



FAIR WORK
AUSTRALIA

12 July 2012

Mr Ralph Edwards
President, Victorian Divisional Branch, Construction and General Division
CFMEU
500 Swanston Street
CARLTON SOUTH VIC 3053



Dear Mr Edwards

**Re: Lodgement of Financial Accounts and Statements – CFMEU, Construction and
General Division, Victorian Divisional Branch – for year ending 31 December 2011
(FR2011/2842)**

I refer to the above financial statements and accounts which were lodged with Fair Work Australia on 22 June 2012.

The documents have been filed. However I draw your attention to the following.

- (1) The Operating Report was undated. All statements to be signed must be dated in future reports.
- (2) An attachment listing various particulars of donations of \$1,000 and greater was included in the documents lodged. These particulars should have been set out in a separate statement lodged under section 237 of the *Fair Work (Registered Organisations) Act 2009*, within 90 days of the end of the financial year to which they relate, i.e. by 31 March. Statements lodged under section 237 are filed separately from the financial report and may be inspected only by members of the Branch, pursuant to subsections 237(4), 237(7) and 237(8).

I would request that you lodge a statement explicitly under section 237 at the earliest possible opportunity, and I enclose a proforma which you may use and/or to which you may attach the relevant particulars in the form you have already arranged them.

Please do not hesitate to contact me in relation to any query regarding the financial reporting requirements at any time on (02) 6723 7097.

Yours sincerely

Stephen Kellett
Organisations, Research and Advice Branch



FR 2011/2842

20th June, 2012

CONSTRUCTION

FORESTRY

MINING

ENERGY

UNION

Attention: Stephen Kellett
Fair Work Australia
Level 8, Terrace Towers
80 William Street
East Sydney, NSW 2011



Dear Stephen Kellett,

RE: Financial year ended 31 December, 2011

Accounts for Construction, Forestry, Mining and Energy Union
Construction and General Division Victorian Branch

Please find attached our financial accounts for the year ended 31
December, 2011 passed by our Divisional Branch Management
Committee on Tuesday the 19th June, 2012.

These accounts were published on our website

www.cfmeuvic.com.au

on the 15th May, 2012.

Should you need any further information please contact Edith
Harris on 03 9341 3456 or edithh@vic.cfmeu.asn.au.

Yours Faithfully

Ralph Edwards
President
CFMEU Construction and General Division (Victoria Branch)

VICTORIAN
DIVISIONAL BRANCH
500 SWANSTON STREET
CARLTON STH, VIC 3053
ABN: 74 392 029 244
PH: (03) 9341 3444
FAX: (03) 9341 3427



Attention: Stephen Kellett
Fair Work Australia
Level 8, Terrace Towers
80 William Street
East Sydney, NSW 2011

CONSTRUCTION

FORESTRY

MINING

ENERGY

UNION

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

I, RALPH EDWARDS

Being a prescribed designated officer, certify that the documents lodged with Fair Work Australia, consisting of the general purpose financial report of the Victorian Divisional Branch of the Construction and General Division of the Construction, Forestry, Mining and Energy Union for the year ended 31 December, 2011 are:

- copies of the documents provided to members on our website(www.cfmeuvic.com.au) on the 15th of May, 2012
- And subsequently presented to the Divisional Branch Management Committee in accordance with the Fair Work (Registered Organisations) Act 2009 and Fair Work (Registered Organisations) Regulations 2009, on the 19th of June, 2012.

Ralph Edwards
President
CFMEU Construction and General Division (Victorian Divisional Branch)

VICTORIAN DIVISIONAL
BRANCH
500 SWANSTON STREET
CARLTON STH, VIC 3053

ABN 74 392 029 244
PH: (03) 9341 3444
FAX: (03) 9341 3427

Date:



**THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
VICTORIAN DIVISIONAL BRANCH**

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2011**

**THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
VICTORIAN DIVISIONAL BRANCH
OPERATING REPORT FOR THE YEAR ENDED 31 DECEMBER 2011**

Operating Report

Introduction

In 2011 the CFMEU Construction and General Division - Victorian Divisional Branch ("CFMEU"), remains an organisation committed to providing a broad range of services to members and defending their rights.

Principal Activities

The principal activity of the CFMEU is that of a registered trade union in Australia reporting in accordance with the requirements of the Fair Work (Registered Organisations) Act 2009. The many benefits of membership include unity in EBA negotiations. The CFMEU employs organisers to help members and provides access to occupational health and safety representatives, training and legal advice.

Financial Position

The CFMEU remains in a secure financial position because office holders have ensured that a "safety net" exists for members both individually and as a union so that our united strength can be defended. The Union's operations resulted in a surplus of \$3,749,363 for the year ended 31 December 2011. In the 2010 financial year; the Union's operations resulted in a surplus of \$888,849.

The investments of the Union are handled by the Investment Committee which is made up of Officers and Trustees taking advice from professional investment advisers. No major new investments were made during the year. The property at Barry Street was sold resulting in a gain during the year. The Investment Committee will continue to monitor the Union's investments.

Number of Employees

The union had 91 (2010: 89) employees.

Number of Members

The number of members for the year ended 31 December 2011 was 25,598 (2010: 23,585).

