



28 September 2016

Mr Gary Wood
Secretary, Western Australian District Branch
Mining and Energy Division
Construction, Forestry, Mining and Energy Union

Sent by email: cfmeumwa@highway1.com.au

Dear Mr Wood

Re: Lodgement of financial accounts and statements - CFMEU, Mining and Energy Division, Western Australian District Branch - year ended 31 December 2015 (FR2015/369)

I refer to the financial report for the year ended 31 December 2015 for the Western Australian District Branch. The documents were lodged with the Fair Work Commission on 24 June 2016. The Statement of Changes in Equity and an amended Designated Officer's certificate were lodged today.

The financial report has been filed. The financial report was filed based on a primary review. This involved examining whether the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and Reporting Guidelines have been complied with. A primary review does not examine all disclosure requirements.

You are not required to take any further action in relation to the report lodged but I make the following comments to assist you when preparing next year's report. Please note that the financial report for the year ending 31 December 2016 may be subject to an advanced compliance review.¹

Reports must be provided to Members at least 21 days before a General Meeting of Members²

The amended Designated Officer's Certificate stated that the financial report was provided to members on 26 May 2016, and was presented to meetings of members of Lodges, the last being the meeting for Rio Tinto (Rail) on 1 June 2016. In this instance, the full report was provided to the members only 6 days before the last Lodge meeting. Section 265(5)(a) requires that where the full report is presented to a general meeting of members, the report must be provided to members at least 21 days before that meeting³.

¹ An advanced compliance review examines *all* disclosure requirements. Deficient reports may be required to be amended, re-audited and re-lodged.

² Or series of meetings, as in the case where meetings are held in each Lodge – see sub-section 266(2)

³ i.e. the last of the series of members' meetings.

As I explained in my letter of 10 August, because the rules of the Branch do not contain a rule such as that contemplated by sub-section 266(3),⁴ the Branch is obliged, for the purposes of section 266, to present the full report to Lodge members' general meetings.⁵ This means that in order for it to comply with sub-section 265(5) it must so arrange the timing of the Lodge meetings that the last of them occurs at least 21 days after the date on which the signed documents have been provided to them. At the same time, the Branch must ensure that the timing of the last of the Lodge meetings occurs by no later than 30 June so that it can comply with section 266.

If in future the Branch anticipates, for any reasonable reason, that in order to comply with the 21 day interval, the last Lodge meeting cannot occur by 30 June, it must make an application for an extension of time to hold such Lodge meeting(s).⁶

Please note that subsection 265(5) and section 266 are civil penalty provisions.⁷

Disclosure of grants or donations

Reporting Guideline 16(e) requires that where grants or donations have been paid, the total amount paid is to be disclosed as follows:

- (i) grants that were \$1,000 or less;
- (ii) grants that exceeded \$1,000;
- (iii) donations that were less than \$1,000; and
- (iv) donations that exceeded \$1,000

Note 3 discloses only a single figure for donations, and does not distinguish the total amounts as described for (iii) and (iv).

In addition, Reporting Guideline 17 requires that if any activities described in Reporting Guideline 16 have not occurred, a statement to that effect⁸ must be included in the general purpose financial report. Note 3 does not make such disclosure in relation to grants expenses.

Disclosure of payables in respect of legal costs

Reporting Guideline 20(b) requires payables in relation to legal costs to be disclosed by (i) litigation and (ii) other legal matters. There were no legal costs payables disclosed.⁹

Reporting Guideline 21 states that if any activities described in Reporting Guideline 20 have not occurred in the reporting period, a statement to this effect must be included in the general purpose financial report. I note that in relation to legal costs payables there was no such statement made.

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it assists in ensuring compliance with the *Fair Work (Registered Organisations) Act*

⁴ i.e. "if the rules of the reporting unit provide for a specified percentage (not exceeding 5%) of members to be able to call a general meeting of the reporting unit for the purpose of considering the auditor's report, the general purpose financial report and the operating report, the full report may instead be presented to a meeting of the committee of management...."

⁵ I note that the full report was also presented to the Committee on 21 June 2016. There is nothing wrong about this, but it is not, in the Branch's case, critical to satisfying the presentation requirements for the purposes of section 266. It is presentation to the Lodge meetings that counts.

⁶ See s265(5): "The General Manager may, upon application by the reporting unit, extend the period during which the meeting referred to in paragraph (a) may be held..."

