

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

**ABN 17 402 743 835**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
31 DECEMBER 2014**

**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 2014.

**Principal Activities**

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

- Implementation of decision 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 of initiating and leading the conduct of legal action launched in defence of the Union's work.

**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 \$54,162 (2013: \$75,503). 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.

**Superannuation Officeholders**

To the best of our knowledge and belief, the following officers and members of the union are superannuation fund trustee(s) or a director of a company that is a superannuation fund trustee:

Mr Dave Noonan, Mr Frank O'Grady and Mrs Rita Mallia are directors of United Super Pty Ltd which acts as Trustee of C Bus. Mr Dave Noonan is also a director of C Bus Property Pty Ltd.

Mr Michael O'Connor, Mr Alex Millar, Mr Dave Kirner, Mr Frank Vari and Mrs Denise Campbell-Burns are directors of the FIRST Superannuation Fund.

Mr Graham Kelly, Mr Graeme Osbourne and Mr Tim Whyte are directors of AUSCOAL Superannuation Pty Ltd.

Mr Dave Hanna is a director of the Building Unions Superannuation Scheme (Queensland).

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION  
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**OPERATING REPORT continued**

**Superannuation Officeholders continued**

Apart from the above, to the best of our knowledge and belief, 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 97,803 (2013: 104,426)
- (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 6.
- (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**

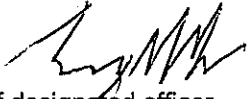
Aaron Cartledge	National Executive Member
Alex Millar	National Executive Member
Andrew Vickers	National Vice-President
Andy Honeysett	National Executive Member
Brad Coates	National Executive Member
Brad Parker	National Executive Member
Brian Parker	National Executive Member
Chris Hinds	National Executive Member
Craig Smith	National Executive Member
Darren Roberts	National Executive Member (appointed 1 July 2014)
Dave Kirner	National Executive Member
Dave Noonan	National Assistant Secretary
David Hanna	National Executive Member
Dean Hall	National Executive Member
Frank O'Grady	National Executive Member
Frank Vari	National Executive Member
Gary Wood	National Executive Member
Ian Murray	National Executive Member (retired 1 July 2014)
Jane Calvert	National Executive Member
Joe McDonald	National Executive Member
John Setka	National Executive Member
Leo Skourdoumbis	National Vice-President
Lorraine Usher	National Executive Member (appointed 1 July 2014)
Luke Van Der Meulen	National Executive Member
Michael O'Connor	National Executive Member
Michael Ravbar	National Vice-President
Mick Buchan	National Executive Member
Peter Jordan	National Executive Member
Scott McLean	National Executive Member
Stephen Smyth	National Executive Member
Tony Maher	National President
Wayne McAndrew	National Executive Member

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

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION  
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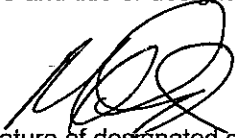
**OPERATING REPORT continued**

Signed in accordance with a resolution of the National Executive.



Signature of designated officer

Name and title of designated officer: Tony Maher – National President



Signature of designated officer

Name and title of designated officer: Michael O'Connor – National Secretary

Dated: 28 May 2015

Melbourne

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

**NATIONAL EXECUTIVE STATEMENT  
FOR THE PERIOD ENDED 31 DECEMBER 2014**

On the 28 May 2015 the National Executive of the Construction Forestry Mining And Energy Union National Office passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 31 December 2014:

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 the reporting guidelines of the General Manager;
- (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 GPRF 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 an organisation 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 an organisation concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - (iv) where the organisation consists of two or more reporting units, 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 General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
  - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

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

**NATIONAL EXECUTIVE STATEMENT  
FOR THE PERIOD ENDED 31 DECEMBER 2014 continued**

- (f) where the reporting unit has derived revenue from undertaking recovery of wages activity:
- (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager; and
  - (ii) 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
  - (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 other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
  - (iv) 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; and
  - (v) 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.

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



Signature of designated officer

Name and title of designated officer: Tony Maher – National President



Signature of designated officer

Name and title of designated officer: Michael O'Connor – National Secretary

Dated: 28 May 2015

Melbourne

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

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 DECEMBER 2014**

	Notes	2014 \$	2013 \$
<b>Revenue</b>			
Membership subscription		-	-
Capitation fees	3A	1,452,239	1,125,644
Levies	3B	-	-
Interest	3C	10,093	11,376
Rental revenue	3D	-	-
Other revenue	3G	4,716,982	3,046,427
<b>Total revenue</b>		<b>6,179,314</b>	<b>4,183,447</b>
<b>Other Income</b>			
Grants and/or donations	3E	64,969	26,861
Share of net profit from associate	6E	-	-
Net gains from sale of assets	3F	-	-
<b>Total other income</b>		<b>64,969</b>	<b>26,861</b>
<b>Total income</b>		<b>6,244,283</b>	<b>4,210,308</b>
<b>Expenses</b>			
Employee expenses	4A	837,056	769,412
Capitation fees	4B	-	-
Affiliation fees	4C	384,491	369,232
Administration expenses	4D	819,412	267,816
Grants or donations	4E	255,500	590,000
Depreciation and amortisation	4F	4,229	4,287
Finance costs	4G	-	-
Legal costs	4H	1,771,696	777
Audit fees	14	14,950	11,251
Share of net loss from associate	6E	-	-
Write-down and impairment of assets	4I	-	-
Net losses from sale of assets	4J	437	74
Other expenses	4K	2,210,674	2,272,962
<b>Total expenses</b>		<b>6,298,445</b>	<b>4,285,811</b>
<b>Profit (loss) for the year</b>		<b>(54,162)</b>	<b>(75,503)</b>
<b>Other comprehensive income</b>			
Items that will not be subsequently reclassified to profit or loss		-	-
Gain on revaluation of land & buildings		-	-
<b>Total comprehensive income for the year</b>		<b>(54,162)</b>	<b>(75,503)</b>

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

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

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2014**

	Notes	2014 \$	2013 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5A	483,954	371,804
Trade and other receivables	5B	1,789,572	63,127
Other current assets	5C	4,080	8,029
<b>Total current assets</b>		<b>2,277,606</b>	<b>442,960</b>
<b>Non-Current Assets</b>			
Land and buildings	6A	-	-
Plant and equipment	6B	6,849	9,167
Investment Property	6C	-	-
Intangibles	6D	49,625	-
Investments in associates	6E	-	-
Other investments	6F	-	-
Other non-current assets	6G	-	-
<b>Total non-financial assets</b>		<b>56,474</b>	<b>9,167</b>
<b>Total assets</b>		<b>2,334,080</b>	<b>452,127</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	7A	190,128	179,883
Other payables	7B	2,113,911	188,431
Employee provisions	8A	159,455	159,065
<b>Total current liabilities</b>		<b>2,463,494</b>	<b>527,379</b>
<b>Non-Current Liabilities</b>			
Employee provisions	8A	-	-
Other non-current liabilities	9A	-	-
<b>Total non-current liabilities</b>		<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>2,463,494</b>	<b>527,379</b>
<b>Net assets</b>		<b>(129,414)</b>	<b>(75,252)</b>
<b>EQUITY</b>			
General funds	10A	-	-
Retained earnings (accumulated deficit)		(129,414)	(75,252)
<b>Total equity</b>		<b>(129,414)</b>	<b>(75,252)</b>