Rights of Members

A member can resign from membership by written notice and in accordance with Chapter 6, Part 3, Section 174 of the Fair Work (Registered Organisation) Act 2009 and the rules of the CFMEU.

**THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
VICTORIAN DIVISIONAL BRANCH
OPERATING REPORT FOR THE YEAR ENDED 31 DECEMBER 2011**

Operating Report (continued)

Office Holders

The names of the members of the Divisional Branch Management Committee "DBMC" during financial year were:

Akbari F	1 January 2011 to 31 December 2011
Berardi D	1 January 2011 to 31 December 2011
Beattie B	1 January 2011 to 31 December 2011
Bergic S	1 January 2011 to 31 December 2011
Booth P	1 January 2011 to 31 December 2011
Booth R	1 January 2011 to 31 December 2011
Christopher D	1 January 2011 to 31 December 2011
Cody M	1 January 2011 to 31 December 2011
Cordier A	1 January 2011 to 31 December 2011
Doyle F	1 January 2011 to 31 December 2011
Duggan J	1 January 2011 to 31 December 2011
Edwards R	1 January 2011 to 31 December 2011
Ioannidis A	1 January 2011 to 31 December 2011
Little A	1 January 2011 to 31 December 2011
McLoughlin A	1 January 2011 to 31 December 2011
Neilson B	1 January 2011 to 31 December 2011
O'Grady F	1 January 2011 to 31 December 2011
Oliver W	1 January 2011 to 31 December 2011
Perkovic J	1 January 2011 to 31 December 2011
Reardon S	1 January 2011 to 31 December 2011
Round P	1 January 2011 to 31 December 2011
Setka J	1 January 2011 to 31 December 2011
Savronidis C	1 January 2011 to 31 December 2011
Spernovasilis E	1 January 2011 to 31 December 2011
Stephenson G	1 January 2011 to 31 December 2011
Stradjot F	1 January 2011 to 31 December 2011
Theodorou T	1 January 2011 to 31 December 2011
Washington N	1 January 2011 to 31 December 2011
Watson T	1 January 2011 to 31 December 2011
Williams R	1 January 2011 to 31 December 2011

Signed

For and on behalf of the Divisional Branch Management Committee

Date



**Bill Oliver
State Secretary**

**THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
VICTORIAN DIVISIONAL BRANCH
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	2011 \$	2010 \$
Revenue	2	25,132,995	22,268,003
Less expenses			
Office and administration		1,705,466	2,618,965
Capitation, affiliation, and amalgamation		1,577,694	1,439,185
Depreciation	3	1,196,077	866,091
Direct employee benefits – office holders		442,120	2,858,217
Direct employee benefits – office employees		10,620,416	6,054,925
Employee related costs		1,578,633	1,451,741
Occupancy		942,524	875,619
Organisers, conference and consultancy expenses		2,902,020	3,203,528
Journal costs		250,960	216,303
Loss on disposal of plant and equipment	3	167,722	128,167
Loss on disposal of financial assets		-	1,666,413
		21,383,632	21,379,154
Net Surplus		3,749,363	888,849
Other Comprehensive Income			
Net fair value (loss) / gain on available for sale financial assets		(270,644)	17,842
Revaluation increment on land and buildings		-	265,793
Write back to profit/loss upon sale of available for sale financial asset		-	(30,469)
Total comprehensive income for the year		3,478,719	1,142,015

The statement of comprehensive income is to be read in conjunction with the accompanying notes

THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
VICTORIAN DIVISIONAL BRANCH
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2011

	Note	2011 \$	2010 \$
CURRENT ASSETS			
Cash and cash equivalents	4	6,098,190	5,539,014
Trade and other receivables	5	1,505,677	1,715,071
Inventories		41,846	50,607
Other financial assets	6	15,166,084	10,532,697
		<u>22,811,797</u>	<u>17,837,389</u>
NON-CURRENT ASSETS			
Investment properties	7	4,660,000	4,660,000
Property, plant and equipment	8	25,422,304	25,227,283
Other financial assets	6	1,001,682	1,001,682
		<u>31,083,986</u>	<u>30,888,965</u>
TOTAL ASSETS		<u>53,895,783</u>	<u>48,726,354</u>
CURRENT LIABILITIES			
Trade and other payables	9	1,911,297	807,068
Grant liability held	9	6,050	34,699
Provisions	10	5,681,196	5,066,066
TOTAL LIABILITIES		<u>7,598,543</u>	<u>5,907,833</u>
NET ASSETS		<u>46,297,240</u>	<u>42,818,521</u>
MEMBERS' FUNDS			
Accumulated Members Funds		44,248,885	40,055,408
Asset Revaluation Reserve		2,048,355	2,763,113
TOTAL MEMBERS' FUNDS		<u>46,297,240</u>	<u>42,818,521</u>

The statement of financial position is to be read in conjunction with the accompanying notes

**THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
VICTORIAN DIVISIONAL BRANCH
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Accumulated Members Funds \$	Asset Revaluation Reserve \$	Available for Sale Financial Assets Reserve \$	Total \$
Balance at 31 December 2009	39,166,559	2,264,012	245,936	41,676,507
Total comprehensive income				
Surplus for the year	888,849		-	888,849
Revaluation increment of land and buildings	-	265,792	-	265,792
Net fair value gain on available for sale assets	-	-	17,842	17,842
Write back to profit/loss upon sale of available for sale financial asset	-	-	(30,469)	(30,469)
Total comprehensive income	888,849	265,792	(12,627)	1,142,014
Balance at 31 December 2010	40,055,408	2,529,804	233,309	42,818,521
Total comprehensive income				
Surplus for the year	3,749,363		-	3,749,363
Net fair value loss on available for sale assets	-	-	(270,644)	(270,644)
Total comprehensive income	3,749,363	-	(270,644)	3,478,719
Transfer to / (from)	444,114	(444,114)	-	-
Balance at 31 December 2011	44,248,885	2,085,690	(37,335)	46,297,240

The statement of changes in equity is to be read in conjunction with the accompanying notes

**THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
VICTORIAN DIVISIONAL BRANCH
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	2011 \$	2010 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members		18,136,700	12,871,397
Operating grant receipts		7,952,293	7,586,801
Rent received		91,596	77,914
Receipts from sale of publications		73,992	65,931
Interest received		1,400,085	1,140,461
Payments to suppliers and employees		(19,607,466)	(18,095,438)
Payments – CFMEU – C&G National Office		(1,334,805)	(1,051,229)
Net cash provided by operating activities	16(b)	<u>6,712,395</u>	<u>2,595,837</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(3,350,324)	(10,673,920)
Proceeds from sale of property, plant and equipment		2,101,136	114,911
Proceeds from matured investments		4,300,000	7,338,567
Payment for investments		(9,204,031)	(2,243,000)
Net cash used in investing activities		<u>(6,153,219)</u>	<u>(5,463,442)</u>
Net increase/(decrease) in cash held		559,176	(2,867,605)
Cash and cash equivalents at beginning of financial year		5,539,014	8,406,619
Cash and cash equivalents at end of financial year	16(a)	<u>6,098,190</u>	<u>5,539,014</u>

The statement of cash flows is to be read in conjunction with the accompanying notes

THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
VICTORIAN DIVISIONAL BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Introduction

The financial report is for CFMEU Construction and General Division Victorian Divisional Branch as an individual entity for the year ended 31 December 2011. The CFMEU Construction and General Division Victorian Divisional Branch ("The Union") is an organisation committed to providing a broad range of services to members and defending their rights. The registered office and principal place of operation is 500 Swanston Street, Melbourne, Victoria.

Statement of Compliance

The financial report is a general purpose financial report that has been prepared for distribution to the members to fulfil the Executive's financial reporting requirements under the Fair Work (Registered Organisations) Act 2009. The Executive have prepared the financial report in accordance with Accounting Standards and the Australian Accounting Interpretations, and other pronouncements of the Australian Accounting Standards Board and the requirements of the Fair Work (Registered Organisations) Act 2009.

Compliance with IFRS

For the purposes of this financial report, the Union is considered to be a not-for-profit entity and as such has prepared this financial report with reference to the requirements regarding Not-For-Profits in the Australian Accounting Standards.

The financial statements were authorised for issue by the Committee of Management on the date the Committee of Management Certificate was signed.

Statement of Significant Accounting Policies

Basis of Preparation

The financial report has been prepared on the accrual basis of accounting with the exception of membership income and training fees received which are brought to account on a cash basis. The historical cost basis has been used except for certain assets which are carried at fair value. Cost is based on the fair values of the consideration given in exchange for assets. These financial statements are presented in Australian dollars, which is the Union's functional currency. The financial report is prepared on a going concern basis.

A. Income Tax

No provision for income tax has been raised as the union is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

B. Goods and Services Tax

Revenues, expenses and assets are recognised net of goods and services tax (GST) except:

- (a) where the GST is not recoverable from the tax office; and
- (b) for receivable and payables which are recognised inclusive of GST;

The net amount of GST receivable or payable to the tax office is included as part of receivables or payables.

C. Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis.

**THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
VICTORIAN DIVISIONAL BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

D. Property, Plant and Equipment

(i) Impairment of Assets

At each reporting date the carrying amounts of assets are reviewed to determine whether there is any indication that those assets have suffered impairment loss. If any such indication exists the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss if any. The Committee of Management are satisfied that the carrying amounts of assets do not exceed the net amounts that are expected to be recovered through the cash inflows and outflows arising from the continued use and subsequent disposal of the assets.

(ii) Non Current Assets Held for Resale

Non-current assets are classified as held for resale where the sale of the asset is expected to be completed within one year from the date of the classification. Such assets are measured at the lower of carrying amount and fair value less costs to sell.

(iii) Property

Land and buildings are measured at fair value. Fair value is determined on the basis of an independent valuation prepared by external valuation experts. The fair values are recognised in the financial statements and are reviewed at the end of each reporting period to ensure that the carrying value of land and buildings is not materially different from their fair values.

Any revaluation increase is credited to the asset revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense, in which case the increase is credited to the income statement to the extent of the decrease previously charged. A decrease on revaluation is charged as an expense in the profit and loss to the extent that it exceeds the balance, if any, held in the asset revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is charged to profit and loss. On subsequent disposal of a revalued property the relevant revaluation surplus remaining in the asset revaluation reserve is transferred directly to retained earnings.

