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**Construction Forestry Mining and Energy Union
Construction and General Division – WA Branch**

**Financial Statements for the
Year ended 31 December 2002**



**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH**

FOR THE YEAR ENDED 31 DECEMBER 2002

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**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2002**

	Note	<u>31/12/02</u> \$	<u>31/12/01</u> \$
MEMBERS FUNDS			
Balance at Beginning of Year		996,512	989,271
Surplus/(Deficiency)		<u>(222,984)</u>	<u>7,241</u>
		<u>773,528</u>	<u>996,512</u>
REPRESENTED BY:			
CURRENT ASSETS			
Cash on Hand		600	600
Sundry Debtors		15,974	38,692
Cash at Bank		742,164	1,111,174
Loans Receivable – CFMEUW		346,359	363,480
Loans Receivable – Construction Skills		<u>8,786</u>	<u>27,900</u>
TOTAL CURRENT ASSETS		<u>1,113,883</u>	<u>1,541,846</u>
NON-CURRENT ASSETS			
Furniture & Fittings - at Cost		74,673	31,961
Less: Accumulated Depreciation		<u>(17,292)</u>	<u>(10,367)</u>
		<u>57,381</u>	<u>21,594</u>
Motor Vehicles – at cost		195,577	219,308
Less: Accumulated Depreciation		<u>(66,620)</u>	<u>(76,550)</u>
		<u>128,957</u>	<u>142,758</u>
Kalgoorlie Property		<u>159,302</u>	<u>159,302</u>
TOTAL NON CURRENT ASSETS		<u>345,640</u>	<u>323,654</u>
TOTAL ASSETS		<u>1,459,523</u>	<u>1,865,500</u>
CURRENT LIABILITIES			
Sundry Creditors		296,546	448,163
Provision for Holiday Pay		121,229	142,340
Provision for Long Service Leave		244,573	252,917
Trust Account		<u>23,647</u>	<u>25,568</u>
TOTAL CURRENT LIABILITIES		<u>685,995</u>	<u>868,988</u>
NON CURRENT LIABILITIES			
Loans			
- CMETSWU – WA Branch		<u>-</u>	<u>-</u>
TOTAL NON CURRENT LIABILITIES		<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>685,995</u>	<u>996,512</u>
NET ASSETS		<u>773,528</u>	<u>996,512</u>

To be read in conjunction with the attached notes.

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2002**

	<u>31/12/02</u>	<u>31/12/01</u>
	\$	\$
<u>INCOME</u>		
Subscriptions	2,692,049	2,739,977
Joining Fees	72,734	47,371
Other Receipts - Sundry Income	46,280	108,030
Interest Received	45,570	83,729
Rent Received	3,915	8,696
Hearing Tests	-	-
Eureka Products	(15,510)	(18,869)
OCC Health and Safety Income	1,364	-
Administration - CSTC	106,307	100,000
Reimbursement of Legal Fees – CSTC	96,168	-
Legal Levy income	<u>261,506</u>	<u>-</u>
	3,310,383	3,068,934
<u>EXPENDITURE</u>		
Advertising	134,381	96,520
Affiliation Fees	42,521	43,543
Auditor's Remuneration – Audit and other services	27,398	20,924
Bank Charges	21,388	17,892
Campaign Costs	1,563	-
Computer Requirements	22,866	7,472
Consulting Fees	17,595	5,000
Depreciation	40,323	39,368
Donations	5,350	34,909
Freight	3,373	1,975
Funeral Benefits	100	475
Insurance	42,301	42,419
Legal Costs	513,759	166,016
Legal Cover	114,065	100,715
Loss on Sale of Assets	1,442	-
Meeting Expenses	43,037	24,845
Motor Vehicle Expenses & Service charges	70,588	78,695
Payroll Tax	120,852	237,022
Parking	4,857	493
Photography	722	489
Printing, Postage & Stationery	88,674	136,539
Photocopying & Office Expenses	25,689	18,495
Provision for Employee Entitlements	(29,455)	33,645
Rent, Rates and Electricity	17,820	14,608
Repairs & Maintenance	16,975	11,035
Staff Amenities	65,528	67,433
Subscriptions	19,491	19,215
Superannuation Contributions	290,704	224,781
Sustentation Fees (Federal)	136,645	216,146
Telephone	85,874	89,726
Travel and Accommodation	114,328	124,019
Wages - Officials	795,701	783,275
Wages - Other	651,216	382,248
Fringe Benefits Tax	<u>25,698</u>	<u>21,756</u>
	<u>3,533,367</u>	<u>3,061,693</u>
<u>SURPLUS/(DEFICIENCY)</u>	<u><u>(222,984)</u></u>	<u><u>7,241</u></u>

To be read in conjunction with the attached notes.

