

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND
MANUFACTURING DIVISION -
NEW SOUTH WALES DIVISIONAL BRANCH
ABN 33 399 833 248**

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2008**

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NEW SOUTH WALES DIVISIONAL BRANCH
ABN 33 399 833 248**

OPERATING REPORT

In accordance with Section 254 of the Fair Work (Registered Organisations) Act 2009, the Divisional Executive of the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division on behalf of the Committee of Management of the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Divisional Branch ("Union/Reporting Unit") presents the Operating Report of the Reporting Unit for the financial year ended 31 December 2008.

Principal Activities

The principal activities of the Union during the past year fell into the following categories:

- Adherence to the rules of the Branch in furtherance of the objects of the Union consistent with the industrial relations legislation.
- Implementation of the decisions of the Branch Executive and Committee of Management.
- Implementation of the Union's organising agenda, including assistance and advice on organising site projects, 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 Fair Work (Registered Organisations) Act 2009, and the Union rules.
- Media and other communications to members and to the broader local communities of the Branch on issues affecting the rank and file.

Operating Result

The operating loss of the Union for the financial year was \$182,728 (2007: \$241,128). No provision for tax was necessary as the Union is exempt from income tax.

Significant Changes

There were no significant changes in the nature of activities of the Union during the year.

Pursuant to a special committee meeting dated 5 August 2008 it was resolved that the assets and liabilities of the Reporting Unit be transferred to the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division which would henceforth be responsible for all financial matters pertaining to the Reporting Unit. Separate financial reports of the Reporting Unit will no longer be prepared subsequent to 31 December 2008.

Except for the above, no matter or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, the results of those operations, or the state of affairs of the Union in future financial years.

Rights of Members

Subject to Rule 11 of the Union's rules and Section 174 of the Fair Work (Registered Organisations) Act 2009, members of the Union have the right to resign from membership by providing written notice addressed to and delivered to the Secretary of the Union.

Superannuation Officeholders

Mr C Smith is an executive member of the Union and held directorship of:

- FIRST Superannuation Pty Ltd until he resigned on the 30 June 2008

As of 1 July 2008, the Timber Industry Superannuation Scheme and Pulp and Paper Workers Superannuation Fund merged with the FIRST Superannuation Fund to form a combined entity known as FIRST Superannuation Fund.

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**OPERATING REPORT
Continued**

Superannuation Officeholders continued

No other officer or member of the Union acts:

- (i) as a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) as a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

Other Prescribed Information

In accordance with Regulation 159 of the Fair Work (Registered Organisations) Regulations 2009:

- (a) the number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for Section 230 of the Fair Work (Registered Organisations) Act 2009 and who are taken to be members of the Union under section 244 of the Fair Work (Registered Organisations) Act 2009 was 2,165.
- (b) the number of persons who were, at the end of the financial year to which the report relates, employees of the Union, where the number of employees includes both full-time and part-time employees, measured on a full-time equivalent basis was 5.
- (c) the names of each person who have been a member of the Branch Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position were;

Name	Position
Mr B Anderson	Branch President (Honorary) (Resigned 31 December 2008)
Mr B Campbell	Branch Senior Vice President (Resigned 31 December 2008)
Mr R Watson	Branch Junior Vice President (Resigned 31 December 2008)
Mrs J Willett	Branch Junior Vice President (AA) (Resigned 31 December 2008)
Mr C Smith	Branch Secretary
Mrs E Anderson	Branch Trustee (AA) (Resigned 31 December 2008)
Mr G Tory	Branch Trustee (Resigned 31 December 2008)
	Committee of Management (Appointed 1 January 2009)
Mr K Miller	Branch Trustee (Resigned 31 December 2008)
	Branch Vice President (Appointed 1 January 2009)
Mrs S Taalili	Branch Trustee (Resigned 31 December 2008)
Mr B Barrakett	Branch Trustee (Resigned 31 December 2008)
	Branch Vice President (Appointed 1 January 2009)
Mr A Ovington	Committee of Management (Resigned 31 December 2008)
	Branch President (Appointed 1 January 2009)
Mr B Field	Committee of Management (Resigned 31 December 2008)
Mrs C Hampton	Committee of Management (AA) (Resigned 31 December 2008)
Mr E Skennerton	Committee of Management
Mr M Hurst	Committee of Management
Mr M Schuppan	Committee of Management
Mr P Harvey	Committee of Management (Resigned 31 December 2008)
Mr D West	Committee of Management

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
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**OPERATING REPORT
Continued**

