

**CONSTRUCTION FORESTRY MINING  
AND ENERGY UNION  
NATIONAL OFFICE  
ABN 17 402 743 835**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
31 DECEMBER 2017**

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION  
NATIONAL OFFICE**

**ABN 17 402 743 835**

**OPERATING REPORT**

In accordance with Section 254 of the Fair Work (Registered Organisations) Act 2009 ("Act") the National Executive present their Operating Report on Construction Forestry Mining and Energy Union National Office ("the Union"), the relevant Reporting Unit for the financial year ended 31 December 2017.

**Principal Activities**

The principal activities of the Union during the financial year were:

- Implementation of decisions of the National Executive Committee
- Maintenance of Union rules, registrations and affiliations
- Conducting activities for parliamentary, Divisional and Divisional Branch elections, including assisting with statutory requirements.
- Representing the Union's interest on various national committees and organisations.
- Co-ordinating the involvement of the Union in relevant international trade union bodies and conferences.

Providing prime responsibility for initiating and leading the conduct of legal action launched in defence of the Union's work.

On the 6 March 2018 the Fair Work Commission approved the amalgamation of the Textile, Clothing and Footwear Union of Australia, the Construction, Forestry, Mining and Energy Union and The Maritime Union of Australia. The 27 March 2018 has been fixed as the day on which the amalgamation will take effect and will operate under the new name the Construction, Forestry, Maritime, Mining and Energy Union.

**Operating Result**

The results of the principal activities of the Union during the financial year was to further the interests of CFMEU workers through improvements in wages and conditions, health and safety, legal rights and company compliance with Australian labour standards.

The operating loss of the Union for the financial year was \$62,522 (2016: \$54,146 loss). No provision for tax was necessary as the Union is exempt from income tax.

**Significant change**

There were no significant changes in the principal activities or financial affairs of the Union during the financial year.

**Rights of Members**

Pursuant to the Reporting Unit Rule 21 and Section 174 of the Fair Work (Registered Organisations) Act 2009, members have the right to resign from membership by providing written notice addressed to and delivered to the Secretary of the Reporting Unit.

A notice of resignation from membership of the Union takes effect:

- (a) where the member ceases to be eligible to become a member of the Union
  - (i) on the day on which the notice is received by the Union
  - (ii) on the day specified in the notice which is a day not earlier than the day when the member ceases to be eligible to become a member;whichever is the later, or
- (b) in any other case:
  - (i) at the end of two weeks after the notice is received by the Union, or
  - (ii) on the day specified in the noticewhichever is the later.

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**OPERATING REPORT continued**

**Superannuation Officeholders**

Mr Dave Noonan is a director of United Super Pty Ltd which acts as Trustee of C Bus. He is also a director of C Bus Property Pty Ltd.

Mr Frank O'Grady is a director of United Super Pty Ltd which acts as Trustee of C Bus.

Mr Alex Millar is a director of the FIRST Superannuation Fund.

Mr Anthony Maher is an alternate director of Auscoal Superannuation Pty Ltd which acts as Trustee of Mine Superannuation Fund.

Mr Michael O'Connor is a director of the FIRST Superannuation Fund

Mr David Kirner is a director of the FIRST Superannuation Fund.

Mr Frank Vari is a director of the FIRST Superannuation Fund

Mr Grahame Kelly is a director of Mine (Auscoal) Superannuation Fund.

Ms Rita Mallia is a director of United Super Pty Ltd which acts as Trustee of C Bus.

**Superannuation Officeholders**

No other officer or member of the Union is:

- (a) is a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (b) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

**Other Prescribed Information**

In accordance with Regulation 159 of the Fair Work (Registered Organisations) Regulations 2009 ("Regulations"):

- (a) the number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for Section 230 of the Act and who are taken to be members of the Union under section 244 of the Act was 90,467 (2016: 96,436)
- (b) the number of persons who were, at the end of the financial year to which the report relates, employees of the Union, where the number of employees includes both full-time and part-time employees, measured on a full-time equivalent basis was 10.

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OPERATING REPORT continued

Other Prescribed Information

- (c) the names of each person who have been a member of the National Executive of the Union at any time during the reporting period, and the period for which he or she held such a position were;

**Name**

Aaron Cartledge	National Executive Member
Alex Millar	National Executive Member
Andrew Vickers	National Vice-President (resigned 29 September 2017)
Grahame Kelly	National Vice – President (appointed 1 November 2017)
Andy Honeysett	National Executive Member
Brad Coates	National Executive Member
Brad Parker	National Executive Member (resigned 15 October 2017)
Brian Parker	National Executive Member
Chris Hinds	National Executive Member (resigned 5 July 2017)
Craig Smith	National Executive Member
Dave Kirner	National Executive Member
Dave Noonan	National Assistant Secretary
Dean Hall	National Executive Member
Frank O'Grady	National Executive Member (resigned 15 October 2017)
Frank Vari	National Executive Member
Gary Wood	National Executive Member
Jane Calvert	National Executive Member
Joe McDonald	National Executive Member (resigned 15 October 2017)
John Setka	National Executive Member
Leo Skourdoumbis	National Vice-President
Michael O'Connor	National Executive Member
Michael Ravbar	National Vice-President
Mick Buchan	National Executive Member
Peter Jordan	National Executive Member
Rita Mallia	National Executive Member
Scott McLean	National Executive Member
Stephen Smyth	National Executive Member
Anthony Maher	National President
Trevor Williams	National Executive Member
Nigel Davies	National Executive Member (appointed 15 October 2017)
Andrew Sutherland	National Executive Member (appointed 15 October 2017)
David Bean	National Executive Member (appointed 5 July 2017)

National Executive members have been in office since the start of the financial year to the date of this report unless otherwise stated.

Signed in accordance with a resolution of the National Executive.

For the National Executive:

Signature: Tony Maher – National President



Signature: Michael O'Connor – National Secretary



Dated: 31 May 2018

Melbourne:

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NATIONAL OFFICE**

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**NATIONAL EXECUTIVE STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

The National Executive of the Construction, Forestry, Maritime, Mining and Energy Union passed the following resolution in relation to the general purpose financial report (GPFR) for the financial year ended 31 December 2017.