⁷ Note that continued failure to meet these timelines may result in an inquiry into the organisation and the General Manager of the FWC may apply under s.310(1) of the RO Act to the Federal Court of Australia for a pecuniary penalty order to be imposed on your organisation and, potentially, an officer whose conduct led to the non-compliance.

⁸ Or a nil balance, such as illustrated in the Model Financial statements

⁹ There was a disclosure for legal fees (expenses), which is distinguishable from legal costs payables. However it is also noted that this was a single figure not broken down into (i) litigation and (ii) other legal as required by RG16(j)

2009, the s.253 Reporting Guidelines and the Australian Accounting Standards.¹⁰ Access to this information may be obtained via [this link](#).¹¹

If you require further information on the financial reporting requirements of the Act, or wish to discuss the above, I may be contacted on (02) 6746 3283 or by email at stephen.kellett@fwc.gov.au.

Yours sincerely



Stephen Kellett
Senior Adviser
Regulatory Compliance Branch

cc. Mr Peter Hodgins, Auditor

¹⁰ The Model Financial Statements include illustration of every disclosure item required by the Reporting Guidelines and which may be relevant under the Australian Accounting Standards. The 2016 financial report should be compared with a close reading of the Reporting guidelines and the Model Financial Statements before they are signed off for provision to members. A copy of the checklist used in an advanced compliance review is available at <https://www.fwc.gov.au/documents/documents/organisations/factsheets/org-financial-report-checklist-advanced.pdf>

¹¹ <https://www.fwc.gov.au/registered-organisations/compliance-governance/financial-reporting>

**CFMEU- MINING & ENERGY DIVISION OF WA FINANCIAL
REPORTS FOR YEAR ENDED 31 DECEMBER 2015**

Certificate of Secretary or other Authorised Officer

I, Gary Norman Wood being the Secretary of the CFMEU – Mining & Energy Division of WA certify:

- that the documents lodged herewith are copies of the full report, referred to in S268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members on 26 May 2016; and
- that the full report was presented, for the purposes of section 266 of the *Fair Work (Registered Organisations) Act 2009*, to meetings of the members of Lodges, the last meeting being on 1 June 2016.
- that the full report was also subsequently presented to the Committee of Management on 21 June 2016.

Signature:



Date: 28 September 2016

From: CFMEU Mining & Energy WA [mailto:cfmeumwa@highway1.com.au]
Sent: Wednesday, 28 September 2016 10:37 AM
To: KELLETT, Stephen
Subject: FW: CFMEU December 2015

Hi Stephen,

Thank you for your patience.

Please find attached statement of changes in equity.

I confirm the financial report was provided to members on 26 May 2016 and presented to the Rio Tinto Lodge & BHP Lodge within the Pilbara Region on the following dates.

- BHP (Rail) 31 May 2016
- Rio Tinto (Rail) 1 June 2016

Regards,

Gary



CFMEU ST OF
CHANGES IN EQUITY

CFMEU Mining & Energy Division of WA

ABN 26 591 880 340

Statement of Changes in Equity

	2015	2014
	\$	\$
Balance at 1 January	419,708	268,319
Surplus for the year	109,157	151,389
Balance at 31 December	<u>528,865</u>	<u>419,708</u>

The accompanying notes form part of these financial statements.



2 September 2016

Mr Gary Wood
Secretary, Western Australian District Branch
Mining and Energy Division
Construction, Forestry, Mining and Energy Union

Sent by email: cfmeumwa@highway1.com.au

Dear Mr Wood

Re: Lodgement of financial accounts and statements - CFMEU, Mining and Energy Division, Western Australian District Branch - year ended 31 December 2015 (FR2015/369)

I refer to the financial report for the year ended 31 December 2015 for the Western Australian District Branch. The documents were lodged with the Fair Work Commission on 24 June 2016.

The financial report has not yet been filed. On 10 August 2016 I requested advice and information in relation to the following matters.

Missing document

The financial statements lodged did not include a separate Statement of Changes in Equity even though the Auditor referred to a statement of changes in equity in his report.¹ Section 253 of the RO Act requires that a reporting unit must cause a General Purpose Financial Report (GPFR) to be prepared and the GPFR must include a Statement of Changes in Equity (see also paragraphs 10 and 11 of AASB 101 *Presentation of Financial Statements*).² Similar omissions have occurred in previous years up to 2013, in which year the statement of changes in equity was lodged separately upon request from FWC. The Branch should therefore lodge a copy of the 2015 Statement of Changes in Equity with FWC as soon as possible and take steps to ensure that it is included in the financial documents that are available to the members.