(iv) Plant and Equipment

Plant and equipment is carried at cost less, where applicable, any accumulated depreciation. The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the union commencing from the time the asset was held ready for use. The carrying amount of fixed assets is reviewed annually in accordance with impairment test outlined above to ensure they are not in excess of their recoverable values.

Most depreciation is provided on a diminishing value method. 20% of assets are depreciated on a straight line basis

Depreciation rates used are as follows:

Buildings	2.5%
Improvements	15%
Plant and Equipment	7.5 – 22.5%
Motor Vehicles	22.5%
Furniture, Fixtures and Fittings	15 – 25%
Computer Equipment	20-40%

THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
VICTORIAN DIVISIONAL BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. Other Financial Assets

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs. Other financial assets are classified into the following specified categories:

'Available for Sale', 'Held to Maturity Investments' and 'Trade and Other Receivables'.

(i) Held-to-Maturity Investments

Bills of exchange are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

(ii) Trade and Other Receivables

Trade and other receivables are recorded as at cost less allowance for doubtful debts.

(iii) Available-for-sale securities

Investments are those non-derivative financial assets, principally equity securities that are designated as available-for-sale. After initial recognition available-for sale securities are measured at fair value with gains or losses being recognised as a separated component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit and loss. The fair value of investments traded in organised financial markets are determined by reference to quoted market bid prices at the close of business on the balance sheet date.

(iv) Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of held to maturity investments and trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

With the exception of available- for-sale equity instruments, if in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
VICTORIAN DIVISIONAL BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. Other Financial Assets (Cont'd)

(iv) Impairment of financial assets (cont'd)

In respect of available-for sale equity instruments, any subsequent increase in fair value after an impairment loss is recognised directly to equity.

F. Investment Property

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured at its fair value at the reporting date. Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise. Properties are valued by an independent valuer on a regular basis.

G. Employee Benefits

Provision is made for the union's liability for employee benefits arising from services rendered by employees to balance date. Employee entitlements consist of annual leave, long service leave and redundancy pay which are accrued in line with employee agreements. Entitlements are unconditional and as such are recorded as current liabilities. Contributions are made by the union to an employee superannuation fund and are charged as expenses when incurred.

H. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and in banks and investments in money market instruments with terms of less than 90 days, net of outstanding bank overdrafts.

I. Revenue

(i) Membership Revenue

Revenue from membership is recognised on a cash basis.

(ii) Other Revenue

Other revenue is recognised when the right to receive the revenue has been established. Grants are recognised initially as deferred income and taken into income when there is reasonable assurance that they will be received and that the union will comply with the conditions of the grant.

J. Information to be Provided to Members or Registrar

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), (2) and (3) of Chapter 8, Part 3, Division 7, Section 272 which read as follows:

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

K. Trade and Other Payables

Trade payables and other accounts payables are recognised when the union becomes obliged to make future payments resulting from the purchase of goods and services.

**THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
VICTORIAN DIVISIONAL BRANCH
OPERATING REPORT FOR THE YEAR ENDED 31 DECEMBER 2011**

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

L. New Accounting Standards and Interpretations

In the current year, the Union has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to the operations and effective for the current reporting period.

M. Critical Accounting Estimates

The preparation of financial statements in conformity with AAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Union's accounting policies. Other than that disclosed in Note E (iv) Impairment of financial assets, management does not consider that any of the judgements or estimations adopted have had a significant impact on the financial report.

**THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
VICTORIAN DIVISIONAL BRANCH
NOTES TO FINANCIAL STATEMENT**

	2011	2010
	\$	\$
2 REVENUE		
Operating Activities		
Membership subscriptions	14,561,412	11,831,830
Interest received	1,445,077	1,132,913
Grant income	7,229,357	7,586,801
Rental income from investment properties	83,269	77,914
Training fees received	698,015	616,174
EBA processing fee	259,178	172,761
Gain on revaluation of investment properties	-	451,250
Gain on sale of land and building	309,632	-
Other revenue	547,055	398,360
	<u>25,132,995</u>	<u>22,268,003</u>
3 ITEMS INCLUDED IN SURPLUS		
Surplus has been determined after charging as expenses:		
Depreciation of property, plant and equipment	1,196,077	866,091
Affiliation fees	257,459	265,726
Direct operating expense related to investment properties	76,811	62,652
Capitation fees – CFMEU – C&G National Office	1,320,234	1,173,459
Donations	133,080	134,196
Legal fees	1,641,167	1,749,830
Consultancy fees	230,837	211,037
Loss on disposal of non-current assets	167,722	128,167
Proceeds from sale of property, plant and equipment	2,101,136	114,911
Remuneration of the auditors:		
PKF – audit of financial report		
Current year	42,500	39,500
Prior year	9,510	13,920
PKF – grant and other audits	11,000	9,100
	<u>63,010</u>	<u>62,520</u>
Total Employee Benefits excluding superannuation	8,427,376	7,508,651
Total superannuation	1,144,503	1,404,491
	<u>9,571,879</u>	<u>8,913,142</u>
4 CASH AND CASH EQUIVALENTS		
Cash on hand	3,400	3,400
Cash at bank	4,094,790	749,703
Short term deposits	2,000,000	4,785,911
	<u>6,098,190</u>	<u>5,539,014</u>
5 TRADE AND OTHER RECEIVABLES		
Other debtors	10,622	395,546
Accrued income	697,671	780,592
Prepayment	797,384	538,933
	<u>1,505,677</u>	<u>1,715,071</u>

The carrying amount of accounts receivable approximates fair value. There are no balances within receivables that contain assets that are past due but not impaired. It is expected these balances will be received when due. There are no impaired assets.

**THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
VICTORIAN DIVISIONAL BRANCH
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011 \$	2010 \$
6 OTHER FINANCIAL ASSETS		
Current		
Available for sale investments at fair value	1,462,053	1,732,697
Held to maturity term deposit	13,704,031	4,500,000
Held to maturity investments at amortised cost	-	4,300,000
	15,166,084	10,532,697
Non current		
Unlisted trusts at cost	1,682	1,682
Held to maturity investments at amortised cost	3,000,000	3,000,000
Allowance for impairment of held to maturity investments	(2,000,000)	(2,000,000)
	1,000,000	1,000,000
	1,001,682	1,001,682

7 INVESTMENT PROPERTIES

Land and buildings		
Freehold land at fair value	4,325,000	4,325,000
	4,325,000	4,325,000
Buildings at fair value	335,000	335,000
	335,000	335,000
TOTAL LAND AND BUILDINGS	4,660,000	4,660,000
TOTAL INVESTMENTS PROPERTIES	4,660,000	4,660,000

Revaluation of freehold land and freehold buildings

The Union engages independent valuer, Charter Keck Cramer, to determine the fair value of its freehold land and buildings. Fair value is the amount for which the asset would be exchanged between knowledgeable willing buyer and a knowledgeable willing seller in arm's length transaction as the valuation date. Fair value is determined by direct reference to recent market transactions on arm's length terms for land and buildings comparable in size and location to those held by the Union, and to market based yields for comparable properties. The effective date of the revaluation was 7 May 2010.

Movements in Carrying amounts

Movements in the carrying amounts of each class of investment properties between the beginning and the end of the current financial year.

	Land	Buildings	TOTAL
2011			
Balance at beginning of the year	4,325,000	335,000	4,660,000
Additions	-	-	-
Disposals	-	-	-
Carrying amount at the end of the year	4,325,000	335,000	4,660,000

THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
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7 INVESTMENT PROPERTIES (Continued)

2010	Land	Buildings	TOTAL
Balance at beginning of the year	3,850,000	390,000	4,240,000
Additions	-	-	-
Disposals	-	-	-
Fair value adjustment	475,000	(55,000)	420,000
Carrying amount at the end of the year	<u>4,325,000</u>	<u>335,000</u>	<u>4,660,000</u>

8 PROPERTY, PLANT AND EQUIPMENT

Land and buildings		
Freehold land at fair value	<u>14,035,920</u>	<u>15,035,920</u>
	<u>14,035,920</u>	<u>15,035,920</u>
Buildings at fair value	5,423,587	6,023,587
Less: Accumulated depreciation	(204,337)	(67,857)
	<u>5,219,250</u>	<u>5,955,730</u>
Improvements at costs	1,060,619	1,074,733
Less: Accumulated depreciation	(57,522)	(30,767)
	<u>1,003,097</u>	<u>1,043,966</u>
TOTAL LAND AND BUILDINGS	<u>20,258,267</u>	<u>22,035,616</u>

The revaluations of land and buildings were based on the assessment of their current market value, subject to vacant possession.

The independent revaluations dated 7th of May, 2010 were carried out by Certified Practising Valuer, Charter Keck Cramer. The valuations were made in accordance with a regular policy of obtaining independent valuation of land and buildings a maximum of every three years to ensure that requirements of accounting standards regarding fair value basis of valuation are met.

Valuations

(a) Plant and equipment	548,877	512,988
Less: Accumulated depreciation	(340,294)	(303,862)
	<u>208,583</u>	<u>209,126</u>
(b) Training equipment	3,685,975	1,211,427
Less: Accumulated depreciation	(854,309)	(345,084)
	<u>2,831,666</u>	<u>866,343</u>
(c) Computer equipment	1,003,718	1,133,391
Less: Accumulated depreciation	(877,948)	(974,850)
	<u>125,770</u>	<u>158,541</u>
(d) Furniture and fittings	820,786	814,956
Less: Accumulated depreciation	(455,954)	(388,522)
	<u>364,832</u>	<u>426,434</u>
(e) Motor vehicles at cost	2,428,581	2,322,619
Less: Accumulated depreciation	(795,395)	(791,396)
	<u>1,633,186</u>	<u>1,531,223</u>
TOTAL PLANT AND EQUIPMENT	<u>5,164,037</u>	<u>3,191,667</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>25,422,304</u>	<u>25,227,283</u>

THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
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VICTORIAN DIVISIONAL BRANCH
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011

8 PROPERTY, PLANT AND EQUIPMENT (Continued)

Movements in Carrying amounts

Movements in the carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial year.

