

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

**ANNUAL REPORT**

**2009/2010  
FINANCIAL YEAR**

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

**ANNUAL REPORT FOR 2009/2010**

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

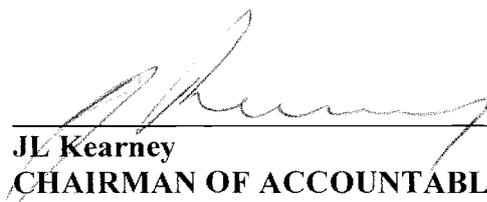
**STATEMENT OF COMPLIANCE  
2009/2010 FINANCIAL YEAR**

**To : The Hon Norman Moore, MLC  
Minister for Mines and Petroleum**

In accordance with Section 66 of the Financial Management Act 2006, 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 30 June 2010.

The Annual Report has been prepared in accordance with the provisions of the Financial Management Act 2006.

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**

19 AUG 2010

\_\_\_\_\_  
**Date**

  
\_\_\_\_\_  
**L Strojek**  
**MEMBER OF ACCOUNTABLE AUTHORITY**

19 AUG 2010

\_\_\_\_\_  
**Date**

  
\_\_\_\_\_  
**IH Miffling**  
**CHIEF FINANCE OFFICER**

19 AUG 2010

\_\_\_\_\_  
**Date**

## THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

### ENABLING LEGISLATION COAL MINERS' WELFARE ACT 1947

The Coal Miners' Welfare Act of 1947 {'the Act'}(assented to on 10 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 CFMEU Mining and Energy Division, Collie, and;
- iii) One other community member.

The Act confers 'by virtue of office' Board membership to the President of the Combined Mining Unions' Council (and therefore as Chairman of the Board) and the President of the CFMEU Mining and Energy Division, Collie. The other member of the Board is a 'community person' appointed by the Hon Minister from applications sought by the Board from within the Collie community. The Board makes recommendation from amongst the applications received but the ultimate appointment is at the discretion of the Hon Minister. The Act also provides for the 'by virtue of office' members to have Deputies and in the case of the President of the CFMEU Mining and Energy Division, Collie this provision has been utilised. The President (who is resident in the North West Pilbarra district) is unable to attend Board meetings in Collie and it has therefore been necessary to have his Deputy within the coal mining industry in Collie act in his stead.

## THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

### ENABLING LEGISLATION (CONTINUED)

The community member's 3 years term of appointment expired on 31 December 2009 and accordingly the position was advertised to the wider Collie community. Mrs Pamela Anderson, who was the sitting member, did not seek re-appointment to the position and as a result of the advertising/appointment process, a new Board member in Mrs Jodie Hanns was appointed for a three year term commencing as and from 1 January 2010.

The Board may, of its own decision, appoint a Secretary to service the Board and may also, with the approval of the Hon Minister, appoint such other officers or employees as are deemed necessary to efficiently carry out the duties and functions imposed under the Act. The only appointment necessary at this time is a part time Secretary.

The Board is responsible to the Minister for Mines and Petroleum and reports to the Minister through the Department of Mines and Petroleum.

Significant amendments have been made in recent times to the Coal Miners' Welfare Act, the first being in 1998. Parliament passed the "*Coal Mines Legislation Amendment and Revival Act 1998*" (Act No.59 of 1998) which was assented to on 31 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 COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA**

### **ENABLING LEGISLATION (CONTINUED)**

The Board's current account and various short term investments are now operated through the Collie Community (Bendigo) 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 \$29,891 was actually earned from interest on investments during the 2009/10 financial year. This amount is 29.5% lower than the previous year which is reflective of lower rates of interest and lesser amounts of investment funds. Interest earnings will always 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 interest revenue.

The second significant amendment to the Act occurred in 2006 (Act No.17 of 2006 assented to on 17 May 2006) whereby numerous changes were made, such as –

- to section 4 Interpretations (relating to the “Board”, “coal miners”, “Member” and “Secretary”;
- minor amendments to section 6 including new sub-sections 6(3) and 6(4) which relate to penalties for non compliance by mine owners;
- a complete new section 7 relating to “Inspection of records”;
- complete replacement of sections 9 to 12 whereby “Membership of the Board” has been redefined (including membership by virtue of office for the President of the Combined Mining Unions Council and President of the CFMEU Mining and Engineering Division, Collie, and a membership period of up to three years for the community member); a new section has been included providing for “Deputy and temporary members” (of the Board); “Removal and resignation” of Board Members has been redefined; and new provisions for the “Replacement of Members” (of the Board);
- complete replacement of section 14(1) which deals with convening and holding of Board meetings; and
- amendments to sections 23 and 25 dealing with penalty amounts for breaches of the Act or Regulations.

## THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

### BOARD MEMBERSHIP AND OPERATIONS (CONTINUED)

The current members of the Coal Miners Welfare Board are -

- |   |                  |
|---|------------------|
| * <b>Mr John Leslie KEARNEY</b><br>(President of the Combined Mining Unions' Council)                     | <b>Chairman</b>  |
| * <b>Mr Leon Frank STROJEK</b><br>(Deputy to the President of the CFMEU Mining & Energy Division, Collie) | <b>Member</b>    |
| * <b>Mrs Jodies Louise HANNS</b><br>Community Member (since 1 <sup>st</sup> January 2010)                 | <b>Member</b>    |
| * <b>Mr Ian Houghton MIFFLING</b>   | <b>Secretary</b> |

The term of the previous Community Member, Ms Pamela Jean Anderson, expired on 31 December 2009 and Ms Anderson did not seek a further re-appointment to the position.

The Board maintains an office within the Collie Mineworkers' Institute (Inc) complex at 75 Throssell Street, Collie, WA, 6225. The Board's presence within the Institute fits within its general purpose as it is a facility specifically providing for the welfare and benefit of coal miners and it also houses the offices of the Coal Miners' Union.

The Board has no publications although its existence is commonly known about within the Collie district. From time to time the Board receives acknowledgement through the local newspaper for grants it has made to community organisations.

There have been no Ministerial directions to the Board during the past financial year, other than the need to implement applicable changes made to the *Coal Miners' Welfare Act 1947*.

In July 2009 State Cabinet endorsed a review of Boards and Committees under each Ministerial portfolio and accordingly The Coal Miners' Welfare Board was required to report in terms of the State Cabinet directive. The Board submitted its report in August 2009 and has not as yet received a response from the State Government.

## THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

### BOARD MEMBERSHIP AND OPERATIONS (CONTINUED)

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 have been approved by the Parliament. The Board has now adopted a number of good governance procedures such as –

- 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;
- publicising within the local (Collie) newspaper grants made to local organizations;
- forwarding of Annual Reports direct to each coal mining company, the Shire of Collie Public Library and the local *Collie Mail* newspaper.

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.

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

### **BOARD MEMBERSHIP AND OPERATIONS (CONTINUED)**

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 –

- \$15,000 to the Rotary Club of Collie to assist with the construction of a public dual use pathway from the Collie town centre to the Collie Public Cemetery;
- \$15,000 to The Smith Family to assist with the cost of delivering their “Learning for Life” programmes into Collie schools (this was the final payment of a three years commitment to fund to a total amount of \$45,000);
- \$15,000 to the Collie Eagles Football Club to assist with the cost of reverse cycle air conditioning to their football clubrooms (which are used by the general community for functions, events, etc);
- \$11,000 to the Collie Mineworkers’ Institute to assist with the cost of purchasing new tables for the Institute (which is the main meeting and social place of Collie coal miners);
- \$10,000 to the Collie Golf Club to assist with the cost of installing shade sales over an outdoor area used for public functions such as weddings, parties, and formal gatherings;
- \$10,000 to the Collie Race Club to assist with the installation of water and electricity supplies to the race club premises;
- \$5,000 to the Shire of Collie Public Library to assist with the cost of purchasing a new microfilm reader;
- \$3,000 to the Collie Police & Community Youth Centre to assist with the cost of running Christmas holiday events for disadvantaged Collie youth;
- \$2,500 to the Veteran Car Club of Collie to assist with the cost of installing disabled toilets to their clubrooms;
- \$2,500 to the Collie heritage Group to assist with their “Freight Van Project” being the restoration of old railway rolling stock;
- \$2,200 to the Collie Local History Studies Group to assist with the cost of purchasing a new camera and tripod to be used for recording historic Collie records;

The total outlay of \$106,895 in grants for the year has assisted twenty eight organisations and individuals who have been considered by the Board as worthy of such help.

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

**BOARD MEMBERSHIP AND OPERATIONS  
(CONTINUED)**

The Board's total income for the year amounted to \$191,689 being amounts of -

- i) \$134,266 in mine owners' contributions based on 2 cents royalty per tonne of coal produced by both the Griffin Coal Mining Co Pty Ltd (\$82,399) and Wesfarmers Premier Coal Ltd (\$51,867) and now held in a separate account being Fund No.1;
- ii) \$27,531 in mine owners' contributions based on 0.4101 cents royalty per tonne of coal produced by both the Griffin Coal Mining Co Pty Ltd (\$16,896) and Wesfarmers Premier Coal Ltd (\$10,635) 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) \$3,178 interest was earned on short term investments of the Board's surplus funds in the No.1 A/c;
- iv) \$26,714 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 eight years some \$3,336,835 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**

**BOARD MEMBERSHIP AND OPERATIONS  
(CONTINUED)**

**Record Keeping Plan:**

The Board's Recordkeeping Plan was approved in April 2010 for a further period of five (5) years by the State Records Commission. In accordance with section 28 of the *State Records Act 2000* the Plan must be reviewed and submitted to the State Records Office by 7 April 2015.