Other Prescribed Information continued

- d) The following persons were members of the Branch Executive, during the year ended 31 December 2008:

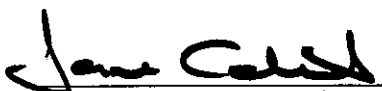
Name	Position
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Mr C Smith	Branch Secretary
Mrs E Anderson	Branch Trustee (AA) (Resigned 31 December 2008)
Mr G Tory	Branch Trustee (Resigned 31 December 2008) Committee of Management (Appointed 1 January 2009)
Mr K Miller	Branch Trustee (Resigned 31 December 2008) Branch Vice President (Appointed 1 January 2009)
·Mrs S Taalili	Branch Trustee (Resigned 31 December 2008)
Mr B Barrakett	Branch Trustee (Resigned 31 December 2008) Branch Vice President (Appointed 1 January 2009)

Branch Executive members have been in office since the start of the financial year to the date of this report unless otherwise stated.

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



Michael O'Connor – National Secretary



Jane Calvert – National President

Melbourne: 17 November 2010

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**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Note	2008 \$	2007 \$
Revenue	3	861,241	926,128
Administration expense	4	(98,016)	(250,434)
Affiliation fees, compulsory levies and sustentation fees	4	(167,630)	(189,334)
Borrowing cost expense	4	(4,945)	(4,640)
Depreciation expense	4	(12,115)	(14,995)
Employee benefits expense	4	(407,423)	(371,735)
Motor vehicle expense		(124,811)	(115,708)
Occupancy expense		(67,219)	(56,841)
Telephone and facsimile expense		(32,032)	(32,859)
Travel expense		(49,423)	(36,118)
Other expenses		<u>(80,355)</u>	<u>(94,592)</u>
(Loss) before income tax expense		(182,728)	(241,128)
Income tax expense	1(a)	<u>-</u>	<u>-</u>
(Loss) attributable to members		<u>(182,728)</u>	<u>(241,128)</u>

The accompanying notes form part of these financial statements

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
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**BALANCE SHEET
AS AT 31 DECEMBER 2008**

	Note	2008 \$	2007 \$
CURRENT ASSETS			
Cash and cash equivalents	5	56,672	28,446
Trade and other receivables	6	80,873	198,206
Other current assets	7	<u>2,808</u>	<u>6,758</u>
TOTAL CURRENT ASSETS		<u>140,353</u>	<u>233,410</u>
NON CURRENT ASSETS			
Financial assets	8	2,000	2,119
Property, plant and equipment	9	<u>135,093</u>	<u>144,419</u>
TOTAL NON CURRENT ASSETS		<u>137,093</u>	<u>146,538</u>
TOTAL ASSETS		<u>277,446</u>	<u>379,948</u>
CURRENT LIABILITIES			
Trade and other payables	10	481,176	385,873
Short term borrowings	11	5,598	7,073
Short term provisions	12	<u>174,545</u>	<u>187,494</u>
TOTAL CURRENT LIABILITIES		<u>661,319</u>	<u>580,440</u>
NON CURRENT LIABILITIES			
Long term borrowings	11	<u>148,691</u>	<u>149,344</u>
TOTAL NON CURRENT LIABILITIES		<u>148,691</u>	<u>149,344</u>
TOTAL LIABILITIES		<u>810,010</u>	<u>729,784</u>
NET ASSETS/(LIABILITIES)		<u>(532,564)</u>	<u>(349,836)</u>
EQUITY			
Accumulated losses		<u>(532,564)</u>	<u>(349,836)</u>
TOTAL EQUITY		<u>(532,564)</u>	<u>(349,836)</u>

The accompanying notes form part of these financial statements

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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Accumulated losses \$	Total \$
Balance at 1 January 2007	(108,708)	(108,708)
Loss attributable to members	<u>(241,128)</u>	<u>(241,128)</u>
Balance at 31 December 2007	(349,836)	(349,836)
Loss attributable to members	<u>(182,728)</u>	<u>(182,728)</u>
Balance at 31 December 2008	<u>(532,564)</u>	<u>(532,564)</u>

The accompanying notes form part of these financial statements.

