

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

ANNUAL REPORT

**2012/13
FINANCIAL YEAR**

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

ANNUAL REPORT FOR 2012/13

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

**STATEMENT OF COMPLIANCE
FOR YEAR ENDED 30 JUNE 2013**

**To : The Hon Bill Marmion MLA
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 2013.

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

Date

JL Hanns
MEMBER OF ACCOUNTABLE AUTHORITY

Date

IH Miffling
CHIEF FINANCE OFFICER

Date

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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.

THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

ENABLING LEGISLATION (CONTINUED)

The community member's 3 years term of appointment expired on 31st December 2012. The position was advertised to the wider community and resulted in two applications being received, one of which was from the sitting member Mrs Jodie Louise Hanns. The Board considered the applications and made its recommendation to the Hon Minister that Mrs Hanns be reappointed for a further 3 year term. Mrs Hanns was subsequently reappointed for a three year term expiring on 31st December 2015 (the reappointment was approved by His Excellency the Governor in Executive Council on 30th April 2013).

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.

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.

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 result of the Board's Policy in this regard was the fact that \$31,579 was actually earned from interest revenue during the 2012/13 financial year. This amount however is 25.87% lower than the previous year's interest earning (\$42,598). 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 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 Gregory BUSSON
(President of the CFMEU Mining & Energy Division, Collie) | Member |
| * | Mrs Jodie 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.

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

**BOARD MEMBERSHIP AND OPERATIONS
(CONTINUED)**

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 –

- \$150,000 to the South West Heart & Coronary Care Centre at the St John of God Hospital complex in Bunbury;
- \$53,400 for total replacement of the electrical wiring system in the Collie Mineworkers' Institute;
- \$25,000 to the Coalfields Hockey Council to assist with the installation of a new synthetic hockey pitch;
- \$22,000 to The Smith Family for a continuation of their "Learning for Life" program within Collie primary schools;
- \$20,000 to the Collie Racing Drivers' Association for new work place sheds at the Collie Speedway;
- \$18,000 to the Collie Senior High School "2013 School Students' Gallipoli & Western Front Battle Grounds Tour";
- \$11,900 to the Collie Eagles Football Club to renew electrical wiring within the football club rooms;
- \$10,000 to the Collie Agricultural Society to assist with costs of staging the 60th Collie Annual Show;
- \$9,400 to the Collie "Our Community Garden Group" to assist with the installation of a water service to their new Collie community garden.

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

**BOARD MEMBERSHIP AND OPERATIONS
(CONTINUED)**

The total outlay of \$355,480 in grants for the year has assisted thirty 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 \$212,199 being amounts of -

- i) \$149,886 in mine owners' royalty payments based on 2 cents royalty per tonne of coal produced by both the Griffin Coal Mining Co Pty Ltd (\$63,788) and Wesfarmers Premier Coal Ltd (\$86,098) and now held in a separate account being Fund No.1;
- ii) \$30,734 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 (\$13,080) and Wesfarmers Premier Coal Ltd (\$17,654 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) \$8,030 interest was earned on short term investments of the Board's surplus funds in the No.1 A/c;
- iv) \$23,549 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 forty one years some \$4,000,879 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 four 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.

- 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 2013**

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 2013 and the financial position as at 30 June 2013.

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

Date

CHAIRMAN OF ACCOUNTABLE AUTHORITY

JL Hanns

Date

MEMBER OF ACCOUNTABLE AUTHORITY

IH Miffling

Date

CHIEF FINANCE OFFICER

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

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013**

	Note	2013 \$	2012 \$
COST OF SERVICES			
Expenses:			
Grants	12	355,480	150,048
Secretary's honorarium		6,000	6,000
Audit fees	9	7,530	7,130
Supplies and services	11	2,578	2,363
		-----	-----
Total cost of services		371,588	165,541
 INCOME			
Revenues:			
Royalties		180,620	168,380
Interest revenue		31,579	42,598
		-----	-----
Total revenue		212,199	210,978
NET COST OF SERVICES		(159,389)	45,437

SURPLUS/(DEFICIT) FOR THE PERIOD		(159,389)	45,437
			=====
 TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		 (159,389)	 45,437
			=====

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 2013**

	Note	2013 \$	2012 \$
ASSETS			
Current assets:			
Cash and cash equivalents	3	668,894	822,681
Receivables	4	75,602	81,204
		-----	-----
Total Current Assets		744,496	903,885
		-----	-----
TOTAL ASSETS		744,496	903,885
		=====	=====
NET ASSETS		744,496	903,885
		=====	=====
EQUITY			
Accumulated Surplus	5	744,496	903,885
		-----	-----
TOTAL EQUITY		744,496	903,885
		=====	=====

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 2013**

Note

		Accumulated Surplus
		\$
Balance at 1 July 2012		903,885
Total comprehensive income for the year		(159,389) -----
Balance at 30 June 2013	5	744,496

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 2013**

	Note	2013 \$	2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments:			
Grants	12	(355,480)	(150,048)
Secretary's honorarium		(6,000)	(6,000)
Audit fees		(7,530)	(7,130)
Supplies and services	11	(2,578)	(2,363)
Receipts:			
Royalties		183,332	188,657
Interest revenue		34,469	35,421
		-----	-----
Net cash provided by (used in) operating activities	6	(153,787)	58,537
		-----	-----
Net increase/(decrease) in cash and cash equivalents		(153,787)	58,537
Cash and cash equivalents at the beginning of the period		822,681	764,144
		-----	-----
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	3	668,894	822,681
		=====	=====

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 2013**

1. Australian Accounting Standards

General

The Coal Miners' Welfare Board of Western Australia financial statements for the year ended 30 June 2013 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 2013.