In accordance with Standard 2, Principle 6 of the *State Records Act 2000*, the Board addresses the following key areas –

- **Staff Records Management Training:**  
The Board's staff consists of 1 part time Board Secretary who attended initial training prior to the introduction of the Board's first Recordkeeping Plan in 2003. No further training has been undertaken by the Board Secretary but should the need arise, training will be instigated.
- **Compliance with the *State Records Act 2000*:**  
The Board had not previously included reference to its compliance with the *State Records Act 2000* in its previous Annual Reports but this oversight has now been corrected for this (2009/10) and future Annual Reports.

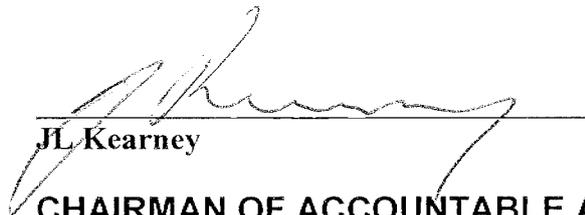
THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA

CERTIFICATION OF FINANCIAL STATEMENTS

2009/2010 FINANCIAL YEAR

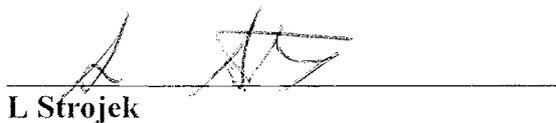
The accompanying financial statements of The Coal Miners' Welfare Board of Western Australia have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2010 and the financial position as at 30 June 2010.

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.

  
J.L. Kearney

CHAIRMAN OF ACCOUNTABLE AUTHORITY

9 AUG 2010  
Date

  
L Strojek

MEMBER OF ACCOUNTABLE AUTHORITY

9 AUG 2010  
Date

  
JH Miffling

CHIEF FINANCE OFFICER

9 AUG 2010  
Date



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

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2010**

	Note	2010 \$	2009 \$
<b>COST OF SERVICES</b>			
<b>Expenses:</b>			
Grants	14	133,610	451,275
Secretary's honorarium		6,000	5,000
Audit fees	12	6,800	6,800
Board expenses (advert)		132	--
Stationery		2,237	919
Telephone/internet		950	921
Purchase of photocopier		1,400	--
Bank fees		--	40
Depreciation		--	543
		-----	-----
<b>Total cost of services</b>		<b>151,129</b>	<b>465,498</b>
<b>INCOME</b>			
<b>Revenues:</b>			
Contributions by mine owners		161,797	166,629
Interest on investments		29,892	42,399
		-----	-----
<b>Total revenue</b>		<b>191,689</b>	<b>209,028</b>
<b>NET COST OF SERVICES</b>		<b>40,560</b>	<b>(256,470)</b>
		-----	-----
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>		<b>40,560</b>	<b>(256,470)</b>
		=====	=====
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>40,560</b>	<b>(256,470)</b>
		=====	=====

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



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

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2010**

	Note	2010 \$	2009 \$
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash and cash equivalents	4	660,962	635,063
Receivables	5	104,030	89,369
<b>Total Current Assets</b>		<u>764,992</u>	<u>724,432</u>
<b>Non Current Assets:</b>			
Plant and equipment	9	---	---
<b>Total Non-Current Assets</b>		<u>---</u>	<u>---</u>
<b>TOTAL ASSETS</b>		<u>764,992</u>	<u>724,432</u>
<b>NET ASSETS</b>		<u>764,992</u>	<u>724,432</u>
<b>EQUITY</b>			
Accumulated Surplus	6	764,992	724,432
<b>TOTAL EQUITY</b>		<u>764,992</u>	<u>724,432</u>

The Statement of Financial Position 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 2010**

	Note	\$
<b>Accumulated surplus</b>		
<b>Balance at 1 July 2008</b>		984,180
Changes in accounting policy or correction of prior period errors	5 & 9	(3,278)
		-----
<b>Restated balance 1 July 2008</b>		<b>980,902</b>
Total comprehensive income for the year		(256,470)
		-----
<b>Balance at 30 June 2009</b>		<b>724,432</b>
		=====
<b>Balance at 1 July 2009</b>		724,432
Total comprehensive income for the year		40,560
		-----
<b>Balance at 30 June 2010</b>	6	<b>764,992</b>

