THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

ANNUAL REPORT FOR 2011/2012

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THE COAL MINERS’ WELFARE BOARD OF WESTERN AUSTRALIA

STATEMENT OF COMPLIANCE FOR YEAR ENDED 30 JUNE 2012

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

In accordance with Section 63(2) 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 financial year ended 30 June 2012.

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

JL Hanns
MEMBER OF ACCOUNTABLE AUTHORITY

IH Miffling
CHIEF FINANCE OFFICER

CONTACTS:
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75 Throssell Street

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Telephone/Facsimile: 9734 3293
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 Pilbara 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 will expire on 31st December 2012. Advertising will commence in the latter part of 2012 within Collie for applications for the community position on the Board.

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 $42,598 was actually earned from interest revenue during the 2011/12 financial year. This amount is 9.87% higher than the previous year’s interest earning ($38,773). Interest revenue 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 -

* Mr John Leslie KEARNEY
  (President of the Combined Mining Unions' Council)
  Chairman

* Mr Leon Frank STROJEK
  (Deputy to the President of the CFMEU Mining & Energy Division, Collie)
  Member

* Mrs Jodies Louise HANNS
  Community Member
  Member

* Mr Ian Houghton MIFFLING
  Secretary

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.
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 –

- $18,000 to Collie Senior High School students to participate in the School’s “Gallipoli Tour” which took the students to the battle fields of Europe (WWI) and to Gallipoli;
- $16,500 to The Smith Family to assist with the cost of delivering their “Learning for Life” programmes into Collie schools (this was the first payment of a further three years commitment towards a total funding amount of $54,000);
- $15,000 to the Collie Cricket Association to assist with the cost of upgrading their cricket wickets at their Collie cricket ground;
- $10,000 to the Collie Race Club to assist with the cost of installing new ablution facilities for race goers;
- $8,200 to Valley View Aged Care Facility in Collie to assist with cost of purchasing syringe drives for palliative care residents and also podiatry instruments for personal grooming of residents;
- $5,000 to the Collie Schools’ Chaplaincy Program which is now operating within all State Government schools in Collie;
- $3,500 to the Collie Playgroup to assist with upgrading costs of their outdoor play area
- $2,200 to the Collie Branch of the Country Women’s Association to finish off a major upgrade of the kitchen facilities in their CWA Hall in Collie

The total outlay of $100,314 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 COAL MINERS’ WELFARE BOARD OF WESTERN AUSTRALIA

BOARD MEMBERSHIP AND OPERATIONS (CONTINUED)

The Board’s total income for the year amounted to $213,112 being amounts of -

i) $144,674 in mine owners’ royalty payments based on 2 cents royalty per tonne of coal produced by both the Griffin Coal Mining Co Pty Ltd ($73,516) and Wesfarmers Premier Coal Ltd ($71,158) and now held in a separate account being Fund No.1;

ii) $29,665 in mine owners’ royalty payments based on 0.4101 cents royalty per tonne of coal produced by both the Griffin Coal Mining Co Pty Ltd ($15,074) and Wesfarmers Premier Coal Ltd ($14,591 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) $4,742 interest was earned on short term investments of the Board’s surplus funds in the No.1 A/c;

iv) $34,031 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 nine years some $3,495,351 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 three 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.
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.

- Compliance with the State Records Act 2000:
The Board maintains records in compliance with provisions of the State Records Act 2000.
THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

CERTIFICATION OF FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2012

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 2012 and the financial position as at 30 June 2012.