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**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Note	2008 \$	2007 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		809,936	791,559
Grant Forest Policy Officer		112,524	107,487
Service fees		46,556	-
Reimbursement of sitting fees		5,000	10,500
Reimbursement of grant expenditure		-	19,673
Interest received		331	167
Dividends received		116	152
Other income received		3,771	1,343
Payments to suppliers and employees		(945,432)	(951,502)
Interest paid on borrowings		-	(4,673)
		<hr/>	<hr/>
Net cash provide by/ (used in) operating activities	19(b)	32,802	(25,294)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments		341	-
Payments for property, plant & equipment		(2,789)	(3,007)
		<hr/>	<hr/>
Net cash used by investing activities		(2,448)	(3,007)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings		(2,128)	(2,382)
		<hr/>	<hr/>
Net cash used in financing activities		(2,128)	(2,382)
Net increase/(decrease) in cash held		28,226	(30,683)
Cash at beginning of year		28,446	59,129
		<hr/>	<hr/>
Cash at end of year	19a	56,672	28,446

The accompanying notes form part of these financial statements

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**STATEMENT OF RECEIPTS AND PAYMENTS FOR RECOVERY OF WAGES ACTIVITY
CASH BASIS - FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008 \$	2007 \$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc	-	-
Interest received on recovered money	-	-
	-	-
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:-		
- 12 months or less	-	-
- greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:-		
- the reporting unit	-	-
- other entity	-	-
Deductions of fees or reimbursements of expenses	-	-
Payments to workers in respect of recovered money	-	-
	-	-
Total payments	-	-
Cash assets in respect of recovered money at end of year	-	-

The accompanying notes form part of these financial statements

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FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NEW SOUTH WALES DIVISIONAL BRANCH
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009.

The financial report of Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Divisional Branch complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

a. 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.

b. Revenue

Revenue from membership is recognised on a receipt basis.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

c. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

d. Impairment of Assets

At each reporting date, the Union reviews the carrying value of the tangible 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.

e. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

f. Property, Plant and Equipment

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

Property

Freehold land and buildings are bought to account at cost.

Plant and equipment

Plant and equipment is measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the committee of management 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 which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including buildings, but excluding freehold land, is depreciated on a straight line basis or a reducing balance basis over their estimated useful lives to the Union commencing from the time the asset is held ready for use.

The depreciation rates used for each class of assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.0%
Furniture, fittings and equipment	5.0% to 47.90%
Computer equipment	40.0%
Motor vehicles	22.5%

g. Employee Benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Union to an employee superannuation fund and are charged as expenses when incurred.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

h. Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and liabilities, are recognised when the Union becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below:

Derecognition

Financial assets are derecognised where the contractual rights to cash flows expires or the asset is transferred to another party whereby the Union no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

Classification and Subsequent Measurement

Financial Assets

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at nominal value.

Held-to-maturity investments

These investments have fixed maturities, and it is the Union's intention to hold these investments to maturity. Any held-to-maturity investments held by the Union are stated at a current value based on either amortising or revaluing the investment on a straight line basis to its face value at maturity. Any adjustment is debited or credited to interest.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Impairment

At each reporting date, the Union assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the income statement.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

i. 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 Australian 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 Balance Sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for GST component of investing and financing activities, which are disclosed as operating cash flows.

j. Comparative Figures

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

k. Critical Accounting Estimates and Judgements

The committee of management members evaluates estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the union.

Key Estimates

The committee of management members assesses impairment at each reporting date by evaluating conditions specific to the union that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value in use calculation performed in assessing recoverable amounts incorporates a number of key estimates.

Key Judgements

There are no critical judgements that have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities.

l. Going Concern

The Reporting Unit has a net current asset deficiency of \$520,966 and a net asset deficiency of \$532,564.

The continuing operations of the Reporting Unit and the ability to pay its debts as and when they fall due is dependent upon the continuing financial support of the Construction, Forestry, Mining and Energy Union ("CFMEU") Forestry, Furnishing, Building Products and Manufacturing Division.

Pursuant to a special committee meeting dated 5 August 2008 it was resolved that the assets and liabilities of the Reporting Unit be transferred to the CFMEU Forestry, Furnishing, Building Products and Manufacturing Division which would henceforth be responsible for all financial matters pertaining to the Reporting Unit.

The CFMEU Forestry, Furnishing, Building Products and Manufacturing Division has confirmed that it will provide to the Reporting Unit the financial assistance necessary to ensure that the Reporting Unit is able to pay its debts as and when they fall due and enable the Reporting Unit to continue as a going concern. If the Reporting Unit is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from those stated in the financial report.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR FAIR WORK AUSTRALIA

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272 of the Act which read as follows: -

1. A member of a reporting unit, or the General Manager of Fair Work Australia, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
2. The application must be in writing and specify the period within which, and the manner in which, the information is to be made available. The period must not be less than fourteen days after the application is given to the reporting unit.
3. A reporting unit must comply with an application under subsection (1).

