



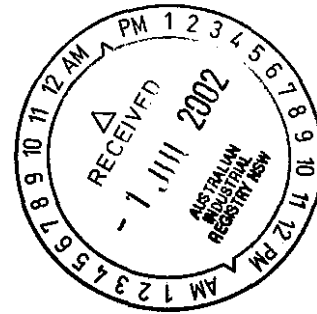
**CFMEU**  
**MINING & ENERGY DIVISION**  
WA DISTRICT BRANCH

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17 June 2002

Australian Industrial Registry  
Level 8 Terrace Towers  
80 William Street  
**EAST SYDNEY NSW 2011**



**ATTENTION: Robin Godfrey**

Dear Mr Godfrey

**RE: FINANCIAL DOCUMENTS**

Please find attached copies of the Financial statements of the Construction Forestry Mining & Energy Union Mining & Energy Division Western Australian District Branch for the years ending 31 December 2000 and 31 December 2001.

I certify that the attached copies are copies of those presented to the Committee of Management and members of the Branch were supplied with copies of the documents on 31 May 2002.

Yours sincerely

**G N WOOD**  
**SECRETARY**

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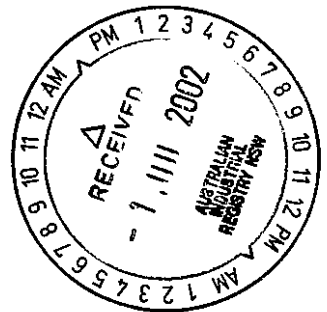
*Mineworkers Institute*  
75 Throssell Street  
COLLIE WA 6225

Phone: (08) 97345600  
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# Hodgins Associates

Chartered Accountants

CFMEU  
MINING & ENERGY DIVISION OF WA  
FINANCIAL STATEMENTS  
31 DECEMBER 2001



## **CFMEU - Mining & Energy Division**

Financial Statements  
For the year ended 31 December, 2001

### **Hodgins Associates**

Chartered Accountants

19 Forrest Avenue

Bunbury 6230

Phone: 97213188 Fax: 97217051

Email: [hodgassoc@inet.net.au](mailto:hodgassoc@inet.net.au)

# CFMEU - Mining & Energy Division

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# Hodgins Associates

Chartered Accountants

24 May 2002

## INDEPENDENT AUDITORS' REPORT TO MEMBERS

### CFMEU – MINING & ENERGY DIVISION OF WA

#### Scope

We have audited the financial statements comprising the Income and Expenditure Account, Balance Sheet, Statement of Cash Flows and notes to and forming part of the financial statements of the Construction Forestry Mining and Energy Union - Mining and Energy Division of Western Australia ("the Union") for the year ended 31 December 2001. The Union's Board of Management is responsible for the preparation and presentation of the financial statements and the information they contain. We have conducted an independent audit of these financial statements in order to express an opinion on them to the members of the Union.

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

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

#### Audit Opinion

In our opinion:-

- (a) Proper accounting records have been kept by the Union so far as appears from our examination of these books, including:
  - (1) records of the sources and nature of the income of the Union (including income from members); and
  - (2) records of the nature and purposes of the expenditure of the Union;
- (b) The financial statements and statements required to be prepared under Section 273 of the Industrial Relations Act 1988 have been properly drawn up so far as to give a true and fair view of:
  - (1) the financial affairs of the Union as at December 2001; and
  - (2) the income and expenditure, and the deficit of the Union for the year ended on that date;
- (c) The financial statements have been prepared in accordance with applicable Australian Accounting Standards.