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



**CONSTRUCTION FORESTRY MINING AND ENERGY UNION  
NATIONAL OFFICE  
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**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 DECEMBER 2014**

	Notes	General funds \$	Retained earnings \$	Total equity \$
<b>Balance as at 1 January 2013</b>		-	251	251
Adjustment for errors		-	-	-
Adjustment for changes in accounting policies		-	-	-
Loss for the year		-	(75,503)	(75,503)
Other comprehensive income for the year		-	-	-
Transfer to/from	10A	-	-	-
Transfer from retained earnings		-	-	-
<b>Closing balance as at 31 December 2013</b>		-	(75,252)	(75,252)
Adjustment for errors		-	-	-
Adjustment for changes in accounting policies		-	-	-
Loss for the year		-	(54,162)	(54,162)
Other comprehensive income for the year		-	-	-
Transfer to/from	10A	-	-	-
Transfer from retained earnings		-	-	-
<b>Closing balance as at 31 December 2014</b>		-	(129,414)	(129,414)

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

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

**CASH FLOW STATEMENT  
FOR THE PERIOD ENDED 31 DECEMBER 2014**

	Notes	2014 \$	2013 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from other reporting units/controlled entity(s)	11B	5,730,672	4,804,459
Interest		10,093	11,361
Other		552,989	83,737
<b>Cash used</b>			
Employees and Suppliers		(6,011,782)	(4,739,759)
Payment to other reporting units/controlled entity(s)	11B	(117,849)	(27,500)
<b>Net cash from operating activities</b>	11A	<u>164,123</u>	<u>132,298</u>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sale of plant and equipment		636	-
Proceeds from sale of land and buildings		-	-
Other		-	-
<b>Cash used</b>			
Purchase of plant and equipment	6B	(2,984)	(4,162)
Purchase of land and buildings		-	-
Other (purchase of intangible assets)	6D	(49,625)	-
<b>Net cash from (used by) investing activities</b>		<u>(51,973)</u>	<u>(4,162)</u>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Contributed equity		-	-
Other		-	-
<b>Cash used</b>			
Repayment of borrowings		-	-
Other		-	-
<b>Net cash from (used by) financing activities</b>		<u>-</u>	<u>-</u>
<b>Net increase (decrease) in cash held</b>		<u>112,150</u>	<u>128,136</u>
Cash & cash equivalents at the beginning of the reporting period		<u>371,804</u>	243,668
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	5A	<u>483,954</u>	<u>371,804</u>

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

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION  
NATIONAL OFFICE  
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**RECOVERY OF WAGES ACTIVITY  
FOR THE PERIOD ENDED 31 DECEMBER 2014**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Cash assets in respect of recovered money at beginning of year</b>	-	-
<b>Receipts</b>		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
<b>Total receipts</b>	-	-
<b>Payments</b>		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
The reporting unit:		
name of account	-	-
name of fund	-	-
Name of other reporting unit of the organisation:		
name of account	-	-
name of fund	-	-
Name of other entity:		
name of account	-	-
name of fund	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	-	-
<b>Total payments</b>	-	-
<b>Cash asset's in respect of recovered money at end of year</b>	-	-
Number of workers to which the monies recovered relates	-	-
<b>Aggregate payables to workers attributable to recovered monies but not yet distributed</b>		
Payable balance	-	-
Number of workers the payable relates to	-	-
<b>Fund or account operated for recovery of wages</b>		
[Insert fund or account name. If invested in assets include value of each asset]	-	-

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION  
NATIONAL OFFICE  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**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 and the Fair Work (Registered Organisations) Act 2009, 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**

No accounting standard has been adopted earlier than the application date stated in the standard.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**Note 1 Summary of significant accounting policies continued**

**1.4 New Australian Accounting Standards continued**

**Future Australian Accounting Standards Requirements**

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 the reporting unit include:

<b>Standard Name</b>	<b>Effective date (year ended)</b>	<b>Requirements</b>	<b>Impact</b>
AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation	31 December 2016	<p>This standard amends AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets to:</p> <p>a. establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset;</p> <p>b. clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset; and</p> <p>c. clarify that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.</p>	There will be no impact as the entity is not using a revenue based method of depreciation or amortisation.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**Note 1 Summary of significant accounting policies continued**

**1.4 New Australian Accounting Standards continued**

**Future Australian Accounting Standards Requirements**

<b>Standard Name</b>	<b>Effective date (year ended)</b>	<b>Requirements</b>	<b>Impact</b>
AASB 2014-1 Amendments to Australian Accounting Standards.	31 December 2015	The amendments clarify that if the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction in the service cost in the period in which the related service is rendered, instead of attributing the contributions to the periods of service. In contrast, if the amount of the contributions is dependent on the number of years of service, an entity is required to attribute those contributions to periods of service using the same attribution method required by paragraph 70 of AASB 119 for the gross benefit.	There will be no impact as the entity does not have a defined benefit plan.
AASB 2014-1 Amendments to Australian Accounting Standards	31 December 2015	AASB 2014 -1 makes amendments to particular Australian Accounting Standards to delete their references to AASB 1031 Materiality as each standard is amended for another purpose.	There is not expected to be any changes to the reported financial position, performance or cash flows of the entity.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**Note 1 Summary of significant accounting policies continued**

**1.4 New Australian Accounting Standards continued**

**Future Australian Accounting Standards Requirements**

<b>Standard Name</b>	<b>Effective date (year ended)</b>	<b>Requirements</b>	<b>Impact</b>
AASB 2014-1 Amendments to Australian Accounting Standards (2010 – 2012 cycle).	31 December 2015	<p>The following standards and changes are made under AASB 2014-1:</p> <ul style="list-style-type: none"> <li>- AASB 3 Business Combinations – clarification that contingent consideration that is classified as an asset or a liability shall be measured at fair value at each reporting date.</li> <li>- AASB 8 Operating Segments – amendments to disclosures</li> <li>- AASB 3 Business Combinations – references to contingent consideration</li> <li>- AASB 13 Fair value measurement – minor clarification re: measurement of short-term receivables and payables</li> <li>- AASB 116 Property, plant and equipment – clarifies that when an item of property, plant and equipment is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount.</li> <li>- AASB 124 Related Party Disclosures – clarifies that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a related party of the reporting entity.</li> </ul>	There are not expected to be any changes to reported financial position or performance arising from the adoption of part A of AASB 2014-1.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**Note 1 Summary of significant accounting policies continued**