	2008	2007
	\$	\$

NOTE 3: REVENUE

Operating activities

Contributions	805,128	731,731
Grant Forest Policy Officer	-	120,000
Sitting fees	5,000	10,500
Service office fees	46,556	62,235
Dividends received	116	152
Interest received	331	167
Other income	3,771	1,343
Profit on sale of investments	339	-
	861,241	926,128
Total revenue	861,241	926,128

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008	2007
	\$	\$
NOTE 4: LOSS FOR THE YEAR		
Loss before income tax expense has been determined after:		
EXPENSES		
Administration expense		
Bad debts	-	(7,265)
Bank charges	1,516	2,117
Computer expenses	12,318	2,864
Consultancy	550	50
Insurance	6,004	6,666
Interest paid	-	33
Legal expenses	4,683	2,834
Loss on fixed asset disposal	-	2,502
NAC fees	60,000	192,420
Postage, freight, printing and stationery	6,255	29,960
Repairs and maintenance	-	717
Staff expenses	1,892	14,329
Sundry expenses	3,549	3,047
Remuneration of auditor		
- audit	1,249	160
- other services	-	-
	<u>98,016</u>	<u>250,434</u>
From 1 January 2007, audit fees are paid for on behalf of this Branch by the Construction, Forestry, Mining and Energy Union National Office.		
Affiliation fees, compulsory levies and Sustentation fees		
Affiliation fees:		
- Labor Council of New South Wales	6,604	7,600
Compulsory levy:		
- Australian Council of Trade Unions Industrial Relations campaign	-	32,069
- Labor Council of NSW – Rights at Work campaign	-	3,183
Sustentation fee:		
- CFMEU Forestry and Furnishing Products Division National Office	161,026	146,482
	<u>167,630</u>	<u>189,334</u>
Borrowing expense		
Interest paid on bank loan	<u>4,945</u>	<u>4,640</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008 \$	2007 \$
NOTE 4: LOSS FOR THE YEAR continued		
Depreciation expense		
Buildings	2,069	2,069
Furniture, fittings and equipment	10,046	12,926
	12,115	14,995
Employee benefit expense		
Salaries		
- elected officials	70,597	66,372
- employees	231,536	221,065
Termination payments		
- employees	53,567	-
Superannuation		
- elected officials	7,429	5,795
- employees	25,091	23,205
Provision for annual leave		
- elected officials	(297)	3,989
- employees	(9,297)	10,813
Provision for long service leave		
- elected officials	1,476	583
- employees	(4,024)	3,931
Provision for rostered days off		
- elected officials	(1,419)	1,419
- employees	(1,641)	2,148
Provision for sick leave		
- elected officials	(256)	171
- employees	2,509	2,729
Fringe benefits tax	3,265	521
Payroll tax	26,293	22,280
Social club contribution	1,010	800
Workcover	1,584	5,914
	407,423	371,735

NOTE 5: CASH AND CASH EQUIVALENTS

Cash on hand	800	800
Cash at bank	55,872	27,646
	56,672	28,446

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NEW SOUTH WALES DIVISIONAL BRANCH
ABN 33 399 833 248**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008 \$	2007 \$
NOTE 6: TRADE AND OTHER RECEIVABLES		
CURRENT		
Contributions receivable	3,025	7,833
GST receivable	31,224	7,876
Sundry debtors	36,784	172,657
Amounts relating to:		
CFMEU – Forestry & Furnishing Products Division – National Office	9,840	9,840
	80,873	198,206
 NOTE 7: OTHER CURRENT ASSETS		
CURRENT		
Prepayments	2,808	6,758
 NOTE 8: FINANCIAL ASSETS		
NON CURRENT		
Shares in Training Education and Management Services Pty Limited (at cost)	-	1
Shares in listed public companies (at market value)	2,000	2,118
	2,000	2,119
 NOTE 9: PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings 26 Merrivale Street Tumut NSW		
Land - at cost	14,000	14,000
Buildings – at cost	103,453	103,453
Less accumulated depreciation	(21,035)	(18,966)
	82,418	84,487
Total Land and Buildings	96,418	98,487

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NEW SOUTH WALES DIVISIONAL BRANCH
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008 \$	2007 \$
NOTE 9: PROPERTY, PLANT AND EQUIPMENT continued		
Furniture, fittings and equipment – at cost	66,112	66,112
Less accumulated depreciation	<u>(36,874)</u>	<u>(33,128)</u>
	29,238	32,984
Computer equipment - at cost	58,099	55,310
Less accumulated depreciation	<u>(48,662)</u>	<u>(42,362)</u>
	9,437	12,948
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>135,093</u>	<u>144,419</u>

Movements In Carrying Amounts

Movements in the carrying amounts (written down values) for each class of property, plant and equipment between the start and end of the current financial year.