We have where necessary, obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

*Hodgins Associates*

CHARTERED ACCOUNTANTS

*P Hodgins*

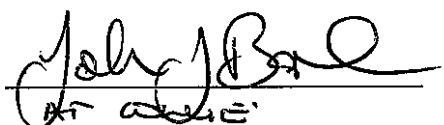
P R Hodgins

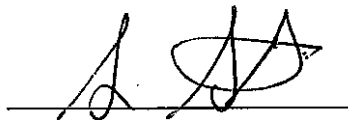
**COAL MINERS INDUSTRIAL UNION OF WORKERS OF WESTERN  
AUSTRALIA**

**COMMITTEE OF MANagements' CERTIFICATE**

We, JOHN JOSEPH BORLINI and LEON FRANK STROJER,  
being two members of the Board of Management of the Coal Miners' Industrial Union of  
Workers of WA ("The Union"), do state on behalf of the Board of Management and in  
accordance with a resolution passed by the Board of Management that:

- (1) In the opinion of the Board, the attached financial statements show a true and fair view  
of the financial affairs of the Union as at December 31, 2001,
- (2) In the opinion of the Board, meetings of the Union were held during the year ended  
December 31, 2001 in accordance with the rules of the Union.
- (3) To the knowledge of any member of the Union, there have been no instances where  
records of the Union or other documents (not being documents containing information  
made available to a member of the Union under sub-section 274(I) of the Industrial  
Relations Act 1988, as amended), or copies of those records or documents, or copies of  
the rules of the Union, have not been furnished, or made available, to members in  
accordance with the requirements of the Industrial Relations Act 1988, as amended, the  
Regulations thereto, or the rules of the Union.
- (4) The Union has complied with Sections 279 (1) and 279 (6) of the Act in relation to the  
financial accounts in respect of the preceding financial year, and the Auditors Report  
thereon.

  
\_\_\_\_\_  
John Joseph Borlini

  
\_\_\_\_\_

Signed this 24<sup>TH</sup> day of MAY 2002.


## CFMEU – MINING & ENERGY DIVISION OF WA

### ACCOUNTING OFFICERS CERTIFICATE

I, Gary Wood, being the Officer responsible for keeping the accounting records of the CFMEU – Mining & Energy Division of WA, certify that as at 31 December 2001, the number of members of the Union was 860.

In my opinion,

- (1) The attached financial statements show a true and fair view of the financial affairs of the Union as at 31 December 2001.
- (2) A record has been kept of all monies paid by, or collected from members and all monies are to be credited, in accordance with the rules of the Union.
- (3) Before any expenditure was incurred by the Union, approval of the incurring of the expenditure was obtained in accordance with the rules of the Union.
- (4) With regard to funds of the Union raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated.
- (5) No loans or other financial benefits, other than remuneration in respect of their full time employment with the Union, were made to persons holding office in the Union.
- (6) The register of members of the Union was maintained in accordance with the Act.

  
\_\_\_\_\_

GARY WOOD

Signed this 9<sup>th</sup> day of May, 2002

**CFMEU - Mining & Energy Division**  
**Income & Expenditure Statement**  
For the year ended 31 December, 2001

	2001	2000
	\$	\$
<b>Income</b>		
Fees members	445,994	551,842
IRR Levy	38,138	40,236
Interest received	81	76
Sundry income	40	780
Profit / (Loss) on sale of assets		(9,307)
Sales merchandise	68	4,713
<b>Total income</b>	<b>484,322</b>	<b>588,339</b>
<b>Expenses</b>		
Accountancy & audit fees		4,295
Affiliation fees - CFMEU National	115,286	334,812
Affiliation fees - Other	1,102	1,937
Advertising and promotion	1,520	1,943
Bank fees and charges	1,321	3,120
CFMEU National - IRR Levy	38,138	40,236
Clothing allowance		450
Depreciation	9,479	14,205
Donations	1,205	575
Electricity	484	
Entertainment		1,500
Expenses Executive	6,084	5,408
Expenses Delegates	6,139	14,957
Fringe benefits tax	2,959	986
General expenses	3,093	1,865
Hire/rent of Plant & Equipment	415	
Insurance	14,318	8,045
Interest	4	
Lease payments	3,228	3,579
Legal fees	5,809	16,244
Meeting costs	5,257	2,536
Motor vehicle expenses	13,198	14,700
Office expenses		7,805
Publications & subscriptions	1,608	1,399
Postage, Printing, & Stationery	3,479	6,502

The accompanying notes form part of these financial statements.



