



Australian Government
Australian Industrial Registry

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

Ref: FR2004/709-[105N-VICF]

Mr Tom Watson
Divisional Branch Secretary
CFMEU Construction & General Division,
Victorian FEDFA Divisional Branch
34-40 Barry Street
CARLTON VIC 3053

Dear Mr Watson

Financial Return - year ending 31 December, 2004

Our records show your organisation's financial year ended recently. This letter outlines some of the things you must do to meet your financial reporting obligations and when you have to do them. For simplicity, we will call the documents you have to lodge with us your *financial return*.

New legislation

This letter is intended as guide to the law applicable on the date of this letter and should not be used as a substitute for legal or accounting advice. We only summarise some of the reporting requirements in this letter. More detailed information is at the end of this letter.

The legislation has changed since your last return. In May 2003 the Industrial Registrar wrote to all organisations forwarding a number of facts sheets outlining the major changes made by Schedule 1B of the Workplace Relations Act 1996 ('RAO'¹). While the immediate changes affected the rules and elections in organisations, the changes affecting financial returns involve a longer lead time.

The key differences under the new legislation affecting financial returns are:

- a reduced financial reporting cycle (now maximum periods of 5 or 6 months depending on internal arrangements of organisation)
- a greater emphasis given to Australian Accounting Standards
- the introduction of a new report, known as an Operating Report (broadly similar in concept to a Director's Report under the corporations legislation)
- extensions of time are limited to one month
- restructured penalty provisions involving more extensive use of Civil Penalties
- the introduction of the Industrial Registrar's Reporting Guidelines
- organisations and their branches to report according to their financial structures, known as 'reporting units'.

We recommend you discuss the new requirements with your accountant or auditor.

¹ Registration and Accountability of Organisations Schedule (RAO) (Schedule 1B to the *Workplace Relations Act 1996*)

Reporting Unit

One of the new concepts of the RAO legislation is that reporting entities are known as "*reporting units*". Where an organisation is **not** divided into branches the reporting unit is the whole of the organisation. Where an organisation **is** divided into branches each branch will be a reporting unit unless the Industrial Registrar has determined a division of the organisation into reporting units on an alternative basis. We can discuss this with you if you need more information.

For simplicity, we will refer to your organisation as a reporting unit in this letter.

Industrial Registrar's Guidelines

The Industrial Registrar's reporting guidelines set out certain disclosure requirements in addition to those prescribed by Australian Accounting Standards having in mind the nature of organisations registered under the Workplace Relations Act.

The disclosure requirements prescribed by the reporting guidelines are directed towards providing members of the reporting unit with information to enable them to gauge the performance of the committee of management and other holders of office in relation to the financial management of the reporting unit. In addition, the reporting guidelines seek to improve the quality of information available to users of the financial report about the reporting unit's economic support of, or economic dependency on, other reporting units of the organisation.

Timeline Planner and Checklist

We have attached a Timeline/Planner (*Attachment A*) to help you **plan** your financial return and carry out all the necessary steps. We have also attached a Document Checklist (*Attachment B*) to **check** your documents before lodging them in the Registry. Both documents are abbreviated summaries of the relevant provisions of the RAO Schedule, RAO Regulations and the Industrial Registrar's Reporting Guidelines.

In the following section we describe some of the documents your reporting unit must prepare and the sequence of their preparation and completion.

Three Reports

Your reporting unit must prepare two reports as soon as practicable after its financial year, which, together with the Auditor's Report, comprise the reporting unit's financial return.

1. **General Purpose Financial Report** - this must comply with the Australian Accounting Standards and the Industrial Registrar's Reporting Guidelines. The GPFR consists of:

Financial Statements containing:

- a profit and loss statement, or other operating statement; and
- a balance sheet; and
- a statement of cash flows; and
- any other statements required by the Australian Accounting Standards; and

Notes to the Financial Statements containing:

- notes required by the Australian Accounting Standards; and
- information required by the Industrial Registrar's *Reporting Guidelines* under section 255); and

Committee of Management Statement as required by the Registrar's Reporting Guidelines (a sample certificate for illustrative purposes is at Attachment C)

2. **Operating Report** - this report includes a review of your reporting unit's principal activities for the year and other specified information.