	Land & Buildings	Furniture Fittings & Equipment	TOTAL
Balance at start of year	98,487	45,932	144,419
Additions	-	2,789	2,789
Depreciation expense	<u>(2,069)</u>	<u>(10,046)</u>	<u>(12,115)</u>
Balance at end of year	<u>96,418</u>	<u>38,675</u>	<u>135,093</u>
		2008	2007
		\$	\$

NOTE 10: TRADE AND OTHER PAYABLES

Trade creditors & accruals	298,162	247,717
Amounts relating to:		
CFMEU – Forestry & Furnishing Products Division – Victorian No 2 Branch	57	9,087
CFMEU – Forestry & Furnishing Products Division – National Office	180,310	129,069
CFMEU – Pulp & Paper Workers’ Branch	<u>2,647</u>	<u>-</u>
	<u>481,176</u>	<u>385,873</u>

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
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NEW SOUTH WALES DIVISIONAL BRANCH
ABN 33 399 833 248**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008	2007
	\$	\$
NOTE 11: BORROWINGS		
CURRENT		
Bank loan - Secured	<u>5,598</u>	<u>7,073</u>
NON CURRENT		
Bank loan - Secured	48,691	49,344
Loan – Unsecured – CFMEU Forestry & Furnishings Products Division – National Office	<u>100,000</u>	<u>100,000</u>
	<u>148,691</u>	<u>149,344</u>
TOTAL BORROWINGS	<u>154,289</u>	<u>156,417</u>

(a) The bank loans are secured by registered first mortgages over the Merrivale Street, Tumut property.

NOTE 12: PROVISIONS

CURRENT		
Employee benefits:		
Annual leave		
- elected officials	24,669	24,966
- employees	48,876	58,173
Long service leave		
- elected officials	20,764	19,288
- employees	53,616	57,640
Sick leave		
- elected officials	5,420	5,676
- employees	20,693	18,184
Rostered days off		
- elected officials	-	1,419
- employees	<u>507</u>	<u>2,148</u>
Total Current Provisions	<u>174,545</u>	<u>187,494</u>
 Number of Employees at year end	 <u>5</u>	 <u>5</u>

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
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NEW SOUTH WALES DIVISIONAL BRANCH
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

**NOTE 13: KEY MANAGEMENT PERSONNEL COMPENSATION
AND RELATED PARTY TRANSACTIONS**

The names of each person who have been a member of the Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position were;

Mr B Anderson	Branch President (Honorary) (Resigned 31 December 2008)
Mr B Campbell	Branch Senior Vice President (Resigned 31 December 2008)
Mr R Watson	Branch Junior Vice President (Resigned 31 December 2008)
Mrs J Willett	Branch Junior Vice President (AA) (Resigned 31 December 2008)
Mr C Smith	Branch Secretary
Mrs E Anderson	Branch Trustee (AA) (Resigned 31 December 2008)
Mr G Tory	Branch Trustee (Resigned 31 December 2008)
	Committee of Management (Appointed 1 January 2009)
Mr K Miller	Branch Trustee (Resigned 31 December 2008)
	Branch Vice President (Appointed 1 January 2009)
Mrs S Taalili	Branch Trustee (Resigned 31 December 2008)
Mr B Barrakett	Branch Trustee (Resigned 31 December 2008)
	Branch Vice President (Appointed 1 January 2009)
Mr A Ovington	Committee of Management (Resigned 31 December 2008)
	Branch President (Appointed 1 January 2009)
Mr B Field	Committee of Management (Resigned 31 December 2008)
Mrs C Hampton	Committee of Management (AA) (Resigned 31 December 2008)
Mr E Skennerton	Committee of Management
Mr M Hurst	Committee of Management
Mr M Schuppan	Committee of Management
Mr P Harvey	Committee of Management (Resigned 31 December 2008)
Mr D West	Committee of Management

(a) The aggregate amount of remuneration paid to elected officials during the financial year for salaries was \$70,597 (2007: \$66,372).

The aggregate amount paid during the financial year to a superannuation plan in connection with the retirement of elected officials was \$7,429 (2007: \$5,795).

(b) There was no remuneration paid to other persons on the committee of management.