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

JL Hanns
MEMBER OF ACCOUNTABLE AUTHORITY

IH Miffling
CHIEF FINANCE OFFICER

Date 10/9/12

AUDITED 10
# THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

## STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012

<table>
<thead>
<tr>
<th>Note</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>COST OF SERVICES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants</td>
<td>12</td>
<td>150,048</td>
</tr>
<tr>
<td>Secretary’s honorarium</td>
<td></td>
<td>6,000</td>
</tr>
<tr>
<td>Audit fees</td>
<td>9</td>
<td>7,130</td>
</tr>
<tr>
<td>Supplies and services</td>
<td>11</td>
<td>2,363</td>
</tr>
<tr>
<td><strong>Total cost of services</strong></td>
<td></td>
<td>165,541</td>
</tr>
<tr>
<td><strong>INCOME</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Royalties</td>
<td></td>
<td>168,380</td>
</tr>
<tr>
<td>Interest revenue</td>
<td></td>
<td>42,598</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td></td>
<td>210,978</td>
</tr>
<tr>
<td><strong>NET COST OF SERVICES</strong></td>
<td>45,437</td>
<td>93,456</td>
</tr>
<tr>
<td><strong>SURPLUS/(DEFICIT) FOR THE PERIOD</strong></td>
<td>45,437</td>
<td>93,456</td>
</tr>
<tr>
<td><strong>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</strong></td>
<td>45,437</td>
<td>93,456</td>
</tr>
</tbody>
</table>

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 2012

<table>
<thead>
<tr>
<th>Note</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

**ASSETS**

Current assets:
- Cash and cash equivalents
  - Note 3
  - 2012: $822,681
  - 2011: $764,144
- Receivables
  - Note 4
  - 2012: $81,204
  - 2011: $94,304

Total Current Assets
- 2012: $903,885
- 2011: $858,448

TOTAL ASSETS
- 2012: $903,885
- 2011: $858,448

NET ASSETS
- 2012: $903,885
- 2011: $858,448

**EQUITY**

Accumulated Surplus
- Note 5
- 2012: $903,885
- 2011: $858,448

TOTAL EQUITY
- 2012: $903,885
- 2011: $858,448

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 2012**

Note

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accumulated Surplus</td>
<td></td>
</tr>
<tr>
<td>Balance at 1 July 2011</td>
<td>858,448</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td>45,437</td>
</tr>
<tr>
<td>Balance at 30 June 2012</td>
<td>903,885</td>
</tr>
</tbody>
</table>

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 2012

<table>
<thead>
<tr>
<th>Note</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>CASH FLOWS FROM OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants</td>
<td>12</td>
<td>$(150,048)</td>
</tr>
<tr>
<td>Secretary's honorarium</td>
<td></td>
<td>$(6,000)</td>
</tr>
<tr>
<td>Audit fees</td>
<td></td>
<td>$(7,100)</td>
</tr>
<tr>
<td>Supplies and services</td>
<td>11</td>
<td>$(2,363)</td>
</tr>
<tr>
<td><strong>Receipts:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Royalties</td>
<td></td>
<td>188,657</td>
</tr>
<tr>
<td>Interest revenue</td>
<td></td>
<td>35,421</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) operating activities</strong></td>
<td>6</td>
<td>58,537</td>
</tr>
<tr>
<td><strong>Net increase/(decrease) in cash and cash equivalents</strong></td>
<td></td>
<td>58,537</td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the period</td>
<td></td>
<td>764,144</td>
</tr>
<tr>
<td><strong>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</strong></td>
<td>3</td>
<td>822,681</td>
</tr>
</tbody>
</table>

The Statement of cash flows should be read in conjunction with the accompanying notes.
1. Australian Accounting Standards

General
The Coal Miners' Welfare Board of Western Australia financial statements for the year ended 30 June 2012 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' refers to Standards and Interpretations issued by the Australian Accounting Standards Board (AASB)
The Board has adopted any applicable, new and revised Australian Accounting Standards from their operative dates.

Early adoption of standards
The Board cannot early adopt an Australian Accounting Standard unless specifically permitted by TI101 'Application of Australian Accounting Standards and Other Pronouncements'. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not operative) by the Board for the reporting period ended 30 June 2012.

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 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.

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:

**Royalties**

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

**Interest**

Revenue is recognised as the interest accrues.
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.

(e) Cash and Cash Equivalents
For the purpose of the Statement of Cash Flows, 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.

(f) 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'.