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH**

**STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2002**

	<u>Notes</u>	31/12/02 \$	31/12/01 \$
<u>CASHFLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from members		2,787,501	2,780,956
Other receipts		525,139	218,806
Payments to suppliers and employees		(3,697,783)	(2,867,173)
Interest received		45,570	83,729
		<hr/>	<hr/>
Net Cash Provided by (expended on) Operating Activities	4	(339,573)	216,318
		<hr/>	<hr/>
<u>CASHFLOWS FROM INVESTING ACTIVITIES</u>			
Payments for Plant & Equipment		(76,110)	(49,409)
Proceeds from Sale of Equipment		(12,359)	3,099
		<hr/>	<hr/>
Net Cash Provided by (used in) Investing Activities		(63,751)	(46,310)
		<hr/>	<hr/>
<u>CASHFLOW FROM FINANCING</u>			
Decrease in Loans Payable		-	(698,430)
Decrease in Loans Receivable		34,313	-
		<hr/>	<hr/>
Net Cash Provided by Financing Activities		34,313	(698,430)
		<hr/>	<hr/>
Net Increase (Decrease) in Cash Held		(369,010)	(528,422)
Cash at 1 January 2001		1,111,774	1,640,196
		<hr/>	<hr/>
Cash at 31 December 2001		<u>742,764</u>	<u>1,111,774</u>

To be read in conjunction with the attached notes.

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH**

**FOR THE YEAR ENDED 31 DECEMBER 2002
NOTES TO AND FORMING PART OF THE ACCOUNTS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounts have been prepared in accordance with Australian Accounting Standards.

The accounts are prepared in accordance with the historical cost convention and the accounting policies adopted are as follows;

(a) **BASIS**

The accounts have not been adjusted to record either changes in the general purchasing power of the dollar or in the price of specific assets, unless otherwise stated.

(b) **MEMBERSHIP CONTRIBUTIONS**

Membership contributions are accounted for on a cash receipts basis.

(c) **NON CURRENT ASSETS**

Non current assets acquired are brought to account at cost.

Depreciation of furniture and fittings are calculated in order to write the assets off over their estimated useful life.

(d) **INCOME TAX**

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 (1997).

(e) **EMPLOYEE BENEFITS**

Provision for employee benefits in the form of Long Service Leave, Accrued Annual Leave (etc) have been made for the estimated accrued entitlements of all employees on the basis of their terms of employment.

(f) **REGISTRATION STATUS**

The Construction Forestry Mining and Energy Union Construction and General Division – WA Branch is a federally registered divisional branch of the Construction Forestry Mining and Energy Union.

2. CONTINGENT LIABILITIES

No Contingent Liabilities exist as at the Balance sheet date.

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH**

FOR THE PERIOD ENDED 31 DECEMBER 2002

NOTES TO AND FORMING PART OF THE ACCOUNTS

3. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996, an organisation shall, on the application of a member of the organisation or registrar made as prescribed, make available to the member or to the registrar, as the case may be, specified information in such manner and within such time as is prescribed.

The Registrar shall not make an application except at the request of a member of the organisation concerned, the Registrar, when he receives information as result of an application, made at the request of such a member, shall furnish the information to the member.

4. CASHFLOW INFORMATION

Reconciliation of Cashflow from Operations with Operating Surplus is as follows;

	<u>31/12/02</u>	<u>31/12/01</u>
	\$	\$
Operating Surplus	(222,984)	7,241
Non cash flows in operating surplus		
Depreciation	40,323	39,368
(Increase)/decrease in sundry debtors	22,718	(6,392)
Increase/(decrease) in sundry creditors	(151,617)	145,555
Increase/(decrease) in employee entitlements	(29,454)	33,645
Profit/(Loss) on sale of investments/assets	1,442	(3,099)
Increase/(Decrease) in loans	-	-
	<hr/>	<hr/>
Cash Flows from (to) Operations	<u>(339,573)</u>	<u>216,318</u>