**1.4 New Australian Accounting Standards continued**

**Future Australian Accounting Standards Requirements**

<b>Standard Name</b>	<b>Effective date (year ended)</b>	<b>Requirements</b>	<b>Impact</b>
AASB 2014-1 Amendments to Australian Accounting Standards (2011 – 2013 cycle).	31 December 2015	<p>The following standards and changes are made under AASB 2014-1:</p> <ul style="list-style-type: none"> <li>- AASB 1 First-time Adoption of Australian Accounting Standards – clarification in the basis of conclusion</li> <li>- AASB 3 Business Combinations - Clarifies that AASB 3 excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself.</li> <li>- AASB 13 Fair Value Measurement - Clarifies that the scope of the portfolio exception defined in paragraph 52 of AASB 13 includes all contracts accounted for within the scope of AASB 139 Financial Instruments: Recognition and Measurement or AASB 9 Financial Instruments, regardless of whether they meet the definition of financial assets or financial liabilities as defined in AASB 132 Financial Instruments: Presentation.</li> </ul>	There are not expected to be any changes to reported financial position or performance arising from the adoption of part A of AASB 2014-1.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**Note 1 Summary of significant accounting policies continued**

**1.4 New Australian Accounting Standards continued**

**Future Australian Accounting Standards Requirements**

<b>Standard Name</b>	<b>Effective date (year ended)</b>	<b>Requirements</b>	<b>Impact</b>
IFRS 15 Revenue from contracts with customers.	31 December 2018	<p>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.</p> <p>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.</p>	Impacts on the reported financial position and performance have not yet been determined.
Equity method in separate financial statements (Amendments to IAS 27)	31 December 2016	This standard will allow entities to use the equity method to account for its interest in subsidiaries, joint venture and associates in separate financial statements.	There is no impact as the entity does not prepare separate financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**Note 1 Summary of significant accounting policies continued**

**1.4 New Australian Accounting Standards continued**

**Future Australian Accounting Standards Requirements**

Standard Name	Effective date (year ended)	Requirements	Impact
IFRS 9 Financial Instruments	31 December 2018	<p>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.</p> <p>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.</p> <p>Impairment of assets is now based on expected losses in IFRS 9 which requires entities to measure:</p> <ul style="list-style-type: none"> <li>- 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</li> <li>- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument.</li> </ul>	<p>Impacts on the reported financial position and performance have not yet been determined.</p>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

**Note 1 Summary of significant accounting policies continued**

**1.5 Investment in associates**

An associate is an entity over which the reporting unit has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with AASB 5 'Non-current Asset Held for Sale and Discontinued Operations'. Under the equity method, an investment in an associate is initially recognised in the statement of financial position at cost and adjusted thereafter to recognise the share of the profit or loss and other comprehensive income of the associate. When the share of losses of an associate exceeds the interest in that associate, the reporting unit discontinues recognising its share of further losses. Additional losses are recognised only to the extent that it has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

**1.6 Business combinations**

The acquisition method of accounting is used to account for all business combinations, except for those identified in the Fair Work Commission's reporting guidelines under item 12. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interest issued by the parent entity. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values on acquisition date. On an acquisition-by-acquisition basis, the parent entity recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the parent entity's share of the net identifiable assets, is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

**Note 1 Summary of significant accounting policies continued**

**1.6 Business combinations continued**

If it is determined that the combination results in mutual benefit to both the members of the acquirer and the acquiree, the surplus of the fair value of the net identifiable assets acquired over the consideration paid will be recognised in member's funds as a business combination reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

**1.7 Acquisition of assets and or liabilities that do not constitute a business combination**

The net book value of assets and or liabilities transferred to reporting unit for no consideration is used to account for an amalgamation under Part 2 of Chapter 3 of the Fair Work (Registered Organisations) Act 2009/a restructure of the branches of the reporting unit/a determination by the General Manager under subsections 245(1) of the Fair Work (Registered Organisations) Act 2009/ a revocation by the General Manager under subsection 249(1) of the Fair Work (Registered Organisations) Act 2009.

The assets and liabilities are recognised as at the date of transfer.

**1.8 Revenue**

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

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

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.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

**Note 1 Summary of significant accounting policies continued**

**1.9 Government grants**

Government grants are not recognised until there is reasonable assurance that the reporting unit will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the reporting unit recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the reporting unit should purchase, construct otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the reporting unit with no future related costs are recognised in profit or loss in the period in which they become receivable.

**1.10 Gains**

**Sale of assets**

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

**1.11 Capitation fees and levies**

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

**1.12 Employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service 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.

Provision is made for separation and redundancy benefit payments. Reporting Unit recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

**Note 1 Summary of significant accounting policies continued**

**1.13 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

**1.14 Borrowing costs**

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

**1.15 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. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

**1.16 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

**Note 1 Summary of significant accounting policies continued**

**1.17 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.

Financial assets 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 dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

**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.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**Note 1 Summary of significant accounting policies continued**

**1.17 Financial assets continued**

**Available-for-sale**

Listed shares and listed redeemable notes held by the reporting unit that are traded in an active market are classified as available-for-sale and are stated at fair value. The reporting unit also has investments in unlisted shares that are not traded in an active market but that are also classified as available-for-sale financial assets and stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the reporting unit right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

**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.

**Effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

**Note 1 Summary of significant accounting policies continued**

**1.17 Financial assets continued**

**Impairment of financial assets**

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.

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.

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.

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

**Note 1 Summary of significant accounting policies continued**

**1.17 Financial assets continued**

**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.

**1.18 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

**Note 1 Summary of significant accounting policies continued**

**1.18 Financial liabilities continued**

**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.

**1.19 Contingent liabilities and contingent assets**

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

**1.20 Land, buildings, plant and 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.

**Revaluations—land and buildings**

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

**Note 1 Summary of significant accounting policies continued**

**1.20 Land, buildings, plant and equipment continued**

**Depreciation**

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight line method of depreciation. 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:

	2014	2013
Office Equipment	3 - 10 years	3 - 10 years
Furniture and fittings	10 years	10 years

**Derecognition**

An item of land, buildings, 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.

**1.21 Investment property**

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

**Note 1 Summary of significant accounting policies continued**

**1.22 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:

	2014	2013
Intangibles	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.

**1.23 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.

**1.24 Non-current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

**Note 1 Summary of significant accounting policies continued**

**1.25 Taxation**

The 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.

**1.26 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.

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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

**Note 1 Summary of significant accounting policies continued**

**1.27 Fair value measurement continued**

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.

**1.28 Going concern**

As at 31 December 2014, the entity is in a net asset deficiency of \$129,414. This deficiency is mainly due to expenses exceeding revenue for the period ending 31 December 2014. 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
- to acquire financial support from its related divisions and the refund of expenses by these branches for applicable expenditure.

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**

There were no events that occurred after 31 December 2014, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the reporting unit.