2011	Land & Buildings	Improvements	Plant & Equipment	Training Equipment
Balance at beginning of the year	20,991,650	1,043,966	209,126	866,343
Additions	-	-	35,889	2,495,422
Disposals	(1,587,500)	(12,702)	-	(11,093)
Depreciation expense	(148,980)	(28,167)	(36,432)	(519,006)
Carrying amount at the end of the year	<u>19,255,170</u>	<u>1,003,097</u>	<u>208,583</u>	<u>2,831,666</u>
	Motor Vehicles	Furniture & Fittings	Computer Equipment	Total
Balance at beginning of the year	1,531,223	426,434	158,541	25,227,283
Additions	773,370	5,830	39,813	3,350,324
Disposals	(345,339)	-	(2,592)	(1,959,226)
Depreciation expense	(326,068)	(67,432)	(69,992)	(1,196,077)
Carrying amount at the end of the year	<u>1,633,186</u>	<u>364,832</u>	<u>125,770</u>	<u>25,422,304</u>
2010	Land & Buildings	Improvements	Plant & Equipment	Training Equipment
Balance at beginning of the year	10,736,460	1,654,296	237,263	471,714
Additions	9,479,151	30,647	8,219	557,050
Disposals	-	-	-	-
Revaluations	906,218	(604,972)	-	(4,204)
Depreciation expense	(130,179)	(36,005)	(36,356)	(158,217)
Carrying amount at the end of the year	<u>20,991,650</u>	<u>1,043,966</u>	<u>209,126</u>	<u>866,343</u>
	Motor Vehicles	Furniture & Fittings	Computer Equipment	Total
Balance at beginning of the year	1,574,953	503,644	187,159	15,365,489
Additions	536,110	2,138	60,605	10,673,920
Disposals	(243,077)	-	-	(243,077)
Revaluations	-	-	-	297,042
Depreciation expense	(336,763)	(79,348)	(89,223)	(866,091)
Carrying amount at the end of the year	<u>1,531,223</u>	<u>426,434</u>	<u>158,541</u>	<u>25,227,283</u>

**THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
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	2011	2010
	\$	\$
9 PAYABLES		
Trade creditors	339,538	245,293
CFMEU – C&G National Office	320,234	213,459
Sundry creditors and accruals	456,067	374,961
GST payables	795,458	(26,645)
Trade and other payables	<u>1,911,297</u>	<u>807,068</u>
Grant Liability Held	<u>6,050</u>	<u>34,699</u>

The carrying amount of accounts payable approximates fair value.

10 PROVISIONS

Provision for employee entitlements		
Provision for annual leave – Office Holders	549,822	651,632
Provision for annual leave – Other Employees	722,549	626,172
Provision for long service leave – Office Holders	568,032	605,455
Provision for long service leave – Other Employees	887,334	630,071
Provision for redundancy – Office Holders	1,492,922	1,154,558
Provision for redundancy – Other Employees	1,375,537	398,178
	<u>5,596,196</u>	<u>4,066,066</u>
Provision for legal settlement	<u>85,000</u>	<u>1,000,000</u>
	<u>5,681,196</u>	<u>5,066,066</u>
Movements in carrying amount - legal settlement		
Opening balance	1,000,000	1,100,000
Additional provision made	85,000	1,000,000
Amount paid	(1,000,000)	(1,100,000)
Closing balance	<u>85,000</u>	<u>1,000,000</u>

11 RELATED PARTY TRANSACTIONS

Capitation fees are paid to CFMEU – Construction and General Division National Office as disclosed in Note 3 as a percentage of membership income and the minimum membership rate as set by the National Office.

12 EVENTS SUBSEQUENT TO BALANCE DATE

The Union DBMC members have voted to merge with the Tasmanian Divisional Branch. After the initial voting, the merger is likely to take effect on 1 July, 2012. The name of the merged entity will be “The Construction, Forestry, Mining and Energy Union Construction and General Division Victoria-Tasmania Divisional Branch”. This merger is intended to help the Tasmanian branch and will be reviewed in three years of the declaration of the ballot for the Divisional Branch elections in 2012.

The Union has entered into a contract of sale in relation to its investment property located at 64-66 Great Ocean Road, Aireys Inlet, on 5 March 2012 for \$1.2 million with final on settlement 6 June 2012.

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	2011	2010
	\$	\$
13 FINANCIAL INSTRUMENTS		
Financial Risk Management Objectives and Policies		
<p>The union's principal financial instruments comprise of receivables, payables, cash and various forms of investments, including bank notes, CDO'S and equity funds. The union manages its exposure to key financial risks in accordance with the union's financial risk management policy. The objective of the policy is to support the delivery of the union's financial targets whilst protecting future financial security.</p> <p>The main risks arising from the union's financial instruments are interest rate and credit risk. The union uses different methods to measure and manage different types of risks to which it is exposed. The Investment Committee and Executive Committee on behalf of the DBMC reviews and manages the policies and risks facing the Union, including review of policies for trading in investments, proportions of investments held and future cash flow forecast projections.</p>		
Risk Exposures and Response		
Financial Assets		
Cash and cash equivalents	6,098,190	5,539,014
Trade and other receivables	1,505,677	1,715,071
Held to maturity term deposits	13,704,031	4,500,000
Unlisted trusts at cost	1,682	1,682
Available for sale investments at fair value	1,462,053	1,732,697
Held to maturity investment at amortised costs	3,000,000	7,300,000
Allowance for impairment	(2,000,000)	(2,000,000)
Total financial assets	23,771,633	18,788,464
Financial Liabilities		
Trade and other payables	1,911,297	807,068
Total financial liabilities	1,911,297	807,068
Net exposure	21,860,336	17,981,396

Credit Risk

Credit risk arises from the financial assets of the union, which comprise cash and cash equivalents, trade and other receivables, investments and available-for-sale financial assets. The Unions exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is disclosed in each applicable note.