Presentation of documents

The Designated Officer's Certificate stated that the full report was presented to a committee of management meeting on "21 June 2015" (*sic*). In my email of 10 August I sought confirmation whether the report had also been presented to general meetings of members (i.e. Lodge meetings).³ In the absence of a 5% rule provision in the Divisional and District rules as contemplated by sub-section 266(3), the requirement of District rule 7(iv) that Board resolutions be endorsed by the Lodges has been understood by FWC to amount to a requirement to present the full report to the Lodge meetings for the purposes of section 266.

¹ I note however that the audit report did not include a reference to the statement of financial position.

² Paragraph 11 requires all statements to be presented with equal prominence.

³ The general meeting referred to in sub-section 266(1) may also be a series of meetings [see sub-section 266(2)], in accordance with rule 7(iv) of the rules of the Western Australia District

Upon confirmation of the dates the full report was presented to meetings of the Lodges, an amended Designated Officer's certificate should be signed and lodged with FWC.

If you wish to discuss the above, I may be contacted on (02) 6746 3283 or by email at stephen.kellett@fwc.gov.au.

Yours sincerely

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett
Senior Adviser
Regulatory Compliance Branch

cc. Mr Peter Hodgins, Auditor

From: CFMEU Mining & Energy WA [mailto:cfmeumwa@highway1.com.au]
Sent: Friday, 24 June 2016 12:28 PM
To: Orgs
Subject: CFMEU Mining & Energy Division - WA District Financial Return

Please find attached the CFMEU Mining & Energy Division – WA Financial return for year ending 31 December 2015.

I have also attached the statement of loans, grants and donations as I posted the original and not had any correspondence regarding receipt of the document.

Regards

Gary

Gary Wood

Secretary

CFMEU Mining & Energy Division – WA District

75 Throssell Street | COLLIE WA 6225 | E: cfmeumwa@highway1.com.au

P: (08) 97345600 | F: (08) 97341898 | M: 0418 931057



Loans, Grants and Donations 2015 - 15.



CFMEU Mining and Energy - WA District

CFMEU MINING & ENERGY DIVISION
WA DISTRICT BRANCH



23 June 2016

Fair Work Australia
Level 8 Terrace Towers
80 William Street
EAST SYDNEY NSW 2011

Dear Sir

RE: FINANCIAL RETURN – YEAR ENDING 31 DECEMBER 2015

Please find attached copies of the Financial statements of the Construction Forestry Mining & Energy Union Mining & Energy Division Western Australian District Branch for the year ending 31 December 2015.

Yours sincerely

A handwritten signature in black ink, appearing to read 'G. Wood'.

GARY WOOD
SECRETARY

Mineworkers Institute, 75 Throssell Street, COLLIE WA 6225

t: (08) 97345600 | f: (08) 97341898 | e: cfmeumwa@highway1.com.au

**CFMEU – MINING & ENERGY DIVISION OF WA
FINANCIAL REPORTS FOR YEAR ENDED 31 DECEMBER 2015**

Certificate of Secretary or other Authorised Officer

I, Gary Norman Wood being the Secretary of the CFMEU – Mining & Energy Division of WA certify:

- that the documents lodged herewith are copies of the full report, referred to in S268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members on 26 May 2016; and
 - that the full report was presented to a meeting of the Committee of Management on 21 June 2015 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature:



Date: 23 June 2016

CFMEU Mining & Energy Division of WA

ABN 26 591 880 340

Financial Statements
For the year ended 31 December 2015

Hodgins Associates

Chartered Accountants

Unit 6b / 29 Bonnefoi Boulevard

BUNBURY 6230

Phone: 97213188 Fax: 97217051

Email: hodginsassociates@iinet.net.au

**CFMEU – MINING AND ENERGY DIVISION OF WA
COMMITTEE OF MANAGEMENT STATEMENT**

On 18 May 2016 the Committee of Management of CFMEU –Mining and Energy Division of WA passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended December 31 2015.