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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014	2013
	\$	\$
<b>Note 3      Income</b>		
<b>Note 3A: Capitation fees</b>		
CFMEU – Construction and General Division – National Office	928,036	704,854
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	198,973	150,415
CFMEU – Mining and Energy Division – National Office	325,230	270,375
<b>Total capitation fees</b>	<b>1,452,239</b>	<b>1,125,644</b>
 <b>Note 3B: Levies</b>		
Levies	-	-
<b>Total levies</b>	-	-
 <b>Note 3C: Interest</b>		
Deposits	10,093	11,376
Loans	-	-
<b>Total interest</b>	<b>10,093</b>	<b>11,376</b>
 <b>Note 3D: Rental revenue</b>		
Properties	-	-
Other	-	-
<b>Total rental revenue</b>	-	-
 <b>Note 3E: Grants or donations</b>		
Grants	64,968	26,861
Donations	-	-
<b>Total grants or donations</b>	<b>64,968</b>	<b>26,861</b>
 <b>Note 3F: Net gains from sale of assets</b>		
Land and buildings	-	-
Plant and equipment	-	-
Intangibles	-	-
<b>Total net gain from sale of assets</b>	-	-

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	2014	2013
	\$	\$
<b>Note 3G: Other Income</b>		
Campaign - CFMEU National Campaign	2,211,374	2,430,162
Conference	157,630	7,500
Directors Fees	58,204	65,765
Reimbursement from divisional branches – Royal Commission	1,792,448	-
Reimbursement from divisional branches – Other	466,400	543,000
Sponsorship	30,000	-
Sundry Income	926	-
<b>Total net gain from sale of assets</b>	<b>4,716,982</b>	<b>3,046,427</b>

**Note 4 Expenses**

**Note 4A: Employee expenses**

Salaries and allowances:		
- elected officials	207,783	202,961
- employees	478,104	403,578
Superannuation contributions:		
- elected officials	18,778	22,995
- employees	62,736	59,667
Provision for annual leave:		
- elected officials	(10,581)	(8,645)
- employees	(21,228)	4,338
Provision for long service leave:		
- elected officials	5,270	7,876
- employees	-	-
Provision for RDO:		
- employees	8,004	1,770
Provision for personal leave:		
- elected officials	12,782	9,163
- employees	6,143	3,923
Termination payments:		
- employees	-	-
Other:		
- payroll tax	37,185	35,029
- employee overheads	5,695	4,371
- fringe benefit tax	6,280	2,992
- redundancy fund contributions	13,425	13,350
- workcover	6,680	6,044
<b>Subtotal employee expenses holders of office</b>	<b>837,056</b>	<b>769,412</b>

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	2014	2013
	\$	\$
<b>Note 4B: Capitation fees</b>		
Capitation fees	-	-
<b>Total capitation fees</b>	-	-

**Note 4C: Affiliation fees**

Affiliation fees		
Australian Council of Trade Unions	378,709	363,291
Australian Fair Trade and Investment Network	3,182	3,341
Australian People for Health, Education and Development Abroad	2,600	2,600
<b>Total affiliation fees/subscriptions</b>	384,491	369,232

**Note 4D: Administration expenses**

Consideration to employers for payroll deductions	-	-
Compulsory levies		
ACTU Levy	212,000	-
Fees/allowances - meeting and conferences	7,450	9,450
Conference and meeting expenses	230,510	12,073
Contractors/consultants	137,425	84,123
Property expenses	-	-
Office expenses	220,280	149,128
Information communications technology	11,747	13,042
Other	-	-
<b>Subtotal administration expense</b>	819,412	267,816
Operating lease rentals:		
Minimum lease payments	-	-
<b>Total administration expenses</b>	819,412	267,816

**Note 4E: Grants or donations**

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	255,500	590,000
<b>Total grants or donations</b>	255,500	590,000

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	2014	2013
	\$	\$
<b>Note 4F: Depreciation and amortisation</b>		
Depreciation		
Land & buildings	-	-
Property, plant and equipment	4,229	4,287
<b>Total depreciation</b>	<b>4,229</b>	<b>4,287</b>
Amortisation		
Intangibles	-	-
<b>Total amortisation</b>	<b>-</b>	<b>-</b>
<b>Total depreciation and amortisation</b>	<b>-</b>	<b>-</b>

**Note 4G: Finance costs**

Finance leases	-	-
Overdrafts/loans	-	-
Unwinding of discount	-	-
<b>Total finance costs</b>	<b>-</b>	<b>-</b>

**Note 4H: Legal costs**

Litigation	-	-
Other legal matters	1,771,696	777
<b>Total legal costs</b>	<b>1,771,696</b>	<b>777</b>

Other legal matters are expenses incurred for legal advice regarding the Royal Commission. These amounts totalled \$1,705,837. The remaining expense of \$65,859 relate to general legal advice.

**Note 4I: Write-down and impairment of assets**

Asset write-downs and impairments of:		
Land and buildings	-	-
Plant and equipment	-	-
Intangible assets	-	-
Other	-	-
<b>Total write-down and impairment of assets</b>	<b>-</b>	<b>-</b>

**Note 4J: Net losses from sale of assets**

Land and buildings	-	-
Plant and equipment	437	74
Intangibles	-	-
<b>Total net losses from asset sales</b>	<b>437</b>	<b>74</b>

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	2014	2013
	\$	\$
<b>Note 4K: Other expenses</b>		
Campaign expenses	2,210,674	2,272,962
Penalties - via RO Act or RO Regulations	-	-
<b>Total other expenses</b>	2,210,674	2,272,962

**Note 5 Current assets**

**Note 5A: Cash and cash equivalents**

Cash at bank	483,954	9,126
Cash on hand	-	-
Short term deposits	-	-
Other	-	-
<b>Total cash and cash equivalents</b>	483,954	371,804

**Note 5B: Trade and other receivables**

**Receivables from other reporting unit[s]**

CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	494,284	4,091
CFMEU – Construction & General Division – National Office	903,204	-
CFMEU – Mining & Energy National Office	365,038	-
<b>Total receivables from other reporting unit[s]</b>	1,762,526	4,091

**Less provision for doubtful debts**

Provision for doubtful debts	-	-
<b>Total provision for doubtful debts</b>	-	-
<b>Receivable from other reporting unit[s] (net)</b>	1,762,526	4,091

**Other receivables:**

GST receivable from the Australian Taxation Office	-	-
Other trade receivables	27,046	59,036
<b>Total other receivables</b>	27,046	59,036
<b>Total trade and other receivables (net)</b>	1,789,572	63,127

**Note 5C: Other current assets**

Prepayments	4,080	8,029
<b>Total other current assets</b>	4,080	8,029

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	2014	2013
	\$	\$
<b>Note 6 Non-current assets</b>		
<b>Note 6A: Land and buildings</b>		
Land and buildings:		
fair value	-	-
accumulated depreciation	-	-
<b>Total land and buildings</b>	-	-
<b>Reconciliation of the opening and closing balances of land and buildings</b>		
<b>As at 1 January</b>		
Gross book value	-	-
Accumulated depreciation and impairment	-	-
<b>Net book value 1 January</b>	-	-
Additions:		
By purchase	-	-
From acquisition of entities (including restructuring)	-	-
Revaluations	-	-
Impairments	-	-
Depreciation expense	-	-
Other movement [give details below]	-	-
Disposals:		
From disposal of entities (including restructuring)	-	-
Other	-	-
<b>Net book value 31 December</b>	-	-
<b>Net book value as of 31 December represented by:</b>		
Gross book value	-	-
Accumulated depreciation and impairment	-	-
<b>Net book value 31 December</b>	-	-

