

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
BRICK, TILE, POTTERY, CONSTRUCTION MATERIALS AND RELATED PRODUCTS
INDUSTRY DIVISIONAL BRANCH**

**FINANCIAL REPORT
FOR THE PERIOD 1 JANUARY 2010 TO 26 JULY 2010**

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OPERATING REPORT

The Committee of Management of the Construction Forestry Mining and Energy Union, Construction and General Division, Brick, Tile, Pottery, Construction Materials and Related Products Industry Divisional Branch ("the Union") present their Operating Report on the Union for the period 1 January 2010 to 26 July 2010.

Committee of Management

The names of Committee of Management (COM) in office at any time during the period are:

Name	Position	Period of Appointment
Mr Shayne Stiff	Divisional Branch President & Divisional Conference Delegate	1/1/10 to 1/4/10
Mr Stephen Roach	Divisional Branch Secretary & Divisional Conference Delegate	1/1/10 to 1/4/10
Mr Alex Sawtschuk	Divisional Branch Assistant Secretary New South Wales Sub-branch	1/1/10 to 1/4/10
Mr John Tate	Divisional Branch Management Committee Member – Victoria	1/1/10 to 1/4/10
Mr Darren Tudenham	Divisional Branch Management Committee Member – New South Wales	1/1/10 to 1/4/10

The Union and its Committee of Management were dissolved on 1 April 2010.

Principal Activities

The principal activities of the Union during the period up until dissolution were:-

- Adherence to the rules of the Division in furtherance of the objects of the Union consistent with the industrial relations legislation.
- Implementation of the decisions of the National 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 representation of individual member grievances, advice on legal and legislative matters, and responding to other Unions' rules applications where they impact on membership of the Union.
- 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 Industrial Relations Act and the Union rules.
- Media and other communications to members affecting the rank and file.

Results of Activities

The result for the period was a deficit of \$76,150 (2009: deficit of \$40,660).

Significant Changes in Nature of Activities

Apart from those changes identified below in Significant Changes in Financial Affairs, there were no other significant changes in the nature of activities of the Union during the period.

OPERATING REPORT

(Continued)...

Significant Changes in Financial Affairs

As disclosed in last year's financial report, the Brick, Tile, Pottery, Constructional Materials and Related Products Industry Division Branch was dissolved on 1 April 2010 and its membership was integrated into the respective state branches of the Construction and General Division of the Construction Forestry Mining and Energy Union.

During the period subsequent to the dissolution and up until the 26 July 2010, the Union extinguished its liabilities and wound up its financial affairs with the assistance of the Construction Forestry Mining and Energy Union, Construction and General Division – National Office ("the National Office"). As the Unions Committee of Management was dissolved effective 1 April 2010, the Committee of Management of the National Office will approve this final Financial Report of the Union.

As a consequence of these significant changes, the Union is no longer operating as a going concern. Refer Note 1(a) in Notes to the Financial Statements. Accordingly it is appropriate to prepare this final Financial Report on a liquidation basis.

Apart from the above, there have been no other significant changes in the Financial Affairs of the Union during the period.

Membership of the Union

As at 26 July 2010 there were nil members of the Union.

Rights of Members to Resign

All members of the Union have the right to resign in accordance with Rule 11 of the Union Rules (and section 174 of the Fair Work (Registered Organisations) Act 2010).

Employees of the Union

As at 26 July 2010 the Union had no employees.

Superannuation Trustees

No 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.



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DAVE NOONAN

National Secretary

Construction Forestry Mining and Energy Union,
Construction and General Division – National Office

Dated this 24th day of August 2011.