For the remaining financial assets there is no significant concentration of credit risk within the Union and financial instruments are spread amongst a number of reputable financial institutions to minimise the risk of default of counterparties. Due to the global economic down turn however a number of the Union's held to maturity investments in the form of CDOs have had defaults against them and consequently were cashed in as determined by the Investment Committee.

Foreign Currency Risk

Both the functional and presentation currency of CFMEU is in Australian dollars (A\$).

The Union's exposure to foreign currency risk is minimal.

THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
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NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011

13 FINANCIAL INSTRUMENTS (Cont'd)

Interest rate risk

Exposure to market interest rates, primarily to cash investments held. At balance date, Union had the following mix of financial assets and liabilities exposed to variable interest rate risk that are not designated in cash flow hedges.

The union's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at the balance date, are as follows:

	Maturing in:					Total	Weighted average effective interest rate
	1 month or less	Over 1 month to 3 months	Over 3 months to 1 year	Over 1 to 5 years	Non-Interest bearing		
Financial instruments 2011							
	2011 \$	2011 \$	2011 \$	2011 \$	2011 \$	2011 \$	2011 %
(i) Financial assets							
Cash	4,094,790	2,000,000	-	-	3,400	6,098,190	3.62
Trade & other receivables			-	-	1,505,677	1,505,677	-
Investments	900,000	7,000,000	5,804,031	1,000,000	1,463,735	16,167,766	6.08
	<u>4,994,790</u>	<u>9,000,000</u>	<u>5,804,031</u>	<u>1,000,000</u>	<u>2,972,812</u>	<u>23,771,633</u>	
(ii) Financial liabilities							
Trade and other payable	-	-	-	-	1,911,297	1,911,297	
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,911,297</u>	<u>1,911,297</u>	

	Maturing in:					Total	Weighted average effective interest rate
	1 month or less	Over 1 month to 3 months	Over 3 months to 1 year	Over 1 to 5 years	Non-Interest bearing		
Financial instruments 2010							
	2010 \$	2010 \$	2010 \$	2010 \$	2010 \$	2010 \$	2010 %
(i) Financial assets							
Cash	1,535,614	4,000,000	-	-	3,400	5,539,014	4.50
Trade & other receivables	-	-	-	-	1,715,071	1,715,071	-
Investments	-	2,500,000	6,300,000	1,000,000	1,734,379	11,534,379	3.67
	<u>1,535,614</u>	<u>6,500,000</u>	<u>6,300,000</u>	<u>1,000,000</u>	<u>3,452,850</u>	<u>18,788,464</u>	
(ii) Financial liabilities							
Trade and other payable	-	-	-	-	807,068	807,068	
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>807,068</u>	<u>807,068</u>	

Sensitivity Analysis

The follow sensitivity analysis is based on the interest rate risk exposures in existence at the balance sheet date. At 31 December 2011, if interest rates had moved, as illustrated in table below, with all other variables held constant, post tax profit and equity would have been affected as follows:

	Net Profit		Net Assets	
	2011 \$	2010 \$	2011 \$	2010 \$
+ 1% (100 basis points)	198,697	204,063	198,697	204,063
- 0.5% (50 basis points)	(99,349)	(102,032)	(99,349)	(102,032)

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13 FINANCIAL INSTRUMENTS (Cont'd)

Net Fair Values

The net fair value of traded investments is based on the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments.

For investments with no active market, fair values are determined using valuation techniques. Such techniques include using recent arm's length market transactions.

The aggregate net fair values and carrying amount of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

The financial instruments recognised at fair value in the Statement of Financial Position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements.

The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for asset or liability values that are not based on observable market data (unobservable inputs) (Level 3).

	2011			Total
	Level 1	Level 2	Level 3	
Financial Assets				
Available for sale financial assets carried at cost less accumulated impairment	-	-	1,000,000	1,000,000
Investments in managed investment schemes	-	1,462,053	-	1,462,053
	-	1,462,053	1,000,000	2,462,053

	2010			Total
	Level 1	Level 2	Level 3	
Financial Assets				
Available for sale financial assets carried at cost less accumulated impairment	-	-	5,300,000	5,300,000
Investments in managed investment schemes	-	1,732,697	-	1,732,697
	-	1,732,697	5,300,000	7,032,697

For financial instruments not quoted in active markets, the Union uses valuation techniques such as present value techniques, comparison to similar instruments for which market observable prices exist and other relevant models used by market participants. These valuation techniques use both observable and unobservable market inputs.

Financial instruments that use valuation techniques which only observable market inputs or unobservable inputs that are not significant to the overall valuation include investments in unitised managed investment schemes.

**THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
VICTORIAN DIVISIONAL BRANCH
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011**

13 FINANCIAL INSTRUMENTS (Cont'd)

Reconciliation of Level 3 fair value movements	2011	2010
	\$	\$
Opening balance	5,300,000	14,059,875
Write back of impairment loss on disposal	-	2,740,125
Sales	(4,300,000)	(11,500,000)
	<u>1,000,000</u>	<u>5,300,000</u>

14 REMUNERATION AND RETIREMENT BENEFITS

Income paid to any members of the Divisional Branch Management Committee "DBMC" by the union including salaries, termination payments, long service leave, motor vehicle benefits etc.