If land and buildings were measured using the cost model, the carrying amounts would be as follows:

Cost	-	-
Accumulated depreciation and impairment	-	-
<b>Net carrying amount</b>	-	-

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	2014	2013
	\$	\$
<b>Note 6B: Plant and equipment</b>		
Plant and equipment:		
at cost	16,410	16,899
accumulated depreciation	(9,561)	(7,732)
<b>Total plant and equipment</b>	<b>6,849</b>	<b>9,167</b>
<b>Reconciliation of the opening and closing balances of plant and equipment</b>		
<b>As at 1 January</b>		
Gross book value	16,899	27,544
Accumulated depreciation and impairment	(7,732)	(18,178)
<b>Net book value 1 January</b>	<b>9,167</b>	<b>9,366</b>
Additions:		
By purchase	2,984	4,162
From acquisition of entities (including restructuring)	-	-
Impairments	-	-
Depreciation expense	(4,229)	(4,287)
Other movement	-	-
Disposals:	(1,073)	(74)
From disposal of entities (including restructuring)	-	-
Other	-	-
<b>Net book value 31 December</b>	<b>6,849</b>	<b>9,167</b>
<b>Net book value as of 31 December represented by:</b>		
Gross book value	16,410	16,899
Accumulated depreciation and impairment	(9,561)	(7,732)
<b>Net book value 31 December</b>	<b>6,849</b>	<b>9,167</b>

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	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Note 6C: Investment property</b>		
<b>Opening balance as at 1 January 2013</b>		
Additions	-	-
Net gain from fair value adjustment	-	-
<b>Closing balance as at 31 December 2014</b>	-	-

The valuations were performed by [xxx], an accredited independent valuer with a recognised and relevant professional qualification and with recent experience in the location and category of the investment property being valued.

The fair value of completed investment property has been determined on a market value basis in accordance with International Valuation Standards (IVS), as set out by the International Valuation Standards Council (IVSC). In arriving at their estimates of market values, the valuers have used their market knowledge and professional judgement and not only relied on historical transactional comparables.

The highest and best use of the investment properties is not considered to be different from its current use.

Additions during the year relate to the [xxx].

Rental income earned and received from the investment properties during the year was [\$x] (2013: [\$x]).

Direct expenses incurred in relation to the investment properties that generated rental income during the year was [\$x] (2013: [\$x]). During the year and as at the year-end, no restrictions on the realisability of investment property or the remittance of income and proceeds of disposal were present. The reporting unit does not have any contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

The fair value of investment property is determined by [independent valuer] using recognised valuation techniques. These techniques comprise both the Discounted Cash Flow (DCF) method and Income Capitalisation method.

Under the DCF method, a property's fair value is estimated using explicit assumptions regarding the benefits and liabilities of ownership over the asset's life including estimated rental income and an exit or terminal value.

This involves the projection of a series of cash flows and to this an appropriate, market-derived discount rate is applied to establish the present value of the income stream. Under the income capitalisation method, a property's fair value is estimated based on the normalised net operating income generated by the property, which is divided by the capitalisation rate (the investor's rate of return).

The fair value of investment property is included within Level [x – if significant unobservable inputs, for example Level 3, include the disclosure on unobservable inputs Note 16C].



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	2014	2013
	\$	\$
<b>Note 6D: Intangibles</b>		
Website development at cost:		
Internally developed	-	-
Purchased	49,625	-
Accumulated amortisation	-	-
<b>Total intangibles</b>	<b>49,625</b>	-
<b>Reconciliation of the opening and closing balances of intangibles</b>		
<b>As at 1 January</b>		
Gross book value	-	-
Accumulated amortisation and impairment	-	-
<b>Net book value 1 January</b>	-	-
Additions:		
By purchase	49,625	-
From acquisition of entities (including restructuring)	-	-
Impairments	-	-
Amortisation	-	-
Other movements	-	-
Disposals:		
From disposal of entities (including restructuring)	-	-
Other	-	-
<b>Net book value 31 December</b>	<b>49,625</b>	-
<b>Net book value as of 31 December represented by:</b>		
Gross book value	49,625	-
Accumulated amortisation and impairment	-	-
<b>Net book value 31 December</b>	<b>49,625</b>	-
<b>Note 6E: Investments in associates</b>		
<b>Investments in associates:</b>		
Investments in associates	-	-
<b>Total equity accounted investments</b>	-	-

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**Note 6E: Investments in associates continued**

**Details of investments accounted for using the equity method**

Parent Name of entity	Principal activity	Ownership	
		2014 %	2013 %
<b>Associates:</b>			
Associates	-	-	-
		2014 \$	2013 \$

**Summary financial information of associates**

**Statement of financial position:**

Assets	-	-
Liabilities	-	-
Net assets	-	-

**Statement of comprehensive income:**

Income	-	-
Expenses	-	-
Net surplus/(deficit)	-	-

**Share of associates' net surplus/(deficit):**

Share of net surplus/(deficit) before tax	-	-
Income tax expense	-	-

**Share of associates net surplus/(deficit) after tax**

-      -

Dividends received from associates \$x (2013:\$x)

**Share of net profits from associates**

Share of net profits from associates	-	-
<b>Total share of net profits from associates</b>	<b>-</b>	<b>-</b>

**Note 6E: Investments in Associates**

**Share of net loss from associates**

Share of net loss from associates	-	-
<b>Total share of net loss from associates</b>	<b>-</b>	<b>-</b>

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	2014	2013
	\$	\$
<b>Note 6F: Other investments</b>		
Deposits	-	-
Other	-	-
<b>Total other investments</b>	-	-
 <b>Note 6G: Other non-current assets</b>		
Prepayments	-	-
Other	-	-
<b>Total other non-financial assets</b>	-	-
 <b>Note 7 Current liabilities</b>		
<b>Note 7A: Trade payables</b>		
Trade creditors and accruals	190,128	152,340
Operating lease rentals	-	-
<b>Subtotal trade creditors</b>	190,128	152,340
 <b>Payables to other reporting unit[s]</b>		
CFMEU – Construction & General National Office	-	-
CFMEU – Mining & Energy National Office	-	-
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	-	27,543
<b>Subtotal payables to other reporting unit[s]</b>	-	27,543
<b>Total trade payables</b>	190,128	179,883
Settlement is usually made within 30 days.		
 <b>Note 7B: Other payables</b>		
Wages and salaries	-	-
Superannuation	7,537	10,361
Consideration to employers for payroll deductions	-	-
Legal costs	1,090,711	-
Prepayments received/unearned revenue	908,906	129,249
GST payable	106,757	48,821
Other	-	-
<b>Total other payables</b>	2,113,911	188,431
Total other payables are expected to be settled in:		
No more than 12 months	-	-
More than 12 months	-	-
<b>Total other payables</b>	-	-

