

**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**ANNUAL REPORT**

**2005/2006  
FINANCIAL YEAR**



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**ANNUAL REPORT FOR 2005/2006**

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**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**STATEMENT OF COMPLIANCE  
2005/2006 FINANCIAL YEAR**

**To : The Hon John Bowler JP, MLA  
Minister for Resources and Minister Assisting the Minister for State  
Development**

In accordance with Section 66 of the Financial Administration and Audit Act 1985, we hereby submit for your information and presentation to Parliament the Annual Report of the Coal Miners' Welfare Board of Western Australia for the twelve months ending 30th June 2006.

The Annual Report has been prepared in accordance with the provisions of the Financial Administration and Audit Act 1985.

The Coal Miners' Welfare Board has, during the course of its business within the financial year under review, complied with all legislation that significantly impacts upon the Board's operations.

  
\_\_\_\_\_  
JL Kearney  
CHAIRMAN OF ACCOUNTABLE AUTHORITY

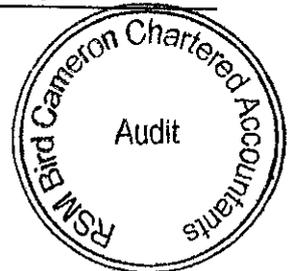
18-9-06  
Date

  
\_\_\_\_\_  
JJ Berlini  
MEMBER OF ACCOUNTABLE AUTHORITY

18-9-06  
Date

  
\_\_\_\_\_  
PJ Anderson  
MEMBER OF ACCOUNTABLE AUTHORITY

18/9/06  
Date



## THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

### ENABLING LEGISLATION COAL MINERS' WELFARE ACT 1947

The Coal Miners' Welfare Act of 1947 (assented to on 10th January 1948) was set up for the purpose as outlined in the long title to the Act, that being -

*"An Act to establish a fund to provide or assist in providing amenities for coal miners and to improve or assist in improving the welfare of coal miners; to constitute and incorporate a Board to administer the fund and to control any amenities provided and to declare the objects, functions and powers of such Board, and for other purposes incidental thereto."*

The Act has received minor amendments over the years but remains principally in its original form. The initial object, that is to improve the amenities of coal miners and the district in which they live, is as relevant today as it first was some fifty five years ago when the Act was assented to. It is mentioned however that the Act is currently undergoing a review by the State Government and it is expected that a number of recommendations will be forthcoming and acted upon.

The administration of the Act is vested in a Board (The Coal Miners' Welfare Board of Western Australia) and comprises three members inclusive of -

- i) The President of the Combined Mining Unions' Council who, in accordance with the Act, presides as Chairman of the Board;
- ii) The President of the Coal Miners' Industrial Union of Workers of Western Australia (now renamed to President, CFMEU Mining and Energy Division, Collie), and;
- iii) One other member.

The Board Members are appointed annually by the Governor on the recommendation of the Hon Minister for Resources and Minister Assisting the Minister for State Development and may seek re-appointment from year to year.

The Board may, of its own decision, appoint a Secretary to service the Board and may also, with the approval of the Hon Minister for Resources and Minister Assisting the Minister for State Development, appoint such other officers or employees as are deemed necessary to efficiently carry out the duties and functions imposed under the Act.

The Board is responsible to the Minister for Resources and Minister Assisting the Minister for State Development and reports to the Minister through the Department of Industry and Resources.



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**ENABLING LEGISLATION  
(CONTINUED)**

A significant amendment was made to the Coal Miners' Welfare Act in 1998. Parliament passed the "*Coal Mines Legislation Amendment and Revival Act 1998*" (Act No.59 of 1998) which was assented to on 31st December 1998.

The purpose of Act No.59 of 1998 was to provide for the transfer to the Coal Miners' Welfare Board of accumulated funds from the former Coal Mines Accident Relief Fund Trust and also to provide for future payment of coal mine companies' levies under the former Trust to the Welfare Board. Further provisions of the Act state that the transferred funds and future levies are to be credited to a separate account within the Welfare Board's books of account and that the Welfare Board is to consult with coal mine companies before applying any of the separate funds to local organisations or projects.

With regards to the No.2 Account (former Coal Mines Accident Relief Fund Trust), the Welfare Board has consulted with, and will continue to consult with, coal mine companies as required by the Act and these consultations will determine the future distribution of funds held within the account.

In addition to the Act, the Coal Miners' Welfare Regulations 1948 are also administered by the Board. These regulations have been amended from time to time, the last such amendment being made in 1989. This amendment allows for the Welfare Board to establish bank accounts locally instead of at State Treasury as the case once used to be.

The Board's current account and various short term investments are now operated through the Collie Branch of the Westpac Bank.

The real advantage of having the Board's funds lodged locally in a bank is that surplus funds from time to time can be employed in short term investments to earn interest. This in turn provides the Board with extra funds for distribution within the Collie community. The results of the Board's Policy in this regard was the fact that some \$36,880 was actually earned from interest on investments during the 2005/06 financial year. This amount is 5.72% higher than the previous year however, it will fluctuate according to prevailing interest rates and the amount of funds the Board has available for investment from time to time. Interest earned from the transferred (former) Coal Mines Accident Relief Fund Trust funds has been the main reason for the sizeable amount of revenue.



## THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

### BOARD MEMBERSHIP AND OPERATIONS

The current members of the Coal Miners Welfare Board are -

*	<b>Mr John Leslie KEARNEY</b> (President of the Combined Mining Unions' Council)	<b>Chairman</b>
*	<b>Mr John Joseph BORLINI</b> (President of the CFMEU Mining & Energy Division, Collie)	<b>Member</b>
*	<b>Ms Pamela Jean ANDERSON</b> Research Officer	<b>Member</b>
*	<b>Mr Ian Houghton MIFFLING</b>	<b>Secretary</b>

The Board does not have permanent premises of its own but is currently operated by the Secretary from the offices of the Shire of Collie, 87 Throssell Street, Collie, WA, 6225. A proposal is in hand to establish a permanent office at the Collie Mineworkers' institute building.