COMMITTEE OF MANAGEMENT STATEMENT

On 24th of August, 2011 the Committee of Management of Construction Forestry Mining and Energy Union, Construction and General Division – National Office (“the National Office”), passed the following resolution in relation to the general purpose financial report (GPFR) of Construction Forestry Mining and Energy Union, Construction and General Division, Brick, Tile, Pottery, Construction Materials and Related Products Industry Divisional Branch (“the Union”), for the financial period 1 January 2010 to 26 July 2010:

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

- (a) The financial statements and notes comply with 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 Union for the period to which they relate;
- (d) There are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable;
- (e) During the period to which the GPFR relates and since the end of that period:-
 - (i) Meetings of the Committee of Management were held in accordance with the rules of the Union; and
 - (ii) The financial affairs of the Union have been managed in accordance with the rules of the Union; and
 - (iii) The financial records of the Union have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 (‘The RO Act’) and the Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) No information has been sought in any request of a member of the Union or by the General Manager duly made under section 272 of the Fair Work (Registered Organisations) Act 2009; and
 - (v) No orders for inspection of financial records have been made by Fair Work Australia or FWA under section 273 of the Fair Work (Registered Organisations) Act 2009; and
- (f) During the period 1 January 2010 to 26 July 2010 no recovery of wages activities have been undertaken by the Union.

Signed for and on behalf of the Committee of Management by:



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DAVE NOONAN

National Secretary

Construction Forestry Mining and Energy Union,
Construction and General Division – National Office

Dated this 24th day of August 2011.

**STATEMENT OF COMPREHENSIVE INCOME
 FOR THE PERIOD 1 JANUARY 2010 TO 26 JULY 2010**

	NOTE	Period 1 January to 26 July 2010 \$	Financial Year Ended 31 December 2009 \$
Revenue	2	108,927	375,601
Employee Benefits Expense		(138,004)	(231,607)
Depreciation and Amortisation Expense		(5,160)	(21,205)
Capitation Fees		-	(32,846)
Loss on Disposal of Property, Plant & Equipment		(13,460)	-
Other Expenses		(25,453)	(130,603)
Result Before Income Tax		(73,150)	(40,660)
Income Tax Expense	1 (k)		-
Result for the Period		(73,150)	(40,660)
Other Comprehensive Income			
Other Comprehensive Income Items		-	-
Other Comprehensive Income for the Period		-	-
Total Comprehensive Income for the Period		(73,150)	(40,660)

The accompanying notes form part of these financial statements

**BALANCE SHEET
 AS AT 26 JULY 2010**

	NOTE	26 JULY 2010 \$	31 DECEMBER 2009 \$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	4	-	124,260
Trade and Other Receivables	5	-	33,373
Other Assets	6	-	2,466
Property, Plant and Equipment	7	-	47,052
TOTAL CURRENT ASSETS		-	207,151
TOTAL ASSETS		-	207,151
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	8	-	51,779
Short-term Provisions	9	-	82,222
TOTAL CURRENT LIABILITIES		-	134,001
TOTAL LIABILITIES		-	134,001
NET ASSETS		-	73,150
EQUITY			
Retained Earnings		-	73,150
TOTAL EQUITY		-	73,150

The accompanying notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 JANUARY 2010 TO 26 JULY 2010**

	NOTE	Period 1 January to 26 July 2010 \$	Financial Year Ended 31 December 2009 \$
Balance as at 1 January		73,150	113,810
Result for the Period		<u>(73,150)</u>	<u>(40,660)</u>
Closing Balance as at End of Period		<u>-</u>	<u>73,150</u>

The accompanying notes form part of these financial statements

**CASH FLOW STATEMENT
 FOR THE PERIOD 1 JANUARY 2010 TO 26 JULY 2010**

	NOTE	Period 1 January to 26 July 2010 \$	Financial Year Ended 31 December 2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Members and Customers		157,328	406,184
Payment to Suppliers and Employees		(282,978)	(408,600)
Interest Received		1,390	5,201
Net cash (used in) / generated from operating activities	10	(124,260)	2,785
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment		-	(323)
Net cash used in investing activities		-	(323)
Net (decrease) / increase in cash held		(124,260)	2,462
Cash and cash equivalents at the start of the period		124,260	121,798
Cash and cash equivalents at the end of the period	4	-	124,260

The accompanying notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY 2010 TO 26 JULY 2010**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report covers the Construction Forestry Mining and Energy Union – Construction and General Division, Brick, Tile, Pottery, Construction Materials and Related Products Industry Divisional Branch (“the Union”) as an individual entity. The Union is an organisation of employees registered under the Fair Work (Registered Organisation) Act 2009 (“the RO Act”). In accordance with the RO Act, the Union is a body corporate and has perpetual succession, by virtue of this method of incorporation, the Union is not subject to the Corporations Act 2001.