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	2014	2013
	\$	\$
<b>Note 8 Provisions</b>		
<b>Note 8A: Employee provisions</b>		
<b>Office Holders:</b>		
Annual leave	8,806	19,388
Long service leave	57,988	52,718
Separations and redundancies	-	-
Other	37,394	24,612
<b>Subtotal employee provisions—office holders</b>	<b>104,188</b>	<b>96,718</b>
<b>Employees other than office holders:</b>		
Annual leave	21,746	42,974
Long service leave	-	-
Separations and redundancies	-	-
Other	33,521	19,373
<b>Subtotal employee provisions—employees other than office holders</b>	<b>55,267</b>	<b>62,347</b>
<b>Total employee provisions</b>	<b>159,455</b>	<b>159,065</b>
Current	159,455	159,065
Non Current	-	-
<b>Total employee provisions</b>	<b>159,455</b>	<b>159,065</b>
<b>Note 9 Non-current liabilities</b>		
<b>Note 9A: Other non-current liabilities</b>		
Other non-current liabilities	-	-
<b>Total other non-current liabilities</b>	-	-
<b>Note 10 Equity</b>		
<b>Note 10A: General funds</b>		
<b>Balance as at start of year</b>	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
<b>Balance as at end of year</b>	-	-
<b>Balance as at start of year</b>	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
<b>Balance as at end of year</b>	-	-
<b>Total Reserves</b>	-	-

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	2014	2013
	\$	\$
<b>Note 11 Cash flow</b>		
<b>Note 11A: Cash flow reconciliation</b>		
<b>Cash and cash equivalents as per:</b>		
Cash flow statement	483,954	371,804
Balance sheet	483,954	371,804
<b>Difference</b>	-	-
<b>Reconciliation of loss to net cash from operating activities:</b>		
Loss for the year	(54,162)	(75,503)
<b>Adjustments for non-cash items</b>		
Depreciation/amortisation	4,229	4,287
Net write-down of non-financial assets	-	-
Fair value movements in investment property	-	-
Loss on disposal of assets	437	74
<b>Changes in assets/liabilities</b>		
(Increase)/decrease in net receivables	(1,726,445)	(41,962)
(Increase)/decrease in prepayments	3,949	(4,745)
Increase/(decrease) in supplier payables	10,245	43,291
Increase/(decrease) in other payables	1,925,480	188,431
Increase/(decrease) in employee provisions	390	18,425
Increase/(decrease) in other provisions	-	-
<b>Net cash from (used by) operating activities</b>	<b>164,123</b>	<b>132,298</b>
<b>Note 11B: Cash flow information</b>		
<b>Cash inflows</b>		
CFMEU – Construction & General National Office	2,167,041	1,654,824
CFMEU – Construction & General QLD/NT Divisional Branch	-	330,000
CFMEU – Construction & General VIC/TAS Divisional Branch	554,840	440,000
CFMEU – Construction & General WA Divisional Branch	-	550,000
CFMEU – Construction & General NSW Divisional Branch	-	110,000
CFMEU – Construction & General ACT Divisional Branch	-	110,000
CFMEU – Mining & Energy National Office	1,845,258	840,644
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	1,163,533	768,941
	<b>5,730,672</b>	<b>4,804,409</b>

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	Parent	
	2014	2013
	\$	\$
<b>Note 11B: Cash flow information</b>		
Cash outflows		
CFMEU – Construction & General National Office	24,421	-
CFMEU – Construction & General QLD/NT Divisional Branch	2,497	-
CFMEU – Mining & Energy National Office	340	-
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	90,591	27,500
<b>Total cash outflows</b>	<b>117,849</b>	<b>27,500</b>

**Note 12 Contingent liabilities, assets and commitments**

**Note 12A: Commitments and contingencies**

Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:

Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-
	-	-
Within one year	-	-
After one year but not more than five years	-	-
After five years	-	-
	-	-

**Finance lease commitments—as lessee**

Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-
<b>Total minimum lease payments</b>	-	-
Less amounts representing finance charges	-	-
<b>Present value of minimum lease payments</b>	-	-

Included in the financial statements as:	-	-
Current interest-bearing loans and borrowings	-	-
Non-current interest-bearing loans and borrowings	-	-
<b>Total included in interest-bearing loans and borrowings</b>	-	-

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	2014	2013
	\$	\$
<b>Note 12A: Commitments and contingencies (continued)</b>		
<b>Finance leases—lessor</b>		
Minimum lease payments	-	-
Unguaranteed residual value	-	-
Gross investment	-	-
Unearned finance income	-	-
<b>Net investment (present value of the minimum lease payments)</b>	<b>-</b>	<b>-</b>
Gross amount of minimum lease payments:		
Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-
<b>Total gross amount of minimum lease payments</b>	<b>-</b>	<b>-</b>
Present value of minimum lease payments:		
Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-
<b>Total present value of minimum lease payments</b>	<b>-</b>	<b>-</b>

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	2014	2013
	\$	\$
<b>Note 13 Related party disclosures</b>		
<b>Note 13A: 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 National Office	1,625,068	2,254,854
CFMEU – Mining & Energy National Office	896,004	1,022,375
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	1,022,261	860,415
<b>Expenses paid to related parties includes the following:</b>		
CFMEU – Construction & General National Office	24,421	142,532
CFMEU – Construction & General QLD/NT Divisional Branch	2,497	-
CFMEU – Mining & Energy National Office	340	60,846
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	90,591	63,622
<b>Amounts owed by related parties include the following:</b>		
CFMEU – Construction & General National Office	494,284	4,091
CFMEU – Mining & Energy National Office	903,204	-
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	365,038	-
<b>Amounts owed to related parties include the following:</b>		
CFMEU – Forestry, Furnishing, Building Products and Manufacturing Division	-	27,453
<b>Loans from/to related parties includes the following:</b>		
N/A	-	-
<b>Assets transferred from/to related parties includes the following:</b>		
N/A	-	-

**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 2014, the reporting unit has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2013: \$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 2014.



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	2014	2013
	\$	\$
<b>Note 13B: Key management personnel remuneration for the reporting period</b>		
<b>Short-term employee benefits</b>		
Salary (including annual leave taken)	207,783	202,079
Annual leave accrued	7,703	7,703
Performance bonus	-	-
Other major categories	-	-
<b>Total short-term employee benefits</b>	<b>215,486</b>	<b>209,782</b>
<b>Post-employment benefits:</b>		
Superannuation	18,777	22,995
<b>Total post-employment benefits</b>	<b>18,777</b>	<b>22,995</b>
<b>Other long-term benefits:</b>		
Long-service leave	-	-
<b>Total other long-term benefits</b>	<b>-</b>	<b>-</b>
<b>Termination benefits</b>	-	-
<b>Total</b>	<b>234,263</b>	<b>232,777</b>

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

Loans to/from key management personnel	-	-
Other transactions with key management personnel	-	-

**Note 14 Remuneration of auditors**

<b>Value of the services provided</b>		
Financial statement audit services	14,250	10,500
Other services	700	751
<b>Total remuneration of auditors</b>	<b>14,950</b>	<b>11,251</b>

No other services were provided by the auditors of the financial statements.

