



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: FR2005/595

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

Dear Mr Watson

Financial Return - year ending 31 December, 2005

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*.

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.

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: **FR2005/595**.

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 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
27 January 2006

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
FIRST MEETING: Prepare General Purpose Financial Report (including Committee of Management Statement in accordance with C of M resolution) and Operating Report - s253(1), s254(1)	/ /	as soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	within a reasonable time of having received the GPFR
Provide full report free of charge to members. (a) if the report is to be presented before a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting, or (b) in any other case including where the report is presented to a Committee of Management meeting, the report must be provided to members within 5 months of end of financial year. <i>(obligation to provide full report may be discharged by provision of a concise report s265(1))</i>	/ / / /	
SECOND MEETING: Present full report to: (a) General Meeting of Members - s266 (1),(2), or (b) where rules of organisation allow, a Committee of Management meeting - s266 (3)	/ / / /	within 6 months of end of financial year within 6 months of end of financial year
Lodge full report (including any concise report) in the Industrial Registry together with secretary's certificate (or other officer authorised by the rules of the organisation) - s268	/ /	within 14 days of meeting

Note: The legislation makes limited provision for extensions of time concerning the provision of the full report to members and the presentation of the full report to a general meeting etc however the maximum extra time allowed can be no more than one month.

Documents Checklist

You can use this checklist as soon as possible after the financial year ends to ensure you have all the necessary documents prepared and that those documents contain all information required by RAO.

You can also use this checklist to ensure all documents in your financial return are complete before lodging them in the Registry.

No	Document	✓
1	General Purpose Financial Report	
	Does the report contain a Profit and Loss Statement?	
	Does the report contain a Balance Sheet?	
	Does the report contain a Statement of Cash Flows?	
	Does the report contain notes to the financial statements as required by AAS and the reporting guidelines?	
	Does the report contain all other information required by the reporting guidelines?	
2	Committee of Management Statement	
	Is the statement signed by the officer responsible for undertaking functions necessary to enable the reporting unit to comply with RAO?	
	Is the statement dated?	
	Is the statement in accordance with a resolution of the committee?	
	Does the statement specify the date of the resolution?	
	Does the statement contain declarations required by the reporting guidelines?	
3	Auditor's Report	
	Is the Report dated and signed by the auditor?	
	Is the name of the auditor clear?	
	Are the qualifications of the auditor on the report?	
	Has the auditor expressed an opinion on all matters required?	
4	Operating Report	
	Is the report signed and dated?	
	Does the report provide the number of members?	
	Does the report provide the number of employees?	
	Does the report contain a review of principal activities?	
	Does the report give details of significant changes?	
	Does the report give details of right of members to resign?	
	Does the report give details of superannuation trustees?	
	Does the report give details of membership of the committee of management?	
5	Concise report*	
6	Certificate of Secretary or other Authorised Officer	
	Is the certificate signed and dated?	
	Is the signatory the secretary or another officer authorised to sign the certificate?	
	Is the date that the report was provided to members stated?	
	Is the date of the Second Meeting at which the report was presented stated?	
	Does the certificate state that the documents are copies of those provided to members?	
	Does the certificate state that the documents are copies of those presented to the Second Meeting?	

* This is an optional way of providing documents to members (see RAO s265(3) and RAO Reg. 161).

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:

¹RAO 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.

²Only applicable where a concise report is provided to members

³Insert whichever is applicable



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: FR2005/595 -[105N-VICF]

Mr Tom Watson
Assistant Branch Secretary
CFMEU Construction & General Division
Victorian Divisional Branch
Level 2/500 Swanston Street
CARLTON SOUTH VIC 3053

Dear Mr Watson

Re: Construction, Forestry, Mining and Energy Union- Construction & General Division, Victorian FEDFA Divisional Branch - Outstanding Financial Documents - Workplace Relations Act 1996

The Accounts and Audit Part of Schedule 1B of the *Workplace Relations Act 1996* requires, as a general rule, that the audited financial statements of a reporting unit of a registered organisation, be lodged in the Industrial Registry within 6 months and 14 days from the end of its financial year.

To date, the Registry has no record of lodgement of the financial reports of the above named reporting unit for the year ended 31 December, 2005. For details of these provisions and organisations' financial reporting obligations please refer to the Registry's earlier correspondence.

In particular there is no record of lodgement of copies of:

- the general purpose financial report;
- the auditor's report; or
- the operating report.

These three reports are referred to as the "full report".

Section 268 of the RAO Schedule¹ requires that a copy of the full report be lodged in the Registry within 14 days (or such longer period a Registrar allows) after the full report is presented to a general meeting of members (or to a committee of management meeting if the rules make provision consistent with s266(3)).