**CFMEU - Mining & Energy Division**  
**Income & Expenditure Statement**  
**For the year ended 31 December, 2001**

	2001 \$	2000 \$
Provision for annual leave	7,165	984
Provision for sick leave	6,245	47,752
Provision for long service leave	1,461	7,672
Purchases	6,698	22,140
Rent on land & buildings	6,873	6,300
Repairs & maintenance	538	1,211
Salaries & wages staff	125,285	179,744
SBU expenses		4,077
Staff training		2,564
Superannuation	9,753	7,629
Telephone	8,599	15,973
Travel and accomodation	44,313	42,907
<b>Total expenses</b>	<b>451,056</b>	<b>826,051</b>
<b>Profit from ordinary activities before income tax</b>	<b>33,265</b>	<b>(237,712)</b>
Income tax revenue relating to ordinary activities		
<b>Net profit attributable to the association</b>	<b>33,265</b>	<b>(237,712)</b>
<b>Total changes in equity of the association</b>	<b>33,265</b>	<b>(237,712)</b>
Opening retained profits	(222,464)	15,248
Net profit attributable to the association	33,265	(237,712)
<b>Closing retained profits</b>	<b>(189,199)</b>	<b>(222,464)</b>

The accompanying notes form part of these financial statements.

**CFMEU - Mining & Energy Division**  
**Detailed Statement of Financial Position As At 31 December, 2001**

	2001	2000
<b>Current Assets</b>		
<b>Cash Assets</b>		
Cash at bank - Collie	265,397	78,255
Cash on hand	279	279
Commonwealth Bank Mastercard	4,000	4,000
	269,675	82,534
<b>Receivables</b>		
Amounts receivable	28,859	90,278
	28,859	90,278
<b>Total Current Assets</b>	<b>298,534</b>	<b>172,811</b>
<b>Non-Current Assets</b>		
<b>Property, Plant and Equipment</b>		
Plant & equipment - at cost	19,942	19,261
Less: Accumulated depreciation	(16,414)	(14,557)
Motor vehicles - at cost	34,298	34,298
Less: Accumulated depreciation	(8,044)	(422)
	29,782	38,580
<b>Total Non-Current Assets</b>	<b>29,782</b>	<b>38,580</b>
<b>Total Assets</b>	<b>328,316</b>	<b>211,392</b>

The accompanying notes form part of these financial statements.

**CFMEU - Mining & Energy Division**  
**Detailed Statement of Financial Position As At 31 December, 2001**

	2001	2000
<b>Current Liabilities</b>		
<b>Payables</b>		
<b>Unsecured:</b>		
- Amounts payable	252,724	168,242
	252,724	168,242
<b>Current Tax Liabilities</b>		
GST payable control account	29,138	24,302
Input tax credit control account	(20,010)	(9,481)
	9,128	14,821
<b>Provisions</b>		
Employee entitlements	106,560	91,689
	106,560	91,689
<b>Total Current Liabilities</b>	<b>368,412</b>	<b>274,753</b>
<b>Non-Current Liabilities</b>		
<b>Interest-Bearing Liabilities</b>		
<b>Unsecured:</b>		
- Amounts payable	109,962	119,962
	109,962	119,962
<b>Total Non-Current Liabilities</b>	<b>109,962</b>	<b>119,962</b>
<b>Total Liabilities</b>	<b>478,373</b>	<b>394,714</b>
<b>Net Assets (Liabilities)</b>	<b>(150,057)</b>	<b>(183,322)</b>
 <b>Members' Funds</b>		
<b>Issued Capital</b>		
Members funds	39,142	39,142

The accompanying notes form part of these financial statements.