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

**NOTES TO THE FINANCIAL STATEMENTS  
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	2014	2013
	\$	\$

**Note 15 Financial instruments**

The entity's 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**

Fair value through profit or loss	-	-
<b>Total</b>	-	-
Held-to-maturity investments:		
Cash and cash equivalents	483,954	371,804
<b>Total</b>	<b>483,954</b>	<b>371,804</b>
Available-for-sale assets	-	-
<b>Total</b>	-	-
Loans and receivables:		
Loans and receivables – refer to Note 5B	1,789,572	63,127
<b>Total</b>	<b>1,789,572</b>	<b>63,127</b>
<b>Carrying amount of financial assets</b>	<b>2,273,526</b>	<b>434,931</b>

**Financial liabilities**

Fair value through profit or loss	-	-
<b>Total</b>	-	-
Other financial liabilities:		
Trade and other payables	2,304,039	368,314
<b>Total</b>	<b>2,304,039</b>	<b>368,314</b>
<b>Carrying amount of financial liabilities</b>	<b>2,304,039</b>	<b>368,314</b>

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	2014	2013
	\$	\$
<b>Note 15B: Net income and expense from financial assets</b>		
<b>Held-to-maturity</b>		
Interest revenue	10,093	11,376
Exchange gains/(loss)	-	-
Impairment	-	-
Gain/loss on disposal	-	-
<b>Net gain/(loss) held-to-maturity</b>	<b>10,093</b>	<b>11,376</b>
<b>Loans and receivables</b>		
Interest revenue	-	-
Exchange gains/(loss)	-	-
Impairment	-	-
Gain/loss on disposal	-	-
<b>Net gain/(loss) from loans and receivables</b>	<b>-</b>	<b>-</b>
<b>Available for sale</b>		
Interest revenue	-	-
Dividend revenue	-	-
Exchange gains/(loss)	-	-
Gain/loss recognised in equity	-	-
Amounts reversed from equity:		
Impairment	-	-
Fair value changes reversed on disposal	-	-
Gain/loss on disposal	-	-
<b>Net gain/(loss) from available for sale</b>	<b>-</b>	<b>-</b>
<b>Fair value through profit and loss</b>		
<b>Held for trading:</b>		
Change in fair value	-	-
Interest revenue	-	-
Dividend revenue	-	-
Exchange gains/(loss)	-	-
<b>Total held for trading</b>	<b>-</b>	<b>-</b>
<b>Designated as fair value through profit and loss:</b>		
Change in fair value	-	-
Interest revenue	-	-
Dividend revenue	-	-
Exchange gains/(loss)	0	-
<b>Total designated as fair value through profit and loss</b>	<b>-</b>	<b>-</b>
<b>Net gain/(loss) at fair value through profit and loss</b>	<b>-</b>	<b>-</b>
<b>Net gain/(loss) from financial assets</b>	<b>10,093</b>	<b>11,376</b>

The net income/expense from financial assets not at fair value from profit and loss is \$Nil (2013: \$Nil).

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NOTES TO THE FINANCIAL STATEMENTS  
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	2014	2013
	\$	\$
<b>Note 15C: Net income and expense from financial liabilities</b>		
<b>At amortised cost</b>		
Interest expense	-	-
Exchange gains/(loss)	-	-
Gain/loss on disposal	-	-
<b>Net gain/(loss) financial liabilities - at amortised cost</b>	-	-
<b>Fair value through profit and loss</b>		
<b>Held for trading:</b>		
Change in fair value	-	-
Interest expense	-	-
Exchange gains/(loss)	-	-
<b>Total held for trading</b>	-	-
<b>Designated as fair value through profit and loss:</b>		
Change in fair value	-	-
Interest expense	-	-
<b>Total designated as fair value through profit and loss</b>	-	-
<b>Net gain/(loss) at fair value through profit and loss</b>	-	-
<b>Net gain/(loss) from financial liabilities</b>	-	-

The net income/expense from financial liabilities not at fair value from profit and loss is \$Nil (2013:\$Nil).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014	2013
	\$	\$

**Note 15D: Credit risk**

**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 to the entity.

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 the committee has otherwise 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. Details with respect to credit risk of trade and other receivables are provided in Note 5B.

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 7A.

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

**Financial assets**

Trade and other receivables	1,789,572	63,127
<b>Total</b>	<b>1,789,572</b>	<b>63,127</b>

**Financial liabilities**

Trade and other payables	2,304,039	368,314
<b>Total</b>	<b>2,304,039</b>	<b>368,314</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**Note 15D: Credit risk continued**

**Credit quality of financial instruments not past due or individually determined as impaired**

	Not past due nor impaired	Past due or impaired	Not past due nor impaired	Past due or impaired
	2014	2014	2013	2013
	\$	\$	\$	\$
Impaired financial instruments	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Ageing of financial assets that were past due but not impaired for 2014**

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	1,734,666	-	54,906	-	1,789,572
<b>Total</b>	<b>1,734,666</b>	<b>-</b>	<b>54,906</b>	<b>-</b>	<b>1,789,572</b>

**Ageing of financial assets that were past due but not impaired for 2013**

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	8,127	-	-	55,000	63,127
<b>Total</b>	<b>8,127</b>	<b>-</b>	<b>-</b>	<b>55,000</b>	<b>63,127</b>

**NOTES TO THE FINANCIAL STATEMENTS  
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**Note 15E: Liquidity risk**

Liquidity risk arises from the possibility that the entity might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The entity manages 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 2014**

	On Demand	< 1 year \$	1- 2 years \$	2- 5 years \$	>5 years \$	Total \$
Trade and other payables	-	2,304,039	-	-	-	2,304,039
<b>Total</b>	-	<b>2,304,039</b>	-	-	-	<b>2,304,039</b>

**Contractual maturities for financial liabilities 2013**

	On Demand	< 1 year \$	1- 2 years \$	2- 5 years \$	>5 years \$	Total \$
Trade and other payables	-	368,314	-	-	-	368,314
<b>Total</b>	-	<b>368,314</b>	-	-	-	<b>368,314</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**Note 15F: Market risk**

**Note 15F: Market risk (continued)**

**Sensitivity analysis of the risk that the entity is exposed to for 2014**

(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.

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss \$	Equity \$

**Sensitivity analysis of the risk that the entity is exposed to for 2014**

Interest rate risk	-	+2%	9,679	2,588
Interest rate risk	-	-2%	(9,679)	(2,588)

**Sensitivity analysis of the risk that the entity is exposed to for 2013**

Interest rate risk	-	+2%	7,436	1,505
Interest rate risk	-	-2%	(7,436)	(1,505)

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

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity

**Sensitivity analysis of the risk that the entity is exposed to for 2014**

Other price risk	-	-	-	-
Other price risk	-	-	-	-

**Sensitivity analysis of the risk that the entity is exposed to for 2013**

Other price risk	-	-	-	-
Other price risk	-	-	-	-



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**Note 15G: Asset pledged/or held as collateral**

There were no assets pledged or held as collateral as at 31 December 2014 (2013: \$Nil).