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH**

FOR THE YEAR ENDED 31 DECEMBER 2002

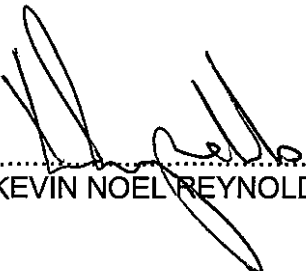
ACCOUNTING OFFICER'S CERTIFICATE

I, Kevin Noel Reynolds, being the Officer responsible for keeping the accounting records, of Construction Forestry Mining And Energy Union Construction And General Division – WA Branch, certify that as at 31 December 2002 the number of members of the Organisation was 6,062.

In my opinion:

- (i) the attached accounts show a true and fair view of the financial affairs of the organisation as at 31 December 2002;
- (ii) a record has been kept of all monies paid by or collected from members and all monies so paid or collected have been credited to the bank account, in accordance with the rules of the organisation;
- (iii) before any expenditure was incurred by the organisation, approval of the incurring of the expenditure was obtained in accordance with the rules of the organisation.
- (iv) with regard to funds of the organisation raised by compulsory levies or funds other than the General Fund operated in accordance with the rules, no payments were made out of such fund for purposes other than those for which the fund operated;
- (v) no loans or other financial benefits, other than remuneration in respect of their fulltime employment with the organisation were made during the period to persons holding office in the organisation; and
- (vi) the register of members of the organisation was maintained in accordance with the Act.

Dated this 1st day of April 2003.


.....
KEVIN NOEL REYNOLDS

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH**

FOR THE YEAR ENDED 31 DECEMBER 2002

COMMITTEE OF MANAGEMENT CERTIFICATE

We, Kevin McFarland and Craham Bellot, being two members of the Committee of Management of the abovementioned Branch, do state on behalf of the Committee and in accordance with a resolution passed by the Committee that:

- (i) in the opinion of the Committee of Management, the attached accounts show a true and fair view of the financial affairs of the Branch as at 31 December 2002;
- (ii) in the opinion of the Committee of Management, meetings of the Committee were held during the year ended 31 December 2002 in accordance with the Rules of the Branch;
- (iii) to the knowledge of any member of the Committee, there have been no instances where records of the Branch or other documents (not being documents containing information made available to a member of the Branch under Section 274 of the Workplace Relations Act 1996) or copies of those records or documents, or copies of the Rules of the Branch, have not been furnished or made available to members in accordance with the requirements of the Workplace Relations Act 1996, the Regulations thereto or the Rules of the Branch;
- (iv) the Branch has complied with Sections 279 (1) and 279 (6) of the Act in relation to the financial accounts in respect to the preceding financial year and the Auditor's Report thereon.

K. McFarland

Craham Bellot

Dated at Perth ~~Hth~~ this 16th day of May 2003.

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH**

FOR THE YEAR ENDED 31 DECEMBER 2002

TRUST ACCOUNTS

STATEMENT OF RECEIPTS & PAYMENTS

	<u>31/12/02</u>	<u>31/12/01</u>
	\$	\$
RECEIPTS		
Trust Accounts	76,848	201,117
PAYMENTS		
Collection and Administration Costs	-	-
Wages Recovered	78,769	187,176
	<hr/>	<hr/>
Excess (deficiency) of Receipts over Payments	<u>(1,921)</u>	<u>13,941</u>

BALANCE SHEET AS AT 31 DECEMBER 2002

ASSETS

Cash at bank at beginning of period	25,568	11,627
Add Excess (deficiency) of Receipts over Payments	(1,921)	13,941
	<hr/>	<hr/>
TRUST BALANCE	<u>23,647</u>	<u>25,568</u>

LIABILITIES

Unclaimed Wages	<u>23,647</u>	<u>25,568</u>
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Perth, Western Australia 6832
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Website www.msbg.com.au

AUDITORS REPORT

**TO THE MEMBERS OF CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH**

Scope

We have audited the Accounts of Construction Forestry Mining and Energy Union Construction and General Division – WA Branch for the year ended 31 December 2002.

The Branch Executive are responsible for the preparation of the accounts and the information they contain.