(c) There were no other transactions between the officers of the Union other than those relating to their membership of the Union and reimbursement by the Union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

NOTE 14: EVENTS SUBSEQUENT TO REPORTING DATE

Pursuant to a special committee meeting dated 5 August 2008 it was resolved that the assets and liabilities of the Reporting Unit be transferred to the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division which would henceforth be responsible for all financial matters pertaining to the Reporting Unit. Separate financial reports of the Reporting Unit will no longer be prepared subsequent to 31 December 2008.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NEW SOUTH WALES DIVISIONAL BRANCH
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

NOTE 15: OPERATING LEASE COMMITMENTS

An operating lease commitment exists in respect of the ground floor situated at 11 George Street, Parramatta. An operating lease commitment also exists in respect of the lease of five motor vehicles from Summit Fleet Management Services. The maximum amount committed plus the maximum extension of options is as follows:-

	2008	2007
	\$	\$
The total operating lease commitments are:		
(a) 11 George Street, Parramatta		
Due within 1 year	55,889	34,334
Due within 2-5 years	95,010	-
	150,899	34,334
(b) Motor Vehicles		
Due within 1 year	86,510	14,189
Due within 2-5 years	39,100	-
	125,610	14,189
TOTAL COMMITMENT	276,509	48,523

NOTE 16: CONTINGENT LIABILITIES

There are no contingent liabilities at the date of this report.

NOTE 17: ECONOMIC DEPENDENCE

The principle source of income for the Union is from membership fees. The Union is economically dependent upon the membership levels and fees.

NOTE 18: SEGMENT REPORTING

The Union operates predominantly in one industry, being the Forestry, Furnishing, Building Products and Manufacturing sector. The business operates predominantly in two geographical areas being in New South Wales, and Australian Capital Territory.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008	2007
	\$	\$
NOTE 19: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash at the end of the financial year as shown in the cash flow statement is reconciled to the balance sheet as follows:		
Cash on hand	800	800
Cash at bank	55,872	27,646
	56,672	28,446
b. Reconciliation of Net Cash provided by (used in) Operating Activities to Net Loss		
Net (loss)	(182,728)	(241,128)
Non Cash Items		
Depreciation	12,115	14,995
Provision for employee entitlements	(12,949)	25,783
Loss on fixed asset disposal	-	2,502
(Profit) on investment disposal	(339)	-
Unrealised (gain)/loss on investments	118	1,147
Changes in Assets and Liabilities		
(Increase)/decrease in receivable	117,332	47,315
(Increase)/decrease in prepayments	3,950	4,570
Increase/(decrease) in unexpended grant income	-	(42,562)
Increase/(decrease) in payables	95,303	162,084
	32,802	(25,294)
c. Credit Stand-by Arrangement and Loan Facilities		
There are no credit or loan facilities.		
d. There were no non-cash financing or investing activities during the period.		
e. Net cash outflows relating to another reporting unit of the entity are as follows:		
CFMEU – Forest & Forestry Products Division National Office	(275,706)	215,834
CFMEU –Pulp & Paper Workers' Branch	(8,082)	(18,167)
CFMEU – Construction & General Division – NSW Branch	-	(2,564)
CFMEU – Forest & Forestry Products Division – SA Branch	3,124	-
CFMEU – Forest & Forestry Products Division – VIC Branch	(2,912)	-
	(283,576)	195,103

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

NOTE 20: FINANCIAL RISK MANAGEMENT

a. Financial Risk Management Policies

The Union's financial instruments consist mainly of deposits with banks, local money market instruments, accounts receivable and payable.

The Union does not have any derivative instruments at 31 December 2008.

i. Treasury Risk management

A finance committee consisting of senior committee members meet on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts

The committee's overall risk management strategy seeks to assist the Union in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The finance committee operates under policies approved by the senior committee members. Risk management policies are approved and reviewed by the committee on a regular basis. These include the use of credit risk policies and future cash flow requirements.

ii. Financial Risk Exposures and Management

The main risks the Union is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest Rate Risk

The Union is not exposed to any interest rate risk.