The National Executive declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the National Executive were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act, it has been provided to the member or to the Commissioner; and
  - (vi) where any order for inspection of financial records has been made by the Registered Organisations Commission under section 273 of the RO Act, there has been compliance.
  - (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

The National Executive instructed the auditor to include in the scope of the audit required under subsection 257(1) of the RO Act, all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity; and

- (i) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers, other than reported in the financial report on recovery of wages activity and the notes to the financial statements;
- (ii) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity;
- (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

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**NATIONAL EXECUTIVE STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

That Michael O'Connor and Tony Maher authorise the GPFR for the year ended 31 December 2017 on behalf of the National Executive."

This declaration is made in accordance with a resolution of the National Executive.

For the National Executive:

Signature: Tony Maher - National President



Signature: Michael O'Connor - National Secretary



Dated: 31 May 2018

Melbourne

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION  
NATIONAL OFFICE**

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**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 \$	2016 \$
<b>Revenue</b>			
Membership subscription		-	-
Capitation fees	3A	1,695,142	1,664,223
Levies	3B	952,320	-
Interest	3C	100	2,750
Other revenue	3E	1,091,141	5,190,920
<b>Total revenue</b>		<u>3,738,703</u>	<u>6,857,893</u>
<b>Other Income</b>			
Grants and/or donations	3D	-	955,947
<b>Total other income</b>		<u>-</u>	<u>955,947</u>
<b>Total income</b>		<u>3,738,703</u>	<u>7,813,840</u>
<b>Expenses</b>			
Employee expenses	4A	1,341,478	1,346,663
Affiliation fees	4C	413,299	395,826
Administration expenses	4D	677,404	903,617
Grants or donations	4E	18,549	244,062
Depreciation and amortisation	4F	57,224	40,524
Legal costs	4G	102,194	624,380
Audit fees	14	14,850	14,850
Other expenses	4H	1,176,227	4,298,064
<b>Total expenses</b>		<u>3,801,225</u>	<u>7,867,986</u>
<b>Loss for the year</b>		<u>(62,522)</u>	<u>(54,146)</u>
<b>Total comprehensive loss for the year</b>		<u>(62,522)</u>	<u>(54,146)</u>

The above statement should be read in conjunction with the notes.

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION  
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**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2017**

	Notes	2017 \$	2016 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5A	119,684	613,451
Trade and other receivables	5B	584,977	1,034,189
Other current assets	5C	3,594	106,959
<b>Total current assets</b>		<b>708,255</b>	<b>1,754,599</b>
<b>Non-Current Assets</b>			
Land and buildings	6A	-	13,079
Plant and equipment	6B	52,928	17,532
Intangibles	6C	115,459	150,096
<b>Total non-current assets</b>		<b>168,387</b>	<b>180,707</b>
<b>Total assets</b>		<b>876,642</b>	<b>1,935,306</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	7A	767,459	1,881,050
Other payables	7B	29,394	(4,213)
Employee provisions	8A	350,091	267,443
<b>Total current liabilities</b>		<b>1,146,944</b>	<b>2,144,280</b>
<b>Non-Current Liabilities</b>			
Employee provisions	8A	1,194	-
<b>Total non-current liabilities</b>		<b>1,194</b>	<b>-</b>
<b>Total liabilities</b>		<b>1,148,138</b>	<b>2,144,280</b>
<b>Net (liabilities)</b>		<b>(271,496)</b>	<b>(208,974)</b>
<b>EQUITY</b>			
Retained earnings (accumulated deficit)		(271,496)	(208,974)
<b>Total equity</b>		<b>(271,496)</b>	<b>(208,974)</b>

The above statement should be read in conjunction with the notes.



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STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2017

	Retained earnings	Total equity
Notes	\$	\$
<b>Balance as at 1 January 2016</b>	(154,828)	(154,828)
Loss for the year	(54,146)	(54,146)
<b>Closing balance as at 31 December 2016</b>	<b>(208,974)</b>	<b>(208,974)</b>
Loss for the year	(62,522)	(62,522)
<b>Closing balance as at 31 December 2017</b>	<b>(271,496)</b>	<b>(271,496)</b>

The above statement should be read in conjunction with the notes.

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION  
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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 \$	2016 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from other reporting units/controlled entity(s)	10B	4,755,217	7,637,846
Interest		100	2,750
Other		216,994	680,744
<hr/>			
<b>Cash used</b>			
Suppliers and employees		(4,187,554)	(8,542,173)
Payment to other reporting units/controlled entity(s)	10B	(231,895)	(188,490)
<b>Net cash from (used by) operating activities</b>	10A	<u>552,862</u>	<u>(409,323)</u>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
		-	-
<hr/>			
<b>Cash used</b>			
Purchase of plant and equipment		(46,629)	(6,656)
Purchase of land and buildings		-	(22,714)
Other		-	(79,100)
<b>Net cash from (used by) investing activities</b>		<u>(46,629)</u>	<u>(108,470)</u>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Loan from CFMEU – Construction & General VIC/TAS Divisional Branch		-	1,000,000
<hr/>			
<b>Cash used</b>			
Repayment of loan from CFMEU – Construction & General VIC/TAS Divisional Branch		(1,000,000)	-
<b>Net cash from (used by) financing activities</b>		<u>(1,000,000)</u>	<u>1,000,000</u>
<b>Net increase (decrease) in cash held</b>		<u>(493,767)</u>	<u>482,207</u>
Cash & cash equivalents at the beginning of the reporting period		613,451	131,244
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	5A	<u>119,684</u>	<u>613,451</u>

The above statement should be read in conjunction with the notes.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**Note 1 Summary of significant accounting policies**

**1.1 Basis of preparation of the financial statements**

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the reporting unit is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

**1.2 Comparative amounts**

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

**1.3 Significant accounting judgements and estimates**

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**1.4 New Australian Accounting Standards**

**Adoption of New Australian Accounting Standard requirements**

The accounting policies adopted are consistent with those of the previous financial year.

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on reporting unit include:

**IFRS 15 Revenue from contracts with customers.**

Effective 31 December 2019

IFRS 15 introduces a five step process for revenue recognition with the core principle of the new Standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.

IFRS 15 will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.

Impacts on the reported financial position and performance have not yet been determined.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**Note 1 Summary of significant accounting policies**

**1.4 New Australian Accounting Standards**

**Adoption of New Australian Accounting Standard requirements continued**

**IFRS 9 Financial Instruments**

31 December 2018

Significant revisions to the classification and measurement of financial assets, reducing the number of categories and simplifying the measurement choices, including the removal of impairment testing of assets measured at fair value. The amortised cost model is available for debt assets meeting both business model and cash flow characteristics tests. All investments in equity instruments using IFRS 9 are to be measured at fair value.

