting unit must lodge the financial report within 14 days of the second meeting</p>

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This fact sheet is not intended to be comprehensive. It is designed to assist in gaining an understanding of the Registered Organisations Commission and its work. The Registered Organisations Commission does not provide legal advice.



## **Fact sheet**

### **Loans, Grants & Donations**

#### **The Loans, Grants & Donations Requirements**

The Fair Work (Registered Organisations) Act 2009 (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within 90 days of the ending of the financial year.

Under the Commissioner's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.

#### **The Loans, Grants & Donations Statement**

Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceeds \$1000. The following information must be supplied to the Registered Organisations Commission (the ROC) for each relevant loan, grant or donation:

- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,\* and
- the arrangements for repaying the loan.\*

\*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the ROC has a [Template Loans, Grants and Donations Statement](#) on its website. The ROC encourages branches and organisations to lodge the statement even if all of the figures are NIL.

**Common misconceptions**

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
<p><b>X</b> Only reporting units must lodge the Statement.</p>	<p><b>✓</b> All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.</p>
<p><b>X</b> Employees can sign the Statement.</p>	<p><b>✓</b> The statement must be signed by an elected officer of the relevant branch.</p>
<p><b>X</b> Statements can be lodged with the financial report.</p>	<p><b>✓</b> The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.</p>

**Grants & Donations within the Financial Report**

Item 14(e) of the Commissioner’s Reporting Guidelines requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were \$1000 or less and those that exceeded \$1000.

As such, the note in the financial report relating to grants and donations will have four lines.

In the [ROC's Model Statements](#) the note appears as follows:

**Note 4E: Grants or donations\***

Grants:	2017	2016
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-
Donations:		
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-
<b>Total grants or donations</b>	-	-

The Commissioner’s Reporting Guidelines requires that these line items appear in the financial statements, the notes or in the officer’s declaration statement, even if the figures are NIL.



## Implications for filing the Financial Report

During their review of the financial report staff of the ROC may confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their last financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the website.

### Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the ROC on [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au)

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