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



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

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2010**

	Note	2010 \$	2009 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments:</b>			
Grants		(133,610)	(451,275)
Secretary's honorarium		(6,000)	(5,000)
Audit fees		(6,800)	(6,800)
Bank Fees		--	(40)
Stationery		(2,237)	(919)
Telephone/internet		(950)	(921)
Board expenses (advert)		(132)	--
Purchase of photo copier		(1,400)	--
<b>Receipts:</b>			
Contributions from mine owners		143,254	127,044
Interest on investments		33,774	52,787
		-----	-----
<b>Net cash provided by (used in) operating activities</b>	7	<b>25,899</b>	<b>(285,124)</b>
		-----	-----
Net increase/(decrease) in cash and cash equivalents		25,899	(285,124)
Cash and cash equivalents at the beginning of the period		635,063	920,187
		-----	-----
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	4	<b>660,962</b>	<b>635,063</b>
		=====	=====

The Statement of Cash Flows 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 2010**

**1. Australian equivalents to International Financial Reporting Standards**

**General**

The Coal Miners' Welfare Board of Western Australia financial statements for the year ended 30 June 2010 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), which comprise a Framework for the Preparation and Presentation of Financial Statements (the Framework) and Australian Accounting Standards (including the Australian Accounting Interpretations).

In preparing these financial statements the Board has adopted, where relevant to its operations, new and revised Standards and Interpretations from their operative dates as issued by the AASB and formerly the Urgent Issues Group (UIG).

**Early adoption of standards**

The Board cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI101 'Application of Australian Accounting Standards and Other Pronouncements'. No Standards and Interpretations that have been issued or amended but are not yet effective have been early adopted by the Board for the annual reporting period ended 30 June 2010.

**2. 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 Management 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.



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

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 on the accrual basis of accounting using the historical cost convention.

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.

Any judgments 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 are disclosed. There were no significant judgments.

Any 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 are disclosed. There were no significant assumptions.

**(c) Reporting Entity**

The reporting entity comprises The Coal Miners' Welfare Board as a single entity only.

**(d) Income**

*Revenue Recognition*

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

*Contribution 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.



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

**(e) Plant and Equipment**

*Capitalisation/Expensing of assets*

Items of plant and equipment costing over \$5,000 are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment costing less than \$5,000 are immediately expensed direct to the Income Statement (other than where they form part of a group of similar items which are significant in total).

*Initial recognition and measurement*

All items of plant and equipment are initially recognised at cost.

For items of plant and equipment acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

*Subsequent measurement*

After recognition as an asset, the cost model is used for the measurement of all plant and equipment. All items of plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

*Depreciation*

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. Depreciation on other assets is calculated on the straight line methods, using rates which are reviewed annually. Expected useful lives for each class of depreciable asset are:

Office equipment      5 years - 10 years

**(f) Impairment of Assets**

Plant and equipment is tested for any indication of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is written down to the recoverable amount and impairment is recognised. As the Board is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated or where the replacement cost is falling. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortization reflects the level of consumption or expiration of an asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairments at each reporting date.

**(g) Cash and Cash Equivalents**

For the purpose of the Cash Flow Statement, cash and cash equivalent assets comprise 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.

**(h) Receivables**

Receivables are recognised and carried at original invoice amount less an allowance for any 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. See note 5 'Receivables'.

**(i) Financial Instruments**

In addition to cash, the Board has one category of financial instrument:

- Loan and receivables

These have been disaggregated into the following classes:

Financial Assets

- Cash and cash equivalents
- Receivables



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

Initial recognition and measurement is at fair value. The transaction cost or face value is equivalent to the fair value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material

**(j) Comparative Figures**

Comparative figures are, when appropriate, reclassified to be comparable with figures presented in the current financial year

**3. Disclosure of Changes in Accounting Policy and Estimates**

**Initial application of an Australian Accounting Standard**

The Board has applied the following Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 July 2008 that impacted on the Board:

Review of AAS 27 'Financial Reporting by Local Governments', 29 'Financial Reporting by Government Departments' and 31 'Financial Reporting by Governments'. The AASB has made the following pronouncements from its short term review of AAS 27, AAS 29 and AAS 31:

AASB 1004 'Contributions';

AASB 1050 'Administered Items';

AASB 1051 'Land Under Roads';

AASB 1052 'Disaggregated Disclosures';

AASB 2007-9 'Amendments to Australian Accounting Standards arising from the review of AASs 27, 29 and 31 [AASB3, AASB5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127 & AASB 137]; and

Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities'

The existing requirements in AAS 27, AAS 29 and AAS 31 have been transferred to the above new and existing topic-based Standards and Interpretations. These requirements remain substantively unchanged. AASB 1050, AASB 1051 and AASB 1052 only apply to statutory authorities. The other Standards and Interpretations make some modifications to disclosures and provide additional guidance, otherwise, there will be no financial impact.