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

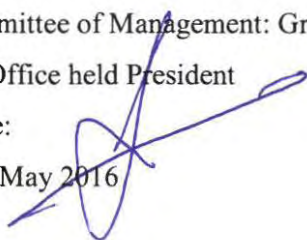
- a) the financial statements and notes comply with the Australian Accounting Standards;
- b) the financial statements and notes comply with the reporting guidelines of the General Manager,
- c) the financial statements and notes give a true and fair view of the financial performance, financial position 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 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 Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
 - iv. the information sought in any request of a member of the reporting unit or a General Manager duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or General Manager; and
 - v. there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.

For Committee of Management: Greg Busson

Title of Office held President

Signature:

Date: 18 May 2016



CFMEU – MINING AND ENERGY DIVISION OF WA
FINANCIAL REPORTS FOR YEAR ENDED 31 DECEMBER 2015
OPERATING REPORT

The Committee of Management present their report, together with the financial statement of the reporting entity for the financial year ended 31 December 2015

1. General Information

Information on Committee of Management

Information on each person who has been on the Committee of Management during the year and to the date of this report are:

Name	Position	Period of Appointment
Gary Wood	District Secretary	1 January 2015 to 31 December 2015
Greg Busson	District President	1 January 2015 to 31 December 2015
Vic Arriagada	District Vice President	1 January 2015 to 31 December 2015
Dennis Jones	District Vice President	1 January 2015 to 31 December 2015
Steven Harms	Board of Management	1 January 2015 to 31 December 2015
Chris Davidson	Board of Management	1 January 2015 to 31 December 2015

Principal Activities

The principal activities of the Union during the financial year were;

- Adherence to the rules of the District in furtherance of the objects of the Union consistent with the industrial relations legislation.
- Implementation of the decisions of the District Executive and Committee of Management.
- Implementation of the Union's organising agenda, including assistance and advice on organising site projects, the training and development of officials and planning and resourcing campaigns.
- Industrial support including assistance with legal and legislative matters.
- The administration and variation of federal and state awards.
- Negotiation and registration of certified industrial instruments on behalf of members consistent with the objects of the Workplace Relations Act and the Union rules.
- Media and other communication to members and the broader local communities of the District on issues affecting the rank and file.
- Monitoring and improving the health and safety of members.

No significant change occurred in these activities during the year.

The Committee of Management are pleased to report that generally they have been successful in achieving the objectives of the entity.

Operating Results

The entity made a profit of \$109,157.00 (2014 \$151,389) for the financial year.

2. Other Items

Significant Changes In State of Affairs

There have been no significant changes in the state of affairs of the entity during the year.

Events after the Reporting Date

No matter or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operation or the state of affairs of the entity in future financial years.

Right of Members to Resign.

All members of the Union have the right to resign in accordance with Rule 5 (iv) (a) of the Union Rules [and section 174 of the Fair Work (Registered Organisation) Act 2009], namely, by providing written notice addressed and delivered to a Lodge Secretary or authorised delegate.

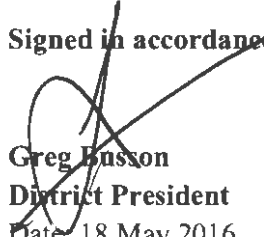
Number of Members

There were 1380 members of the Union as at 31 December 2015 (2014:1422)

Number of Employees

As at 31 December 2015 the Union had 2 employees (2014:2)

Signed in accordance with a resolution of the Committee of Management:


Greg Busson
District President
Date: 18 May 2016
Collie WA

CFMEU Mining & Energy Division of WA
ABN 26 591 880 340

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Depreciation Schedule



Peter R. Hodgins A.C.A.

Unit 6b 29 Bonnefoy Boulevard
P.O. Box 1934 Binbury WA 6231
Ph 9721 3188 Fax 9721 7951
admin@hodginsassociates.com.au

CFMEU Mining & Energy Division of WA Independent Auditor's Report to the Members

Report on the Financial Report

We have audited the accompanying financial report of CFMEU Mining & Energy Division of WA (the Union) a general purpose financial report prepared under Section 253 of the Fair Work (Registered Organisation) Act 2009, which comprises the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the committee of management statement.

Board of Management and Accounting Officer's Responsibility for the Financial Report

The Board of Management and Accounting Officer of the union is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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



Peter R. Hodgins A.C.A.