(g) 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
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

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

Future impact of Australian Accounting Standards not yet operative
The Board cannot early adopt an Australian Accounting Standard unless specifically permitted by T1 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the Board has not applied early and of the following Australian Accounting Standards that have been issued that may impact the Board. Where applicable, the Board plans to apply these Australian Accounting Standards from their application date:

<table>
<thead>
<tr>
<th>Title</th>
<th>Operative for reporting periods beginning on/after</th>
</tr>
</thead>
<tbody>
<tr>
<td>AASB 2009-11</td>
<td>1 Jan 2013</td>
</tr>
<tr>
<td>Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 &amp; 1038 and Interpretations 10 &amp; 12]</td>
<td></td>
</tr>
<tr>
<td>The amendments to AASB 7 Financial Instruments: Disclosures requires modification to the disclosure of categories of financial assets. The Board does not expect any financial impact when the Standard is first applied. The disclosure of categories of financial assets in the notes will change.</td>
<td></td>
</tr>
<tr>
<td>AASB 1053</td>
<td>1 July 2013</td>
</tr>
<tr>
<td>Application of Tiers of Australian Accounting Standards</td>
<td></td>
</tr>
<tr>
<td>This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements. This Standard does not have any financial impact on the Board. However it may affect disclosures in the financial statements of the Board if the reduced disclosure requirements apply. DTF has not yet determined the application or the potential impact of the new Standard for agencies.</td>
<td></td>
</tr>
</tbody>
</table>
THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

AASB 2010-2
Amendments to Australian Accounting Standards arising from Reduced Disclosure
Requirements
1 July 2013

This Standard makes amendments to many Australian Accounting Standards,
including interpretation, to introduce reduced disclosure requirements into these
pronouncements for application by certain types of entities.
The Standards is not expected to have any financial impact on the Board. However
this Standard may reduce some note disclosures in the financial statements of the Board.
DTF has not yet determined the application of the potential impact of the amendments
to these Standards for agencies.

3. Cash and Cash equivalent

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank</td>
<td>56,694</td>
<td>10,679</td>
</tr>
<tr>
<td>Term deposits</td>
<td>765,987</td>
<td>753,465</td>
</tr>
<tr>
<td></td>
<td>822,681</td>
<td>764,144</td>
</tr>
</tbody>
</table>

The cash assets comprises of two accounts A/c No.1 of $187,049 and A/c no.2
(former Coal Mines Accident Relief Fund Trust) of $635,632.

4. Receivables

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Royalty payments from mine owners</td>
<td>71,305</td>
<td>91,582</td>
</tr>
<tr>
<td>Interest receivables</td>
<td>9,899</td>
<td>2,722</td>
</tr>
<tr>
<td></td>
<td>81,204</td>
<td>94,304</td>
</tr>
</tbody>
</table>

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

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

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Not more than 3 months</td>
<td>51,511</td>
<td>73,246</td>
</tr>
<tr>
<td>More than 3 months</td>
<td>19,794</td>
<td>21,058</td>
</tr>
</tbody>
</table>
$19,794 relates to the balance of amounts owing as at 31st December 2009 when The Griffin Coal Mining Co Pty Ltd went into voluntary administration. The administrators (KordaMentha Pty Ltd) were advised of the debt owing and from the initial amount of $28,077 owing an amount of $7,019 was recovered in the 2010/11 financial year (2.5 cents in the dollar) and a further amount of $1,264 was recovered in the 2011/12 financial year (4.50 cents in the dollar).

5. 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.

<table>
<thead>
<tr>
<th>Accumulated surplus:</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>$858,448</td>
<td>$764,992</td>
</tr>
<tr>
<td>Surplus/(deficit) for the year</td>
<td>$45,437</td>
<td>$93,456</td>
</tr>
<tr>
<td>Closing balance</td>
<td>$903,885</td>
<td>$858,448</td>
</tr>
</tbody>
</table>


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

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cost of services for the year</td>
<td>45,437</td>
<td>93,456</td>
</tr>
<tr>
<td>Decrease/(increase) in receivables royalties</td>
<td>20,278</td>
<td>9,720</td>
</tr>
<tr>
<td>Decrease/(increase) in receivables interest</td>
<td>(7,178)</td>
<td>6</td>
</tr>
<tr>
<td>Net cash provided by/(used in) operating activities</td>
<td>58,537</td>
<td>103,182</td>
</tr>
</tbody>
</table>
7. 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 9(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’.