Your reporting unit must appoint an auditor to audit the GPFR and to provide:

3. an **Auditor's Report**.

First Meeting (Committee of Management)

For simplicity, we will call the meeting at which the committee of management first considers the GPFR the first meeting. At the first meeting your committee, if satisfied that all is in order, will resolve to express its opinion on the GPFR and complete a Committee of Management Statement.

The Auditor

After the first meeting, the auditor takes the GPFR and the Committee of Management Statement and prepares a report on the GPFR. In practice, your auditor may have already completed most of his or her examination of your accounts. The auditor may only be waiting on the Committee to pass the required resolution and make the Statement before signing the report the same day.

Informing Your Members

Your reporting unit must provide free of charge to the general membership, copies of the GPFR, the Operating Report and the Auditor's Report. RAO calls these the "full report". Under certain circumstances, your reporting unit can provide a more limited *concise report*.

The reporting unit can meet its obligation to provide copies of the full or concise report to members by publishing the report in a journal that is available to the members free of charge.

A reporting unit may meet this obligation in whole or in part by publication of the report in a journal published on a web site on the Internet dependent on:

- a. the extent of the accessibility of the members of the reporting unit to the Internet; and
- b. that the members are notified by the reporting unit in the usual manner in which it communicates with its members that the report has been so published at a specified Internet address.

The report must be provided within 5 or 6 months from the end of the financial year, depending on the internal arrangements of the organisation for the presentation of its financial reports.

The Second Meeting - if it is a General Meeting of Members

After providing the full report to members it must be presented to a general meeting of members. For simplicity this is referred to as the *second meeting*.

Your reporting unit must always allow a minimum of 21 days for members to receive the full report before presenting it to a general meeting of members (s265(5)). The purpose of the interval and the second meeting is to enable the members to have time to consider the report and, if they wish, to attend the second meeting to discuss it.

If the rules of the organisation permit a general meeting to be a series of meetings held at different locations, the full report may be presented to such a series of meetings. In this case the 'date' of the general meeting is taken to be the date of the last meeting in the series (see s266(2)).

The Second Meeting - if it is a Committee of Management Meeting

If the rules of your organisation contain a provision that allows up to 5% of members to demand a general meeting to be held consider the report (see s266(3)), it is permissible to present the report directly to a Committee of Management meeting.

Lodge full report within 14 days of meeting

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at www.airc.gov.au). When lodging the financial return please quote: **FR2004/709**.

The Secretary (or another officer appropriately authorised under the rules of the organisation) must *certify* that the full report is a copy of the one provided to members and presented to the second meeting and provide the date of the meeting (a sample certification for illustrative purposes is at *Attachment D*).

When we receive your return we will check that it includes the information you must provide your members and that you have provided it to them correctly.

Complying with time limits

This letter has outlined some of the steps in preparing and lodging your return. Many of the steps must be completed within fixed time limits.

Failure to complete them in time could make your reporting unit or its officers liable to financial or "civil penalties".

Extensions of Time

We appreciate that sometimes circumstances beyond your reporting unit's control may delay completion of a financial return. If you believe your reporting unit is going to be unable to meet a time limit tell us as soon as you know. We can advise you if the step is one for which you may apply under RAO to the Industrial Registrar for extra time to complete. The maximum extra time allowed can be no more than one month.

Reduced Reporting Requirements

If your reporting unit meets certain conditions, some of these reporting requirements can be reduced. Such conditions might be where the annual income of the reporting unit (where the reporting unit is the whole of the organisation) is less than \$100,000, or where the reporting unit has no financial affairs in the financial year, or where the financial affairs of the reporting unit are encompassed by the financial affairs of its counterpart State industrial association.

Contact the Registry

We encourage you to contact the Registry on (02) 8374 6666 or by e-mail at peter.mckerrow@air.gov.au or belinda.penna@air.gov.au as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedure but we cannot give you legal or accounting advice.

Information on AIRC Website

We recommend you and your accountant/auditor refer to the following documents on the Commission's website at www.airc.gov.au:

- [RAO Schedule and RAO Regulations](#)
- [Registrar's Reporting Guidelines](#) - All GPFR's must comply with these Guidelines. Please note that the Guidelines set out requirements that are *in addition* to those required by the Australian Accounting Standards.
- [RAO Fact Sheets](#) - These Fact Sheets explain the new requirements of the RAO Schedule - many of them deal with financial reporting matters.