Basis of Preparation

Construction Forestry Mining and Energy Union – Construction and General Division, Brick, Tile, Pottery, Construction Materials and Related Products Industry Divisional Branch has elected to early adopt the pronouncements AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements to the annual reporting period beginning 1 January 2010.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards’ reduced disclosure requirements of the Australian Accounting Standards Board and the requirements imposed by the Reporting Guidelines of Part 3 of Chapter 8 of the RO Act.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are 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) Going Concern

On the 27th April 2010 the Union was formally dissolved with Fair Work Australia effective 1 April 2010. As a result the Union’s membership was integrated into the respective state branches of the Construction Forestry Mining and Energy Union, Construction and General Division – National Office (“the National Office”) and the Union ceased trading.

During the period subsequent to the dissolution and up until the 26 July 2010, the Union extinguished its liabilities and wound up its financial affairs with the assistance of the National Office. On the 26th July 2010 the Union closed its bank account.

As a consequence of these significant changes, the Union is no longer operating as a going concern. Refer Note 1(a) in Notes to the Financial Statements. Accordingly it is appropriate to prepare this final Financial Report on a liquidation basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY 2010 TO 26 JULY 2010**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Continued...

b) Revenue

Revenue from membership contributions are recognised upon receipt, which is reflective of the timing and nature of the benefits provided to members.

Donations and bequests are recognised as revenue when received.

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.

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

c) Inventories

Inventories are measured at the lower of cost and net realisable value.

d) Property, Plant and Equipment

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

Property, Plant and Equipment

Property, plant and equipment are measured on the cost basis less depreciation and impairment losses.

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

Property, plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Union commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation rates used for each for each class of depreciable assets are:-

Class of Fixed Asset	Depreciation Rate
Computer, Plant & Equipment	10 - 33%
Motor Vehicles	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY 2010 TO 26 JULY 2010**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Continued...

d) Property, Plant and Equipment

Continued....

Asset classes carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Comprehensive Income.

e) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that is transferred to the Union, are classified as finance leases.

Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

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

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

f) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Union commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- the amount at which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- less any reduction for impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY 2010 TO 26 JULY 2010**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Continued...

f) Financial Instruments

Continued....

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

i) Financial Assets at Fair Value through Profit or Loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

ii) 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 subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

iii) Held-to-Maturity Investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Union's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after reporting period.

If during the period the Union sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire category of held-to-maturity investments would be tainted and would be reclassified as available-for-sale.

iv) Available-for-Sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY 2010 TO 26 JULY 2010**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Continued...

f) Financial Instruments

Continued....

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after reporting date. (All other financial assets are classified as current assets).

v) Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

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 and reference to similar instruments

Impairment

At the end of each reporting period, the Union assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the Statement of Comprehensive Income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of 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, which is 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.

g) Impairment of Assets

At the end of each reporting period, the Union 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 Statement of Comprehensive Income.

Where the future economic benefits of the asset are not primarily dependent upon on the assets ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY 2010 TO 26 JULY 2010**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Continued...

h) Employee Benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to the end of the reporting date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. 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. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

i) 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.

j) 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 the GST component of investing and financing activities, which are disclosed as operating cash flows.

k) Income Tax

No provision for income tax has been raised as the Union is exempt from income tax under s.50-15 of the Income Tax Assessment Act 1997.

l) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of future economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the period.

m) Trade and Other Payables

Trade and other payables represent the liability outstanding at reporting date for goods and services received by the Union 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY 2010 TO 26 JULY 2010**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Continued...

n) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

o) Comparatives

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

Where the Union applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a Balance Sheet as at the beginning of the earliest comparative period will be disclosed.