We have conducted an independent audit of these accounts in order to express an opinion on them to the Members of the Branch.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the accounts are free from material misstatement. Our procedures included examination on a test basis, of evidence supporting the amounts and other disclosures in the Accounts, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects the accounts are presented fairly in accordance with Australian Accounting Standards and statutory requirements so as to present a view of the Branch which is consistent with our understanding of its financial position and the results of its operations.

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

Audit Opinion

In our opinion:

- (i) there were kept by the organisation in respect of the period satisfactory accounting records detailing the sources and nature of the income of the organisation (including income from members) and the nature and purpose of expenditure;
- (ii) the attached accounts and statements on pages 1 to 8 have been prepared in accordance with applicable Accounting Standards, and are properly drawn up in accordance with the provisions of Section 273 of the Workplace Relations Act 1996 in accordance with the rules of the organisation, and so as to give a true and fair view of,
 - a) the financial affairs of the organisation as at 31 December 2002; and
 - b) the income and expenditure and deficiency of the organisation for the year ended on that date.

Moore Stephens BG

MOORE STEPHENS BG
CHARTERED ACCOUNTANTS
PERTH

Neil Pace

NEIL PACE
PARTNER
REGISTERED COMPANY AUDITOR
182668

Dated this *20* day of *May* 2003 in Perth, Western Australia.

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH**

CERTIFICATE BY STATE SECRETARY

In pursuance of the provisions of Section 280 (1) (b) of the Australian Workplace Relations Act 1996, I, Kevin Noel Reynolds certify that the copies of the auditor's report, accounts and statements of the Construction Forestry Mining And Energy Union Construction and General Division – WA Branch for the period ended 31 December 2002, were presented to the Committee of Management of the Branch on 1st April 2003.



State Secretary

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH**



AUSTRALIAN INDUSTRIAL REGISTRY

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

FACSIMILE

TO	Peta Arnold / Kevin Reynolds		
Organisation	CFMEU Construction & General Division - WA Branch		
Fax Number	(08) 9221 1506	Phone Number	(08) 9221 1055
FROM	Belinda Penna		
Location	Australian Industrial Registry		
Fax Number	02 9380 6990	Phone Number	02 8374 6618
No of Pages (including cover)	2	Date	30/05/2003
Please notify sender if not all pages were received.		Time	12:33 PM

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MESSAGE:

Dear Peta,

Further to our telephone conversation this morning, please find attached a copy of a letter dated 6 June 2002 to Mr Reynolds. Can you please check whether a response to this letter was ever forwarded from your branch?

We have now received the Branch Financial Statements and Accounts for the year ending 31 December 2002, and the same issues have arisen with these documents, namely the date of supply of the documents to the members, the date the documents were presented to a second meeting (which needs to be at least 8 days after supply to members) for final acceptance by the Committee of Management, and the issue of whether there were any single donations which exceed \$1,000.

I would be happy to discuss these issues by phone on the number listed above, or you can email a response to belinda.penna@air.gov.au. Alternatively you could speak to the Assistant Manager Mr Stephen Kellett on 02 8374 6509.

Thank you for your assistance with this issue.

Yours sincerely

Belinda Penna

PENNA, Belinda

From: PRYOR, Caroline

Sent: Tuesday, 10 June 2003 2:22 PM

To: PENNA, Belinda

Subject: FR2003/ 123 CFMEU WA rang to complain about error in our letter.

Belinda,

You have changed this CMS record so I hope you know about it. A Peta Arnold rang re our letter asking for details of donations. (I couldnt find a copy on N drive/Corres 2003/CFMEU) Apparently our letter refers to an amount approx \$39,000 not \$34,000. because the numbers have been mixed up. The file is at folio 1626.

Can you arrange to locate previous letter, check that it is an error and write to them. She will send statement regarding donations for the lesser amount.

OK

Caroline.

I rang Peta Arnold, confirm amount from outstanding letter of June 2002 is \$34,909. She states the branch is preparing a response in relation to both financial years. BP 10/6/03.



AUSTRALIAN INDUSTRIAL REGISTRY

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

Mr Kevin Reynolds
Branch Secretary
WA Construction & General Divisional Branch
CFMEU
PO Box 6681
PERTH WA 6892

Dear Mr Reynolds

Statement of Loans, Grants and Donations for the CFMEU WA Construction and General Divisional Branch for the year ending 31 December 2001 (FR2002/123) and the year ending 31 December 2002 (FR2002/834)

Receipt is acknowledged of the abovementioned statement, dated 12 June 2003. The statement was lodged in the Registry on 16 June 2003.