**Note 16 Fair value measurement**

**Note 16A: Financial assets and liabilities**

Management of the reporting unit assessed that 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 [year-end date] 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 [year-end reporting date] 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 unit's] financial assets and liabilities:

	<b>Carrying amount 2014 \$</b>	<b>Fair value 2014 \$</b>	<b>Carrying amount 2013 \$</b>	<b>Fair value 2013 \$</b>
<b>Financial Assets</b>				
Trade and other receivables	1,789,572	1,789,572	63,127	63,127
Other current assets	4,080	4,080	8,029	8,029
<b>Total</b>	<b>1,793,652</b>	<b>1,793,652</b>	<b>71,156</b>	<b>71,156</b>
<b>Financial Liabilities</b>				
Trade and other payables	2,304,039	2,304,039	368,314	368,314
<b>Total</b>	<b>2,304,039</b>	<b>2,304,039</b>	<b>368,314</b>	<b>368,314</b>

**NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2014**

**Note 16B: Fair value hierarchy**

The following tables provide an analysis of financial and non financial assets and liabilities that are measured at fair value, by fair value hierarchy.

**Fair value hierarchy – 31 December 2014**

	Date of valuation	Level 1 \$	Level 2 \$	Level 3 \$
<b>Assets measured at fair value</b>	-	-	-	-
<b>Total</b>	-	-	-	-
<b>Liabilities measured at fair value</b>	-	-	-	-
<b>Total</b>	-	-	-	-

**Fair value hierarchy – 31 December 2013**

	Date of valuation	Level 1 \$	Level 2 \$	Level 3 \$
<b>Assets measured at fair value</b>	-	-	-	-
<b>Total</b>	-	-	-	-
<b>Liabilities measured at fair value</b>	-	-	-	-
<b>Total</b>	-	-	-	-

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**NOTES TO THE FINANCIAL STATEMENTS  
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**Note 17: Business combinations  
Subsidiaries acquired**

Name of entity	Principal activity	Date of acquisition	Proportion of shares acquired %	Consideration transferred
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<b>2014:</b>				
-	-	-	-	-
<b>2013:</b>				
-	-	-	-	-

**Consideration transferred**

<b>2014:</b>	<u>[Entity]</u>	<u>[Entity]</u>
Cash	-	-
Transfer of land & buildings at fair value at date of acquisition	-	-
<b>Total</b>	<u>-</u>	<u>-</u>
<b>2013:</b>	<u>[Entity]</u>	<u>[Entity]</u>
Cash	-	-
Transfer of land & buildings at fair value at date of acquisition	-	-
<b>Total</b>	<u>-</u>	<u>-</u>

**Assets acquired and liabilities assumed at the date of acquisition**

	[Entity]	[Entity]	Total
<b>2014:</b>			
<b>Current assets</b>			
Cash and cash equivalents	-	-	-
Trade and other receivables	-	-	-
Inventories	-	-	-
<b>Non-current assets</b>			
Plant and equipment	-	-	-
<b>Current liabilities</b>			
Trade and other payables	-	-	-
<b>Non-current liabilities</b>			
Deferred tax liabilities	-	-	-
Contingent liabilities	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

**Note 17: Business combinations (continued)**

	[Entity]	[Entity]	Total
<b>2013:</b>			
<b>Current assets</b>			
Cash and cash equivalents	-	-	-
Trade and other receivables	-	-	-
Inventories	-	-	-
<b>Non-current assets</b>			
Plant and equipment	-	-	-
<b>Current liabilities</b>			
Trade and other payables	-	-	-
<b>Non-current liabilities</b>			
Deferred tax liabilities	-	-	-
Contingent liabilities	-	-	-
<hr/>			
<b>Goodwill arising on acquisition</b>			
<hr/>			
	[Entity]	[Entity]	Total
<b>2014:</b>			
Consideration transferred			
Less: fair value of identifiable net assets acquired	-	-	-
Goodwill arising on acquisition	-	-	-
<hr/>			
	[Entity]	[Entity]	Total
<b>2013:</b>			
Consideration transferred			
Less: fair value of identifiable net assets acquired	-	-	-
Goodwill arising on acquisition	-	-	-
<hr/>			

**Note 18 Administration of financial affairs by a third party<sup>1</sup>**

<b>Name of entity providing service:</b>	N/A
<b>Terms and conditions:</b>	N/A
<b>Nature of expenses/consultancy service:</b>	N/A

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**NOTES TO THE FINANCIAL STATEMENTS  
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**Note 19 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 20 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 2014.

(a). CFMEU Rule 24B – Remuneration paid to the five highest paid Officers of the Union for the financial year ended 31 December 2014.

**Michael O'Connor**

Salary	206,857
Allowance	926
Annual Leave Accrued	7,703
Superannuation	18,777
	<u>234,263</u>

There is only one Officer disclosed as there is only one Officer in this Union who receives remuneration directly from the Union. In addition, this Officer is provided with a fully maintained motor vehicle (non-cash benefit). The Officer 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 – Officers' Material Personal Interests.

None of the Officers have disclosed any material personal interests in a matter that the Officer has or acquires; or a relative of the Officer 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**

We have audited the accompanying financial report of Construction Forestry Mining And Energy Union National Office, which comprises the statement of financial position as at 31 December 2014, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes and the National Executive's declaration of the reporting entity for the financial year.

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

The reporting entity's National Executive is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 and for such internal control as the National Executive determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the National Executive also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements that the financial statements comply with International Financial Reporting Standards (IFRS).

**Auditor's Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the reporting entity's preparation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the National Executive, as well as evaluating the overall presentation of the financial report.

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

**Independence**

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

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

**Report on the Financial Report**

We have audited the accompanying financial report of Construction Forestry Mining And Energy Union National Office, which comprises the statement of financial position as at 31 December 2014, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes and the National Executive's declaration of the reporting entity for the financial year.

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

**Independence**

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

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

**Auditor's Opinion**

In our opinion the general purpose financial report of the entity:

- a. (i) presented fairly the entity's financial report for the year ended 31 December 2014 in accordance with the provisions of the Fair Work (Registered Organisations) Act 2009, other requirements imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the Act; and  
(ii) complied with the Australian Accounting Standards (including Australian Accounting Interpretations) and the International Financial Reporting Standards as disclosed in Note 1.  
(iii) indicates that management's use of the going concern basis of accounting in preparation of the financial statements is appropriate.
- b. properly and fairly report all information in relation to recovery of wages activity required by the reporting guidelines of the General Manager of the Fair Work Commission including;  
(i) any fees charged to or reimbursements of expenses claimed from, members and others for recovery of wages activity; and  
(ii) any donations or other contributions deducted from recovered money

**Emphasis of Matter**

Without qualifying our opinion expressed above, we draw your attention to the Statement of Financial Position which indicates that the entity's total liabilities exceeded its total assets by \$129,414. This condition is disclosed in Note 1.28 to the financial report along with the National Executive's opinion that the entity is able to pay its debts as and when they fall due.

*MSI Ragg Weir*

**MSI RAGG WEIR**  
Chartered Accountants

*L.S. Wong*

**L.S.WONG**

Partner

Approved Auditor and Member of the Institute of Chartered Accountants in Australia and current holder of a current public practice certificate  
Melbourne:

*28 May 2015*