Liquidity Risk

The association manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The Union does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the association.

b. Interest Rate Risk

The Union's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

NOTE 20: FINANCIAL RISK MANAGEMENT continued

	Note	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	Fixed Interest Rate Maturing			TOTAL \$
				Within 1 Year \$	1 to 5 Years \$	Non- interest bearing \$	
2008							
Financial Assets							
Cash at bank	5	0.45	55,872	-	-	800	56,672
Receivables	6	N/a	-	-	-	80,873	80,873
Financial assets	8	N/a	-	-	-	2,000	2,000
Total Financial Assets			<u>55,872</u>	<u>-</u>	<u>-</u>	<u>83,673</u>	<u>139,545</u>
Financial Liabilities							
Payables	10	N/a	-	-	-	481,176	481,176
Borrowings	11	7.5	-	5,598	48,691	100,000	154,289
Total Financial Liabilities			<u>-</u>	<u>5,598</u>	<u>48,691</u>	<u>581,176</u>	<u>635,465</u>
Net Financial Assets/ (Liabilities)			<u>55,872</u>	<u>(5,598)</u>	<u>(48,691)</u>	<u>(497,503)</u>	<u>(495,920)</u>
2007							
Financial Assets							
Cash at bank	5	0.45	27,646	-	-	800	28,446
Receivables	6	N/a	-	-	-	198,206	198,206
Financial assets	8	N/a	-	-	-	2,119	2,119
Total Financial Assets			<u>27,646</u>	<u>-</u>	<u>-</u>	<u>201,125</u>	<u>228,771</u>
Financial Liabilities							
Payables	10	N/a	-	-	-	385,873	385,873
Borrowings	11	7.5	-	7,073	49,344	100,000	156,417
Total Financial Liabilities			<u>-</u>	<u>7,073</u>	<u>49,344</u>	<u>485,873</u>	<u>542,290</u>
Net Financial Assets/ (Liabilities)			<u>27,646</u>	<u>(7,073)</u>	<u>(49,344)</u>	<u>(284,748)</u>	<u>(313,519)</u>

c. Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments.

Financial assets where the carrying amount exceeds net fair values have not been written down as the Union intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

NOTE 20: FINANCIAL RISK MANAGEMENT continued

Sensitivity Analysis

Interest Rate Risk

The Union has performed a sensitivity analysis relating to its exposure to interest rate risk at balance sheet date. This sensitivity analysis demonstrated the effect on current year results and equity which could result from a change in this risk.

As at 31 December 2008, the effect on profit and equity as a result of changes in interest rate, with all other variables remaining constant would be as follows:

	Profit	Equity
	\$	\$
Year ended 31 December 2008		
+/- 2% in interest rates basis points	1,133	1,133
Year ended 31 December 2007		
+/- 2% in interest rates basis points	569	569

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

NOTE 21: CHANGES TO AUSTRALIAN ACCOUNTING STANDARDS

No details have been disclosed of Australian Accounting Standards issued or amended but not yet effective for the current financial year and which have not been adopted in the preparation of the financial statements at the reporting date.

As mentioned in Note 14 to the financial statements, separate financial reports of the Reporting Unit will no longer be required subsequent to 31 December 2008.

NOTE 22: ENTITY DETAILS

The registered office is:
Ground Floor
11 George Street
PARRAMATTA NSW 2124

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
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COMMITTEE OF MANAGEMENT CERTIFICATE

On 17 November 2010 the Divisional Executive of the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division on behalf of the Committee of Management of the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Divisional Branch ("Union/Reporting Unit") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2008:


The Divisional Executive on behalf of 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 of Fair Work Australia;
- (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; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organization; and
 - (v) the information sought in any request of a member of the reporting unit or the General Manager of Fair Work Australia duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or the General Manager of Fair Work Australia; and
 - (vi) there has been compliance with any order for inspection of financial reports made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009.

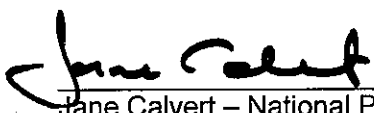
**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
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**COMMITTEE OF MANAGEMENT CERTIFICATE
continued**

- (f) in relation to recovery of wages activity:
- (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager of Fair Work Australia; and
 - (ii) the committee of management caused the auditor to include in the scope of the audit required under subsection 257(1) of the Fair Work (Registered Organisations) Act 2009 all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
 - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
 - (iv) that prior to engaging in any recovery of wages activity, the organization has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
 - (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.



Michael O'Connor – National Secretary



Jane Calvert – National President

Melbourne: 17 November 2010

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION – NEW SOUTH WALES DIVISIONAL BRANCH

We have audited the accompanying financial report of Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Union (the reporting unit), which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the committee of management's declaration of the reporting unit during the financial year.

Committee of management's responsibility for the financial report

The reporting unit's committee of management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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. These Auditing 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 judgment, 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 circumstances, 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 of management, 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.