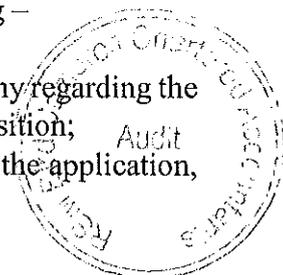
Board Members are appointed annually by His Excellency the Governor in accordance with Sections 9 and 10 of the Coal Miners' Welfare Act 1947. Mr Kearney (Chairman), Mr Borlini (Board Member) and Ms Anderson (Board Member) were re-appointed for terms expiring on 31<sup>st</sup> December 2005 by way of notice appearing in the Government Gazette of 6<sup>th</sup> May 2005 (Page 2032). A request is currently before the Hon Minister for re-appointment of Board Members for the ensuing 12 months period.

The Board has no publications although its existence is commonly known about within the Collie district.

There have been no Ministerial directions to the Board during the past financial year.

The *Coal Miners' Welfare Act 1947* has, over the past year or two, undergone a thorough review both in terms of its relevance and need for amendments. It is pleasing to note that the ultimate decision of the review was that the legislation is relevant and as a result a number of Act amendments are before the Parliament for consideration. Until the proposed amendments are enacted, the Board cannot enforce them however, a number of good governance suggestions have been, or will be, acted upon including –

- public advertising and consultation with each coal mining company regarding the appointment process for the non-statutory Board Membership position;
- inclusion within the Annual Report of Board Policies relating to the application, consideration and determination of grant applications;



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**BOARD MEMBERSHIP AND OPERATIONS  
(CONTINUED)**

- publication within a local (Collie) newspaper of all grants made to local organizations in each financial year;
- forwarding of Annual Reports direct to each coal mining company and to the Shire of Collie Public Library.

The Board derives its income in accordance with the Act and Regulations which allow for the payment by coal mining companies to the Board of -

- i) 2 cents per tonne of coal produced into the general fund (Fund No.1) for which accounts are rendered to coal mining companies on a quarterly basis in arrears; and
- ii) 0.4101 cents per tonne of coal produced into the separate fund (Fund No.2) as instituted from the transfer of operations from the former Coal Mines Accident Relief Fund Trust. Accounts for these payments are rendered to coal mining companies on a six monthly basis in arrears.

The Board has not to date been involved in any matters of an entrepreneurial type and there have been no research or promotional activities. With only one part time staff member comprising of the Secretary, there have not been any staff development programmes carried out.

No goods are sold by the Board and there are no marketing activities. No major capital works have been undertaken.

As can be seen from the financial statements, the Board has again assisted a wide cross section of Collie organisations ranging through community services, the sports, education and the coal mining industry.

Major contributions for the year included -

- \$55,000 to the Shire of Collie's Disabilities Services Committee to install a new liberty swing and children's play equipment into the Soldiers' Park in Collie;
- \$10,340 to the Griffin Coal Social Club to construct a new shed to permanently house the "Griffin Train" (used for children's ride at local events);
- \$10,000 to the Collie Mineworkers' Institute to allow the Management Committee to continue to maintain the Institute building;
- \$8,500 to the Shire of Collie to add new attractions to the 'Youth Skate Park';
- \$6,500 to the 1<sup>st</sup> Collie Scout group to allow the Group to make upgrades to its Scout Hall;
- \$6,000 to the Collie Athletics Club to purchase new hurdle equipment;



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**BOARD MEMBERSHIP AND OPERATIONS  
(CONTINUED)**

- \$5,000 to the Collie YOUTHCARE to assist in maintaining the Chaplaincy service within Collie schools;
- \$4,000 to enable the Collie Visitor Centre to install a new air conditioner into the Centre;
- \$2,705 to assist needy Collie school children attend School Camps and School Outings;
- \$2,100 to the Collie Silver Chain to assist with the purchase of a CADD pump used in the delivery of their home services;
- \$1,000 in scholarships/awards to Collie Primary School students;

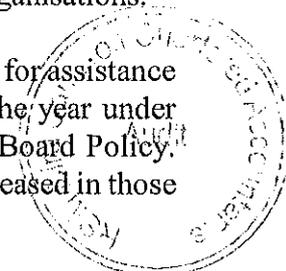
The total outlay of \$117,345 in grants for the year has assisted twenty six organisations and individuals who have been considered by the Board as worthy of such help.

The Board's total income for the year amounted to \$198,626 being amounts of -

- i) \$134,223 in mine owners' contributions based on 2 cents royalty per tonne of coal produced by both the Griffin Coal Mining Co Pty Ltd (\$59,792) and Wesfarmers Premier Coal Ltd (\$74,431) and now held in a separate account being Fund No.1;
- ii) \$27,523 in mine owners' contributions based on 0.4101 cents royalty per tonne of coal produced by both the Griffin Coal Mining Co Pty Ltd (\$12,261) and Wesfarmers Premier Coal Ltd (\$15,262) as per the former Coal Mines Accident Relief Fund Trust contributions (now being administered by the Welfare Board) and now held in a separate account being Fund No.2;
- iii) \$10,227 interest was earned on short term investments of the Board's surplus funds in the No.1 A/c;
- iv) \$26,653 interest was earned on short term investments of the Board's surplus funds in the No.2 A/c.

Grants from the Board have become a very substantial and important source of funds for local community groups and this fact is highlighted quite markedly through reference to the Board's statistics which show that in the past thirty four years some \$2,480,507 has been allocated out in direct grant funds. The importance of the Board's function in this regard cannot be over emphasised for the continued well-being of many Collie organisations.

The Board regrets that on occasions over the years it has had to reject claims for assistance where those applications did not meet the criteria set by the Board. In the year under review two applications were rejected by the Board as not fitting within Board Policy. Happily though, most applications do meet with success and the Board is pleased in those instances to be able to give financial assistance.