**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 –

<table>
<thead>
<tr>
<th>Financial Assets</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>822,681</td>
<td>764,144</td>
</tr>
<tr>
<td>Receivables</td>
<td>81,204</td>
<td>94,304</td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>Variable Interest</th>
<th>Non Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Weighted Average Effective Interest</td>
<td>Rate %</td>
<td>$</td>
</tr>
<tr>
<td>Financial Assets:</td>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>5.57%</td>
<td>765,987</td>
<td>56,694</td>
<td>822,681</td>
</tr>
<tr>
<td>Receivables</td>
<td>-</td>
<td>81,204</td>
<td>81,204</td>
<td></td>
</tr>
<tr>
<td></td>
<td>765,987</td>
<td>137,898</td>
<td>903,885</td>
<td></td>
</tr>
</tbody>
</table>

2011

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>Variable Interest</th>
<th>Non Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Assets:</td>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>5.57%</td>
<td>753,465</td>
<td>10,679</td>
<td>764,144</td>
</tr>
<tr>
<td>Receivables</td>
<td>-</td>
<td>94,304</td>
<td>94,304</td>
<td></td>
</tr>
<tr>
<td></td>
<td>753,465</td>
<td>104,983</td>
<td>858,448</td>
<td></td>
</tr>
</tbody>
</table>
(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.

<table>
<thead>
<tr>
<th>Year</th>
<th>Carrying Amount</th>
<th>-1% Change</th>
<th>+1% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>Profit</td>
<td>Equity</td>
</tr>
<tr>
<td>2012</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>$765,987</td>
<td>(7,659)</td>
</tr>
<tr>
<td></td>
<td>Financial Assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cash &amp; Cash Equivalents</td>
<td>765,987</td>
<td>(7,659)</td>
</tr>
<tr>
<td></td>
<td>Financial Liabilities:</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(7,659)</td>
<td>(7,659)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Carrying Amount</th>
<th>-1% Change</th>
<th>+1% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>Profit</td>
<td>Equity</td>
</tr>
<tr>
<td>2011</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>$753,465</td>
<td>(7,534)</td>
</tr>
<tr>
<td></td>
<td>Financial Assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cash &amp; Cash Equivalents</td>
<td>753,465</td>
<td>(7,534)</td>
</tr>
<tr>
<td></td>
<td>Financial Liabilities:</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(7,534)</td>
<td>(7,534)</td>
</tr>
</tbody>
</table>

**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.
8. **Explanatory statement**

Significant variations between estimates and actual results for the financial year.

<table>
<thead>
<tr>
<th>ITEM</th>
<th>ACTUAL</th>
<th>ESTIMATE</th>
<th>VARIANCE</th>
<th>REASON</th>
</tr>
</thead>
<tbody>
<tr>
<td>Royalties</td>
<td>$168,380</td>
<td>$163,886</td>
<td>+$ 4,494</td>
<td>Slightly more coal produced than anticipated</td>
</tr>
<tr>
<td>Interest revenue</td>
<td>$ 42,598</td>
<td>$ 33,000</td>
<td>+$ 9,598</td>
<td>More funds held under investment during year than anticipated</td>
</tr>
</tbody>
</table>

**EXPENDITURE:**

<table>
<thead>
<tr>
<th>ITEM</th>
<th>ACTUAL</th>
<th>ESTIMATE</th>
<th>VARIANCE</th>
<th>REASON</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants</td>
<td>$150,048</td>
<td>$294,000</td>
<td>-$143,952</td>
<td>Less grants made in year than anticipated</td>
</tr>
</tbody>
</table>

9. **Remuneration of auditor**

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

<table>
<thead>
<tr>
<th>auditing the accounts, financial statements and Performance indicators</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>$7,500</td>
<td>7,100</td>
<td></td>
</tr>
</tbody>
</table>

10. **Impairment of assets**

There were no indications of impairment to property, plant and equipment at 30 June 2012.