Yours sincerely



for Deputy Industrial Registrar
20 January 2005

Committee Of Management Statement

On *[date of meeting]* the Committee of Management of *[name of reporting unit]* passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended *[date]*:

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply* with the Australian Accounting Standards;
- (b) the financial statements and notes comply* with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view* of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds* to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held* in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been* managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been* kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - #(iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been* kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - #(v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been* furnished to the member or Registrar; and
 - #(vi) there has been* compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: *[name of designated officer per section 243 of the RAO Schedule]*

Title of Office held:

Signature:

Date:

* Where compliance or full compliance has not been attained - set out details of non compliance instead.

Where not relevant these may be modified accordingly (e.g. in (vi) "No orders have been made by the Commission under section 273 of the RAO Schedule during the period."

Certificate of Secretary or other Authorised Officer¹

s268 of Schedule 1B *Workplace Relations Act 1996*

I *[name]* being the *[title of office]* of the *[name of the organisation]* certify:

- that the documents lodged herewith are copies of the full report, *[and the concise report]²*, referred to in s268 of the RAO Schedule; and
- that the *[full report **OR** concise report]³*, was provided to members on *[insert date]*; and
- that the full report was presented to *[a general meeting of members **OR** the last of a series of general meetings of members **OR** a meeting of the committee of management]³* of the reporting unit on *[insert date]*; in accordance with section 266 of the RAO Schedule.

Signature

Date:

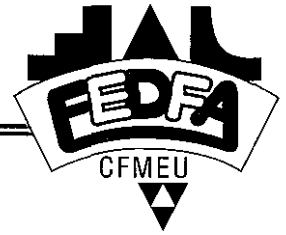
¹*RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:*

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

²*Only applicable where a concise report is provided to members*

³*Insert whichever is applicable*



Belinda Penna
Australian Industrial Registry
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80 William Street
SYDNEY NSW 2011

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34-40 Barry Street,
Carlton Victoria 3053
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Fax: (03) 9347 3385
Email: service@fedfa.cfmeu.asn.au

Dear Belinda

Reference: **Lodgement of Financial Returns for the year ended
31 December 2004
Construction Forestry Mining & Energy Union
FEDFA Victorian Divisional Branch**

Further to our email to you on 31 May 2005 to which we received no response, we wish to apply for an extension of time for lodgement of our 2004 financial returns with the Registry.

The reason for this request is although the report was prepared and signed in April 2005, a delay has been caused by a hold up in the printing of the CFMEU Construction and General journal that will contain our report and be distributed to the total membership as required.

We had hoped that the journal would be circulated within the next week or two, however a fire in the offices of the Construction & General last week has caused a major disruption to its operations.

It is realised that a maximum of one month's extension is allowable, however in view of this exceptional circumstance we ask that extra time be allowed for lodgement with the AIRC by CFMEU/FEDFA. The Registry can be assured that we will do our utmost to fulfill our requirements as soon as possible.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tommy Watson'.

Tommy Watson
Branch Secretary

7 June 2005





Australian Government
Australian Industrial Registry

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Mr Tom Watson
Divisional Branch Secretary
CFMEU Construction & General Division
Victorian FEDFA Divisional Branch
34 - 40 Barry St
CARLTON VIC 3053

Dear Mr Watson

Financial Return for year ending 31 December 2004 (FR 2004/709)

I refer to your email of 31 May and letter of 7 June 2005 about an extension of time.

Before addressing your specific request, it may help if I first explain what power a Registrar has to extend time limits for reporting under sections 265 and 266 of the RAO Schedule.

This will depend on which of the following two reporting options a reporting unit chooses:

s265(5)(a) - presenting full report to members' meeting(s)

The reporting unit provides the full report (or a concise report) to members and after no less than 21 days, presents the full report to a general meeting of members. If you choose this option, the general meeting must be held within 6 months of the end of a financial year.

Power to extend time

Under s265(5), a reporting unit may apply to a Registrar to extend the period during which the general meeting must be held by no more than one month, namely from 6 months to no more than 7 months from the end of a financial year.