Unit 6B/29 Bonnefoi Boulevard
P.O. Box 1934 Bunbury WA 6231
Ph. 9721 3188 Fax 9721 7051
admin@hodginsassociates.com.au

CFMEU Mining & Energy Division of WA Independent Auditor's Report to the Members

Independence

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

Auditor's Opinion

In our opinion the financial report of CFMEU Mining & Energy Division of WA as at 31 December 2015, and of the financial performance and cash flows for the year ended in accordance with:

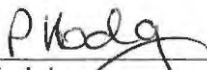
- (a) the Australian Accounting Standards; and
- (b) any other requirements imposed by the Reporting Guidelines or Part 3 Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

The scope of our audit did not extend to recovery of wages activity, however as noted in the Board of Management Statement, no such activity was undertaken during the reporting period.

I declare that I am an approved auditor, a member of the Institute of Chartered Accountants Australia and New Zealand and hold a current Public Practice Certificate.

I declare that management's use of the going concern basis of accounting in preparation of the Union's Financial Statements is appropriate.

Signed on: 18 May 2016



Peter Hodgins
Chartered Accountant
HODGINS ASSOCIATES
6B / 29 Bonnefoi Boulevard
Bunbury WA 6230

CFMEU Mining & Energy Division of WA

ABN 26 591 880 340

Balance Sheet as at 31 December 2015

	Note	2015 \$	2014 \$
Assets			
Current Assets			
Cash assets	4	429,796	440,448
Receivables	5	291,372	233,502
Other	6	1,504	2,148
Total Current Assets		722,672	676,098
Non-Current Assets			
Property, plant and equipment	7	18,693	23,679
Total Non-Current Assets		18,693	23,679
Total Assets		741,365	699,777
Liabilities			
Current Liabilities			
Payables	8	73,278	103,560
Current tax liabilities	9	42,315	23,539
Employee benefits	10	96,906	152,970
Total Current Liabilities		212,499	280,069
Total Liabilities		212,499	280,069
Net Assets		528,865	419,708
Equity			
Balance at 1 January		419,708	268,319
Surplus for the year		109,157	151,389
Total Equity		528,865	419,708

The accompanying notes form part of these financial statements.

CFMEU Mining & Energy Division of WA

ABN 26 591 880 340

Detailed Profit and Loss Statement

For the year ended 31 December 2015

	2015	2014
	\$	\$
Income		
Fees members	859,257	841,320
Reimbursements	18,349	19,351
Interest received	121	11
Profit/ (loss) sales merchandise	(1,474)	0
Total income	<u>876,253</u>	<u>860,683</u>
Expenses		
Accountancy	5,240	2,410
Audit fees	2,010	2,870
Affiliation fees - CFMEU National	359,168	299,650
Affiliation fees - Other	4,299	4,035
Advertising and promotion	775	1,961
Bank fees and charges	6,022	5,639
Computer costs	3,345	7,525
Depreciation	4,986	6,508
Donations	14,425	9,479
Expenses executive	6,059	3,060
Expenses delegates	0	657
Fines	2,040	4,760
Fringe benefits tax	17,072	0
General expenses	5,600	1,434
Hire/rent of Plant & Equipment	11,187	8,631
Holiday pay provision	(42,231)	8,777
Insurance	12,116	11,434
Interest	0	504
Legal fees	20,750	27,634
Long service leave provision	(13,833)	(519)
Meeting costs	736	1,827
Motor vehicle expenses	11,922	12,657
Postage, printing, & stationery	5,222	5,275

The accompanying notes form part of these financial statements.

CFMEU Mining & Energy Division of WA

ABN 26 591 880 340

Detailed Profit and Loss Statement

For the year ended 31 December 2015

	2015	2014
	\$	\$
Rent on land & buildings	15,600	10,400
Repairs & maintenance	349	1,455
Salaries & wages - office holders	122,008	127,690
Salaries & wages - non office holders	148,654	87,859
Superannuation - office holders	12,104	9,093
Subscriptions	2,391	0
Superannuation - non office holders	6,881	8,039
Telephone	5,578	5,613
Travel and accomodation	16,620	32,935
Total expenses	<u>767,095</u>	<u>709,293</u>
Surplus for the year	<u><u>109,157</u></u>	<u><u>151,389</u></u>

The accompanying notes form part of these financial statements.