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.
11. Supplies and services
The amounts shown in the Statement of Comprehensive Income and Statement of Cash Flows comprise of the following —

<table>
<thead>
<tr>
<th>Item</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank fees</td>
<td>--</td>
<td>40</td>
</tr>
<tr>
<td>Communication</td>
<td>1,299</td>
<td>1,140</td>
</tr>
<tr>
<td>Consumables</td>
<td>1,064</td>
<td>2,862</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,363</td>
<td>4,042</td>
</tr>
</tbody>
</table>
THE COAL MINERS’ WELFARE BOARD OF WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012


<table>
<thead>
<tr>
<th>NAME</th>
<th>PURPOSE</th>
<th>GRANT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collie PCYC</td>
<td>Bus Repairs</td>
<td>$ 249</td>
</tr>
<tr>
<td>Collie Anglicare Relief Centre</td>
<td>Photocopier</td>
<td>$ 1,500</td>
</tr>
<tr>
<td>Collie Harness Racing Club</td>
<td>New Ride-on Lawn Mower</td>
<td>$ 3,600</td>
</tr>
<tr>
<td>Collie River Valley Marketing Group</td>
<td>Electronic Message Board &amp; Trailer</td>
<td>$ 4,000</td>
</tr>
<tr>
<td>Fairview Primary School</td>
<td>Sun Shade Shelter</td>
<td>$ 2,450</td>
</tr>
<tr>
<td>South West Highland Band</td>
<td>Drum Sets</td>
<td>$ 2,800</td>
</tr>
<tr>
<td>St Brigid’s School Collie</td>
<td>Laminated Flooring to New Hall</td>
<td>$ 16,000</td>
</tr>
<tr>
<td>St Brigid’s Roman Catholic Church</td>
<td>Upgrading of Parish Hall</td>
<td>$ 10,000</td>
</tr>
<tr>
<td>CFMEU Mining &amp; Energy Branch</td>
<td>Display Cabinet Tom Jones Memorabilia</td>
<td>$ 3,564</td>
</tr>
<tr>
<td>Preah Hetherington</td>
<td>Uniforms/Equipment State Hockey Team</td>
<td>$ 400</td>
</tr>
<tr>
<td>Travis Cleggett</td>
<td>Uniform/Equipment State Football Team</td>
<td>$ 400</td>
</tr>
<tr>
<td>Michael Johnson</td>
<td>Wilson Park School Year 7 Scholarship</td>
<td>$ 200</td>
</tr>
<tr>
<td>James Reid</td>
<td>Allanson School Year 7 Scholarship</td>
<td>$ 200</td>
</tr>
<tr>
<td>Olivia Wells</td>
<td>Amaroo School Year 7 Scholarship</td>
<td>$ 100</td>
</tr>
<tr>
<td>Jack Barton</td>
<td>Amaroo School Year 7 Scholarship</td>
<td>$ 100</td>
</tr>
<tr>
<td>Sarah Pearson</td>
<td>Fairview School Year 7 Scholarship</td>
<td>$ 100</td>
</tr>
<tr>
<td>James Abbott</td>
<td>Fairview School Year 7 Scholarship</td>
<td>$ 100</td>
</tr>
<tr>
<td>Amy Johnson</td>
<td>St Brigid’s School Year 7 Scholarship</td>
<td>$ 100</td>
</tr>
<tr>
<td>Casey Brown</td>
<td>St Brigid’s School Year 7 Scholarship</td>
<td>$ 100</td>
</tr>
<tr>
<td>Shire of Collie</td>
<td>Collie Air Strip Maintenance</td>
<td>$ 500</td>
</tr>
<tr>
<td>The Smith Family</td>
<td>Learning for Life Collie Program</td>
<td>$17,500</td>
</tr>
<tr>
<td>Friends of Worsley</td>
<td>Worsley History Book</td>
<td>$ 4,800</td>
</tr>
<tr>
<td>Collie Men’s Hockey Assoc</td>
<td>Shirts for Junior Competition</td>
<td>$ 650</td>
</tr>
<tr>
<td>Collie Art Group</td>
<td>Air Conditioner for Arts Centre</td>
<td>$ 2,836</td>
</tr>
<tr>
<td>Collie Cheerio Club</td>
<td>2011 Collie Pensioners Christmas Party</td>
<td>$ 2,000</td>
</tr>
<tr>
<td>Lions Club of Collie-Wellington</td>
<td>Donut Machine for Fund Raising</td>
<td>$ 4,000</td>
</tr>
<tr>
<td>Kate Hindle</td>
<td>Tamworth Music Festival</td>
<td>$ 1,200</td>
</tr>
<tr>
<td>Keltron Faries</td>
<td>Uniforms/Equipment State Hockey Team</td>
<td>$ 400</td>
</tr>
<tr>
<td>Mark Paget</td>
<td>Masters Cycling Team Competing in Belgium</td>
<td>$ 624</td>
</tr>
<tr>
<td>Riverview Residence Collie</td>
<td>Medication Trolleys Aged Care Facility</td>
<td>$ 7,100</td>
</tr>
<tr>
<td>Collie Bowling Club</td>
<td>Club Kitchen Renovations</td>
<td>$10,000</td>
</tr>
<tr>
<td>Collie Cycle Club</td>
<td>Upgrading of Club Rooms</td>
<td>$12,500</td>
</tr>
<tr>
<td>Collie Western Riding Assoc</td>
<td>Resurfacing of Riding Arena</td>
<td>$22,000</td>
</tr>
<tr>
<td>Collie Childcare &amp; Early Learning Centre</td>
<td>Extensions to Baby Room &amp; Laundry</td>
<td>$12,000</td>
</tr>
<tr>
<td>Collie Schools' Excursion Fund</td>
<td>Assistance for Needy Collie School Children</td>
<td>$ 5,975</td>
</tr>
</tbody>
</table>
to attend School Camps/Excursions          | $150,048 |