Amends measurement rules for financial liabilities that the entity elects to measure at fair value through profit and loss. Changes in fair value attributable to changes in the entity's own credit risk are presented in other comprehensive income.

Impairment of assets is now based on expected losses in IFRS 9 which requires entities to measure:

- the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

**1.5 Revenue**

Revenue is measured at the fair value of the consideration received or receivable.

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised on an accrual basis using the effective interest method.

**1.7 Gains**

**Sale of assets**

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

**1.8 Capitation fees and levies**

Capitation fees and levies are recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**Note 1 Summary of significant accounting policies**

**1.9 Employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, personal leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

**1.10 Cash**

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts.

**1.11 Financial instruments**

Financial assets and financial liabilities are recognised when a reporting unit entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**Note 1 Summary of significant accounting policies**

**1.12 Financial assets**

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

**Fair value through profit or loss**

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

**Held-to-maturity investments**

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

**Loan and receivables**

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**Note 1 Summary of significant accounting policies**

**1.12 Financial assets continued**

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

**Impairment of financial assets**

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

**Derecognition of financial assets**

The reporting unit derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.



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**NOTES TO THE FINANCIAL STATEMENTS  
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**Note 1 Summary of significant accounting policies**

**1.13 Financial Liabilities**

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

**Fair value through profit or loss**

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

**Other financial liabilities**

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

**Derecognition of financial liabilities**

The reporting unit derecognises financial liabilities when, and only when, the reporting units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

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**Note 1 Summary of significant accounting policies**

**1.14 Building improvement and Plant & Equipment**

**Asset Recognition Threshold**

Purchases of land, buildings, plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

**Depreciation**

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

<b>Class of Fixed Asset</b>	<b>2017</b>	<b>2016</b>
Office Equipment	3-10 years	3-10 years
Furniture and Fittings	10 years	10 years
Motor Vehicles	4 years	-
Building Improvements	-	3 years

**Derecognition**

An item of land plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

**1.15 Intangibles**

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The useful life of reporting unit intangible assets are:

	<b>2017</b>	<b>2016</b>
Intangibles	5 years	5 years

**Derecognition**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit and loss when the asset is derecognised.

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**Note 1 Summary of significant accounting policies**

**1.16 Impairment for non-financial assets**

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the reporting unit were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

**1.17 Taxation**

Reporting unit is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

**1.18 Fair value measurement**

The reporting unit measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 16A.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the reporting unit. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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**Note 1 Summary of significant accounting policies**

**1.18 Fair value measurement continued**

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The reporting unit uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the [reporting unit] determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the [reporting unit] has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

**1.19 Going concern**

As at 31 December 2017, the entity is in a net current liability and net liability position of \$438,689 (2016: \$389,681) and \$271,496 (2016: \$208,974) respectively and for the year then ended has also incurred losses of \$62,522 (2016: \$54,146). The net current liability and net liability position is due to losses incurred over the current and previous financial year-ends. Notwithstanding this factor, the financial report has been prepared on the basis that the entity is a going concern, which assumes continuity of normal business activities and the realisation and the settlement of liabilities in the normal course of business.

To continue as a going concern, the entity requires:

- to generate sufficient funds from future operating activities; and
- to acquire financial support from its related branches.

The National Executive believes that the entity will generate sufficient funds in the future years to ensure the continuation of operations via the raising of fees and levies to related branches.

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**Note 1 Summary of significant accounting policies**

**1.19 Going concern continued**

The National Executive believes that under National Rule 23 (i) financial support is required to be provided by each related branch in proportion to the total membership base. National Rule 23 (i) states that, "Each Division shall pay to the National Office and/or National Conference of the Union, on a basis which is proportionate to the respective financial membership of each Division, an amount that is determined by the National Conference or National Executive to enable it to fulfil its functions. Provided that each Division/Divisional Branch is responsible to meet all costs associated with the operation of its Division/Divisional Branch, including all costs associated with the attendance and participation by their representatives at meetings, including National Conference National Executive Committee unless decided otherwise by the National Executive Committee."

The related branches are as follows:

- CFMEU Construction and General;
- CFMEU Forestry, Furnishing, Building, Products & Manufacturing Division and
- CFMEU Mining and Energy Union

Based on its review of the financial position of the respective related branches, the National Executive is satisfied that each divisional branch is able to provide such financial support for at least 12 months from the date of signing of the financial statements. As at the date of signing of this financial report, the entity has not determined or called upon its related branches for financial support.

If the entity is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial report.

**Note 2 Events after the reporting period**

On the 6 March 2018 the Fair Work Commission approved the amalgamation of the Textile, Clothing and Footwear Union of Australia, the Construction, Forestry, Mining and Energy Union and The Maritime Union of Australia. The 27 March 2018 has been fixed as the day on which the amalgamation will take effect and will operate under the new name the Construction, Forestry, Maritime, Mining and Energy Union.

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	2017	2016
	\$	\$
<b>Note 3 Income</b>		
<b>Note 3A: Capitation fees*</b>		
CFMEU – Construction and General Division – National Office	1,115,730	1,063,502
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	234,067	228,017
CFMEU – Mining and Energy Division – National Office	345,345	372,704
<b>Total capitation fees</b>	1,695,142	1,664,223
 <b>Note 3B: Levies*</b>		
Levies		
CFMEU – Construction and General Division – National Office	630,000	-
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	127,320	-
CFMEU – Mining and Energy Division – National Office	195,000	-
<b>Total levies</b>	952,320	-
 <b>Note 3C: Interest</b>		
Deposits	100	2,750
<b>Total interest</b>	100	2,750
 <b>Note 3D: Grants or donations*</b>		
Grants	-	-
Donations		
CFMEU – Construction & General Division – NSW Divisional Branch	-	500,000
CFMEU – Construction & General Division – VIC/TAS Divisional Branch	-	400,000
CFMEU – Mining & Energy National Office	-	55,000
Other Donations	-	947
<b>Total grants or donations</b>	-	955,947