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

**Future impact of Australian Accounting Standards not yet operative**

The Board cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the Board has not applied the following Australian Accounting Standards and Australian Accounting Interpretations that have been issued and which may impact the Board but are not yet effective. Where applicable, the Board plans to apply these Standards and Interpretations from their application date:

Title	Operative for reporting periods beginning on/after
AASB 101 'Presentation of Financial Statements'(September 2007). This Standard has been revised and will change the structure of the financial statements. These changes will require that owner changes in equity are presented separately from non-owner changes in equity. The Board does not expect any financial impact when the Standard is first applied	1 Jan 2009
AASB 2008-13 'Amendment to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners [AASB 5 & AASB 110]'. This Standard amends AASB 5 'Non-current Assets Held for Sale and Discontinued Operations' in respect of the classification, presentation and measurement of non-current assets held for distribution to owners in their capacity as owners. This may impact on the presentation and classification of Crown land held by the Authority where the Crown land is to be sold by the Department of Regional development and Lands (formerly) Department for Planning and Infrastructure. The Authority does not expect any financial impact when the Standard is first applied prospectively.	1 July 2009
AASB 2009-2 ' Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments [AASB 4, AASB 7, AASB 1023 & AASB 1038]'. This Standard amends AASB 7 and will require enhanced disclosures about fair value measurements and liquidity risk with respect to financial instruments. The Authority does not expect any financial impact when the Standard is first applied.	1 Jan 2009

**THE COAL MINERS' WELFARE BOARD OF  
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<b>4.</b>	<b>Cash and Cash equivalent</b>	<b>2010</b>	<b>2009</b>
		\$	\$
	Cash at bank	40,316	13,179
	Term deposits	620,646	621,884
		-----	-----
		<b>660,962</b>	<b>635,063</b>
		-----	-----

The cash assets comprises of two accounts A/c No.1 of \$82,689 and A/c no.2 (former Coal Mines Accident Relief Fund Trust) of \$578,273.

<b>5.</b>	<b>Receivables</b>		
	Contributions from mine owners	101,302	82,759
	Interest receivables	2,728	6,610
		-----	-----
		<b>104,030</b>	<b>89,369</b>
		=====	=====

All Receivables due to the Board are considered of minimal risk due to the requirement of the coal mining companies to make payments in terms of section 6 of the *Coal Miners' Welfare Act 1947*.

**Credit Risk**

Ageing of receivables past due but not impaired based on the information provided to senior management, at balance sheet date:

Not more than 3 months	73,225	82,759
More than 3 months	28,077	

\$28,077 relates to amounts owing as at 31<sup>st</sup> December 2009 when The Griffin Coal Mining Co Pty Ltd went into voluntary administration. The administrators (KordaMentha Pty Ltd) have been advised of the debt owing and it is expected that the debt will be settled in full or part (or perhaps not at all) once the company is sold at some future date.

It is noted that an amount of \$229 was written off due to an incorrect amount being advised by the Department of Mines & Petroleum as owing by a coal mine operator as at 30 June 2009. The error was not discovered until September 2009 at which time an adjustment was required. The coal mine operator paid the net difference to the Board and the \$229 over charge was written off.

**THE COAL MINERS' WELFARE BOARD OF  
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**6. Equity**

Equity represents the residual interest in the net assets of the Board. The government holds the equity in the Board on behalf of the community.

<b>Accumulated surplus:</b>	<b>2010</b>	<b>2009</b>
Balance at start of year	724,432	984,180
Changes in accounting policy or correction of prior period error	---	(3,278)
Restated balance at stated of year	<b>724,432</b>	<b>980,902</b>
Result for period	40,560	(256,470)
	-----	-----
<b>Closing balance</b>	<b>764,992</b>	<b>724,432</b>
	=====	=====

**7. Notes to the Cash Flow Statement**

Reconciliation of net cost of services to net cash flow (used in)/provided by operating activities:

Net cost of services for the year	40,560	(256,470)
Sundry debtors written off	(229)	
Depreciation		543
Decrease/(increase) in receivables contributions	(18,314)	(39,586)
Decrease/(increase) in receivables interest	3,882	10,389
	-----	-----
<b>Net cash provided by/(used in) operating Activities</b>	<b>25,899</b>	<b>(285,124)</b>
	=====	=====

**8. 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 Mines and Petroleum.

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



**THE COAL MINERS' WELFARE BOARD OF  
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NOTES TO THE FINANCIAL STATEMENTS  
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**9. Plant and equipment**

The balance sheet showed an amount of \$3,049 as assets for leasehold improvements and furniture and equipment as at 30 June 2009. The 2008/09 audit recommended that the \$3,049 balance be written off as at 1 July 2009 as the carrying amount did not comply with 'Treasurer's Instruction 410' which establishes a mandatory limit of \$5,000 for the recording upon the balance sheet of items of property, plant and equipment. The Board resolved at its meeting held on 22 February 2010 to comply with the 'Treasurer's Instruction 410' and to write off the amount of \$3,049 as at 1 July 2010.