**CFMEU - Mining & Energy Division**  
**Detailed Statement of Financial Position As At 31 December, 2001**

	2001	2000
Accumulated surplus (deficit)	<u>(189,199)</u>	<u>(222,464)</u>
<b>Total Members' Funds</b>	<b><u>(150,057)</u></b>	<b><u>(183,322)</u></b>

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The accompanying notes form part of these financial statements.

**CFMEU - Mining & Energy Division**  
**Statement of Cash Flows**  
For the year ended 31 December, 2001

	2001	2000
<b>Cash Flow From Operating Activities</b>		
Receipts from customers	545,660	507,293
Payments to Suppliers and employees	(344,686)	(574,453)
Interest received	81	76
Interest and other costs of finance	(3,232)	(3,579)
Net cash provided by (used in) operating activities (note 2)	197,823	(70,664)
<b>Cash Flow From Investing Activities</b>		
<b>Payment for:</b>		
Payments for property, plant and equipment	(681)	(34,298)
<b>Proceeds from disposal of:</b>		
Proceeds from sale of property	37,909	37,909
Net cash provided by (used in) investing activities	(681)	3,611
<b>Cash Flow From Financing Activities</b>		
Proceeds of borrowings		119,962
Repayment of borrowings	(10,000)	
Net cash provided by (used in) financing activities	(10,000)	119,962
Net increase (decrease) in cash held	187,142	52,909
Cash at the beginning of the year	82,534	29,625
Cash at the end of the year (note 1)	269,675	82,534

The accompanying notes form part of these financial statements.

**CFMEU - Mining & Energy Division**  
**Statement of Cash Flows**  
For the year ended 31 December, 2001

2001

2000

**Note 1. Reconciliation Of Cash**

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash at bank - Collie	265,397	78,255
Cash on hand	279	279
Commonwealth Bank Mastercard	4,000	4,000
	<u>269,675</u>	<u>82,534</u>

**Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Profit**

Operating profit (loss) after tax	33,265	(237,712)
Depreciation	9,479	14,205
(Profit) / Loss on sale of property, plant and equipment		9,307
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	61,419	(90,278)
Increase (decrease) in trade creditors and accruals	84,481	162,585
Increase (decrease) in employee entitlements	14,871	56,408
Increase (decrease) in sundry provisions	(5,693)	14,821
Net cash provided by operating activities	<u>197,823</u>	<u>(70,664)</u>

**CFMEU - Mining & Energy Division**  
**Depreciation Schedule for the year ended 31 December, 2001**

Total Cost	Priv Use	OWDV	Total Value	Rate	Type	Deprec	Private Portion	CWDV
<b>Plant &amp; Equipment</b>								
Laser Printer				915.00				
915	0.00	102	102	40.00	D	41	0	61
Mobile Telephone				731.00				
731	0.00	171	171	30.00	D	51	0	120
Computer System				8,579.00				
8,579	0.00	1,156	1,156	40.00	D	462	0	694
Mobile Telephone				695.00				
695	0.00	173	173	30.00	D	52	0	121
Mobile Telephone (0418699227)				268.00				
268	0.00	69	69	30.00	D	21	0	48
Facsimile Machine				649.00				
649	0.00	167	167	30.00	D	50	0	117
IBM 3197/DIY Computer Terminal				550.00				
550	0.00	98	98	40.00	D	39	0	59
Computer System				5,411.00				
5,411	0.00	1,948	1,948	40.00	D	779	0	1,169
Refridgerator				549.00				
549	0.00	316	316	25.00	D	79	0	237
Fax Machine				599.00				
599	0.00	314	314	30.00	D	94	0	220
Laminator				315.00				
315	0.00	190	190	30.00	D	57	0	133
Printer		10/05/01		681.00				
681	0.00	0	681	30.00	D	132	0	549
<hr/>								
19,942		4,704	5,385			1,857	0	3,528
						Deduct Private Portion	0	
						Net Depreciation	1,857	
<b>Motor Vehicles</b>								
VX Holden Commodore CO 17609		12/12/00		34,298.00				
34,298	0.00	33,876	33,876	22.50	D	7,622	0	26,254
<hr/>								
34,298		33,876	33,876			7,622	0	26,254
						Deduct Private Portion	0	
						Net Depreciation	7,622	

The accompanying notes form part of these financial statements.