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	2017	2016
	\$	\$
<b>Note 3E: Other Income</b>		
Campaign – CFMEU National Campaign		
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	185,528	1,030,000
CFMEU – Construction & General Division – National Office	555,952	282,339
CFMEU – Construction & General Division – ACT Divisional Branch	-	112,156
CFMEU – Construction & General Division – NSW Divisional Branch	-	320,723
CFMEU – Construction & General Division – QLD/NT Divisional Branch	-	391,888
CFMEU – Construction & General Division – SA Divisional Branch	-	22,518
CFMEU – Construction & General Division – WA Divisional Branch	-	238,868
CFMEU – Construction & General Division – VIC/TAS Divisional Branch	-	330,099
CFMEU – Mining & Energy National Office	66,064	1,000,000
Other	-	115,367
Conference – CFMEU National Conference		
CFMEU – Construction & General Division – National Office	(327)	33,097
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	-	47,326
CFMEU – Mining & Energy National Office	-	14,664
CFMEU – Construction & General Division – QLD/NT Divisional Branch	-	164
Other	-	123,540
Conference – CFMEU Women's Conference		
Other	-	11,000
Reimbursement from divisional branches – Royal Commission		
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	-	62,339
CFMEU – Construction & General Division – National Office	-	258,483
CFMEU – Mining & Energy National Office	-	151,525
Other	-	333,549
Reimbursement from divisional branches – Royal Commission consulting		
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	-	8,133
CFMEU – Construction & General Division – National Office	-	31,464
CFMEU – Mining & Energy National Office	-	19,771
Reimbursement from divisional branches – Other		
CFMEU – Construction & General Division – National Office	-	127,411
CFMEU – Construction & General Division – QLD/NT Divisional Branch	-	50,000
CFMEU – Construction & General Division – VIC/TAS Divisional Branch	42,727	69,746
CFMEU – Construction & General Division – ACT Divisional Branch	21,000	-
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	64,795	-
Reimbursement – Slater and Gordon	109,885	
GST Refund	45,455	
Sundry Income	62	4,750
<b>Total other income</b>	<b>1,091,141</b>	<b>5,190,920</b>

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	2017	2016
	\$	\$
<b>Note 4 Expenses</b>		
<b>Note 4A: Employee expenses*</b>		
<b>Holders of office:</b>		
Wages and salaries	198,465	203,067
Superannuation	32,577	36,185
Leave and other entitlements	40,100	22,454
Other employee expenses	21,425	26,013
<b>Subtotal employee expenses holders of office</b>	<b>292,567</b>	<b>287,719</b>
<b>Employees other than office holders:</b>		
Wages and salaries	794,770	774,420
Superannuation	101,723	91,593
Leave and other entitlements	66,715	53,941
Separation and redundancies	-	34,936
Other employee expenses	85,703	104,054
<b>Subtotal employee expenses employees other than office holders</b>	<b>1,048,911</b>	<b>1,058,944</b>
<b>Total employee expenses</b>	<b>1,341,478</b>	<b>1,346,663</b>
 <b>Note 4B: Capitation fees*</b>		
Nil capitation fees for the year	-	-
<b>Total capitation fees</b>	-	-

\*As required by the Reporting Guidelines. Item to remain even if 'nil'.



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	2017	2016
	\$	\$
<b>Note 4C: Affiliation fees*</b>		
Affiliation fees:		
Australian Council of Trade Union	411,473	394,000
Australian People for Health, Education and Development Abroad	1,826	1,826
<b>Total affiliation fees/subscriptions</b>	<b>413,299</b>	<b>395,826</b>
<b>Note 4D: Administration expenses</b>		
<b>Included in administration expense</b>		
Compulsory levies		
ACTU - Growth & Campaign levy*	212,000	212,000
Fees/allowances - meeting and conferences	17,089	13,279
Conference and meeting expenses	34,188	280,070
Contractors/consultants	126,915	155,869
Office expenses	269,484	224,553
Information communications technology	17,728	17,846
<b>Total administration expenses</b>	<b>677,404</b>	<b>903,617</b>

\*As required by the Reporting Guidelines. Item to remain even if 'nil'.

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	2017	2016
	\$	\$
<b>Note 4E: Grants or donations*</b>		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	18,549	244,062
<b>Total grants or donations</b>	18,549	244,062

**Note 4F: Depreciation and amortisation**

Depreciation		
Land & buildings	11,354	9,635
Property, plant and equipment	11,233	7,797
<b>Total depreciation</b>	22,587	17,432
Amortisation		
Intangibles	34,637	23,092
<b>Total amortisation</b>	34,637	23,092
<b>Total depreciation and amortisation</b>	57,224	40,524

**Note 4G: Legal costs\***

Litigation	-	-
Other legal matters	102,194	624,380
<b>Total legal costs</b>	102,194	624,380

**Note 4H: Other expenses**

Campaign expenses	1,176,227	4,298,064
<b>Total other expenses</b>	1,176,227	4,298,064

\*As required by the Reporting Guidelines. Item to remain even if 'nil'.

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	2017	2016
	\$	\$
<b>Note 4H: Other expenses continued</b>		
Campaign expenses can be broken down as follows		
Advertising	115,404	150,394
Media	717,023	2,928,873
Campaign operating expenses	278,105	946,726
Other	65,695	272,071
<b>Total campaign expenses</b>	<b>1,176,227</b>	<b>4,298,064</b>
 <b>Note 5 Current Assets</b>		
<b>Note 5A: Cash and Cash Equivalents</b>		
Cash at bank	119,534	613,451
Cash on hand	150	-
<b>Total cash and cash equivalents</b>	<b>119,684</b>	<b>613,451</b>
 <b>Note 5B: Trade and other receivables</b>		
<b>Receivables from other reporting units</b>		
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	119,751	189,763
CFMEU – Construction & General Division – National Office	316,736	590,607
CFMEU – Construction & General Division – WA Divisional Branch	-	55,000
CFMEU – Construction & General Division – QLD/NT Divisional Branch	-	180
CFMEU – Construction & General Division – VIC/TAS Divisional Branch	-	50,210
CFMEU – Mining & Energy National Office	103,213	-
<b>Total receivables from other reporting units</b>	<b>539,700</b>	<b>885,760</b>
 <b>Other Receivables</b>		
GST Receivable	45,455	-
Other Receivables	(178)	148,429
<b>Total other receivables</b>	<b>45,277</b>	<b>148,428</b>
<b>Total trade and other receivables</b>	<b>584,977</b>	<b>1,034,189</b>