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**CERTIFICATION OF FINANCIAL STATEMENTS**

**2005/2006 FINANCIAL YEAR**

The accompanying financial statements of The Coal Miners' Welfare Board of Western Australia have been prepared in compliance with the provisions of the *Financial Administration and Audit Act 1985* from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2006 and the financial position as at 30 June 2006.

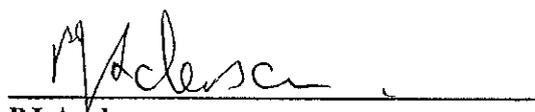
At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.

  
\_\_\_\_\_  
JL Kearney  
CHAIRMAN OF ACCOUNTABLE AUTHORITY

18-09-06  
Date

  
\_\_\_\_\_  
JJ Borlini  
MEMBER OF ACCOUNTABLE AUTHORITY

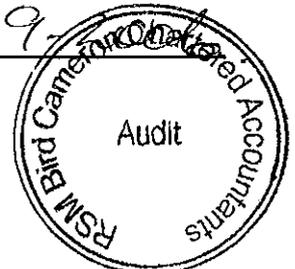
18. 9. 06  
Date

  
\_\_\_\_\_  
PJ Anderson  
MEMBER OF ACCOUNTABLE AUTHORITY

18/9/06  
Date

  
\_\_\_\_\_  
IH Miffling  
PRINCIPAL ACCOUNTING OFFICER

18-9-  
Date

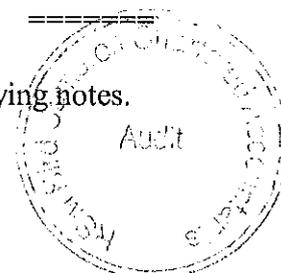


**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2006**

	Note	2005/2006	2004/2005
	-----	-----	-----
<b>COST OF SERVICES</b>			
<b>Expenses:</b>			
Grants	11	117,345	97,590
Secretary's honorarium		1,000	1,000
Audit fees	10	4,500	4,000
Government charges on bank A/c		57	142
Board members expenses		151	97
		-----	-----
<b>Total cost of services</b>		<b>\$123,053</b>	<b>\$102,829</b>
<b>INCOME</b>			
<b>Revenues:</b>			
Contributions by mine owners		161,746	150,192
Interest on investments		36,880	34,884
		-----	-----
<b>Total income</b>		<b>\$198,626</b>	<b>\$185,076</b>
<b>NET COST OF SERVICES</b>		<b>\$ 75,573</b>	<b>\$ 75,573</b>
<b>SURPLUS FOR PERIOD</b>		<b>\$ 75,573</b>	<b>\$ 82,247</b>
		=====	=====

The Income Statement should be read in conjunction with the accompanying notes.



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**BALANCE SHEET  
AS AT 30 JUNE 2006**

	Note	2005/2006	2004/2005
		-----	-----
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	3	820,913	756,823
Receivables	4	56,294	44,811
		-----	-----
<b>Total Current Assets</b>		<b><u>\$877,207</u></b>	<b><u>\$801,634</u></b>
<b>TOTAL ASSETS</b>		<b><u>\$877,207</u></b>	<b><u>\$801,634</u></b>
<b>EQUITY</b>			
Accumulated Surplus	5	\$877,207	\$801,634
		-----	-----
<b>Total Equity</b>		<b><u>\$877,207</u></b>	<b><u>\$801,634</u></b>
		-----	-----
<b>TOTAL LIABILITIES AND EQUITY</b>		<b><u>\$877,207</u></b>	<b><u>\$801,634</u></b>
		=====	=====

The Balance Sheet should be read in conjunction with the accompanying notes.



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2006**

	2005/2006	2004/2005
Balance of equity at start of period	801,634	719,387
<b>ACCUMULATED SURPLUS</b>		
Balance at start of period	801,634	719,387
Surplus for the period	75,573	82,247
Balance at end of period	877,207	801,634
<b>Balance of equity at end of period</b>	<b>877,207</b>	<b>801,634</b>
Total income and expense for the period	75,573	82,247

The Statement of Changes in Equity should be read in conjunction with the accompanying notes

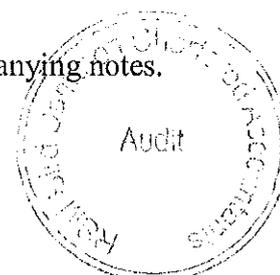


**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2006**

	<b>2005/2006</b>	<b>2004/2005</b>
	-----	-----
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
<b>Payments:</b>		
Grants	117,345	97,590
Secretary's honorarium	1,000	1,000
Audit fees	4,500	4,000
Government charges on bank A/c	57	142
Board members expenses	151	97
	-----	-----
<b>Receipts:</b>		
Contributions from mine owners	156,652	152,037
Interest on investments	30,491	35,091
	-----	-----
<b>Net cash provided by/(used in) operating activities</b>	<b>6      \$ 64,090</b>	<b>\$ 84,299</b>
Net increase / (decrease) in cash And cash equivalents	64,090	84,299
Cash and cash equivalents at the beginning of the period	756,823	672,524
	-----	-----
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	<b>\$820,913</b>	<b>\$756,823</b>
	=====	=====

The Cash Flow Statement should be read in conjunction with the accompanying notes.



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2006**

**1) First time adoption of Australian equivalents to International Financial Reporting Standards**

This is the Board's first published financial statements prepared under Australian equivalents to International Financial Reporting Standards (AIFRS).

Accounting Standard AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards' has been applied in preparing these financial statements. Until 30 June 2005, the financial statements have been prepared under the previous Australian Generally Accepted Accounting Principles (AGAAP).