TOTAL GRANTS MADE
THE COAL MINERS’ WELFARE BOARD OF WESTERN AUSTRALIA

CERTIFICATION OF PERFORMANCE INDICATORS

FOR THE YEAR ENDED 30 JUNE 2012

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 2012.

JL Kearney
CHAIRMAN OF ACCOUNTABLE AUTHORITY

JL Hanns
MEMBER OF ACCOUNTABLE AUTHORITY

Date: 10/9/12
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 2011/12

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 the 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.

<table>
<thead>
<tr>
<th>Year</th>
<th>2011/12</th>
<th>2010/11</th>
<th>2009/10</th>
<th>2008/09</th>
<th>2007/08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effectiveness</td>
<td>90.64%</td>
<td>85.67%</td>
<td>88.41%</td>
<td>96.94%</td>
<td>91.17%</td>
</tr>
</tbody>
</table>
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"

<table>
<thead>
<tr>
<th></th>
<th>2011/12</th>
<th>2010/11</th>
<th>2009/10</th>
<th>2008/09</th>
<th>2007/08</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7.34%</td>
<td>7.69%</td>
<td>9.14%</td>
<td>6.80%</td>
<td>6.50%</td>
</tr>
</tbody>
</table>
THE COAL MINERS’ WELFARE BOARD OF WESTERN AUSTRALIA

ANNUAL ESTIMATES
FOR THE FINANCIAL YEAR 2012/13

Credit Balances 1/7/2012 -

<table>
<thead>
<tr>
<th>Account</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Welfare Board A/c No.1</td>
<td>187,049</td>
</tr>
<tr>
<td>Welfare Board A/c No.2</td>
<td>635,632</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>822,681</td>
</tr>
</tbody>
</table>

Estimated Revenue for Year -

<table>
<thead>
<tr>
<th>Account</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Welfare Board A/c No.1</td>
<td>142,000</td>
</tr>
<tr>
<td>(Based on 7,100,000 tonnes of coal at 2 cents per tonne)</td>
<td></td>
</tr>
<tr>
<td>Welfare Board A/c No.2</td>
<td>29,117</td>
</tr>
<tr>
<td>(Based on 7,100,000 tonnes of coal at 0.4101 cents per tonne)</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>171,117</td>
</tr>
</tbody>
</table>