INDEPENDENT AUDITOR'S REPORT continued

**TO THE MEMBERS OF CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NEW SOUTH WALES DIVISIONAL BRANCH**

Independence

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

Auditor's opinion

In our opinion the financial report of the reporting unit:

- (a) is in accordance with the provisions of the Fair Work (Registered Organisations) Act 2009, other requirements imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009, including:
 - (i) presenting fairly the reporting unit's financial position as at 31 December 2008 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and International Financial Reporting Standards as disclosed in Note 1.

- (b) properly and fairly report all information in relation to recovery of wages activity required by the reporting guidelines of Fair Work Australia, including:
 - (i) any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity; and
 - (ii) any donations or other contributions deducted from recovered money.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

L.S. Wong

L.S. WONG
Partner,
Member of the Institute of Chartered Accountants in Australia and
holder of a current public practice certificate

Melbourne: 17 November 2010

COMPILATION REPORT

TO THE CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION – NEW SOUTH WALES DIVISIONAL BRANCH

Scope

On the basis of the information provided by the Committee of Management of Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Divisional Branch (Reporting Unit) we have compiled, in accordance with APS 9: Statement of Compilation of Financial Reports the special purpose financial report comprising the Detailed Profit and Loss Statement of Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division – New South Wales Divisional Branch for the year ended 31 December 2008 as set out on page 30 to 31.

The specific purpose for which the special purpose financial report has been prepared is to provide financial information to the Committee of Management. No Accounting Standards and other mandatory professional reporting requirements have been adopted in the preparation of the special purpose financial report.

The Committee of Management is solely responsible for the information contained in the special purpose financial report and has determined that the accounting policies used are consistent and are appropriate to satisfy the needs of the Committee of Management.

Our procedures use accounting expertise to collect, classify and summarise the financial information which the Committee of Management provided into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the reporting unit, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared for the benefit of the reporting unit and its members and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

Melbourne: 17 November 2010

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
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ABN 33 399 833 248**

**DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008	2007
	\$	\$
INCOME		
Contributions	805,128	731,731
Dividends received	116	152
Grant – Forest Policy Officer	-	120,000
Interest received	331	167
Reimbursement of sitting fees	5,000	10,500
Serviced office fees	46,556	62,235
Sundry income	3,771	1,343
Profit on sale of investments	339	-
	<hr/>	<hr/>
TOTAL INCOME	861,241	926,128
EXPENDITURE		
Affiliation fees	6,604	7,600
Auditors Remuneration	1,249	160
Bad debts	-	(7,265)
Bank charges	1,516	2,117
Committee of management expenses	15,156	8,873
Computer expenses	12,318	3,777
Consultancy expenses	550	50
Delegates training expenses	2,763	8,413
Depreciation	12,115	14,995
Fringe benefits tax	3,265	521
Insurance	6,004	13,867
Interest paid	4,945	4,673
Lease charges – Motor vehicles	76,211	74,100
Legal and professional expenses	4,683	2,834
Levy ACTU IR campaign	-	32,069
Levy Labor Council NSW Rights at Work	-	3,183
Loss on fixed asset disposal	-	2,502
Motor vehicle expenses	48,600	34,675
NAC fees	60,000	192,420
Payroll tax	26,293	22,280
Postage, freight, printing and stationery	6,255	29,121
Provision for annual leave	(9,594)	14,802
Provision for long service leave	(2,548)	4,513
Provision for rostered days off	(3,060)	3,567
Provision for sick leave	2,253	2,900
Rent and outgoings	67,219	56,841
Repairs, maintenance and outgoings	-	643
Salaries and wages:		
- elected officials	70,597	66,372
- employees	231,536	221,065

This statement should be read in conjunction with the attached compilation report on page 29.

**CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION –
NEW SOUTH WALES DIVISIONAL BRANCH
ABN 33 399 833 248**

**DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008 \$	2007 \$
Staff expenses	2,902	3,608
Staff training	-	11,636
Sundry expenses	3,436	2,931
Superannuation contributions:		
- elected officials	7,429	5,795
- employees	25,091	23,205
Sustentation fees	161,026	146,482
Termination payments - employees	53,567	-
Trainee organiser	62,431	75,711
Travel – accommodation, meals and airfares	49,423	36,300
Telephone and facsimile	32,032	32,859
Unrealised loss on investments	118	1,147
Workcover	1,584	5,914
	<hr/>	<hr/>
TOTAL EXPENDITURE	1,043,969	1,167,256
	<hr/>	<hr/>
NET (LOSS) FOR YEAR	(182,728)	(241,128)

This statement should be read in conjunction with the attached compilation report on page 29.