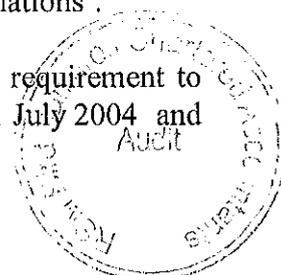
The Australian Accounting Standards Board (AASB) adopted the Standards of the International Accounting Standards Board (IASB) for application to reporting periods beginning on or after 1 January 2005 by issuing AIFRS which comprise a Framework for the Preparation and Presentation of Financial Statements, Australian Accounting Standards and the Urgent Issues Group (UIG) Interpretations.

In accordance with the option provided by AASB 1 paragraph 36A and exercised by Treasurer's Instruction (TI) 1101 'Application of Australian Accounting Standards and Other Pronouncements', financial instrument information prepared under AASB 132 and AASB 139 will apply from 1 July 2005 and consequently comparative information for financial instruments is presented on the previous AGAAP basis. The Board notes there are no differences. All other comparative information has been prepared under the AIFRS basis.

**Early adoption of standards**

The Board cannot early adopt an Australian Accounting Standard or UIG Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. This TI requires the early adoption of revised AASB 119 'Employee Benefits' as issued in December 2004, AASB 2004-3 'Amendments to Australian Accounting Standards' and 2005-3 'Amendments to Australian Accounting Standards [AASB 119]'; AASB 2005-4 'Amendments to Australian Accounting Standard [AASB 139, AASB 132, AASB 1, AASB 1023 & AASB 1038]' and AASB 2005-6 'Amendments to Australian Accounting Standards [AASB 3]' to the annual reporting period beginning 1 July 2005. AASB 2005-4 amends AASB 139 'Financial Instruments: Recognition and Measurement' so that the ability to designate financial assets and financial liabilities at fair value is restricted. AASB 2005-6 excludes business combinations involving common control from the scope of AASB 3 'Business Combinations'.

There is no impact from the adoption of AIFRS therefore there is no requirement to provide reconciliations explaining the transition to AIFRS as at 1 July 2004 and 30 June 2005.



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2006**

**2) Summary of significant accounting policies**

**(a) General Statement**

The financial statements constitute a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording.

The Financial Administration and Audit Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over the Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

Where modification is required and has a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

**(b) Basis of Preparation**

The financial statements have been prepared in accordance with Accounting Standard AAS 29 'Financial Reporting by Government Departments' on the accrual basis of accounting using the historical cost convention, modified by the revaluation of land, buildings and infrastructure which have been measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars.

There are no judgements that have been made in the process of applying the Board's accounting policies that have a significant effect on the amounts recognised in the financial statements.

There are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2006**

**(c) Reporting Entity**

The reporting entity comprises the Board as a single entity.

**(d) Income**

*Revenue*

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

*Contributions from mine owners*

Revenue is recognised at fair value when the Board obtains control over the assets comprising the contributions which is usually when cash is received.

*Interest*

Revenue is recognised as the interest accrues.

**(e) Cash and Cash Equivalents**

For the purpose of the Cash Flow Statement, cash and cash equivalents includes restricted cash and cash equivalents. These are comprised of cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

**(f) Receivables**

Receivables are recognised and carried at original invoice amount less an allowance for uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Board will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

**3. Current assets – cash assets:**

The cash assets total of \$820,913 for the 2005/06 financial year comprises of two accounts – A/c No.1 of \$261,048 and A/c No.2 (former Coal Mines Accident Relief Fund Trust) of \$559,865.



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS  
30 JUNE 2006  
(CONTINUED)**

4. <b>Current assets – receivables:</b>	<b>2005/2006</b>	<b>2004/2005</b>
Contributions from mine owners	\$47,054	\$41,959
Interest on Investments	\$ 9,240	\$ 2,852
	-----	-----
<b>TOTALS</b>	<b>\$56,294</b>	<b>\$44,811</b>
	=====	=====

The Board considers the carrying amount of Receivables approximates their net fair values.

5. <b>Accumulated surplus:</b>	<b>2005/2006</b>	<b>2004/2005</b>
Opening balance	\$801,634	\$719,387
Net profit / (loss)	\$ 75,573	\$ 82,247
	-----	-----
<b>Closing balance</b>	<b>\$877,207</b>	<b>\$801,634</b>
	=====	=====

**6 Reconciliation of net cash used in operating activities to operating surplus:**

	<b>2005/2006</b>	<b>2004/2005</b>
Net cash (used in) from operating activities	\$64,090	\$ 84,299
Increase/(decrease) in receivables contributions	\$ 5,095	(\$ 1,846)
Increase/(decrease) in receivables interest	\$ 6,388	(\$ 206)
	-----	-----
<b>Net surplus</b>	<b>\$75,573</b>	<b>\$82,247</b>
	=====	=====



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS**

**30 JUNE 2006**

**(CONTINUED)**

**7 Former coal mines accident relief fund trust:**

The accounts show separately all funds received into and expenditure made from the former Coal Mines Accident Relief Fund Trust - now known as Coal Miners' Welfare Act section 6(1a) account (No.2 A/c).

In accordance with the Act, expenditures from the No.2 A/c are made after consultation has occurred with both coal mining companies. The companies have a right to be consulted and their views are made known to the Board. The Board makes the final determinations which, other than section 16(1) payments, require the ultimate approval of the Hon Minister for State Development.

The amending legislation was effective as and from 1st January 1999.

**8 Additional financial instruments disclosure:**

Interest Rate Risk Exposure:

The following table details the Board's exposure to interest rate risk as at the reporting date

	Weighted Average Effective Interest Rate	Fixed Interest Rate Maturities 1 Year or Less	Non Interest Bearing	TOTAL
<b>30 June 2006</b>	%	\$	\$	\$
<b>Assets:</b>				
Cash at bank	5.24%	\$820,913		\$820,913
Accrued sundry debtors contributions			\$47,054	\$ 47,054
Accrued interest			\$ 9,240	\$ 9,240
<b>Total financial assets</b>		<b>\$820,913</b>	<b>\$56,294</b>	<b>\$877,207</b>
<b>30 June 2005</b>				
<b>Assets:</b>				
Cash at bank	5.22%	\$756,823		\$756,823
Accrued sundry debtors contributions			\$41,959	\$ 41,959
Accrued interest			\$ 2,852	\$ 2,852
<b>Total Financial Assets</b>		<b>\$756,823</b>	<b>\$44,811</b>	<b>\$801,634</b>



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS**

**30 JUNE 2006**

**(CONTINUED)**

**Credit Risk Exposure**

All financial assets are unsecured and the carrying amounts represent the Board's maximum exposure to credit risk in relation to those assets.