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	2017	2016
	\$	\$
<b>Note 5C: Other current assets</b>		
Prepayments	3,594	106,959
<b>Total other current assets</b>	3,594	106,959

**Note 6 Non-current Assets**

**Note 6A: Building Improvements**

Building Improvements:		
At Cost	22,714	22,714
accumulated depreciation	(22,714)	(9,635)
<b>Total Building Improvements</b>	-	13,079

**Reconciliation of the Opening and Closing Balances of Building Improvements**

<b>As at 1 January</b>		
Gross book value	-	-
Accumulated depreciation and impairment	-	-
<b>Net book value 1 January</b>	13,079	-
Additions:		
By purchase	-	22,714
Depreciation expense	(11,354)	(9,635)
Write off	(1,725)	-
<b>Net book value 31 December</b>	-	13,079
<b>Net book value as of 31 December represented by:</b>		
Gross book value	-	22,714
Accumulated depreciation and impairment	-	(9,635)
<b>Net book value 31 December</b>	-	13,079

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	2017	2016
	\$	\$
<b>Note 6B: Plant and equipment</b>		
Plant and equipment:		
At cost	83,512	36,883
Accumulated depreciation	(30,584)	(19,351)
<b>Total plant and equipment</b>	<b>52,928</b>	<b>17,532</b>

**Reconciliation of the Opening and Closing Balances of Plant and Equipment**

<b>As at 1 January</b>		
Gross book value	36,883	32,984
Accumulated depreciation and impairment	(19,351)	(14,311)
<b>Net book value 1 January</b>	<b>17,532</b>	<b>18,673</b>
Additions:		
By purchase	46,629	6,656
Depreciation expense	(11,233)	(5,040)
Other	-	(2,757)
<b>Net book value 31 December</b>	<b>52,928</b>	<b>17,532</b>
<b>Net book value as of 31 December represented by:</b>		
Gross book value	83,512	36,883
Accumulated depreciation and impairment	(30,584)	(19,351)
<b>Net book value 31 December</b>	<b>52,928</b>	<b>17,532</b>

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	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Note 6C: Intangibles</b>		
Website development at cost:		
Purchased	173,188	173,188
accumulated amortisation	(57,729)	(23,092)
<b>Total intangibles</b>	<b>115,459</b>	<b>150,096</b>

**Reconciliation of the Opening and Closing Balances of Intangibles**

<b>As at 1 January</b>		
Gross book value	173,188	94,088
Accumulated amortisation and impairment	(23,092)	-
<b>Net book value 1 January</b>	<b>150,096</b>	<b>94,088</b>
Additions:		
By purchase	-	79,100
Amortisation	(34,637)	(23,092)
<b>Net book value 31 December</b>	<b>115,459</b>	<b>150,096</b>
<b>Net book value as of 31 December represented by:</b>		
Gross book value	173,188	173,188
Accumulated amortisation and impairment	(57,729)	(23,092)
<b>Net book value 31 December</b>	<b>115,459</b>	<b>150,096</b>

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	2017	2016
	\$	\$
<b>Note 7      Current Liabilities</b>		
<b>Note 7A: Trade payables</b>		
Trade creditors and accruals	249,707	799,695
Income in advance:		
CFMEU – Construction & General National Office	287,787	-
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	53,131	-
CFMEU – Mining & Energy National Office	86,336	-
<b>Subtotal trade creditors</b>	676,961	799,695
<b>Payables to other reporting unit[s]*</b>		
CFMEU – Construction & General National Office	39,149	51,640
CFMEU – Construction & General VIC/TAS Divisional Branch	-	1,000,000
CFMEU – Mining & Energy National Office	43,974	-
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	7,055	29,715
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division Social	320	-
<b>Subtotal payables to other reporting unit[s]</b>	90,498	1,081,355
<b>Total trade payables</b>	767,459	1,881,050
Settlement is usually made within 30 days.		
<b>Note 7B: Other payables</b>		
Superannuation	-	9,126
Consideration to employers for payroll deductions*	-	-
Legal costs*		
Litigation	-	-
Other legal matters	52,750	4,799
GST payable	(23,356)	(18,138)
Other	-	-
<b>Total other payables</b>	29,394	(4,213)
Total other payables are expected to be settled in:		
No more than 12 months	29,394	(4,213)
More than 12 months	-	-
<b>Total other payables</b>	29,394	(4,213)

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**Note 8: Provisions**

**Note 8A: Employee Provisions\***

	2017	2016
	\$	\$
<b>Office Holders:</b>		
Annual leave	18,321	24,258
Long service leave	80,008	68,689
Personal leave	67,835	56,092
<b><i>Subtotal employee provisions—office holders</i></b>	166,164	149,039
<b>Employees other than office holders:</b>		
Annual leave	109,240	51,861
Long service leave	1,196	-
Personal leave	44,940	38,456
Recommended day off	29,745	28,087
<b><i>Subtotal employee provisions—employees other than office holders</i></b>	185,121	118,404
<b>Total employee provisions</b>	351,285	267,443
Current	350,091	267,443
Non Current	1,194	-
<b>Total employee provisions</b>	351,285	267,443



**CONSTRUCTION FORESTRY MINING AND ENERGY UNION  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017	2016
	\$	\$
<b>Note 9: Other Specific disclosures - Funds*</b>		
<b>Compulsory levy/voluntary contribution fund – if invested in assets</b>	-	-
<b>Other fund(s) required by rules</b>		
<b>Balance as at start of year</b>	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
<b>Balance as at end of year</b>	<u>-</u>	<u>-</u>

\*As required by Reporting Guidelines. Items to be disclosed even if nil.