Effect of Extending Time by one month

The general meeting must be held with 7 months of the end of the financial year; the full or concise report must still be provided to members at least 21 days before the general meeting.

s265(5)(b) - presenting full report to committee of management meeting

The reporting unit provides the full report (or a concise report) to members and presents the full report to a meeting of its committee of management. If you choose this option, you must provide the report to members within 5 months of the end of the financial year. The committee of management meeting must be held within six months of the end of the financial year - see s265(1) and (3). This option is only available if the rules of your reporting unit provide for the matters specified in s266(3).

Power to extend time

Under s265(5), a reporting unit may apply to a Registrar to extend the period to provide the full or concise report to members by no more than one month, namely from 5 months to no more than 6 months from the end of the financial year.

Effect of Extending Time by one month

The full or concise report must be provided within 6 months of the end of the financial year and the committee of management meeting must be held within 7 months of the end of the financial year.

Making an application under s265(5)

If your reporting unit wishes to apply for an extension of time, its application should state clearly:

- whether it intends to present the full report to members' meeting or a committee of management meeting; and
- the period of extension it seeks; and
- provide reasons.

The application should be signed by an officer of the reporting unit.

Your correspondence

Could you please confirm which of the two methods of presentation the Branch intends to adopt. I will consider it and advise you of my decision.

I have treated your application as lodged on 31 May 2005.

If you have any questions, please contact me or Peter McKerrow on (02) 8374 6666.

Yours sincerely

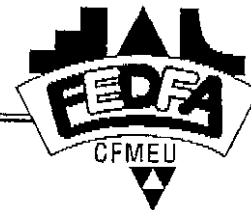


Barry Jenkins
Deputy Industrial Registrar

23 June 2005

Construction Forestry Mining & Energy Union

FEDFA – Victorian Divisional Branch



Barry Jenkins
Deputy Industrial Registrar
Australian Industrial Registry
Level 8 Terrace Towers
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Email: service@fedfa.cfmeu.asn.au

Via Fax: (02) 9380 6990

Dear Sir

Reference: **Lodgement of Financial Returns for the year ended
31 December 2004
Construction Forestry Mining & Energy Union
FEDFA Victorian Divisional Branch
(FR 2004/709)**

I refer to our correspondence of 7 June 05 requesting an extension of time for lodgement and your response dated 23 June 05, in which you explained the two reporting options that a reporting unit may choose.

Firstly, I wish to point out that the CFMEU operations are still affected by the damage caused by fire at 500 Swanston Street Carlton and a certificate of occupancy may not be issued until around 28 or 29 June 2005.

We have contacted our printer concerning the publishing and distribution of the CFMEU journal which will contain our financial return for the year ending 31 December 2004, and have been advised that the journal may be available for post out in the second week of July subject to the names and addresses of the current membership being available. Both the Construction & General Division and FEDFA Division are currently sharing premises with limited access being available to records; hence the delay.

Unfortunately there is not a meeting of members scheduled in July, so presenting the full report to a members' meeting s265 (5)(a) is not an option open to FEDFA. Even if we were able to choose this option we would still require an extension beyond 31 July 05, bearing in mind that the report must be provided to members at least 21 days before the general meeting.

The FEDFA Branch wishes to present the full report to its Committee of Management meeting s265 (5)(b). It is realized that the Registrar has power to extend time for only one month, which in this case, if granted, would be to 30 June 2005, however we ask that the Registry consider an extension of time to at least 31 July 2005 in view of the FEDFA's exceptional circumstances.

Yours sincerely

**Tommy Watson
Branch Secretary**

24 June 2005



Australian Government
Australian Industrial Registry

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Mr Tom Watson
Divisional Branch Secretary
CFMEU Construction & General Division
Victorian FEDFA Divisional Branch
34 - 40 Barry St
CARLTON VIC 3053

Dear Mr Watson

Financial Return for year ending 31 December 2004 (FR 2004/709)

I refer to your letter of 24 June 2005 and our earlier correspondence about an extension of time.

I have considered the information you have given. Under s265(5)(b) of the RAO Schedule I extend the period in which the Branch must provide the full or a concise report to its members by one month.

I note that despite this extension of time the Branch will be unable to provide the report until after the middle of July. I have no power to extend time to provide the report to 31 July 2005 but I note the Branch's efforts to meet its reporting obligations despite the difficulties you have outlined.