**9 Explanatory statement:**

- i) The accounts have been prepared on an accrual basis under historic cost convention.
- ii) Significant variations between estimates and actual results for the financial year.

<u>ITEM</u>	<u>ACTUAL</u>	<u>ESTIMATE</u>	<u>VARIANCE</u>	<u>REASON</u>
<b>INCOME:</b>				
Contributions	\$161,746	\$147,016	\$ 14,730	More coal produced than anticipated
Interest on investments	\$ 36,880	\$ 32,000	\$ 4,880	More funds held under investment during the year
<b>EXPENDITURE:</b>				
Grants	\$117,345	\$ 250,000	(\$132,655)	Less grants made in year than anticipated.
Operating Expenses	\$ 5,708	\$ 6,300	(\$ 592)	Nil



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2006  
(CONTINUED)**

**10. Remuneration of auditor**

Remuneration payable to the Auditor General  
for the financial year is as follows:

Auditing the accounts, financial statements and performance indicators	4,500	4,000
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**11. Statement of Grants Made for Year Ended 30 June 2006**

NAME	PURPOSE	GRANT
Shire of Collie Disability Committee	Liberty Swing & Playground Equipment	\$ 55,000
Collie Silver Chain Assoc	CADD Pump for Patient Home Services	\$ 2,100
Collie Athletics Club	New Hurdle Equipment	\$ 6,000
YOUTH CARE Collie	Collie Schools Chaplaincy Program	\$ 5,000
Collie Lawn Tennis Club	New Club House Roof	\$ 4,000
Wendy Thompson-Wildlife Carer	Care of Abandoned/Injured Wildlife	\$ 500
1 <sup>st</sup> Collie Scout Group	Repairs to Scout Hall	\$ 6,500
Collie Visitor Centre	New Air Conditioner for Centre	\$ 2,000
Collie Local Studies Group	Recording History of Collie Coal	\$ 1,000
Jessica Antonovich	State Hockey Team (Sports Asst Policy)	\$ 400
Carly O'Brien	State Basketball Team (Sports Asst Policy)	\$ 400
Tyler King	State Basketball Team (Sports Asst Policy)	\$ 400
Griffin Social Club	New Shed for "Griffin Train"	\$ 10,340
Darcy Gibbs	Fairview Primary School Scholarship	\$ 100
Zoe Kellow	Fairview Primary School Scholarship	\$ 100
Siobhan Robertson	Allanson primary School Scholarship	\$ 200
Danielle Joss	Amaroo primary School Scholarship	\$ 100
Eleisha Laurent	Amaroo Primary School Scholarship	\$ 100
Brennan Mileto	St Brigids Primary School Scholarship	\$ 100
Renae Dalton	St Brigid's Primary School Scholarship	\$ 100
Shenae Magill	Wilson Park Primary School Scholarship	\$ 200
Shire of Collie	Annual Maintenance Collie Air Strip	\$ 500
Collie Family Centre	Annual Operating Grant	\$ 1,000
Shire of Collie	New Equipment for Skate Park	\$ 8,500
Collie Mineworkers' Institute	Maintenance & repair Costs Assistance	\$ 10,000
Collie Schools' Excursion Fund	Assistance for Needy Collie School Children to attend School Camps/Excursions	\$ 2,705

**TOTAL GRANTS MADE**

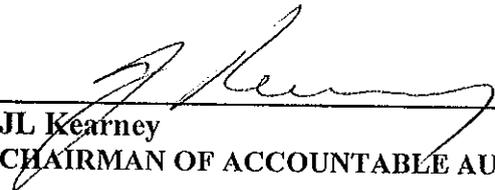
**\$117,345**



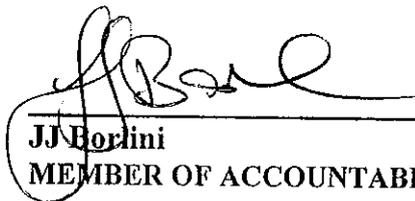
**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**CERTIFICATION OF PERFORMANCE INDICATORS  
FOR THE YEAR ENDED 30 JUNE 2006**

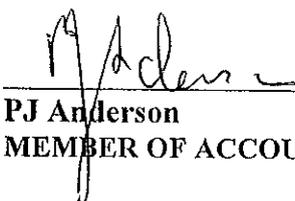
We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Coal Miners' Welfare Board of Western Australia's performance and fairly represents the performance of the Coal Miners' Welfare Board of Western Australia for the financial year ended 30 June 2006

  
 \_\_\_\_\_  
**JL Kearney**  
 CHAIRMAN OF ACCOUNTABLE AUTHORITY

18-9-06  
 Date

  
 \_\_\_\_\_  
**JJ Borlino**  
 MEMBER OF ACCOUNTABLE AUTHORITY

18.9.6  
 Date

  
 \_\_\_\_\_  
**PJ Anderson**  
 MEMBER OF ACCOUNTABLE AUTHORITY

18/9/06  
 Date



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**STATEMENT OF PERFORMANCE INDICATORS  
FOR THE YEAR ENDED 30 JUNE 2006**

The main functions of the Board are:

- \* to receive coal production levies from coal mining companies operating upon the Collie coalfield, and
- \* to distribute the levy (Welfare Fund) received in accordance with provisions of the *Coal Miners' Welfare Act 1947*.