Section 266 (1) requires that the full report be presented to the meeting within 6 months of the end of the financial year. Therefore, lodgement of the documents in the Registry was required by **17 July, 2006.**

Section 305(2)(ze) of the RAO Schedule is a civil penalty provision. It provides that a failure to meet the requirements of s268 is a contravention of that civil penalty provision. The Federal Court may on application of the Industrial Registrar impose a pecuniary penalty on the person or organisation whose conduct contravened the civil penalty provision.

I also draw your attention to the provisions of Part 1 of Chapter 9 of the RAO Schedule which set out the general duties of officers and employees of organisations and their branches in relation to financial management.

In the absence of lodgement of a copy of the full report, I request you state in writing by **25 August, 2006:**

- whether the auditor has audited the general purpose financial report and if so, the date on which the auditor signed the audit report
- whether the committee of management has prepared the operating report
- whether the full report has been provided to members, and if so, when

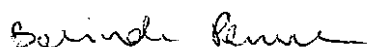
¹ Schedule 1B of the Workplace Relations Act 1996

- whether the full report provided to the members has been presented to a general or committee of management meeting, and if so, when
- when a copy of the full report will be lodged in the Industrial Registry.

The full report when lodged must be accompanied by a certificate of the secretary or other authorised officer that the documents lodged are copies of the documents provided to members and presented to the general or committee of management meeting in accordance with s266.

If you wish to discuss this letter, please contact me on (02) 8374 6666. In reply please quote: **FR2005/595**.

Yours sincerely



Belinda Penna

E-mail: riasydney@air.gov.au

3 August, 2006

17TH October, 2006



CONSTRUCTION

FORESTRY

MINING

ENERGY

UNION

Attention: BELINDA PENNA
Australian Industrial Registry
Level 8, Terrace Towers
80 William Street
East Sydney, NSW 2011

Dear Belinda Penna,

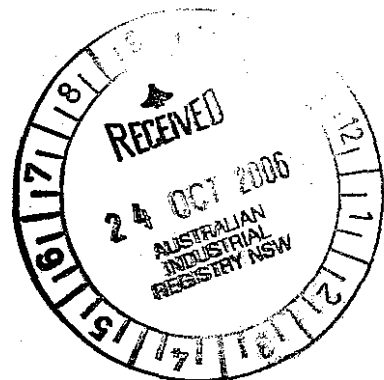
Re: Financial Return-year ending 31 December 2005
FR2005/595-105N-VICF and FR20052005/594-105N-VIC

I refer to your recent letter dated 16th October 2006 regarding the financial accounts for the year ending 31 December 2005 for the CFMEU and General Division (Victoria Branch) and the FEDFA divisions.

These accounts were published in the Winter Journal for 2006. The audited accounts were then re-presented to the State Council meeting on the 13th of October, 2006.

Yours Faithfully

Martin Kingham
State Secretary
CFMEU (Vic Branch)



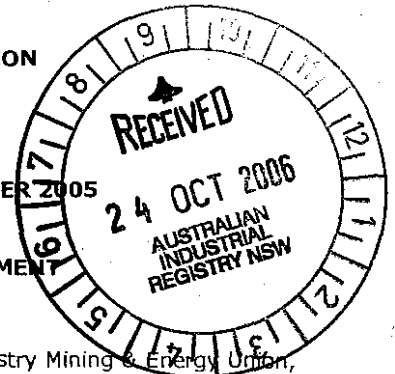
VICTORIAN
DIVISIONAL BRANCH
500 SWANSTON STREET
CARLTON STH, VIC 3053

PH: (03) 9341 3444
FAX: (03) 9348 1794

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2005

DIVISIONAL BRANCH MANAGEMENT COMMITTEE STATEMENT



6 June

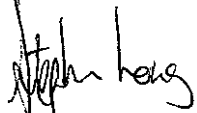
On ~~21 March~~ 2006 the Divisional Branch Management Committee of the Construction Forestry Mining & Energy Union, Construction and General Division, Victorian Divisional Branch, passed the following in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2005.

The Divisional Branch Management Committee 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 FEDFA Divisional Branch Council and Committee of Management and the Construction and General Division's Divisional Branch Management Committee were held in accordance with the rules of the organisation including the rules of the branches and division 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 the branch and division 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 FEDFA Divisional Branch Council for 2005 and CFMEU Construction & General Division – Victorian Divisional Branch for 2006.



TOMMY WATSON
FEDFA Branch Secretary 2005
CFMEU State Assistant Secretary 2006

STEPHEN LONG



MARTIN KINGHAM
CFMEU State Secretary

Billy NEILSON

11 April 2006

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2005

OPERATING REPORT

Introduction

The CFMEU FEDFA Victorian Branch was part of the Construction and General Division, and on 1 January 2006 the FEDFA Victorian Branch fully integrated into the Construction and General Division, thus ceasing operations as a separate entity.