# CFMEU - Mining & Energy Division

## Notes to the Financial Statements

For the year ended 31 December, 2001

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### Note 1: Statement of Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporations Act Western Australia.

The financial report covers CFMEU - Mining & Energy Division as an individual entity. CFMEU - Mining & Energy Division is an association incorporated in Western Australia, under the Association Incorporations Act 1984.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### Income tax

No provision for income tax is necessary because the union is exempt from tax under S23 (f) of the Income Assessment Act.

#### Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

##### a) Plant and equipment

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amounts.

##### b) Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to CFMEU - Mining & Energy Division commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that ownership of the asset will be obtained or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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## **CFMEU - Mining & Energy Division**

### **Notes to the Financial Statements**

**For the year ended 31 December, 2001**

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#### **Employee entitlements**

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash out flows to be made for those entitlements.

Contributions are made by CFMEU - Mining & Energy Division to an employee superannuation fund and are charged as expenses when incurred.

CFMEU - Mining & Energy Division does not record, as an asset or a liability, the difference between the employer established defined benefit superannuation plan's accrued benefits and the net market value of the plans assets.

CFMEU - Mining & Energy Division operates an ownership-based remuneration scheme, details of which are provided in the Notes to Accounts. Profits or losses incurred by employees, being the difference between the market value and the par value of the shares acquired, are not recorded as remuneration paid to employees.

#### **Cash**

For the purpose of the statement of cash flows, cash includes cash on hand and in all call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months, net of bank overdrafts.

#### **Comparative Figures**

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

#### **Liquidity Position**

Because of changes in the member base and resultant revenues and the overhead structure the liquidity of the entity was adversely affected in the previous period. The ongoing support of the National body with regard to outstanding capitation fees has enabled the CFMEU - Mining & Energy Division to meet its commitments as and when they fall due. The strategies undertaken by the CFMEU Executive to rectify the adverse liquidity position referred to in the previous financial report are taking effect with a return to profitability in the current financial year.

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## AUSTRALIAN INDUSTRIAL REGISTRY

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

Mr. Gary Wood  
Branch Secretary  
Western Australia District Branch  
CFMEU - Mining and Energy Division  
75 Throssell Street  
COLLIE WA 6625

Dear Mr Wood,

**Re: Lodgement of Financial Statements for CFMEU- Mining and Energy Division  
Western Australia District Branch for the year ended 31 December 2000  
(FR2002/345), 31 December 2001 (FR2002/346)**

Receipt is acknowledged of the above financial statements, which were lodged in the Registry on 1 July 2002. My apologies for not responding earlier.

A review of these documents indicates that the following matter requires additional information before these returns may be filed:

Please supply the date of the second meeting, being a general meeting of members or meeting of committee of management, at which the financial statements were represented for both financial years. I have attached a checklist used by the Registry, which may help clarify the relevant date. I hope this time line diagram makes clear the distinction between the first meeting where the Committee of Management resolution occurs, and the Second Meeting which must take place at least 7 days after the documents have been supplied to members, and at which the financial documents are finally adopted.

When preparing future returns please also note the following matters:

The income and expenditure statement for the year ending **31 December 2001** identifies an amount of \$1,205 under Donations. You are reminded that, pursuant to subsection 269(1) of the *Workplace Relations Act 1996*, if any individual donation exceeded \$1000, then a statement showing the relevant particulars of such donations is required to be lodged in the Registry.

It is a requirement under Workplace Regulation 107(a)(xiv) and (xv) that the expenditure statements differentiate between the salaries and wages for office holders and employees of the organisation.

Should you have any enquires regarding these matters, please do not hesitate to contact me on (02) 8374 6509.

Yours sincerely,

Robin Godfrey  
Assistant Manager,  
Statutory Services Branch  
NSW Registry

17/09/2002