The statement has been placed on a file not for public viewing other than by members of your organisation.

We look forward to your further response in relation to the issues raised in the letter of 6 June 2002 regarding the supply of documents for the year ending 31 December 2001 to the members. Note that, as discussed in the telephone conversation with Peta Arnold of 30 May 2003, the same information is required in relation to the financial documents for the year ending 31 December 2002.

If I can be of any assistance with this matter, please contact me on (02) 8374 6618.

Yours sincerely,

Belinda Penna

Belinda Penna
for Deputy Industrial Registrar

16 June 2003



AUSTRALIAN INDUSTRIAL REGISTRY

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

FACSIMILE

TO	Tom Roberts		
Organisation	CFMEU National Office		
Fax Number	02 9267 8863	Phone Number	
FROM	Belinda Penna		
Location	Australian Industrial Registry		
Fax Number	02 9380 6990	Phone Number	02 8374 6618
No of Pages (including cover)	3	Date	4/07/2003
Please notify sender if not all pages were received.		Time	2:31 PM

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MESSAGE:

Dear Tom,

Thank you for your telephone call this afternoon regarding the outstanding information required to file the financial documents for the WA Construction & General Div Branches for the years ending 31 December 2001 (FR2002/123) and 31 December 2002 (FR2002/834).

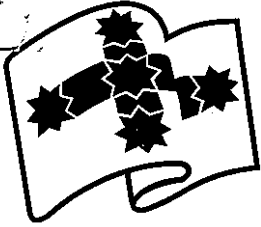
Please find attached copy of letter dated 6 June 2002 from Robin Godfrey and copy of my fax dated 30 May 2003 to Peta Arnold at the WA Branch office.

Your assistance in clarifying these matters is greatly appreciated.

Regards,

Belinda Penna

DARE TO STRUGGLE



DARE TO WIN

CFMEU

CONSTRUCTION & GENERAL DIVISION

HEAD OFFICE
27 Moore Street
EAST PERTH WA 6004

POSTAL ADDRESS
PO Box 6681
EAST PERTH WA 6892

Ph: (08) 9221 1055
Fax: (08) 9221 1506

11 July 2003

Australian Industrial Relations Commission
Level 8, Terrace Towers
80 William Street
EAST SYDNEY NSW 2011



Attention: Ms Belinda Penna

Dear Ms Penna

Financial Statements for Years ending 31 December 2001 and 2002

We refer to your letter of 6th June 2002.

The Financial Statements for the year ending 31 December 2001 were made available to members on or about the 10 March 2002 and the Financial statements for the year ending 31 December 2002 were made available to members on or about the 22 March 2003.

On both occasions the Financial Statements were made available free of charge.

If you have any further queries please contact me on (08) 9221 1055.

Yours sincerely

KEVIN REYNOLDS
Secretary

Construction, Forestry, Mining and Energy Union

(Construction and General Division, Western Australian Divisional Branch)

FOR THE YEAR ENDED 31 DECEMBER, 2002

SECRETARY'S CERTIFICATE

Pursuant to Section 280 (1) of the *Workplace Relations Act 1996*, I Kevin Reynolds certify that the auditor's report, accounts and statements of the abovenamed Divisional Branch for the year ended 31 December, 2002, annexed hereto, are copies of the documents presented to the meeting of the Divisional Branch Management Committee on 1 April 2003.



Divisional Branch Secretary
CFMEU
Construction & General Division
Western Australian Divisional Branch

11 July 2003
Date



AUSTRALIAN INDUSTRIAL REGISTRY

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

Mr Tim Kucera
WA Construction & General Divisional Branch
CFMEU
PO Box 6681
PERTH WA 6892

Dear Mr Kucera

**Financial Statements - Construction, Forestry, Mining and Energy Union -
Construction and General Division - Western Australian Divisional Branch
for years ending 31 December 2001 (FR2002/123) and 31 December 2002 (FR2002/834)**

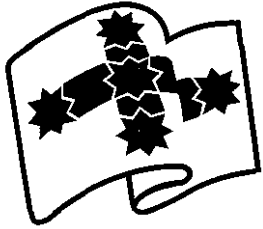
I refer to our discussion this afternoon regarding the above financial statements. The only information the Registry still requires for the documents to be filed is for the Branch Secretary to confirm in writing how the financial statements for both years were made available to the members. If they were published and distributed in the union journal, please indicate the dates of issue.