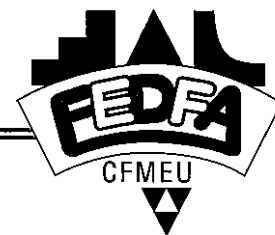
If you have any questions, please contact me or Peter McKerrow on (02) 8374 6666.

Yours sincerely

A handwritten signature in cursive script, appearing to read 'Barry Jenkins'.

Barry Jenkins
Deputy Industrial Registrar

5 July 2005



Barry Jenkins
Deputy Industrial Registrar
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Dear Sir

Reference: **Financial Return for the year ended 31 December 2004
(FR 2004/709)**

I refer to previous correspondence regarding the lodgement of the CFMEU/FEDFA Financial Return for the year ended 31 December 2004 and advise that the requirements have now been carried out in the following manner:

First Meeting –

The General Purpose Financial Report and Operating Report were presented and passed by a meeting of the Divisional Branch Council/Management Committee on 15 April 2005; the Auditor then signed his Report.

Distribution of the Full Report -

A disruption to operations due to fire damage in the CFMEU offices caused a delay in the publication and distribution of the CFMEU journal, "C&G Worker", which contained the CFMEU/FEDFA Full Report. The edition was forwarded to the total membership on 7 July 2005.

Second Meeting –

The Full Report was presented to the Management Committee meeting on 4 August 2005.

Donations –

Donations exceeding \$1000 for the year 2004 were:

Australian Labor Party – Dunkley Electorate	\$3,000
Australian Labor Party – Dunkley Electorate (Printing)	\$2,560
Australian Labor Party – Dunkley Electorate (Printing)	\$1,091.91

We trust that all is in accordance with our obligations.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tommy Watson'.

**Tommy Watson
Branch Secretary**

5 August 2005

Encl. Full Report; Minutes of 1st & 2nd Meetings; "C&G Worker" Winter Edition.



THE CONSTRUCTION FORESTRY MINING & ENERGY UNION

CONSTRUCTION & GENERAL DIVISION

FEDFA VICTORIAN BRANCH

GENERAL PURPOSE FINANCIAL REPORT

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CONSTRUCTION & GENERAL DIVISION
FEDFA VICTORIAN BRANCH**

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004

DIVISIONAL BRANCH COUNCIL STATEMENT

On 15 April 2005 the Divisional Branch Council of the Construction Forestry Mining & Energy Union, Construction & General Division – FEDFA Victorian Branch, passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2004.

The Divisional Branch Council declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they became due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the Divisional Branch Council and Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) there has not been any request by a member of the reporting unit or a Registrar duly made under Section 272 of the RAO Schedule;
 - (vi) no orders have been made by the Commission under Section 273 of the RAO Schedule during the period.

SIGNED

For and on behalf of the CFMEU FEDFA Divisional Branch Council



TOMMY WATSON
Branch Secretary

15 April 2005

**THE CONSTRUCTION FORESTRY MINING & ENERGY UNION
CONSTRUCTION & GENERAL DIVISION
FEDFA VICTORIAN BRANCH**

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004

OPERATING REPORT

Introduction

The CFMEU FEDFA Victorian Branch is part of the Construction and General Division, and in 2005 the 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 Workplace Relations Act. The many benefits of the membership include the unity in negotiation of EBAs and day-to-day domestic disputes, advice of employment and union entitlements such as access to training, occupational health and safety representatives and legal counsel.

Financial Position

The CFMEU FEDFA Branch is in a secure financial position due to the existence of a 'safety net' instigated by the Divisional Branch Council and Committee of Management, thus ensuring that the Branch can be defended and the delivery of services maintained. The surplus for the year ended 31 December 2004 was \$454,192.

No significant changes have occurred in relation to the financial affairs of the CFMEU FEDFA Branch during the financial year.

Number of Full-Time Employees

The union had 12 full-time employees.

Number of Members

The total number of members for the year ended 31 December 2004 was 6,389; the effective financial membership being 5,949.

Rights of Members

A member can resign from membership by written notice and in accordance with Section 174 of Schedule 1B of the Workplace Relations Act 1996 and the rules of the organisation.