CFMEU Mining & Energy Division of WA

ABN 26 591 880 340

Statement of Cash Flows

For the year ended 31 December 2015

	2015	2014
	\$	\$
<hr/>		
Cash Flow From Operating Activities		
Receipts from customers	818,262	781,970
Payments to Suppliers and employees	(829,679)	(693,730)
Interest received	121	11
Interest and other costs of finance	0	(504)
Net cash provided by (used in) operating activities (note 2)	<u>(11,296)</u>	<u>87,748</u>
Net increase (decrease) in cash held	(11,296)	87,748
Cash at the beginning of the year	<u>440,448</u>	<u>356,813</u>
Cash at the end of the year (note 4)	<u><u>429,796</u></u>	<u><u>440,448</u></u>

The accompanying notes form part of these financial statements.

CFMEU Mining & Energy Division of WA

ABN 26 591 880 340

Statement of Cash Flows

For the year ended 31 December 2015

2015

2014

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	274,079	284,613
Leave account	151,438	151,557
Cash on hand	279	279
Commonwealth Bank Mastercard	4,000	4,000
	<u>429,796</u>	<u>440,448</u>

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

Operating profit (loss) after tax	109,157	151,389
Depreciation	4,986	6,508
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	(57,870)	(78,701)
Increase (decrease) in trade creditors and accruals	(32,085)	2,478
Increase (decrease) in other creditors	1,803	0
Increase (decrease) in employee entitlements	(56,064)	8,258
Increase (decrease) in sundry provisions	18,776	(2,185)
Net cash provided by (used in) operating activities	<u>(11,296)</u>	<u>87,748</u>

The accompanying notes form part of these financial statements.

CFMEU Mining & Energy Division of WA

ABN 26 591 880 340

Notes to the Financial Statements

For the year ended 31 December 2015

Note 1: Summary of Significant Accounting Policies

This financial report is a general purpose financial report prepared in accordance with applicable Australian Accounting Standards and Interpretations issued by the Australian Standards Board (AASB) and the Fair Work (Registered Organisations) Act 2009.

The financial report covers the Construction Forrestry Mining and Energy Division of WA (the Union) as an individual entity. The Union is an incorporated entity. The Union is a not-for-profit entity for the purposes of Australian accounting standard AASB 1054.

This 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 specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Plant & Office equipment is depreciated at rates between 5% - 40% and Motor Vehicles are depreciated at the rate of 25%.

(b) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

(c) Employee Benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

CFMEU Mining & Energy Division of WA

ABN 26 591 880 340

Notes to the Financial Statements

For the year ended 31 December 2015

(e) Revenue and Other Income

The Union recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of Construction Forestry Mining and Energy Division of WA Branch's activities as discussed below.

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Revenue from the receipt of membership subscriptions is recognised on a straight line basis over the financial year.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

All revenue is stated net of the amount of goods and services tax (GST).

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the assets and liabilities statement are shown inclusive of GST.

(g) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(h) Income Tax

The Union is exempt from income tax under the provisions of Section 50-5 of the Income Tax Assessment Act 1997.

CFMEU Mining & Energy Division of WA

ABN 26 591 880 340

Notes to the Financial Statements

For the year ended 31 December 2015

2015

2014

Note 2: Revenue and Other Income

Revenue:

Interest revenue	121	11
Fees members	859,257	841,320
Reimbursements	18,349	19,351
	<u>877,727</u>	<u>860,683</u>

Note 3: Profit from Ordinary Activities

Profit (loss) from ordinary activities before
income tax has been determined after:

Charging as Expense:

Interest paid		504
Depreciation of non-current assets:		
- Plant and equipment	4,986	6,508
Total depreciation expenses	<u>4,986</u>	<u>6,508</u>
Employee expenses attributable to:		
Office Holders		
Wages	122,008	127,690
Superannuation	12,104	9,093
Other		
Seperation and redundancies		
Employees other than Office Holders		
Wages	148,654	87,859
Superannuation	6,881	8,039
Other		
Seperation and redundancies		
Total Employee Expenses	289,647	232,681

CFMEU Mining & Energy Division of WA

ABN 26 591 880 340

Notes to the Financial Statements

For the year ended 31 December 2015

	2015	2014
Significant Expenses		
Capitation Fees - CFMEU National	359,168	299,650
Donations	14,425	9,479
Hire of Equipment	11,187	8,631
Insurance	12,116	11,434
Legal Fees	20,750	27,634
Motor Vehicle Expenses	11,922	12,657
Postage,Printing & Stationery	5,222	5,275
Rent	15,600	10,400
Travel & Accomodation	16,620	32,935