Yours sincerely,

Stephen Kellett
Assistant Manager, NSW Registry

18 July 2003

DARE TO STRUGGLE



DARE TO WIN

CFMEU

CONSTRUCTION & GENERAL DIVISION

HEAD OFFICE
27 Moore Street
EAST PERTH WA 6004

POSTAL ADDRESS
PO Box 6681
EAST PERTH WA 6892

Ph: (08) 9221 1055
Fax: (08) 9221 1506

1 October 2003

Australian Industrial Relations Commission
Level 8, Terrace Towers
80 William Street
SYDNEY NSW 2011

Attention: Stephen Kellett

Dear Mr Kellett

Financial Statements for Years Ending 31 December 2001 and 2002

I refer you to your correspondence of 18 July 2003.

Please be advised that the Financial Statement for the periods ending 2001 and 2002 were made available to members free of charge at the March CFMEU General Monthly meetings of 2002 and 2003.

Upon request by members copies were made available to them either by collection personally or by post.

If you have any further queries please don't hesitate in contacting me on (08) 9221 1055.

Yours sincerely


KEVIN REYNOLDS
Secretary





AUSTRALIAN INDUSTRIAL REGISTRY

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

Mr Kevin Reynolds
WA Construction & General Divisional Branch
CFMEU
PO Box 6681
PERTH WA 6892

Dear Mr Reynolds

**Financial Statements - Construction, Forestry, Mining and Energy Union -
Construction and General Division - Western Australian Divisional Branch
for years ending 31 December 2001 (FR2002/123) and 31 December 2002 (FR2002/834)**

Thank you for your letter dated 1 October 2003 advising that the above financial statements were supplied at general meetings of members and by post upon request.

The documents have been filed. No further information is required.

However I would like to make a few comments on the documents and the extent to which they suggest the Branch's compliance with the legislation. The main area of compliance is whether or not it can be said that the members of the branch have had adequate opportunity to consider all the relevant financial documents. This goes directly to the objects of management accountability and member participation.

To guide organisations in achieving these objects, the Workplace Relations Act sets out, admittedly in a complicated fashion, a logical sequence of events.

Briefly, the Act contemplates that members will be supplied with the key accounts and statements - including the Accounting Officer's certificate, the Committee of Management's certificate and the Auditor's report. These documents should therefore have been signed and dated by the time the members first get access to them. Accordingly, they are usually signed and dated at or about the time of a "first" meeting that is held *before* they are distributed or made available to the members.

This does not appear to have been the case as far as the above statements were concerned, at least not if the documents are taken at face value.

For example, in the case of the financial statements for 2002, the members appear, according to your letter, to have been able to obtain copies of the documents from 22 March 2003, but the Accounting Officer's certificate was dated *after* that - on the 1st April 2003; the Committee of Management certificate was dated later still - on 14 May 2003; and the Auditor's report was not dated until 20 May 2003.

In addition, the meeting at which, according to your Secretary's certificate, the documents were presented was also held *before* the dating of at least two of the documents, on 1 April 2003. Was this the post-eighth day meeting referred to in s279(6) of the Act?

If the dates on the documents are anything to go by, then it is not at all certain that the correct sequence of meetings/supply to members was observed.

Ideally, the certificates and Auditor's report should have been signed and dated *first, then* the members should have been supplied with copies of same, *then after the appropriate interval*, the documents should have been presented at a meeting.

I have gone into detail because the only way the Registry can ascertain whether there has been adequate compliance on the part of the Branch is by the dating on the various documents and the information provided in the Secretary's certificate.

Your next financial return - for the year ending 31 December 2003 - will also continue to have to conform to the requirements of the *Workplace Relations Act 1996*. But the financial return for the year ending 31 December 2004 will have to comply with the new *RAO schedule* which, arguably, is even stricter with time-frames for reporting and dating and signing of documents.

If in the preparation of next year's financial return you or your staff wish to clarify any aspect of the above, please do not hesitate to contact the Registry here in Sydney on (02) 8374 6666.

Yours sincerely,

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style and is underlined with a single horizontal line.

Stephen Kellett
for Deputy Industrial Registrar

7 October 2003