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE PERIOD 1 JANUARY 2010 TO 26 JULY 2010**

	NOTE	Period 1 January to 26 July 2010 \$	Financial Year Ended 31 December 2009 \$
2. REVENUE AND OTHER INCOME			
Revenue			
<i>Service Revenue</i>			
Membership Levies		80,049	352,358
<i>Other Revenue</i>			
Interest Received		1,390	5,201
Other Income		27,488	18,042
		<u>28,878</u>	<u>23,243</u>
Total Revenue		<u>108,927</u>	<u>375,601</u>
3. RESULT FOR THE PERIOD			
(a) Expenses			
Contributions to defined contribution superannuation funds		7,080	24,562
(b) Significant Revenue and Expenses			
The following significant revenue and expense items are relevant in explaining the financial performance:			
- Redundancy Payments		71,686	-
4. CASH AND CASH EQUIVALENTS			
Cash at Bank		-	124,260
5. TRADE AND OTHER RECEIVABLES			
Membership Fees Receivable	10	-	33,373
6. OTHER ASSETS			
Prepayments		-	2,466

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE PERIOD 1 JANUARY 2010 TO 26 JULY 2010**

	Period 1 January to 26 July 2010 \$	Financial Year Ended 31 December 2009 \$
7. PROPERTY, PLANT AND EQUIPMENT		
Plant and Equipment		
At Cost	-	8,758
Less Accumulated Depreciation	-	(7,575)
	-	1,183
Computer Equipment		
At Cost	-	6,436
Less Accumulated Depreciation	-	(5,746)
	-	690
Motor Vehicles		
At Cost	-	74,557
Less Accumulated Depreciation	-	(29,378)
	-	45,179
TOTAL PROPERTY, PLANT AND EQUIPMENT	-	47,052

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial Period:-

	Opening WDV \$	Additions \$	Disposals \$	Depreciation Expense \$	Closing WDV \$
2010					
Plant and Equipment	1,183	-	(1,100)	(83)	-
Computer Equipment	690	-	(209)	(481)	-
Motor Vehicles	45,179	-	(40,583)	(4,596)	-
	47,052	-	(41,892)	(5,160)	-

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE PERIOD 1 JANUARY 2010 TO 26 JULY 2010**

	NOTE	Period 1 January to 26 July 2010 \$	Financial Year Ended 31 December 2009 \$
8. TRADE AND OTHER PAYABLES			
Trade and Other Payables		-	51,779
There were no superannuation amounts payable as at balance date:			
(a) Financial liabilities at amortised cost classified as trade and other payables			
Trade and other payables		-	51,779
Less deferred income		-	-
Financial liabilities as trade and other payables	14	-	51,779
9. PROVISIONS			
CURRENT			
Employee Benefits		-	82,222
Provision for Long-term Employee Benefits			
A provision had been recognised for employee entitlements relating to annual leave and long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 of the financial statements.			
(a) Employee Benefits Attributable to:			
Office Holders		-	82,222
Staff		-	-
		-	82,222

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE PERIOD 1 JANUARY 2010 TO 26 JULY 2010**

	NOTE	Period 1 January to 26 July 2010 \$	Financial Year Ended 31 December 2009 \$
10. CASH FLOW INFORMATION			
(a) Reconciliation of Cash Flows from Operations with Result after Income Tax			
Operating Result after Income Tax		(73,150)	(40,660)
Non Cash Flows			
Depreciation		5,160	21,205
Loss on Disposal of Property, Plant and Equipment		13,460	-
Market Value of Plant & Equipment Gifted Employees on Redundancy		28,432	-
Changes in Assets and Liabilities			
Decrease/(Increase) in Trade and Other Receivables		33,373	(1,569)
Decrease/(Increase) in Other Assets		2,466	11,036
Increase/(Decrease) in Trade and Other Payables		(51,779)	15,484
Increase/(Decrease) in Provisions		(82,222)	(2,711)
		<u>(124,260)</u>	<u>(2,598)</u>