Note 4: Cash assets

Bank accounts:		
Cash at bank	274,079	284,613
Leave account	151,438	151,557
Other cash items:		
Cash on hand	279	279
Commonwealth Bank Mastercard	4,000	4,000
	<u>429,796</u>	<u>440,448</u>

Note 5: Receivables

Current

Trade debtors	233,502	233,502
Other debtors	18,125	
	<u>291,371</u>	<u>233,502</u>

CFMEU Mining & Energy Division of WA

ABN 26 591 880 340

Notes to the Financial Statements

For the year ended 31 December 2015

2015

2014

Note 6: Other Assets

Current

Stock on hand - at cost	1,504	2,148
	<u>1,504</u>	<u>2,148</u>

Note 7: Property, Plant and Equipment

Plant and equipment:

- At cost	48,885	48,885
- Less: Accumulated depreciation	(39,920)	(38,177)
	<u>8,965</u>	<u>10,708</u>

Motor vehicles:

- At cost	35,488	35,488
- Less: Accumulated depreciation	(25,759)	(22,516)
	<u>9,729</u>	<u>12,792</u>
	<u>18,693</u>	<u>23,679</u>

Note 8: Payables

Unsecured:

- Trade creditors	71,475	103,560
- Superannuation payable	1,803	
	<u>73,278</u>	<u>103,560</u>
	<u>73,278</u>	<u>103,560</u>

CFMEU Mining & Energy Division of WA

ABN 26 591 880 340

Notes to the Financial Statements

For the year ended 31 December 2015

2015

2014

Note 9: Tax Liabilities

Current

GST payable control account	60,217	45,895
Input tax credit control account	(28,398)	(26,877)
ATO Integrated Account Balance	7,059	
Amounts withheld from salary and wages	3,436	4,520
	<u>42,315</u>	<u>23,539</u>

Note 10: Employee Benefits

Current

Total employee benefits attributable to:

Office Holders:

- Annual leave	93,053	93,686
- Long service leave		

Employees other than office holders

- Annual leave	2,426	15,126
- Long service leave	1,427	44,158
	<u>96,906</u>	<u>152,970</u>

* Aggregate employee entitlements liability 96,906 152,970

Provision for Employee Entitlements

A provision has been recognised for employee entitlements relating to annual and long service leave for employees. In calculating the present value and future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits has been included in Note: Statement of significant account policies.

CFMEU Mining & Energy Division of WA

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Notes to the Financial Statements

For the year ended 31 December 2015

2015

2014

Note 11: Remuneration of Auditor

Total amounts received and receivable by the auditors of the union for:

Audit of the Union's financial report	5,240	2,870
Other Accounting Services	2,410	2,410

Note 12 Interest of Key Management Personnel

Total employee benefits attributable to:

Office Holders

Salaries (including annual leave)	122,008	127,690
Leave accrued	633	9,017
Post employment benefits		
Superannuation	12,103	9,093
Other benefits	0	0
Seperations and redundancies	0	0

Other Employees

Salaries (including annual leave)	148,654	86,549
Superannuation	6,881	8,039
Other benefits	0	0
Seperations and redundancies	0	0

Note 13: Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Affiliation Fees Paid

CFMEU National	359,168	299,650
Unions WA	3,920	3,653
ALP WA Branch	379	382

CFMEU Mining & Energy Division of WA
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Notes to the Financial Statements
For the year ended 31 December 2015

2015

2014

Note 14: Events Subsequent to Reporting Date

Since the end of the financial year there have been no material subsequent events .

CFMEU Mining & Energy Division of WA
ABN 26 591 880 340
Depreciation Schedule for the year ended 31 December, 2015

	Total	Priv	OWDV	DISPOSAL		ADDITION		DEPRECIATION				PROFIT			Total	
				Date	Consid	Date	Cost	Value	T	Rate	Deprec	Priv	CWDV	Upto		+
Motor Vehicles																
Holden SV6 3.6L	35,487.54	0.00	12,972	20/06/11	0		0	12,972	D	25.00	3,243	0	9,729	0	0	
	<u>35,488</u>		<u>12,972</u>		<u>0</u>		<u>0</u>	<u>12,972</u>			<u>3,243</u>	<u>0</u>	<u>9,729</u>			
											Deduct Private Portion	0				
											Net Depreciation	<u>3,243</u>				

The accompanying notes form part of these financial statements.