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.

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

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 COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

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

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

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:

Title	Operative for reporting periods beginning on/after
<hr/>	
AASB 2009-11	
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 & 1038 and Interpretations 10 & 12]	1 Jan 2013
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.	
AASB 1053	
Application of Tiers of Australian Accounting Standards	1 July 2013
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.	

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

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	2013	2012
		\$	\$
	Cash at bank	22,960	56,694
	Term deposits	645,934	765,987
		-----	-----
		668,894	822,681
		-----	-----

The cash assets comprises of two accounts A/c No.1 of \$176,349 and A/c No.2 (former Coal Mines Accident Relief Fund Trust) of \$492,545.

4.	Receivables	2013	2012
		\$	\$
	Royalty payments from mine owners	68,593	71,305
	Interest receivables	7,009	9,899
		-----	-----
		75,602	81,204
		=====	=====

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:

	2013	2012
	\$	\$
Not more than 3 months	57,503	51,511
More than 3 months	11,090	19,794

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

\$11,090 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, \$1,264 was recovered in the 2011/12 financial year and \$8,704 was recovered in the 2012/13 financial year.

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.

Accumulated surplus:	2013	2012
	\$	\$
Opening balance	903,885	858,448
Surplus/(deficit) for the year	(159,389)	45,437
	-----	-----
Closing balance	744,496	903,885
	=====	=====

6. Notes to the Statement of Cash Flows

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

	2013	2012
	\$	\$
Net cost of services for the year	(159,389)	45,437
Decrease/(increase) in receivables royalties	2,712	20,278
Decrease/(increase) in receivables interest	2,890	(7,178)
	-----	-----
Net cash provided by/(used in) operating Activities	(153,787)	58,537
	=====	=====

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

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.

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

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>	2013	2012
	\$	\$
Cash and cash equivalents	668,894	822,681
Receivables	75,602	81,204

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.

2013	Weighted Average Effective Interest Rate %	Variable Interest Rate \$	Non Interest Bearing \$	Total \$
<hr/>				
Financial Assets:				
Cash & Cash Equivalents	4.80%	645,934	22,960	668,894
Receivables		--	75,602	75,602
		<hr/> 645,934	<hr/> 98,562	<hr/> 744,496
<hr/> <hr/>				
2012				
Financial Assets:				
Cash & Cash Equivalents	5.57%	765,987	56,694	822,681
Receivables		-	81,204	81,204
		<hr/> 765,987	<hr/> 137,898	<hr/> 903,885
<hr/> <hr/>				

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

(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.

2013	Carrying Amount	-1% Change Profit	Equity	Profit	+1% Change Equity
	\$	\$	\$	\$	\$
Financial Assets:					
Cash & Cash					
Equivalents	645,934	(6,459)	(6,459)	6,459	6,459
Financial Liabilities: ---					
		-----	-----	-----	-----
		(6,459)	(6,459)	6,459	6,459
=====					
2012	Carrying Amount	-1% Change Profit	Equity	Profit	+1% Change Equity
	\$	\$	\$	\$	\$
Financial Assets:					
Cash & Cash					
Equivalents	765,987	(7,659)	(7,659)	7,659	7,659
Financial Liabilities: ----					
		-----	-----	-----	-----
		(7,659)	(7,659)	7,659	7,659
=====					

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.

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

8. Explanatory statement

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

ITEM	ACTUAL	ESTIMATE	VARIANCE	REASON
INCOME:				
Royalties	\$180,620	\$171,117	+\$ 9,503	More coal produced than anticipated
Interest revenue	\$ 31,579	\$ 38,000	-\$ 6,421	Less funds invested during period plus falling interest rates
EXPENDITURE:				
Grants	\$355,480	\$260,000	+\$95,480	More grants made in year than anticipated
Operating Exp	\$ 16,108	\$ 16,200	-\$ 92	Nil

9. Remuneration of auditor

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

	2013	2012
Auditing the accounts, financial statements and Performance indicators	\$ 7,800	\$ 7,500

10. Impairment of assets

There were no indications of impairment to property, plant and equipment at 30 June 2013.

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.