Office Holders

The names of the Divisional Branch Council and Management Committee who held office in the financial year are:

N Washington	1 January 2004 to 31 December 2004
M Hill	1 January 2004 to 31 December 2004
T Watson	1 January 2004 to 31 December 2004
R Hallett	1 January 2004 to 31 December 2004
P Andriske	1 January 2004 to 31 December 2004
K Johns	1 January 2004 to 31 December 2004
J Kadziela	1 January 2004 to 31 December 2004
W Neilson	1 January 2004 to 31 December 2004
S Long	1 January 2004 to 31 December 2004
R Cecala	1 January 2004 to 31 December 2004
J Russell	1 January 2004 to 31 December 2004
C Stewart	1 January 2004 to 31 December 2004
M Murphy	1 January 2004 to 31 December 2004
B Pitt	1 January 2004 to 31 December 2004

SIGNED

For and on behalf of the FEDFA Divisional Branch Council



TOMMY WATSON
Branch Secretary

15 April 2005

THE CONSTRUCTION FORESTRY MINING & ENERGY UNION
CONSTRUCTION & GENERAL DIVISION
FEDFA VICTORIAN BRANCH

AUDIT REPORT TO THE MEMBERS.

Scope

We have audited the general purpose financial report for the financial year ended 31st December, 2004.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the general purpose financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the general purpose financial report and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and specific requirements of the Workplace Relations Act 1996 so as to present a view which is consistent with our understanding of the Branch's financial position and performance as represented by the results of their operations and their cash flows.

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

Audit Opinion

In our opinion, the general purpose financial report of The Construction Forestry Mining & Energy Union, Construction & General Division - FEDFA Victorian Branch, is in accordance with:

- (a) Australian Accounting Standards and gives a true and fair view of the Branch's financial position as at 31st December, 2004 and of their performance for the year ended on that date and
- (b) Any other requirements imposed by the Reporting guidelines or Part 3 of Chapter 8 of Schedule 1B to the Workplace Relations Act 1996.

Signed the 15 day of *April* 2005.



Graeme Arthur Pratt FCPA

THE CONSTRUCTION FORESTRY MINING & ENERGY UNION
CONSTRUCTION & GENERAL DIVISION
FEDFA VICTORIAN BRANCH

STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND
FOR THE TWELVE MONTHS ENDED 31ST DECEMBER, 2004.

	Note	2004	2003
INCOME			
Interest - Term Deposit		88,333	48,443
Interest - General Account		1,567	1,564
Membership Contributions		1,784,748	1,559,658
Levy - Union Defence		562,661	493,393
Trade Union Training	9	33,891	25,224
Directors Fees - Incolink		25,954	22,190
Reimbursement - C. Stewart	9	-	50,418
Dynamo Advertising		32,009	10,364
CBUS Profit Share		1,782	7,548
LUI Mortality Profit Share		2,044	-
Total Income		2,532,989	2,218,802
EXPENSES			
Affiliation fees		33,976	35,322
Audit & Accountancy Fees		9,545	7,660
Bank Charges		23,066	22,291
Building costs		26,173	22,257
Cleaning		18,321	23,581
Consultants - Computer and Historical		6,650	-
Delegates Organising and Airfares		47,349	41,123
Depreciation		114,757	104,533
Donations		10,192	4,501
Dynamo		10,580	25,181
Electricity light and power		9,828	11,911
Fringe benefits tax		23,269	16,470
Functions and Entertainment		11,946	9,241
Insurance and Workcover		24,303	23,425
Legal fees		8,946	9,486
Loss on T-Shirts, caps, flags etc.,		10,986	4,436
Mortality Benefit Insurance		20,528	8,949
Morwell Office expenses		11,902	10,920
Motor Vehicle expenses		122,310	110,743
Payroll Tax		55,757	53,277
Postage		18,669	22,954
Printing and Stationery		79,598	49,704
Remuneration - Officials		679,983	660,529
Remuneration - Other employees		220,825	167,812
Sundry expenses		10,053	8,987
Superannuation - Officials		143,551	133,991
Superannuation - Other employees		28,116	23,181
Sustentation fees	9	226,663	198,076
Telephone and Internet		59,065	48,897
Total Expenses		2,066,907	1,859,438
Operating Surplus for the Year		466,082	359,364

The accompanying notes form part of the financial statements.