**Note 10 Cash Flow**

**Note 10A: Cash Flow Reconciliation**

**Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:**

**Cash and cash equivalents as per:**

Cash flow statement	119,684	613,451
Balance sheet	119,684	613,451
<b>Difference</b>	<u>-</u>	<u>-</u>

**Reconciliation of profit/(deficit) to net cash from operating activities:**

Profit/(deficit) for the year	(62,522)	(54,146)
<b>Adjustments for non-cash items</b>		
Depreciation/amortisation	57,224	40,524
Loss on write off of fixed assets	1,725	-
<b>Changes in assets/liabilities</b>		
Decrease in net receivables	449,212	507,501
Decrease /(increase) in prepayments	103,365	(99,605)
(Decrease)/increase in supplier payables	(113,591)	405,898
Increase/(decrease) in other payables	33,607	(1,285,890)
Increase in employee provisions	83,842	76,395
<b>Net cash from (used by) operating activities</b>	<u>552,862</u>	<u>(409,323)</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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	2017	2016
	\$	\$
<b>Note 10 Cash Flow continued</b>		
<b>Note 10B: Cash flow information*</b>		
Cash inflows		
CFMEU – Construction & General National Office	3,122,287	1,845,524
CFMEU – Construction & General QLD/NT Divisional Branch	574	431,077
CFMEU – Construction & General VIC/TAS Divisional Branch	97,240	789,619
CFMEU – Construction & General WA Divisional Branch	55,000	262,755
CFMEU – Construction & General SA Divisional Branch	-	24,770
CFMEU – Construction & General NSW Divisional Branch	-	852,795
CFMEU – Construction & General ACT Divisional Branch	23,100	123,372
CFMEU – Mining & Energy National Office	658,807	1,910,091
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	798,209	1,397,843
<b>Total cash inflows</b>	<u>4,755,217</u>	<u>7,637,846</u>
Cash outflows		
CFMEU – Construction & General National Office	52,298	97,812
CFMEU – Construction & General VIC/TAS Divisional Branch	65,625	34,986
CFMEU – Construction & General WA Divisional Branch	3,400	-
CFMEU – Mining & Energy National Office	2,131	-
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	104,281	55,692
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division Social	4,160	-
<b>Total cash outflows</b>	<u>231,895</u>	<u>188,490</u>

\*As required by the Reporting Guidelines. Item to remain even if 'nil'.

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**NOTES TO THE FINANCIAL STATEMENTS  
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	2017	2016
	\$	\$
<b>Note 11      Related Party Disclosures</b>		
<b>Note 11A: Related Party Transactions for the Reporting Period</b>		
The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.		
<b>Revenue received from related parties includes the following:</b>		
CFMEU – Construction & General ACT Divisional Branch	21,000	112,156
CFMEU – Construction & General QLD/NT Divisional Branch	-	392,052
CFMEU – Construction & General VIC/TAS Divisional Branch	42,727	799,845
CFMEU – Construction & General SA Divisional Branch	-	22,518
CFMEU – Construction & General WA Divisional Branch	-	288,868
CFMEU – Construction & General NSW Divisional Branch	-	820,723
CFMEU – Construction & General National Office	2,301,355	1,795,475
CFMEU – Mining & Energy National Office	606,409	1,613,664
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	611,710	1,375,815
<b>Expenses paid to related parties includes the following:</b>		
CFMEU – Construction & General National Office	39,748	83,127
CFMEU – Construction & General VIC/TAS Divisional Branch	59,659	32,714
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	81,572	67,135
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division Social	4,160	-
CFMEU – Mining & Energy National Office	41,914	-
<b>Amounts owed by related parties include the following:</b>		
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	119,751	189,763
CFMEU – Construction & General National Office	316,736	590,607
CFMEU – Mining & Energy National Office	103,213	-
CFMEU – Construction & General WA Divisional Branch	-	55,000
CFMEU – Construction & General QLD/NT Divisional Branch	-	180
CFMEU – Construction & General VIC/TAS Divisional Branch	-	50,210
<b>Amounts owed to related parties Branch include the following:</b>		
CFMEU – Construction & General National Office	39,149	51,640
CFMEU – Mining & Energy National Office	43,974	-
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	7,055	29,715
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division Social	320	-
<b>Loans from related parties includes the following:</b>		
CFMEU – Construction & General VIC/TAS Divisional Branch	-	1,000,000

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**Note 11A: Related Party Transactions for the Reporting Period continued**

**Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2017, the reporting unit has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2016: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

No property was transferred to related parties during the financial year ended 31 December 2017.

**Note 12 Contingent Liabilities, Assets and Commitments**

There were no contingent liabilities, asset and commitments as at 31 December 2017 (2016: nil)

**Note 13: Key Management Personnel Remuneration for the Reporting Period**

	2017	2016
	\$	\$
<b>Short-term employee benefits</b>		
Salary (including annual leave taken)	221,438	203,067
Annual leave accrued	(5,937)	7,727
Other	11,744	9,362
<b>Total short-term employee benefits</b>	<u>227,245</u>	<u>220,156</u>
<b>Post-employment benefits:</b>		
Superannuation	32,577	36,185
<b>Total post-employment benefits</b>	<u>32,577</u>	<u>36,185</u>
<b>Other long-term benefits:</b>		
Long-service leave	11,320	5,365
<b>Total other long-term benefits</b>	<u>11,320</u>	<u>5,365</u>
<b>Total</b>	<u>271,142</u>	<u>261,706</u>

**Note 13A: Transactions with key management personnel and their close family members**

<b>Loans to/from key management personnel</b>	-	-
<b>Other transactions with key management personnel</b>	-	-

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**NOTES TO THE FINANCIAL STATEMENTS  
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	2017	2016
	\$	\$
<b>Note 14      Remuneration of Auditors</b>		
<b>Value of the services provided</b>		
Financial statement audit services	14,350	14,350
Other services	500	500
<b>Total remuneration of auditors</b>	<u>14,850</u>	<u>14,850</u>

During the financial year the auditors of the financial services provided services including preparation of financial reports and other accounting services.

**Note 15      Financial Instruments**

The financial instruments consist mainly of deposits with banks, accounts receivable and payable and loans to and from related unions.

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

**Note 15A: Categories of Financial Instruments**

**Financial Assets**

Financial liabilities:		
Trade and other payables	796,853	1,876,837
<b>Total</b>	<u>796,853</u>	<u>1,876,837</u>
<b>Carrying amount of financial liabilities</b>	<u>796,853</u>	<u>1,876,837</u>

**Note 15B: Net Income and Expense from Financial Assets**

<b>Held-to-maturity</b>		
Interest revenue	100	2,750
<b>Net gain/(loss) from financial assets</b>	<u>100</u>	<u>2,750</u>

The net income/expense from financial assets not at fair value from profit and loss is \$Nil (2016:\$Nil).

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**Note 15 Financial Instruments continued**

**Note 15C: Credit Risk**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss.

Credit risk is managed through maintaining procedures (such as the utilisation of systems for the approval, granting and removal of credit limits, regular monitoring of exposure against such limits and monitoring of the financial stability of significant customers and counterparties) ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that are cleared as being financially sound.