**10. Financial Instruments**

**(a) Financial Risk Management Objectives and Policies**

Financial Instruments held by the Board are cash and cash equivalents, term deposits and receivables. The Board has limited exposure to financial risks. The Board's overall risk management program focuses on managing the risks identified below:-

***Credit Risk***

Credit risk arises when there is the possibility of the Board's receivables defaulting on their contractual obligations resulting in financial loss to the Board. The Board measures credit risk on a fair value basis and monitors risk on a regular basis.

The maximum exposure to credit risk at balance sheet date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment, as shown in the table at Note 10(c).

The Board trades only with recognised, creditworthy third parties. Receivable balances are monitored on an on-going basis with the result that the Board's exposure to bad debts is minimal. There are no significant concentrations of credit risk.

Provision for impairment of financial assets is calculated on past experience, and current and expected changes in client credit ratings. For financial assets that are either past due or impaired, refer to Note 5 'Receivables'.

**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

*Liquidity Risk*

The Board is exposed to liquidity risk through its trading in the normal course of business. Liquidity risk arises when the Board is unable to meet its financial obligations as they fall due.

The Board's objective is to maintain a balance between continuity of funding and flexibility through the use of bank account and investment facilities. The Board has appropriate procedures to manage cash flows by monitoring forecast cash flows to ensure sufficient funds are available to meet its commitments.

*Market Risk*

The Board does not trade in foreign currency and is not materially exposed to other price risks. The Board's exposure to market risk changes in interest rates relate primarily to the long-term debt obligations.

**b) Categories of Financial Instruments**

In addition to cash and bank overdraft, the carrying amounts of each of the following categories of financial assets and financial liabilities at the balance sheet date are as follows –

<i>Financial Assets:</i>	<b>2010</b>	<b>2009</b>
	\$	\$
Cash and cash equivalents	660,962	635,063
Receivables	104,030	89,369

**c) Financial Instrument Disclosures**

**(i) Credit Risk, Liquidity Risk and Rate Risk Exposure**

The following table details the exposure to liquidity risk and interest rate risk as at the balance sheet date. The Board's maximum exposure to credit risk at the balance sheet date is the carrying amount of the financial assets as shown on the following table. The table is based on information provided to the Board. The contractual maturity amounts in the table are representative of the undisclosed amounts at the balance sheet date. An adjustment for discounting has been made where material.

The Board does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

The Board does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.



**THE COAL MINERS' WELFARE BOARD OF  
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2010	Weighted Average Effective Interest Rate %	Variable Interest Rate \$	Non Interest Bearing \$	Total \$
<b>Financial Assets:</b>				
Cash & Cash Equivalents	4.90%	620,646	40,316	660,962
Receivables		-	104,030	104,030
		620,646	144,346	764,992
<b>2009</b>				
<b>Financial Assets:</b>				
Cash & Cash Equivalents	5.72%	621,884	13,179	635,063
Receivables		-	89,369	89,369
		621,884	102,548	724,442

**(ii) Interest Rate Sensitivity Analysis**

The following table represents a summary of the interest rate sensitivity of the Board's financial assets and liabilities at the balance sheet date on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

2010	Carrying Amount \$	-1% Change Profit \$	Equity \$	+1% Change Profit \$	Equity \$
<b>Financial Assets:</b>					
Cash & Cash Equivalents	620,646	(6,206)	(6,206)	6,206	6,206
<b>Financial Liabilities: ---</b>					
		(6,206)	(6,206)	6,206	6,206



**THE COAL MINERS' WELFARE BOARD OF  
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NOTES TO THE FINANCIAL STATEMENTS  
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2009	Carrying Amount	-1% Change Profit	Equity	Profit	+1% Change Equity
	\$	\$	\$	\$	\$
Financial Assets:					
Cash & Cash Equivalents	621,884	(6,218)	(6,218)	6,218	6,218
Financial Liabilities: ----					
		(6,218)	(6,218)	6,218	6,218

**d) Fair Values**

All financial assets and liabilities recognised in the balance sheet, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

**11. Explanatory statement**

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	\$161,797	\$163,886	-\$ 2,089	Slightly less coal produced than anticipated
Interest on Investments	\$ 29,892	\$ 19,000	\$ 9,892	More funds held under investment during the year than anticipated
<b>EXPENDITURE:</b>				
Grants	\$133,610	\$264,000	-\$130,390	Less grants made in year than anticipated



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

**12. Remuneration of auditor**

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

	2010	2009
Auditing the accounts, financial statements and Performance indicators	\$ 7,100	\$ 6,800

**13. Impairment of assets**

There were no indications of impairment to property, plant and equipment at 30 June 2010.