9 June 2016

Mr Gary Wood

National Executive Member - M&E Division (WA); (WA) District Secretary Central C
Construction, Forestry, Mining and Energy Union-Mining and Energy Division Western Australia
District Branch

By email: cfmeumwa@highway1.com.au

Dear Mr Wood,

Lodgement of Financial Report - Reminder to lodge on or before 15 July 2016

The Fair Work Commission's (the Commission) records disclose that the financial year of the Construction, Forestry, Mining and Energy Union-Mining and Energy Division Western Australia District Branch (the reporting unit) ended on the 31 December 2015.

As you would be aware, the *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires that a reporting unit prepare a financial report in accordance with the RO Act, make it available to the members and then must lodge the financial report within 14 days after the general meeting of members, or if the rules of the reporting unit allow, the Committee of Management meeting (s.268).

The maximum period of time allowed under the RO Act for the completion of the financial reporting process is six months and 14 days after the expiry date of its financial year (s.253, s254, s265, s.266, s.268). For your reporting unit that requires lodgement of its financial report on or before **15 July 2016, and in any event no later than 14 days after the relevant meeting.**

The Commission encourages your reporting unit to lodge its financial report at the earliest opportunity in order to ensure compliance with its obligations. Failure of a reporting unit to lodge its financial report is a breach of a civil penalty provision of the RO Act. This can result in the General Manager instituting an inquiry or investigation into a reporting unit's non-compliance under Chapter 11, Part 4 of the RO Act. The actions available to the General Manager following an investigation include issuing Federal Court legal proceedings for breach of a civil penalty provision. The orders available to the Federal Court include imposition of a pecuniary penalty on the organisation or individual officer, whose conduct led to the contravention, of up to \$54,000 per contravention on the organisation and up to \$10,800 per contravention on an officer whose conduct led to the contravention.

Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

We encourage you to lodge the full financial report directly to orgs@fwc.gov.au. That is the official email address for electronic lodgements of material related to registered organisations matters.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7777 or via email at orgs@fwc.gov.au.

Yours sincerely,

Annastasia Kyriakidis
Regulatory Compliance Branch

11 Exhibition Street
Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001

Telephone : (03) 8661 7777
Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au



12 January 2016

Mr Gary Wood
District Secretary
Construction, Forestry, Mining and Energy Union-Mining and Energy Division Western Australia District Branch
Sent via email: cfmeumwa@highway1.com.au

Dear Mr Wood,

**Re: Lodgement of Financial Report - [FR2015/369]
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Construction, Forestry, Mining and Energy Union-Mining and Energy Division Western Australia District Branch (the reporting unit) ended on 31 December 2015.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date under s.268 of the RO Act, namely 15 July 2016 (being the expiry date of 6 months and 14 days from the end of the financial year).

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. Further, the General Manager's updated Reporting Guidelines that apply to all financial reports prepared on or after 30 June 2014 are also available on the website supported by a webinar presentation.

The Fair Work Commission has developed a model set of financial statements. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. The model statement and other resources can be accessed through our website under [Financial Reporting](#) in the Compliance and Governance section.

I request that the financial report and any statement of loans, grants or donations made during the financial year (statement must be lodged within 90 days of end of financial year) be emailed, rather than posted, to orgs@fwc.gov.au. A sample statement of loans, grants or donations is available at [sample documents](#).

It should be noted that s.268 is a civil penalty provision. Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$51,000 for a body corporate and \$10,200 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you wish to seek any clarification in relation to the above, please contact me on (03) 8656 4699 or via email at Sam.Gallichio@fwc.gov.au.

Yours sincerely,

Sam Gallichio
Adviser
Regulatory Compliance Branch

11 Exhibition Street
Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001

Telephone : (03) 8661 7777
Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
Prepare financial statements and Operating Report.		
<p>(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.</p> <p>(b) A # designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).</p>	/ /	As soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	<p>Within a reasonable time of having received the GPFR</p> <p>(NB: Auditor's report must be dated on or after date of Committee of Management Statement</p>
<p>Provide full report free of charge to members – s265</p> <p>The full report includes:</p> <ul style="list-style-type: none"> the General Purpose Financial Report (which includes the Committee of Management Statement); the Auditor's Report; and the Operating Report. 	/ /	<p>(a) if the report is to be presented to 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,</p> <p>or</p> <p>(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.</p>
Present full report to:		
(a) General Meeting of Members - s266 (1),(2); OR	/ /	Within 6 months of end of financial year
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	Within 6 months of end of financial year
Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268	/ /	Within 14 days of meeting

* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.