**Credit risk exposures**

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

There is no collateral held by the entity securing trade and other receivables.

The entity has no significant concentrations of credit risk with any single counterparty or group of counterparties

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 5B.

**The following table illustrates the reporting entity's gross exposure to credit risk, excluding any collateral or credit enhancements.**

	2017	2016
	\$	\$
<b>Financial assets</b>		
Cash and cash equivalents	119,684	613,451
Trade and other receivables	584,977	1,034,189
<b>Total</b>	<u>704,661</u>	<u>1,647,640</u>
<b>Financial liabilities</b>		
Trade and other payables	796,853	1,876,837
<b>Total</b>	<u>796,853</u>	<u>1,876,837</u>

In relation to the entity's gross credit risk the following collateral is held: \$Nil (2016: \$Nil)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**Note 15 Financial Instruments continued**

**Note 15C: Credit Risk continued**

**Ageing of financial assets that were past due but not impaired for 2017**

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Cash and cash equivalents	119,684	-	-	-	119,684
Trade and other receivables	-	584,977	-	-	584,977
<b>Total</b>	-	584,977	-	-	704,661

**Ageing of financial assets that were past due but not impaired for 2016**

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Cash and cash equivalents	613,451	-	-	-	613,451
Trade and other receivables	475,269	11,000	68,205	479,715	1,034,189
<b>Total</b>	1,088,720	11,000	68,205	479,715	1,647,640

**Note 15D: Liquidity Risk**

Liquidity risk arises from the possibility that the reporting entity might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. This risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operational, investing and financing activities;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timings of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will be rolled forward.

**Contractual maturities for financial liabilities 2017**

	On Demand	< 1 year	1- 2 years	2- 5 years	>5 years	Total
	\$	\$	\$	\$	\$	\$
Trade and other payables	-	796,853	-	-	-	796,853
<b>Total</b>	-	796,853	-	-	-	796,853

**Maturities for financial liabilities 2016 -**

	On Demand	< 1 year	1- 2 years	2- 5 years	>5 years	Total
	\$	\$	\$	\$	\$	\$
Trade and other payables	-	1,876,837	-	-	-	1,876,837
<b>Total</b>	-	1,876,837	-	-	-	1,876,837

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**Note 15 Financial Instruments continued**

**Note 15E: Market Risk**

**(i) Interest rate risk**

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows. The financial instruments that expose the entity to interest rate risk is limited to cash and cash equivalents.

**Sensitivity analysis of the risk that the entity is exposed to for 2017**

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss \$	Equity \$
Interest rate risk	-	+ 0.1%	120	(120)
Interest rate risk	-	- 0.1%	(120)	120

**Sensitivity analysis of the risk that the entity is exposed to for 2016**

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss \$	Equity \$
Interest rate risk	-	+0.1%	613	(613)
Interest rate risk	-	-0.1%	(613)	613

**(ii) Price risk**

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held.

The reporting entity is not exposed to securities price risk on available-for-sale investments

**Note 15F: Asset Pledged/or Held as Collateral**

There were no assets pledged or held as collateral as at 31 December 2017 (2016: \$Nil).



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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**Note 16 Fair Value Measurement**

**Note 16A: Financial Assets and Liabilities**

Management of the reporting entity assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- Fair values of the reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The own performance risk as at 31 December 2017 was assessed to be insignificant.
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the reporting entity based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 31 December 2017 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

The following table contains the carrying amounts and related fair values for the reporting entity's financial assets and liabilities:

	Carrying amount 2017 \$	Fair value 2017 \$	Carrying amount 2016 \$	Fair value 2016 \$
<b>Financial Assets</b>				
Cash and cash equivalents	119,684	119,684	613,451	613,451
Trade and other receivables	584,977	584,977	1,034,189	1,034,189
<b>Total</b>	<b>704,661</b>	<b>704,661</b>	<b>1,647,640</b>	<b>1,647,640</b>
<b>Financial Liabilities</b>				
Trade and other payables	796,853	796,853	1,876,837	1,876,837
<b>Total</b>	<b>796,853</b>	<b>796,853</b>	<b>1,876,837</b>	<b>1,876,837</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**Note 17 Section 272 Fair Work (Registered Organisations) Act 2009**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or General Manager:

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

**Note 18 Disclosure requirements under the rules**

In terms of the rules of the Construction Forestry Mining and Energy Union National Office, the union is required to provide additional disclosures for the financial year ended 31 December 2017.

(a). CFMEU Rule 24B – Remuneration paid to the Elected Official of the Union for the financial year ended 31 December 2017.

	2017	2016
<b>Michael O'Connor</b>	\$	\$
Salary	221,438	203,067
Annual Leave Accrual	(5,937)	7,727
Superannuation	32,577	36,185
<b>Total</b>	<u>248,078</u>	<u>246,979</u>

There is only one Elected Official disclosed as there is only one Elected Official in this Union who receives remuneration directly from the Union. In addition, this Elected Official is provided with a fully maintained motor vehicle (non-cash benefit). The Elected Official was entitled to receive director's fees during the period of disclosure but elected not to receive those fees which were instead directed to and paid to the Union.

(b). CFMEU Rule 24C – Elected Officials' Material Personal Interests.

None of the Elected Officials have disclosed any material personal interests in a matter that the Elected Official has or acquires; or a relative of the Elected Official has or acquires; that relates to the affairs of the union.

(c). CFMEU Rule 24D – Payments to related parties and declared person or body of the Union.

Payments to related parties are disclosed under Note 13. No payments were made by the Union to a declared person or body of the Union.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
CONSTRUCTION FORESTRY MINING AND ENERGY UNION  
NATIONAL OFFICE**

**Report on the Financial Report**

**Opinion**

We have audited the financial report of Construction Forestry Mining and Energy Union National Office (the Reporting Unit), which comprises the statement of financial position as at 31 December 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31 December 2017, notes to the financial statements, including a summary of significant accounting policies; and the National Executive Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Reporting Unit as at 31 December 2017, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a. the Australian Accounting Standards; and
- b. any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act).