Interest on Investments – A/c No.1 and A/c No.2

- 38,000

**Total Estimated Revenue**

$1,031,798

Estimated Expenditure for Year -

<table>
<thead>
<tr>
<th>Account</th>
<th>Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants to Local Organisations A/c Nos.1 &amp; 2</td>
<td>260,000</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>16,200</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>276,200</td>
</tr>
</tbody>
</table>

**Estimated Credit Balance 30/6/2013**

$755,598

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 of 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 ongoing.

(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 ongoing.

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

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

Dear Sir

FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS
FOR THE YEAR ENDED 30 JUNE 2012

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 purpose of our audit was to express an opinion on the financial statements, controls and key performance indicators. The audit included consideration of internal control relevant to the preparation of the financial statements and key performance indicators in order to design audit procedures that were appropriate in the circumstances. It also included consideration of internal control for the purpose of expressing an opinion on the effectiveness of internal control in ensuring compliance with requirements prescribed by the Financial Management Act 2006 and Treasurer’s Instructions.

An audit is not designed to identify all internal control deficiencies that may require management attention. It is possible that irregularities and deficiencies may have occurred and not been identified as a result of our audit.

The date that agencies provided their financial statements to Audit has been recorded for purposes of reporting to Parliament. I advise that the date recorded for the receipt of your financial statements was 26 July 2012.

This letter has been provided solely for the purposes of The Coal Miners’ Welfare Board of Western Australia and the relevant Minister and may not be suitable for other purposes.

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 6557 7536 if you would like to discuss any matters concerning the audit.

Yours faithfully

EFTHALIA SAMARAS
ASSISTANT DIRECTOR
ASSURANCE SERVICES
13 September 2012

Attach
INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

Report on the Financial Statements
I have audited the accounts and financial statements of The Coal Miners' Welfare Board of Western Australia.

The financial statements comprise the Statement of Financial Position as at 30 June 2012, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

Board's Responsibility for the Financial Statements
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 for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Board's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion
In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of The Coal Miners' Welfare Board of Western Australia at 30 June 2012 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.
Report on Controls
I have audited the controls exercised by The Coal Miners' Welfare Board of Western Australia during the year ended 30 June 2012.

Controls exercised by The Coal Miners' Welfare Board of Western Australia are those policies and procedures established by the Board to ensure 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.

Board's Responsibility for Controls
The Board is responsible for maintaining an adequate system of internal control to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

Auditor's Responsibility
As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by The Coal Miners' Welfare Board of Western Australia based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the adequacy of controls to ensure that the Board complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion
In my opinion, the controls exercised by The Coal Miners' Welfare Board of Western Australia are sufficiently adequate to 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 during the year ended 30 June 2012.

Report on the Key Performance Indicators
I have audited the key performance indicators of The Coal Miners' Welfare Board of Western Australia for the year ended 30 June 2012.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

Board's Responsibility for the Key Performance Indicators
The Board is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions and for such controls as the Board determines necessary to ensure that the key performance indicators fairly represent indicated performance.

Auditor's Responsibility
As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.
An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Board’s preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion
In my opinion, the key performance indicators of The Coal Miners’ Welfare Board of Western Australia are relevant and appropriate to assist users to assess the Board’s performance and fairly represent indicated performance for the year ended 30 June 2012.

Independence
In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and Australian Auditing and Assurance Standards, and other relevant ethical requirements.

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators
This auditor’s report relates to the financial statements and key performance indicators of The Coal Miners’ Welfare Board of Western Australia for the year ended 30 June 2012 included on the Board’s website. The Board’s management is responsible for the integrity of the Board’s website. This audit does not provide assurance on the integrity of the Board’s website. The auditor’s report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.

GLEN CLARKE
DEPUTY AUDITOR GENERAL
Delegate of the Auditor General for Western Australia
Perth, Western Australia
13 September 2012