11. AMOUNTS DUE FROM BRANCHES - MEMBERSHIP LEVIES

	BALANCE OWING 1/1/10 \$	ADD AMOUNTS CHARGED \$	LESS CASH RECEIVED \$	BALANCE OWING 26/7/10 \$
New South Wales	2,388	5,971	(8,359)	-
Victoria	-	-	-	-
TOTAL FROM BRANCHES	<u>2,388</u>	<u>-</u>	<u>-</u>	<u>-</u>
Membership Received Direct	30,985	82,083	(113,068)	-
TOTAL	<u>33,373</u>	<u>88,054</u>	<u>(121,427)</u>	<u>-</u>

All balances reported above include GST.

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE PERIOD 1 JANUARY 2010 TO 26 JULY 2010**

	Period 1 January to 26 July 2010 \$	Financial Year Ended 31 December 2009 \$
12. KEY MANAGEMENT PERSONNEL COMPENSATION		
The totals of remuneration paid to key management personnel (KMP) of the Company during the period are as follows:		
Key management personnel compensation	130,114	258,186

13. RELATED PARTY INFORMATION

(a) Members of the Committee of Management

Persons holding executive positions within the Union and as members of the Committee of Management during the period:

Mr Shayne Stiff	Mr Stephen Roach	Mr John Tate
Mr Darren Tudenham	Mr Alex Sawtschuk	

Refer to the Operating Report for details of change of appointment dates and positions.

(b) Related Party Transactions

Other related parties

- i) During the 2009 year capitation fees totalling \$32,846 were charged by the Construction, Forestry, Mining and Energy Union, Construction and General Division, National Office (2010: Nil).
- ii) An amount of \$4,740 (2009: \$25,000) was paid to Construction, Forestry, Mining and Energy Union, Construction and General Division, National Office for clerical assistance.
- iii) During the 2009 year an amount of \$25,000 was paid to Construction, Forestry, Mining and Energy Union, Construction and General Division, Victorian Branch for administrative assistance.

(c) Related Party Balances

Other related parties

- i) As at 31 December 2009 balance date, there were \$13,487 in capitation fees payable to the Construction, Forestry, Mining and Energy Union, Construction and General National Office.

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE PERIOD 1 JANUARY 2010 TO 26 JULY 2010**

14. FINANCIAL RISK MANAGEMENT

The Union's financial instruments consisted mainly of deposits with banks and accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	NOTE	Period 1 January to 26 July 2010 \$	Financial Year Ended 31 December 2009 \$
Financial Assets			
Cash and cash equivalents	4	-	124,260
Trade and other receivables	5	-	33,373
		-	157,633
Financial Liabilities			
Financial liabilities at amortised cost			
- Trade and other payables	8	-	51,779

15. EVENTS AFTER THE REPORTING PERIOD

- (a) The financial report was authorised for issue on the of 24th August 2011 by the Committee of Management of the Construction Forestry Mining and Energy Union, Construction and General Division – National Office.
- (b) No matter or circumstance has arisen since the end of the period that has significantly affected or may significantly affect:
 - (i) the operations of the Union;
 - (ii) the results of those operations; or
 - (iii) the state of affairs of the Union, in subsequent financial years.

16. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of subsection 272(5) of the RO Act, attention is drawn to the requirements of subsections (1), (2) and (3) of section 272 of the RO Act, which read as follows:-

- (1) A member of a reporting unit, or the General Manager, 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 must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE PERIOD 1 JANUARY 2010 TO 26 JULY 2010**

17. ADDITIONAL DISCLOSURES REQUIRED UNDER THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

In accordance with the requirements of section 255 of the Fair Work (Registered Organisations) Act 2009 ("the RO Act), the following necessary disclosures are made:

PROFIT AND LOSS DISCLOSURES	Period 1 January to 26 July 2010 \$	Financial Year Ended 31 December 2009 \$
ITEMS OF REVENUE		
Entrance fees or periodic subscriptions in respect of membership of the organisation	80,049	352,358
Compulsory levies raised from the members or as appeals for voluntary contributions for the furtherance of particular purposes	-	-
Donations or Grants	-	-
ITEMS OF EXPENSE		
Expenses incurred as consideration for employers making payroll deductions of membership subscriptions	-	-
Proportion of entrance fees paid contributed towards the administrative expenses of another Union	-	-
Fees and periodic subscriptions in respect of its affiliation to any political party, any federation, congress, council or group of organisations, or any international body having an interest in industrial matters	-	-
Compulsory levies imposed on the Union	-	32,846
Grants or donations	-	-
Employee Benefits to:		
- Holders of office	120,992	183,587
- Employees (Other than holders of office)	-	-
	120,992	183,587
Fees or allowances to persons in respect of their attendance as representatives of the Union at conferences or other meetings	300	1,200
Legal costs and other expenses related to litigation or other legal matters	-	3,452
Expenses incurred in connection with meetings of members of the Union and any conferences or meeting of councils, committees, panels or other bodies for the holding of which the Union was wholly or partly responsible	-	12,536
Penalties imposed on the Union under the Act or Regulations	-	-

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
OF CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
BRICK, TILE, POTTERY, CONSTRUCTION MATERIALS AND RELATED PRODUCTS INDUSTRY
DIVISIONAL BRANCH**

We have audited the accompanying financial statements of Construction Forestry Mining and Energy Union – Construction and General Division, Brick, Tile, Pottery, Construction Materials and Related Products Industry Divisional Branch (the Union), which comprises the Balance Sheet as at 26 July 2010 and the Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement for the period 1 January 2010 to 26 July 2010, a summary of the significant accounting policies and other explanatory notes and the Committee of Management Statement.

Committee of Management's Responsibility for the Financial Statements

The Union's Committee of Management are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards' reduced disclosure requirements (including the Australian Accounting Interpretations) and Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 ('The RO Act'). This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are 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. In Note 1, the Committee of Management also state, in accordance with Accounting Standards AASB 101: Presentation of Financial Statements, that compliance with Australian Standards' reduced disclosure requirements ensure that the financial report, comprising the financial statements and notes, complies with Australian Accounting Standards' reduced disclosure requirements

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements 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 statements are 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 statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Union's preparation and fair presentation of the financial statements 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 Union'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.

Independence

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
OF CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
BRICK, TILE, POTTERY, CONSTRUCTION MATERIALS AND RELATED PRODUCTS INDUSTRY
DIVISIONAL BRANCH
CONTINUED...**

Auditor's Opinion

In our opinion, the general purpose financial report of the Construction Forestry Mining and Energy Union – Construction and General Division, Brick, Tile, Pottery, Construction Materials and Related Products Industry Divisional Branch, as at 26 July 2010 and for the period 1 January 2010 to 26 July 2010, is presented fairly in accordance with:

- (a) Accounting Standards' reduced disclosure requirements (including the Australian Accounting Interpretations); and
- (b) The Fair Work (Registered Organisations) Act 2009 ('The RO Act'), including the requirements imposed by Part 3 of Chapter 8 of the RO Act.

EMPHASIS OF MATTER - Preparation on a Liquidation Basis

Without qualification to the opinion expressed above, we draw attention to Note 1(a) to the financial statements which discusses the dissolution of the Union and the integration of its membership into the respective state branches of the Construction and General Division of the Construction Forestry Mining and Energy Union. As a result, the financial statements have been prepared on a liquidation basis and not on a going concern basis.

Daley & Co.
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Daley & Co
Chartered Accountants
98 Kembla Street
Wollongong NSW 2500

Michael Mundt
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Michael Mundt
Registered Company Auditor

Dated this 24th day of August 2011