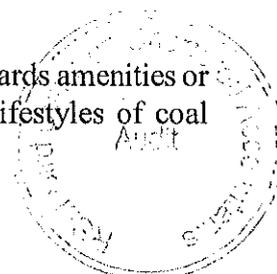
In considering the distribution of the Welfare Fund, the Board:

- \* recognises firstly any amenities or needs directly benefiting or affecting the welfare of coal miners,
- \* attempts to assist as wide a cross section of community interests as possible,
- \* shows preference to community groups which, where possible, are also contributing to projects the subject of grant assistance requests,
- \* contributes to the establishment of tangible assets from which the community as a whole can benefit,
- \* does not as a general rule contribute to fund raisings the benefits of which are limited to individual community members although official policy has been developed in respect of grant applications relating to State or National sporting events selections.

**PERFORMANCE INDICATORS**

**OUTCOME:**

To provide total or partial financial assistance towards amenities or needs capable of improving the well being or lifestyles of coal miners or Collie residents generally.



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**PERFORMANCE INDICATORS**

**Effectiveness Indicators:**

*"Percentage of expenditure used to provide financial assistance towards improving the well being or lifestyle of coal miners and Collie residents"*

NOTE : 100% of the grants issued were used to provide financial assistance or amenities for coal miners or Collie residents.

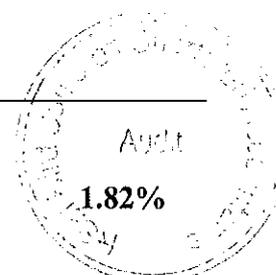
2005//06	2004/05	2003/04	2002/03	2001/02
95.36%	94.91%	95.86%	96.95%	96.87%

**Efficiency Indicators:**

The efficiency of the Coal Miners' Welfare Board is reflected by the percentage of funds received that are used for administrative purposes.

*"Percentage of funds received used for administrative purposes"*

2005/06	2004/05	2003/04	2002/03	2001/02
2.87%	2.83%	5.07%	2.71%	1.82%



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA**

**ANNUAL ESTIMATES  
FOR THE FINANCIAL YEAR 2006/07**

Credit Balances 1/7/2006 -

Welfare Board A/c No.1	261,047	
Welfare Board A/c No.2	559,865	
	-----	820,912

Estimated Revenue for Year -

Welfare Board A/c No.1 (Based on 6,500,000 tonnes of coal at 2 cents per tonne)	130,000	
Welfare Board A/c No.2 (Based on 6,500,000 tonnes of coal at 0.4101 cents per tonne)	26,656	
	-----	156,656

Interest on Investments - A/c No.1 and A/c No.2		35,000
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\$1,012,568

Estimated Expenditure for Year -

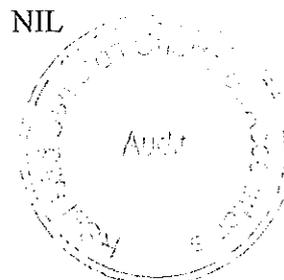
Grants to Local Organisations A/c No.1	160,000	
Grants to Local Organisations A/c No.2	50,000	
Operating Expenses	6,500	
	-----	216,500

**Estimated Credit Balance 30/6/2007**

**\$796,068**  
=====

Capital Grant Works - Estimated Expenditure

NIL



## THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

### POLICY RELATING TO COMMUNITY GRANT REQUESTS

---

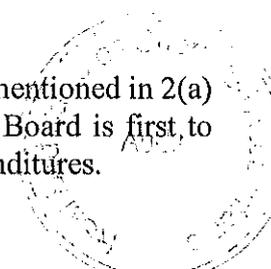
#### POLICY OBJECTIVE:

To provide financial assistance to local (Collie) community groups to establish new, or enhance existing, community facilities (including the provision of amenities, fixtures or fittings within any such facility) for the betterment of the whole Collie community. Such assistance shall only be provided within the scope of the enabling legislation, the *Coal Miners Welfare Act, 1947*. This Policy adheres to the provision of all discrimination and disability legislative requirements.

#### POLICY:

1. The Coal Miners' Welfare Board (the Board) receives funding from Collie coal mining companies in accordance with provisions of the *Coal Miners Welfare Act 1947* and associated Regulations. Currently funds are derived as follows -
  - (a) 2 cents per tonne of coal produced payable quarterly – funds are deposited into the Board's No.1 operating account;
  - (b) 0.4101 cents per tonne of coal produced payable half-annually – funds are deposited into the Board's No.2 operating account.
  
2. The Board is empowered to expend funds from its accounts as follows -
  - (a) From the No.1 operating account :
    - (i) by resolution of the Board upon the provision of amenities for coal miners and the improvement of the physical, cultural and social well-being of coal miners, and the education, recreation and conditions of living coal miners, as the Board may consider desirable;
    - (ii) by resolution of the Board and with the prior approval of the Minister, towards provisions of amenities for persons, including persons who are not coal miners, as the Board considers desirable;
  - (b) From the No.2 operating account :
 

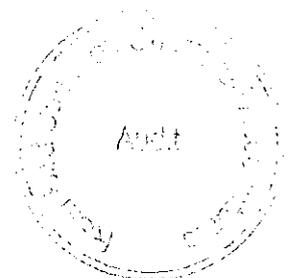
by resolution of the Board and in accordance with conditions mentioned in 2(a) above except that prior to any expenditures being made, the Board is first to consult with the coal mining companies on the proposed expenditures.