THE CONSTRUCTION FORESTRY MINING & ENERGY UNION
 CONSTRUCTION & GENERAL DIVISION
 FEDFA VICTORIAN BRANCH

STATEMENT OF INCOME AND EXPENDITURE - GENERAL FUND
 FOR THE TWELVE MONTHS ENDED 31ST DECEMBER, 2004.

	Note	2004	2003
Operating Surplus for the year		466,082	359,364
ADD - NON OPERATING INCOME:			
Coverage Agreement	9	75,000	100,000
Reimbursement re			
Share of Assets	9	-	165,000
Share of Integration costs	9	-	95,000
Debt forgiven	9	-	188,467
		75,000	548,467
		541,082	907,831
DEDUCT - NON OPERATING EXPENSES			
Accrued Annual leave		(2,920)	30,161
Accrued Long Service leave		40,186	156,379
Accrued Redundancy		39,120	34,825
Loss on disposal of cars		10,504	1,817
Share of Assets	9	-	220,000
		86,890	443,182
SURPLUS FOR THE YEAR		454,192	464,649
General Fund Balance January, 2004.		2,010,991	1,546,342
General Fund Balance at December, 31st, 2004		2,465,183	2,010,991

The accompanying notes form part of the financial statements.

THE CONSTRUCTION FORESTRY MINING & ENERGY UNION
CONSTRUCTION & GENERAL DIVISION
FEDFA VICTORIAN BRANCH

BALANCE SHEET AS AT 31ST DECEMBER, 2004.

	Note	2004	2003
CURRENT ASSETS			
Cash	2	97,657	109,645
Investments	3	1,936,755	1,398,422
Inventories	4	16,008	10,831
Other	5	12,427	31,635
TOTAL CURRENT ASSETS		2,062,847	1,550,533
NON-CURRENT ASSETS			
Property, equipment and vehicles	6	1,324,599	1,312,711
TOTAL NON - CURRENT ASSETS		1,324,599	1,312,711
TOTAL ASSETS		3,387,446	2,863,244
CURRENT LIABILITIES			
Creditors and borrowings	7	123,628	130,004
Provisions - Employee entitlements	8	798,635	722,249
TOTAL CURRENT LIABILITIES		922,263	852,253
TOTAL LIABILITIES		922,263	852,253
NET ASSETS		\$2,465,183	\$2,010,991
ACCUMULATED FUNDS			
Opening Balance		2,010,991	1,546,342
Surplus for year		454,192	464,649
ACCUMULATED FUNDS DECEMBER 31, 2004.		\$2,465,183	\$2,010,991

The accompanying notes form part of the financial statements.

THE CONSTRUCTION FORESTRY MINING & ENERGY UNION
 CONSTRUCTION & GENERAL DIVISION
 FEDFA VICTORIAN BRANCH

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2004.

	2004	2003
1. STATEMENT OF ACCOUNTING POLICIES		
Basis of Accounting -		
The accounts are prepared under the historical cost convention and are in accordance with the Australian Accounting Standards jointly issued by the Australian Professional accounting bodies and the specific requirements of the Workplace Relations Act 1996.		
In particular:		
(a) Membership Contributions and Levies are accounted for on a cash basis in accordance with generally accepted accounting principles for trade unions.		
(b) The accounts have not been adjusted to record either changes in the general purchasing power of the dollar or in the prices of specific assets.		
(c) Depreciation of fixed assets is calculated on the straight line and diminishing value basis in order to write off the assets over their useful life.		
(d) Provisions for employee benefits in the form of Long Service Leave, Accrued Annual Leave and Redundancy have been made for the estimated accrued entitlements of all employees on the basis of their terms of employment.		
(e) No provision for income tax is necessary as Trade Unions are exempt from Income Tax under Section 50(15) of the Income Tax Assessment Act.		
2. CASH		
Cash at bank - General Account	96,857	108,845
Petty Cash	800	800
	<u>\$97,657</u>	<u>\$109,645</u>
3. INVESTMENTS		
CURRENT		
Bank Term Deposit	1,936,755	1,398,422
	<u>\$1,936,755</u>	<u>\$1,398,422</u>
4. INVENTORIES		
CURRENT		
Stock of Clothing etc.	16,008	10,831
	<u>\$16,008</u>	<u>\$10,831</u>

The accompanying notes form part of the financial statements.