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 was in a secure financial position at 31 December 2005 due to the existence of a 'safety net' instigated by the Divisional Branch Council and Committee of Management, thus ensuring following integration that the Division can be defended and the delivery of services maintained. The operating surplus for the year ended 31 December 2005 was \$352,694.

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

Number of Full-Time Employees

The union had 16 full-time employees.

Number of Members

The total number of financial (effective) members for the year ended 31 December 2005 was 6,071.

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 to 31 December 2005
M Hill	1 January to 31 December 2005
T Watson	1 January to 31 December 2005
R Hallett	1 January to 31 December 2005
P Andriske	1 January to 31 December 2005
K Johns	1 January to 31 December 2005
J Kadziela	1 January to 31 December 2005
W Neilson	1 January to 31 December 2005
S Long	1 January to 31 December 2005
R Cecala	1 January to 31 December 2005
J Russell	1 January to 31 December 2005
C Stewart	1 January to 31 December 2005
M Murphy	1 January to 31 December 2005
B Pitt	1 January to 31 December 2005

SIGNED

For and on behalf of the FEDFA Divisional Branch Council for 2005 and CFMEU Construction & General Division – Victorian Divisional Branch for 2006.

TOMMY WATSON
FEDFA Branch Secretary 2005
CFMEU State Assistant Secretary 2006

MARTIN KINGHAM
CFMEU State Secretary

11 April 2006

6 June

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, 2005.

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, 2005 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 6 day of June 2006.



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, 2005.

	Note	2005	2004
INCOME			
Interest - Term Deposit		115,889	88,333
Interest - General Account		1,666	1,567
Membership Contributions		1,821,372	1,784,748
Levy - Union Defence		593,274	562,661
Trade Union Training	9	25,925	33,891
Directors Fees - Incolink		22,564	25,954
Incolink OH&S Grant		210,000	-
Dynamo Advertising		21,164	32,009
CBUS Profit Share		1,197	1,782
LUI Mortality Profit Share		-	2,044
Total Income		2,813,051	2,532,989
EXPENSES			
ACTU - I. R. Campaign Levy		21,850	-
Affiliation fees		35,673	33,976
Audit & Accountancy Fees		10,045	9,545
Bank Charges		26,276	23,066
Building costs		25,373	26,173
Cleaning		19,008	18,321
Consultants - Computer and Historical		10,000	6,650
Delegates Organising and Airfares		91,697	47,349
Depreciation		127,111	114,757
Donations		9,128	10,192
Dynamo		35,602	10,580
Electricity light and power		9,499	9,828
Fringe benefits tax		28,645	23,269
Functions and Entertainment		26,218	11,946
Insurance and Workcover		19,857	24,303
Legal fees		-	8,946
Loss on T-Shirts, caps, flags etc.,		40,048	10,986
Mortality Benefit Insurance		23,238	20,528
Morwell Office expenses		12,529	11,902
Motor Vehicle expenses		143,528	122,310
Payroll Tax		68,745	55,757
Postage		17,331	18,669
Printing and Stationery		79,816	79,598
Remuneration - Officials		864,974	679,983
Remuneration - Other employees		218,452	220,825
Sundry expenses		8,129	10,053
Superannuation - Officials		165,226	143,551
Superannuation - Other employees		25,870	28,116
Sustentation fees		231,314	226,663
Telephone and Internet		65,175	59,065
Total Expenses		2,460,357	2,066,907
Operating Surplus for the Year		352,694	466,082

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, 2005.

	Note	2005	2004
Operating Surplus for the year		352,694	466,082
ADD - NON OPERATING INCOME:			
Coverage Agreement	9	-	75,000
		-	75,000
		352,694	541,082
DEDUCT - NON OPERATING EXPENSES			
Accrued Annual Leave		32,533	(2,920)
Accrued Long Service Leave		(14,576)	40,186
Accrued Redundancy		360,323	39,120
Loss on disposal of cars		35,026	10,504
		413,306	86,890
SURPLUS (DEFICIT) FOR THE YEAR		(60,612)	454,192
General Fund Balance January, 2005		2,465,183	2,010,991
General Fund Balance at December, 31st, 2005		2,404,571	2,465,183

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, 2005.