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

11. Supplies and services

The amounts shown in the Statement of Comprehensive Income and Statement of Cash Flows comprise of the following –

	2013	2012
	\$	\$
Bank fees	5	--
Communication	1,410	1,299
Consumables	1,018	1,064
Board expenses	145	--
	-----	-----
	2,578	2,363

**THE COAL MINERS' WELFARE BOARD OF
WESTERN AUSTRALIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

12. Statement of Grants Made for Year Ended 30 June 2013

NAME	PURPOSE	GRANT
Collie Agricultural Society	60 th Anniversary Collie Show Celebrations	\$ 10,000
Our Community Garden Group	Water Head Works/Water Supply	\$ 9,400
Collie Eagles Football Club	Electrical Rewiring Clubrooms	\$ 11,900
Wendy Jarman, Wildlife Carer	Caring for Injured Wildlife in Collie	\$ 1,000
St Brigid's Primary School Collie	Relocation Electrical Wiring in Playground	\$ 4,000
YOUTHCare Collie	Collie Schools' Chaplaincy Program	\$ 7,000
Collie Family Historical Society	Security Doors & Windows at Premises	\$ 1,450
Roche Park Boxing Club	Boxing Bags	\$ 1,200
Collie Senior High School	2013 Anzac Tour to Gallipoli/Western Front	\$ 18,000
Collie Emergency Relief Centre	2012 Christmas Hampers for Collie Needy	\$ 5,000
Collie Adult Day Care Centre	New Garden Beds at Centre	\$ 1,000
Preah Hetherington	Uniforms/Equipment State Hockey Team	\$ 400
Rachel Shepherd	Uniforms/Equipment State Girls Football	\$ 400
Keyana Caceres	St Brigid's School Year 7 Scholarship	\$ 100
Bronte Marich	St Brigid's School Year 7 Scholarship	\$ 100
Andrew Cook	Wilson Park School Year 7 Scholarship	\$ 200
Nadison Williamson	Amaroo School Year 7 Scholarship	\$ 100
Fraser Hislop	Amaroo School Year 7 Scholarship	\$ 100
Jaxon Woodhouse	Allanson School Year 7 Scholarship	\$ 200
Chloe Garner	Fairview School Year 7 Scholarship	\$ 100
Shaylia Casey	Fairview School Year 7 Scholarship	\$ 100
Collie Electrical Services	Electrical Rewiring Mineworkers' Institute	\$ 53,400
Anglican Emergency Relief Centre	Security Upgrade to Collie Premises	\$ 5,000
Collie Cheerio Club	2012 Collie Pensioners' Christmas Party	\$ 2,000
Collie Racing Drivers Association	New Multi-purpose Shed at Collie Speedway	\$ 20,000
Coalfields Hockey Council	New Synthetic Hockey Pitch	\$ 25,000
Collie Branch Retired Coal Miners	Maintenance Costs for Association	\$ 1,000
The Smith Family	Learning for Life Program in Collie Schools	\$ 20,000
Shire of Collie	Annual Grant for Collie Air Strip Mntce	\$ 500
St John of God Foundation	South West Coronary/Cancer Service	\$150,000
Collie Schools' Excursion Fund	Assistance for Needy Collie School Children to attend School Camps/Excursions	\$ 6,830

	TOTAL GRANTS MADE	\$355,480
		=====

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

**CERTIFICATION OF PERFORMANCE INDICATORS
FOR THE YEAR ENDED 30 JUNE 2013**

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 2013

JL Kearney

CHAIRMAN OF ACCOUNTABLE AUTHORITY

Date

JL Hanns

MEMBER OF ACCOUNTABLE AUTHORITY

Date

THE COAL MINERS' WELFARE BOARD OF WESTERN AUSTRALIA

STATEMENT OF PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2013

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 2012/13

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.

2012/13	2011/12	2010/11	2009/10	2008/09
<hr style="border: 0.5px solid black; margin-bottom: 5px;"/> 95.67%	<hr style="border: 0.5px solid black; margin-bottom: 5px;"/> 90.64%	<hr style="border: 0.5px solid black; margin-bottom: 5px;"/> 85.67%	<hr style="border: 0.5px solid black; margin-bottom: 5px;"/> 88.41%	<hr style="border: 0.5px solid black; margin-bottom: 5px;"/> 96.94%

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

PERFORMANCE INDICATORS 2012/13

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"

2012/13	2011/12	2010/11	2009/10	2008/09
7.59%	7.34%	7.69%	9.14%	6.80%

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

**ANNUAL ESTIMATES
FOR THE FINANCIAL YEAR 2013/14**

Credit Balances 1/7/2013 -

Welfare Board A/c No.1	176,349	
Welfare Board A/c No.2	492,545	
	-----	668,894

Estimated Revenue for Year -

Welfare Board A/c No.1 (Based on 2,700,000 tonnes of coal at 2 cents per tonne)	134,000	
Welfare Board A/c No.2 (Based on 2,700,000 tonnes of coal at 0.4101 cents per tonne)	27,476	
	-----	161,476

Interest on Investments – A/c No.1 and A/c No.2		26,000
---	--	--------

\$ 856,370

Estimated Expenditure for Year -

Grants to Local Organisations A/c Nos.1 & 2	216,000	
Operating Expenses	16,400	
	-----	232,400

Estimated Credit Balance 30/6/2014		\$ 623,970
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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 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