THE CONSTRUCTION FORESTRY MINING & ENERGY UNION
 CONSTRUCTION & GENERAL DIVISION
 FEDFA VICTORIAN BRANCH

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2004.

	2004	2003
5. OTHER ASSETS		
CURRENT		
Prepayments	12,427	31,635
	<u>\$12,427</u>	<u>\$31,635</u>
6. NON-CURRENT ASSETS		
Freehold land - at cost 34 Barry St, Carlton	500,000	500,000
	<u>500,000</u>	<u>500,000</u>
Building, at cost	719,917	719,917
Accumulated depreciation	(269,959)	(251,961)
	<u>449,958</u>	<u>467,956</u>
Office furniture and equipment, at cost	433,494	400,998
Accumulated depreciation	(367,548)	(351,062)
	<u>65,946</u>	<u>49,936</u>
Motor vehicles, at cost	400,472	381,771
Accumulated depreciation	(91,777)	(86,952)
	<u>308,695</u>	<u>294,819</u>
	<u>\$1,324,599</u>	<u>\$1,312,711</u>
7. CREDITORS AND BORROWINGS		
CURRENT		
National Office	42,129	18,076
Sundry creditors and accruals	53,001	53,952
Tax Office - GST	28,498	57,976
	<u>\$123,628</u>	<u>\$130,004</u>

The accompanying notes form part of the financial statements.

THE CONSTRUCTION FORESTRY MINING & ENERGY UNION
 CONSTRUCTION & GENERAL DIVISION
 FEDFA VICTORIAN BRANCH

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2004.

	2004	2003
8. PROVISIONS - EMPLOYEE ENTITLEMENTS		
CURRENT		
Provision for Redundancy - Officials	200,700	171,135
- Other Employees	86,940	77,385
	287,640	248,520
Provision for Long Service Leave		
- Officials	334,612	302,551
- Other Employees	84,881	76,756
	419,493	379,307
Provision for Annual Leave - Officials	72,229	77,729
- Other Employees	19,273	16,693
	91,502	94,422
	\$798,635	\$722,249
9. STATEMENT OF CASH FLOWS		
CASH INFLOW FROM OTHER REPORTING UNITS:		
Reimbursement - C. Stewart	-	50,418
CFMEU Construction & General Division		
Trade Union Training -	33,891	25,224
CFMEU Training Unit		
Coverage Agreement -	75,000	100,000
CFMEU Victorian Mining & Energy District		
Reimbursement re Share of Assets -	-	165,000
CFMEU Construction & General Division		
Share of Integration Costs -	-	95,000
CFMEU Construction & General Division		
Debt Forgiven -	-	188,467
National Office CFMEU Construction & General Division		
CASH OUTFLOW TO OTHER REPORTING UNITS:		
Sustentation fees -		
National Office CFMEU	226,663	198,076
Construction & General Division		
Share of Assets	-	220,000
CFMEU Mining & Energy Division		

10. CONTINGENT LIABILITY

There is a possible contingent liability in relation to legal fees associated with various matters concerning the branch. At this time we are unable to estimate the amount of any contingent liability.

The accompanying notes form part of the financial statements.



Australian Government
Australian Industrial Registry

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
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Email: sydney@air.gov.au

Mr T Watson
Divisional Branch Secretary
CFMEU Construction & General Division
Victorian FEDFA Divisional Branch
34-40 Barry St
CARLTON VIC 3053

Dear Mr Watson

Branch Financial Return for year ending 31 December 2004 (FR2004/709)

I refer to the Branch financial return lodged in the Registry on 10 August 2005. The return has been filed.

There is however, one matter which still requires the Branch's attention. The list of donations included in your letter of 5 August 2005 does not include all the information which the Branch must provide in its Statement under s237 of the RAO Schedule.

I have enclosed a form which identifies the information you need to provide to satisfy these requirements. You can complete the form or use its format to provide the information.

Unlike the information given in your financial statements which is a public file, information given under s237 is only available for inspection at the Registry by a member of your organisation.

Please contact the Registry if you have any questions.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Peter McKerrrow', with a long horizontal stroke extending to the right.

Peter McKerrrow
for Deputy Industrial Registrar

26 August 2005