3. All applications for financial assistance are to be submitted in writing to the Board and they are to be considered at the next available Board meeting.
4. In considering applications, the Board will have regard to -
  - (i) the merit and/or community standing of the applicant body;
  - (ii) the total amount of funds requested and the contribution to be made from its own resources by the applicant body;
  - (iii) the extent of community benefit expected to be derived from the applicant's proposal;
  - (iv) the intent, if any, of the applicant to share facilities or outcomes with other community bodies;
  - (v) the amount of grants previously received from the Board by the applicant body.
5. The Board, as a general rule, will only contribute to amenities that produce benefits to the community as a whole or to a significant number of community members individuals of which cannot derive personal financial gain or profit from the amenity being provided. Exceptions to this rule are as provided for in the Board's policies relating to 'Assistance to Sporting Individuals or Groups' or 'Assistance to Individuals or Groups for Education Research Purposes' or 'Assistance to School Children in Need to Attend Educational Camps or Outings'.
6. The Board will only approve expenditures on amenities contained within the boundaries of the Shire of Collie.



(This Policy Last Reviewed in October 2004)



**THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA**

**POLICY RELATING TO GRANT REQUESTS  
ASSISTANCE TO SPORTING INDIVIDUALS OR GROUPS**

---

**POLICY OBJECTIVE:**

To financially assist local sporting individuals or teams to participate at State or National levels and to provide a level of assistance that is fair and equitable to all.

**POLICY:**

1. Financial assistance is only available to local (Collie) persons or local (Collie) teams. Where reference is made to "local (Collie) persons" it is to be construed that persons who have left Collie for study/work or sporting reasons but whose families still reside in Collie are still to be regarded as local (Collie).  
Persons who have been absent from the Shire of Collie district for a continuous period of six (6) years or more shall cease to be covered by this Policy as they will be deemed to have reached adulthood (beyond 21 years of age) and therefore no longer considered to be a Collie resident. In cases of exceptional circumstances (such as left Collie at an earlier than normal age for specified training, eg Olympic gymnastic training) the Board may continue to grant funding assistance beyond the six years limit specified above.
2. Assistance will only be provided towards the cost of participants' uniforms or equipment and not for intangibles such as travel fares, accommodation, meals or the like.
3. Assistance provided to individuals within any calendar year can span more than one sport but the individual claiming cannot in any case receive more than the maximum amount so specified for that calendar year.
4. All applications should be accompanied by a statement or authorisation from the parent body or organising committee advising -
  - (i) the applicant is a bona fide participant of the relevant event,
  - (ii) the anticipated costs for participating (uniforms and/or equipment costs).
5. (A) Financial assistance is to be categorised into -
  - (i) participation at a State level,
  - (ii) participation at a National level.



## (B) State Level -

Assistance may be provided up to a maximum of -

- (i) \$400 per individual participant in any calendar year,
- (ii) \$1,000 per participating team in any calendar year.

Applicants may re-apply in subsequent years should the selection be on-going.

## (C) National Level -

Assistance may be provided up to a maximum of -

- (i) \$800 per individual participant in any calendar year,
- (ii) \$1,500 per participating team in any calendar year.

Applicants may re-apply in subsequent years should the selection be on-going.

## 6. For definition purposes:-

- (i) **State** is taken to be any local (Collie) individual who represents an organisation at State level or a team that originates as a composite of players from within WA and competes in that composite team at State level whether that competition is at home, interstate or overseas.
- (ii) **National** is taken to be any local (Collie) individual who represents an organisation at Australian level or a team that originates as a composite of players Australia wide and who competes in that composite team at National level whether that competition is in Australia or overseas.

7. All applications for financial assistance shall be brought before the next available meeting of the Board for consideration and determination according to their individual merits. Nothing in this Policy is to be construed as to infer that there is an automatic right of any individual or team to receive financial assistance.

8. All applications whether approved or rejected by the Board shall be replied to by the Secretary advising of the outcome of the Board's deliberations and in the case of rejection the Board's reasons for such shall be made known.



**THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA**

**POLICY RELATING TO GRANT REQUESTS FOR  
ASSISTANCE TO INDIVIDUALS OR GROUPS FOR  
EDUCATIONAL RESEARCH PURPOSES**

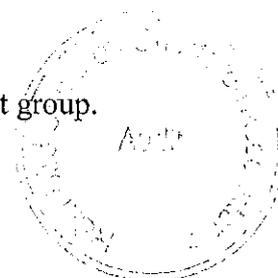
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**POLICY OBJECTIVE:**

To financially assist local individuals or groups to undertake educational research projects that have a direct benefit to Collie's social, educational, health, welfare or employment opportunities.

**POLICY:**

1. Financial assistance is only available to local (Collie) persons or local (Collie) groups. Where reference is made to "local (Collie) persons" it is to be construed that persons who have left Collie for study reasons but whose families still reside in Collie are to be regarded as local (Collie).
2. Assistance will be provided towards costs directly associated with an identified research project that may be of benefit to the Collie community. The Board reserves the right to reject any application where in the opinion of the Board it is not considered that the application fits within this important criterion.
3. Assistance provided to individuals or groups within any calendar year may include more than one research project but the individual or group claiming cannot in any case receive more than the maximum amount so specified for that particular year.
4. All applications must be accompanied by sufficient background information to ensure:-
  - (i) the applicant is a bona fide student directly related to the research project;
  - (ii) the research project is authentic;
  - (iii) the associated costs for the research project can be verified.
5. Financial assistance may be provided up to a maximum of:-
  - (i) \$400 per individual in any calendar year; or
  - (ii) \$1,000 per group where three or more people are members of that group.



6. All applications for financial assistance shall be brought before the next available meeting of the Board for consideration and determination according to their individual merits. Nothing in this Policy is to be construed as to infer that there is an automatic right of any individual or group to receive financial assistance.
7. All applications whether approved or rejected by the Board shall be replied to by the Secretary advising of the outcome of the Board's deliberations and in the case of rejection the Board's reasons for such shall be made known.



(This Policy Last Reviewed in October 2004)



**THE COAL MINERS' WELFARE BOARD OF WA**  
**POLICY RELATING TO PAYMENT OF GRANTS TO**  
**ASSIST COLLIE SCHOOL CHILDREN IN NEED TO ATTEND**  
**SCHOOL EDUCATIONAL OR RECREATIONAL OUTINGS**

---

**POLICY OBJECTIVE:**

To assist needy Collie school children to attend school educational or recreational outings (including school camps). It is recognised that many Collie school children come from needy families and without assistance they may not be able to attend school outings or may be made to feel inferior about their inability to attend due to family financial constraints. The Board considers the payment of financial assistance grants to be one its social responsibilities in distributing the Board's funds to the wider Collie community.