The Board held no goodwill or intangible assets with an indefinite useful life during the reporting period and at balance date there were no intangible assets not yet available for use.

All surplus assets at 30 June 2010 have either been classified as assets held for sale or written-off.



**THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

**14. Statement of Grants Made for Year Ended 30 June 2010**

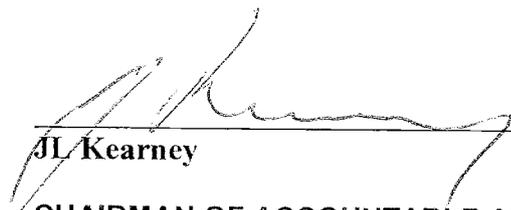
<b>NAME</b>	<b>PURPOSE</b>	<b>GRANT</b>
Collie Mineworkers' Institute	Hall Mntce and Purchase of Tables	\$ 23,000
Collie Race Club Inc	Water & Electricity Installations	\$ 10,000
Collie Veteran Car Club Inc	Club Room Disabled Toilets	\$ 2,500
Wendy Jarman Wildlife Carer	Expenses in Caring for Wildlife	\$ 500
Fairview Primary School	Extension of Play Café Program	\$ 1,000
Rotary Club of Collie	Footpath Collie Townsite to Collie Cemetery	\$ 15,000
Collie Woodturners' Group	Woodturner Equipment for New Premises	\$ 2,000
The Smith Family	Final Payment Learning for Life Program	\$ 15,000
Shannon Winfield	Wilson Park School Year 7 Scholarship	\$ 200
Kiah Read	Allanson School Year 7 Scholarship	\$ 200
Morgan Chapman	Amaroo School Year 7 Scholarship	\$ 100
Travis Taylor	Amaroo School Year 7 Scholarship	\$ 100
Savannah Chapman	Fairview School Year 7 Scholarship	\$ 100
Shire of Collie Public Library	Microfilm Reader for History Research	\$ 5,000
Tetrafile Percussion	Collie Percussion Extravaganza Workshops	\$ 2,000
Preah Hetherington	Uniforms/Equipment Hockey	\$ 400
Collie Eagles Football Club Inc	Reverse Cycle Air Conditioning Club Rooms	\$ 15,000
Collie Country Women's Association	New Modular Kitchen to Club Rooms	\$ 15,715
Collie Local Studies History Group	Camera & Tripod for History Research	\$ 2,200
Collie Golf Club Inc	Shade Sails for Outdoor Entertaining Area	\$ 10,000
Collie Police & Community Youth Centre	Holiday Entertainment Program for Youth	\$ 3,000
Collie Heritage Group Inc	Railway Rolling Stock Freight Van Project	\$ 2,500
Collie Junior Country Music Club	2010 Collie Youth Music Festival	\$ 1,000
Collie Cheerio Club	2009 Collie Pensioners' Christmas Party	\$ 2,000
Collie Schools' Excursion Fund	Assistance for Needy Collie School Children to attend School Camps/Excursions	\$ 5,095
		-----
	<b>TOTAL GRANTS MADE</b>	<b>\$133,610</b>



THE COAL MINERS' WELFARE BOARD OF  
WESTERN AUSTRALIA

CERTIFICATION OF PERFORMANCE INDICATORS  
FOR THE YEAR ENDED 30 JUNE 2010

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 2010

  
\_\_\_\_\_  
J.L. Kearney  
CHAIRMAN OF ACCOUNTABLE AUTHORITY

9 AUG 2010

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
L Strojek  
MEMBER OF ACCOUNTABLE AUTHORITY

9 AUG 2010

\_\_\_\_\_  
Date



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

**STATEMENT OF PERFORMANCE INDICATORS  
FOR THE YEAR ENDED 30 JUNE 2010**

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 2009/10**

**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.

The Board considers that to be most effective it must refrain from expending excessively on administration costs. The purpose of the ‘Welfare Board Fund’ is to provide assistance and amenities to coal miners and the Collie community generally therefore emphasising the importance of concentrating expenditures towards achieving this purpose. However, the Board, from necessity, has established its own office and as a consequence administration funds are required – for purposes such as telephone/internet services, computer services, stationery/office supplies, audit fees and secretarial costs.

The measure of how effective the Board is in delivering against its main purpose (of providing assistance and amenities to coal miners and the Collie community generally) is arrived at by dividing to total amount of grants (made in achieving the main purpose) by the total cost of all services (being all grants made plus administration costs). The Board considers it reasonable if the effectiveness measure achieves greater than 90% each year.