	Note	2005	2004
CURRENT ASSETS			
Cash	2	203,575	97,657
Investments	3	2,102,644	1,936,755
Inventories	4	7,820	16,008
Other	5	12,329	12,427
TOTAL CURRENT ASSETS		<u>2,326,368</u>	<u>2,062,847</u>
NON-CURRENT ASSETS			
Property, equipment and vehicles	6	1,392,279	1,324,599
TOTAL NON-CURRENT ASSETS		<u>1,392,279</u>	<u>1,324,599</u>
TOTAL ASSETS		<u>3,718,647</u>	<u>3,387,446</u>
CURRENT LIABILITIES			
Creditors and borrowings	7	137,161	123,628
Provisions - Employee entitlements	8	1,176,915	798,635
TOTAL CURRENT LIABILITIES		<u>1,314,076</u>	<u>922,263</u>
TOTAL LIABILITIES		<u>1,314,076</u>	<u>922,263</u>
NET ASSETS		<u>\$2,404,571</u>	<u>\$2,465,183</u>
ACCUMULATED FUNDS			
Opening Balance		2,465,183	2,010,991
Surplus (Deficit) for year		(60,612)	454,192
ACCUMULATED FUNDS DECEMBER 31, 2005.		<u>\$2,404,571</u>	<u>\$2,465,183</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, 2005.

	2005	2004
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		
Bank - Incolink Grant Account	33,488	-
Bank - General Account	169,287	96,857
Petty Cash	800	800
	<u>\$203,575</u>	<u>\$97,657</u>
3. INVESTMENTS		
CURRENT		
Bank Term Deposit (including interest accrued \$8,803)	2,102,644	1,936,755
	<u>\$2,102,644</u>	<u>\$1,936,755</u>
4. INVENTORIES		
CURRENT		
Stock of Flags.	7,820	16,008
	<u>\$7,820</u>	<u>\$16,008</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, 2005.

	2005	2004
5. OTHER ASSETS		
CURRENT		
Prepayments	9,567	12,427
Sundry Debtor - Tax Office	2,762	-
	<u>\$12,329</u>	<u>\$12,427</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	(287,957)	(269,959)
	<u>431,960</u>	<u>449,958</u>
Office furniture and equipment, at cost	444,515	433,494
Accumulated depreciation	(382,941)	(367,548)
	<u>61,574</u>	<u>65,946</u>
Motor vehicles, at cost	451,021	400,472
Accumulated depreciation	(52,276)	(91,777)
	<u>398,745</u>	<u>308,695</u>
	<u>\$1,392,279</u>	<u>\$1,324,599</u>
7. CREDITORS AND BORROWINGS		
CURRENT		
National Office	5,314	42,129
Sundry creditors and accruals	103,506	53,001
Tax Office - GST	28,341	28,498
	<u>\$137,161</u>	<u>\$123,628</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, 2005.

	2005	2004
8. PROVISIONS - EMPLOYEE ENTITLEMENTS		
CURRENT		
Provision for Redundancy - Officials	236,460	200,700
- Other Employees	411,503	86,940
	647,963	287,640
Provision for Long Service Leave - Officials	313,954	334,612
- Other Employees	90,963	84,881
	404,917	419,493
Provision for Annual Leave - Officials	89,355	72,229
- Other Employees	34,680	19,273
	124,035	91,502
	\$1,176,915	\$798,635
9. STATEMENT OF CASH FLOWS		
CASH INFLOW FROM OTHER REPORTING UNITS:		
Trade Union Training -	25,925	33,891
CFMEU Training Unit		
Coverage Agreement -	-	75,000
CFMEU Victorian Mining & Energy District		
Collection of EBA Redcard	100,605	-
CFMEU Construction & General Division		
CASH OUTFLOW TO OTHER REPORTING UNITS:		
Sustentation fees -		
National Office CFMEU	263,054	226,663
Construction & General Division		
Remittance of EBA & Redcard	100,605	-
Collections -		
CFMEU Construction & General Division		

10. CONTINGENT LIABILITY

There is a contingent liability in relation to legal fees and costs associated with a matter concerning the branch. At this time we are unable to estimate the amount of the 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
Fax: (02) 9380 6990
Email: sydney@air.gov.au

Mr Martin Kingham
Secretary, Victorian Branch, Construction and General Division
Construction, Forestry, Mining and Energy Union
500 Swanston Street
CARLTON SOUTH VIC 3053

Dear Mr Kingham

**Re: Lodgement of Financial Statements and Accounts – Construction, Forestry, Mining
and Energy Union, Construction and General Division, Victorian FEDFA Divisional
Branch – for year ending 31 December 2005 (FR2005/595)**

I refer to the abovementioned financial statements and accounts which were lodged in the Registry on 24 October 2006.

The legislative requirements have been met and the documents have been filed. I draw your attention to the following item for action only if necessary.

In the Statement of Income the item Donations shows an amount of \$9,128. You will be aware that if this included any single donation exceeding \$1,000, s237 of the RAO Schedule requires a statement giving various particulars of that donation to be lodged. If this is relevant and you have not already done so, please lodge such a statement at your earliest opportunity.

Yours sincerely,

A handwritten signature in black ink that reads 'Stephen Kellett'.

Stephen Kellett
Statutory Services Branch

30 October 2006