**Material Uncertainty related to going concern**

We draw attention to Note 1.19 in the financial report, which indicates that the Reporting Unit incurred a net loss of \$62,522 during the year ended 31 December 2017 and, as of that date, the Reporting Unit is in a net current liability and net liability position of \$438,689 and \$271,496 respectively. As stated in Note 1.19, these events or conditions, along with other matters as set forth in Note 1.19, indicate that a material uncertainty exists that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**Basis for Opinion**

We conducted the audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. We are independent of the Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Information Other than the Financial Report and Auditor's Report Thereon**

The National Executive is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**National Executive's Responsibility for the Financial Report**

The National Executive of the Reporting Unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the National Executive determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the National Executive is responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the National Executive either intend to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
CONSTRUCTION FORESTRY MINING AND ENERGY UNION  
NATIONAL OFFICE**

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the National Executive.
- Conclude on the appropriateness of the National Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Reporting Unit audit. We remain solely responsible for my audit opinion.

We communicate with the National Executive regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during my audit.

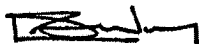
I declare that I am an approved auditor, a member of Chartered Accountants Australia and New Zealand and hold a current Public Practice Certificate.

**Independence**

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



MSI RAGG WEIR  
Chartered Accountants



L.S. WONG  
Partner  
Melbourne: 31 May 2018

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/21

**COMPILATION REPORT  
TO THE CONSTRUCTION FORESTRY MINING AND ENERGY UNION  
NATIONAL OFFICE**

**Scope**

We have compiled the accompanying special purpose financial statements of the Construction Forestry Mining and Energy Union National Office which comprises the attached Detailed Income and Expenditure statement for the year ended 31 December 2017 on pages 45 to 47. The specific purposes for which the special purpose financial statements have been prepared is to provide information relating to the performance of the entity that satisfies the information needs of the National Executive.

**The Responsibility of the National Executive**

The National Executive is solely responsible for the information contained in the special purpose Detailed Income and Expenditure statement, the reliability, accuracy and completeness of the information and for the determination that the basis used is appropriate to meet their needs and for the purpose that the special purpose Detailed Income and Expenditure statement was prepared.

**Our Responsibility**

On the basis of information provided by the National Executive we have compiled the accompanying Detailed Income and Expenditure statement in accordance with the basis of accounting and APES 315: Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile the special purpose Detailed Income and Expenditure statement in accordance with the requirements of the National Executive.

**Assurance Disclaimer**

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by the National Executive to compile the special purpose Detailed Income and Expenditure statement. Accordingly, we do not express an audit opinion or a review conclusion on the special purpose Detailed Income and Expenditure statement.

The special purpose Detailed Income and Expenditure statement was compiled exclusively for the benefit of the National Executive, who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose Detailed Income and Expenditure statement.



**MSI RAGG WEIR**  
Chartered Accountants

Melbourne: 31 May 2018

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION  
NATIONAL OFFICE  
ABN 17 402 743 835**

**DETAILED INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017	2016
	\$	\$
<b>Revenue</b>		
<u>Capitation Fees</u>		
CFMEU – Construction and General Division – National Office	1,115,730	1,063,502
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	234,067	228,017
CFMEU – Mining and Energy Division – National Office	345,345	372,704
	1,695,142	1,664,223
<u>Levy Fees</u>		
CFMEU – Construction and General Division – National Office	630,000	-
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	127,320	-
CFMEU – Mining and Energy Division – Mining and Energy	195,000	-
	952,320	
<u>Interest</u>	100	2,750
<u>Other Income</u>		
Campaign - CFMEU National Campaign	807,544	3,843,958
Conference	(327)	229,791
Reimbursement from sub-branches – Royal Commission	-	865,264
Reimbursement from sub-branches – Other	128,522	247,157
Reimbursement – Slater and Gordon	109,885	-
Sundry Income	62	4,750
GST Refund	45,455	-
	1,091,141	5,190,920
<u>Grants and Donations</u>		
Donations National Campaign	-	955,947
<b>TOTAL REVENUE</b>	<b>3,738,703</b>	<b>7,813,840</b>
<b>Expenses</b>		
<u>Administration and general expense</u>		
ACTU Levy	212,000	212,000
Fees/allowances - meeting and conferences	17,089	13,279
Conference and meeting expenses	34,188	280,070
Contractors/consultants	126,915	155,869
Office expenses	267,759	224,553
Information communications technology	17,728	17,846
Loss on sale of property, plant and equipment	1,725	-
	677,404	903,617

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION  
NATIONAL OFFICE  
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**DETAILED INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017	2016
<b>Expenses continued</b>	<b>\$</b>	<b>\$</b>
<u>Depreciation</u>		
Property, plant and equipment	57,224	40,524
<u>Audit Fees</u>		
Audit expense and preparation of accounts	14,850	14,850
<u>Other Expenses</u>		
Campaign Expenses	1,176,227	4,298,064
 <u>Affiliation fees</u>		
Australian Council of Trade Unions	411,473	394,000
Australian People for Health, Education and Development Abroad	1,826	1,826
	<hr/> 413,299	<hr/> 395,826
 <u>Employee expenses</u>		
Salaries and allowances:		
- elected officials	221,438	203,067
- employees	794,770	774,420
Superannuation contributions:		
- elected officials	40,833	36,185
- employees	93,467	91,593
Provision for annual leave:		
- elected officials	(5,937)	14,287
- employees	57,380	31,124
Provision for long service leave:		
- elected officials	11,320	5,365
- employees	1,194	-
Provision for RDO:		
- employees	1,658	13,632
Provision for personal leave:		
- elected officials	11,744	18,462
- employees	6,483	(6,474)
Termination – employees	-	34,936
Other:		
- payroll tax	54,130	57,761
- employee overheads	8,894	34,030
- fringe benefit tax	3,350	4,338
- redundancy fund contributions	28,950	23,672
- workcover	11,804	10,265
	<hr/> 1,341,478	<hr/> 1,346,663

CONSTRUCTION FORESTRY MINING AND ENERGY UNION  
NATIONAL OFFICE  
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DETAILED INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017	2016
<b>Expenses continued</b>	\$	\$
<u>Donation and Grant Expenses</u>		
Donations – Political Contributions	18,549	244,062
<u>Legal Expenses</u>		
Legal costs	102,194	624,380
<b>TOTAL EXPENSES</b>	<b>3,801,225</b>	<b>7,867,986</b>
<b>NET LOSS</b>	<b>(62,522)</b>	<b>(54,146)</b>