2009/10	2008/09	2007/08	2006/07	2005//06
88.41%	96.94%	91.17%	90.50%	95.36%



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

**PERFORMANCE INDICATORS 2009/10**

**Efficiency Indicators:**

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

The Board has now established its own office and therefore office expenditures are required on items such as telephone/internet expenses, stationery items such as copy paper computer/printer inks and supplies, and sundry other stationery items. Audit fees and Secretary's honorarium are included as administration expenses. The total cost of administration services is divided by the total revenue received to arrive at the '*percentage of funds received used for administrative purposes*'. It is considered reasonable if the percentage of funds used for administrative purposes remains within the scope of 6% to 10% annually.

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

2009/10	2008/09	2007/08	2006/07	2005/06
9.14%	6.80%	6.50%	6.99%	2.87%



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

**ANNUAL ESTIMATES  
FOR THE FINANCIAL YEAR 2010/11**

Credit Balances 1/7/2010 -

Welfare Board A/c No.1	82,689	
Welfare Board A/c No.2	578,273	
	-----	660,962

Estimated Revenue for Year -

Welfare Board A/c No.1 (Based on 6,300,000 tonnes of coal at 2 cents per tonne)	126,000	
Welfare Board A/c No.2 (Based on 6,300,000 tonnes of coal at 0.4101 cents per tonne)	25,836	
	-----	151,836

Interest on Investments – A/c No.1 and A/c No.2		25,000
---	--	--------

-----  
\$ 837,798

Estimated Expenditure for Year -

Grants to Local Organisations A/c No.1	125,000	
Grants to Local Organisations A/c No.2	70,000	
Operating Expenses	15,500	
	-----	210,500

**Estimated Credit Balance 30/6/2011**

**\$627,298**

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.

**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**

---

**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.

**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**

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**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 maximum amount that shall be paid to any individual student for any single school camp or outing/excursion shall be \$300.
7. 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.
8. 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.

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

The Secretary, The Coal Miners' Welfare Board of WA

C/- Mineworkers' Institute, 75 Throssell Street

COLLIE WA 6225

Telephone/Fax/Answering Service 9734 3293

**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 this  
 application form for Board purposes) \_\_\_\_\_

**PLEASE NOTE : The Welfare Board's payment will only be made direct to the relevant school, no payments will be made to individual persons/families. The maximum grant payable per single application is \$300**

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

\_\_\_\_\_  
 Welfare Board Use Only

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

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

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

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



Our Ref: 5674

Chairperson  
The Coal Miners' Welfare Board of Western Australia  
Mineworkers' Institute  
75 Throssell Street  
COLLIE WA 6225

4th Floor Demas House  
11 Havelock Street  
West Perth WA 6005

Tel: (08) 9222 7500  
Fax: (08) 9222 5666  
Email: [otag@audit.wa.gov.au](mailto:otag@audit.wa.gov.au)

Dear Sir

**FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS  
FOR THE YEAR ENDED 30 JUNE 2010**

The Office has completed the annual audit of the financial statements, controls and key 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 key performance indicators. We have forwarded the audit opinion, financial statements and key performance indicators to the Minister for Mines and Petroleum 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 key performance indicators. As a result, we may not have identified all matters that require management attention.

Similar to last year, the date that each agency provided their financial statements to Audit will be included in a report to Parliament. I advise that the report will indicate that the statements for your agency were received on 30 July 2010.

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.

Feel free to contact me on 9222 7515 if you would like to discuss any matters concerning the audit.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Vince Turco'.

VINCE TURCO  
DIRECTOR ASSURANCE SERVICES  
31 August 2010

Attach



## Auditor General

### **INDEPENDENT AUDIT OPINION**

**To the Parliament of Western Australia**

#### **THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2010**

I have audited the accounts, financial statements, controls and key performance indicators of The Coal Miners' Welfare Board of Western Australia.

The financial statements comprise the Statement of Financial Position as at 30 June 2010, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, a summary of significant accounting policies and other explanatory Notes.

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

#### **Board's Responsibility for the Financial Statements and Key Performance Indicators**

The Board is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and the key performance indicators. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and key performance indicators that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances; and complying with the Financial Management Act 2006 and other relevant written law.

#### **Summary of my Role**

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. This document is available on the OAG website under "How We Audit".

An audit does not guarantee that every amount and disclosure in the financial statements and key 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 key performance indicators.

**The Coal Miners' Welfare Board of Western Australia**  
**Financial Statements and Key Performance Indicators for the year ended 30 June 2010**

**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 2010 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions;
- (ii) the controls exercised by the Board provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key 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 2010.

  
COLIN MURPHY  
AUDITOR GENERAL  
31 August 2010