**POLICY:**

1. This fund is only available to children attending school in Collie.
2. All applications for funding are to be submitted to the Secretary on the approved application form (as attached to this Policy).
3. Applicants are to append to their application form proof of their eligibility which, in most cases, will be copies of pension or unemployment relief benefit cards. In exceptional circumstances of hardship, the Secretary, in consultation with the school, may approve applications where the applicant is not in possession of a pension or unemployment benefit card.
4. The Secretary is to ascertain the validity of all school outings applied for by applicants.
5. The Board will only make payment of 50% of the cost of the school outing, the payment to be made direct to the organising school. The balance of the cost is the responsibility of the applicant.
6. The Secretary is authorised by this Policy to receive applications, to make all necessary enquiries to ascertain validity of such applications and to make payment of the appropriate grant assistance to the applicant's school.
7. From time to time the Board, with approval of the Minister, will set aside funds that can be applied to meet the objectives of this Policy.



(This Policy Last Reviewed in October 2004)



**THE COAL MINERS' WELFARE BOARD  
OF WESTERN AUSTRALIA  
- COLLIE -**

The Secretary  
C/- Shire of Collie  
87 Throssell Street  
COLLIE WA 6225  
Telephone 9734 1000

**SCHOOL EXCURSION FUND  
APPLICATION FORM  
(To be completed by Applicant)**

Name of Applicant \_\_\_\_\_

Address \_\_\_\_\_

Child/Children's Name/s \_\_\_\_\_

Name of School \_\_\_\_\_

Title of Activity/Outing \_\_\_\_\_

Date of Activity/Outing \_\_\_\_\_

Total Cost of Activity/Outing \_\_\_\_\_  
(as determined by School)

Subsidy Sought (50% of total cost is  
Maximum subsidy payable by Board) \_\_\_\_\_

Pensioner/Concession/Health Care Card  
Number (Copy of card must be attached  
to application form for Board purposes) \_\_\_\_\_

\_\_\_\_\_  
(Signature of Applicant)

Welfare Board Use Only

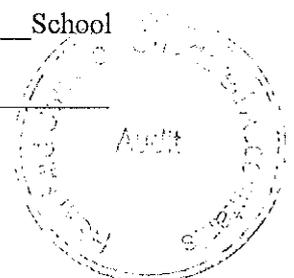
Date Application received \_\_\_\_\_

Benefit Card Sighted/Attached \_\_\_\_\_

Authorised for Payment \_\_\_\_\_

Cheque Made Payable To \_\_\_\_\_ School \_\_\_\_\_

Amount of Cheque \_\_\_\_\_ Cheque No \_\_\_\_\_ Issued \_\_\_\_\_





Our Ref: 2006/00451/01

Chairperson  
The Coal Miners Welfare Board of Western Australia  
C/ - Shire of Collie  
87 Throssell Street  
COLLIE WA 6225

4th Floor Dumas House  
2 Havelock Street  
West Perth 6005  
Western Australia

Tel: 08 9222 7500  
Fax: 08 9322 5664  
Email: info@audit.wa.gov.au

SERVING THE PUBLIC INTEREST

Dear Sir

**FINANCIAL STATEMENTS AND PERFORMANCE INDICATORS YEAR ENDED 30 JUNE 2006**

The Office has completed the annual audit of the financial statements, controls and performance indicators for your agency. We enclose a copy of the opinion of the Auditor General, together with a set of the audited financial statements and performance indicators. We have forwarded the audit opinion, financial statements and performance indicators to the Minister for Employment Protection for tabling in Parliament.

The result of the audit was satisfactory. Please note that the primary purpose of our audit was to obtain sufficient audit evidence to form an opinion on the financial statements, controls and performance indicators. As a result, we may not have identified all matters that require management attention.

I would like to take this opportunity to thank you, the management and the staff of your agency for their cooperation with the audit team during our audit.

If you would like to discuss these matters further, please contact me on 9222 3906.

Yours faithfully

PETER SPARKES  
DIRECTOR CONTRACTED AUDITS  
27 September 2006

Attach

**AUDITOR GENERAL****INDEPENDENT AUDIT OPINION**

To the Parliament of Western Australia

**THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA  
FINANCIAL STATEMENTS AND PERFORMANCE INDICATORS  
FOR THE YEAR ENDED 30 JUNE 2006****Audit Opinion**

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of The Coal Miners' Welfare Board of Western Australia at 30 June 2006 and its financial performance and cash flows for the year ended on that date. They are in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions;
- (ii) the controls exercised by the Board provide reasonable assurance that the receipt and expenditure of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key effectiveness and efficiency performance indicators of the Board are relevant and appropriate to help users assess the Board's performance and fairly represent the indicated performance for the year ended 30 June 2006.

**Scope**

The Board is responsible for keeping proper accounts and maintaining adequate systems of internal control, for preparing the financial statements and performance indicators, and complying with the Financial Administration and Audit Act 1985 (the Act) and other relevant written law.

The financial statements consist of the Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and the Notes to the Financial Statements.

The performance indicators consist of key indicators of effectiveness and efficiency.

***Summary of my Role***

As required by the Act, I have independently audited the accounts, financial statements and performance indicators to express an opinion on the financial statements, controls and performance indicators. This was done by testing selected samples of the evidence. Further information on my audit approach is provided in my audit practice statement. Refer "<http://www.audit.wa.gov.au/pubs/Audit-Practice-Statement.pdf>".

An audit does not guarantee that every amount and disclosure in the financial statements and performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements and performance indicators.

D D R PEARSON  
AUDITOR GENERAL  
27 September 2006