3,393,598	2,083,328
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The names of the Division Branch Management Committee who were elected and held office during the financial year are:

Akbari F	Duggan J	Round P
Berardi D	Edwards R	Setka J
Beattie B	Ioannidis A	Savronidis C
Bergic S	Little A	Spernovasilis E
Booth P	McLaughlin A	Stephenson G
Booth R	Neilson B	Stradjot F
Christopher D	O'Grady F	Theodorou T
Cody M	Oliver W	Washington N
Cordier A	Perkovic J	Watson T
Doyle F	Reardon S	Williams R

Union Details

The principal place of business of the Union is:
CFMEU Construction and General Division (Victoria Branch)
500 Swanston Street
CARLTON SOUTH VIC 3053

The union had 91 employees (2010: 89)

**THE CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
VICTORIAN DIVISIONAL BRANCH
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011**

16 CASH FLOW INFORMATION

	2011	2010
	\$	\$
(a) Reconciliation of Cash		
Cash at the end of the financial year as shown in the statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:		
Cash on hand	3,400	3,400
Cash at bank	4,094,790	749,703
Short term deposits	2,000,000	4,785,911
	6,098,190	5,539,014
 (b) Reconciliation of cash flow from operations surplus (deficit)		
Net surplus	3,749,363	888,849
Depreciation	1,196,077	866,091
Net (gain)/deficit on disposal of property plant & equipment	(141,914)	128,167
Net loss on sale of financial asset	-	1,666,413
Net gain on revaluation of investment properties	-	(451,250)
Decrease/(Increase) in receivables	209,395	(158,722)
Decrease/(Increase) in payables	1,104,232	(551,132)
Increase/(Decrease) in inventories	8,761	(23,812)
(Increase)/Decrease in grant liability	(28,649)	13,524
Increase in provisions	615,130	217,709
Cash flows from operations	6,712,395	2,595,837

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CFMEU CONSTRUCTION AND GENERAL DIVISION
- VICTORIAN DIVISIONAL BRANCH**



Chartered Accountants
& Business Advisers

Report on the Financial Report

We have audited the accompanying financial report of CFMEU Construction and General Division - Victorian Divisional Branch ("the Union"), which comprises the statement of financial position as at 31 December 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a statement of significant accounting policies and other explanatory information, and the Committee of Management Statement.

Office Holders' Responsibility for the Financial Report

The office holders of the Union are responsible for the preparation of the financial report that presents fairly in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisation) Act 2009* and for such internal control as the office holders determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that presents fairly 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the office holders, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion:

- (a) the financial report of CFMEU Construction and General Division - Victorian Divisional Branch presents fairly, in all material respects, the financial position of CFMEU Construction and General Division - Victorian Divisional Branch as at 31 December 2011 and of its performance and its cash flows for the year ended on that date and is in accordance with:
 - (i) Australian Accounting Standards and the requirements of the Fair Work (Registered Organisations) Act 2009; and
 - (ii) other mandatory financial reporting requirements in Australia.

PKF
11 May 2012
Melbourne

J A Mooney
Partner
Registered Company Auditor #311052

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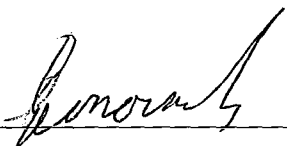
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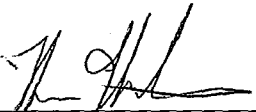
**Construction, Forestry, Mining and Energy Union
Construction and General Division
Victorian Divisional Branch**

The Divisional Branch Management Committee resolves that in relation to the general purpose financial report of the CFMEU Construction & General Division Victorian Building unions Divisional Branch for the year ended 31st December 2011:

- (a) *The financial report and notes for the financial year ended 31st December, 2011 comply with applicable accounting standards;*
- (b) *The financial report and notes for the financial year ended 31st December, 2011 comply with the reporting guidelines of Fair Work Australia;*
- (c) *The financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the Union for the year ended 31st December, 2011;*
- (d) *There are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable; and*
- (e) *During the financial year ended 31st December, 2011 and since the end of the financial year:-*
 - (i) *meetings of the Committee of management were held in accordance with the rules of the Union; and*
 - (ii) *the financial affairs of the Union have been managed in accordance with the rules of the Union; and*
 - (iii) *the financial records of the Union have been kept and maintained in accordance with the Fair Work (Registered Organizations) Act 2010 and Fair Work (Registered Organizations) Regulations; and*
 - (iv) *the financial records of the Union have been kept, as far as practicable, in a consistent manner to each other reporting unit of the organization; and*
 - (v) *no information has been sought, in any request of a member of the Union or the Manager of Fair Work Australia duly made under section 272 of the Fair Work (Registered Organizations) Act 2010 ; and*
 - (vi) *no orders have been made by the Manager of Fair Work Australia, in regard to inspection of financial records under section 273 of the Fair Work (Registered Organizations) Act 2010 during the year.*

For the Committee of Management:

1. 

2. 

Date: 21st of February, 2012