



11 October 2022

Michael Buchan  
Divisional Branch Secretary  
Construction, Forestry, Maritime, Mining and Energy Union - Construction and General Division,  
Western Australia Divisional Branch

Sent via email: [mbuchan@cfmeuwa.com](mailto:mbuchan@cfmeuwa.com)  
CC: [shaun.williams@moore-australia.com.au](mailto:shaun.williams@moore-australia.com.au)

Dear Michael Buchan,

**Construction, Forestry, Maritime, Mining and Energy Union - Construction and General Division, Western Australia Divisional Branch**

**Financial Report for the year ended 31 March 2022 – (FR2022/2)**

I acknowledge receipt of the financial report for the year ended 31 March 2022 for the Construction, Forestry, Maritime, Mining and Energy Union - Construction and General Division, Western Australia Divisional Branch. The documents were lodged with the Registered Organisations Commission (the ROC) on 23 September 2022.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009 (RO Act)* have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines (RGs) have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 31 March 2023 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. I make the following comment to assist you when you next prepare a financial report.

**Reports must be provided to members within 5 months after end of financial year where report is presented to committee of management meeting**

Under section 265(5)(b) of the RO Act, where the report is presented to a committee of management meeting, the report must be provided to members within 5 months of the end of the financial year. The designated officer's certificate states that the financial report was presented, for the purposes of section 266, to a committee of management meeting and that the full report was provided to members on 14 September 2022.

If the date of provision certified is correct, the reporting unit should have applied for an extension of time to provide the full report to members in accordance with section 265(5) of the RO Act.

Please note that in future financial years if an extension of time to provide the full report later than 5 months is required, a written request, signed by a relevant officer, including any reason for the delay, must be made *prior* to the expiry of the 5 months.

### Disclosure relating to other reporting units

A comparison made between the disclosures of the reporting unit and the National Office identified discrepancies. On 5 October 2022 Hemal Patel, the Head of Finance for the National Office, provided an email response explaining the difference and identified that the reporting unit had made an error, whereby net cash flows did not correctly identify amounts paid to the National Office. The reporting unit only disclosed \$455,822 cash flows paid to the National Office, instead of the full amount which was \$685,986.

Subsection 252(2) of the RO Act requires that where an organisation consists of 2 or more reporting units, the financial records for each of the reporting units must, as far as practicable, be kept in a consistent manner. Moreover, reporting guideline 25(e)(iv) requires the committee of management to make a declaration in relation to the general purpose financial report to that effect. It is also noted that overall, the accounting policies relating to the measurement basis and disclosure of key financial transactions for each reporting unit are the same. It would therefore be expected, in the ordinary course, that amounts disclosed in the respective reports of the relevant reporting units will correspond.

The reporting unit must take such steps to ensure that in next year's report, balances for transactions with other reporting units within the organisation correspond with relevant balances disclosed in the financial reports of those other reporting units. The ROC will assess how this issue has been addressed prior to filing next year's report.

### **Reporting Requirements**

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements.

The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 9603 0988 or by email at [Madeleine.Hurrell@roc.gov.au](mailto:Madeleine.Hurrell@roc.gov.au).

Yours sincerely

*Madeleine Hurrell*

**Madeleine Hurrell**  
**Financial Reporting Officer**  
**Registered Organisations Commission**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY  
UNION CONSTRUCTION AND GENERAL DIVISION – WA BRANCH****Opinion**

I have audited the financial report of Construction Forestry Maritime Mining and Energy Union Construction and General Division – WA Branch (the reporting unit ) which comprises the statement of financial position as at 31 March 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31 March 2022, notes to the financial statements including a summary of significant accounting policies, the committee of management and executive statement, the subsection 255(2A) report and the secretary declaration statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Construction Forestry Maritime Mining and Energy Union Construction and General Division – WA Branch as at 31 March 2022, and its financial performance and its cash flows for the year ended on that date in accordance with:

- i. the Australian Accounting Standards; and
- ii. any other requirements imposed by the reporting guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act)

I declare that management's use of the going concern basis in the preparation of the financial statements of the reporting unit is appropriate.

**Basis for Opinion**

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

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

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

The committee of management and executive is responsible for the other information. The other information obtained at the date of this auditor's report is in the operating report accompanying the financial report. My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

**Construction Forestry Maritime Mining and Energy Union  
Construction and General Division – WA Branch**

**Financial Report for the Year Ended 31 March 2022**

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH  
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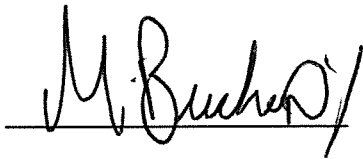
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**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH  
CERTIFICATE OF SECRETARY  
FOR THE YEAR ENDED 31 MARCH 2022**

I, Michael Buchan being the Secretary of the Construction Forestry Maritime Mining and Energy Union Construction and General Division – WA Branch certify:

- that the documents lodged herewith are copies of the full report for the Construction Forestry Maritime Mining and Energy Union Construction and General Division – WA Branch for the period ended 31 March 2022 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009;
- that the full report was presented to a meeting of the Committee of Management and Executive of the reporting unit on 20 July 2022, and
- that the full report was provided to members of the reporting unit on 14 September 2022 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

A handwritten signature in black ink, appearing to read 'M. Buchan', written over a horizontal line.

Michael Buchan  
Secretary

CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH

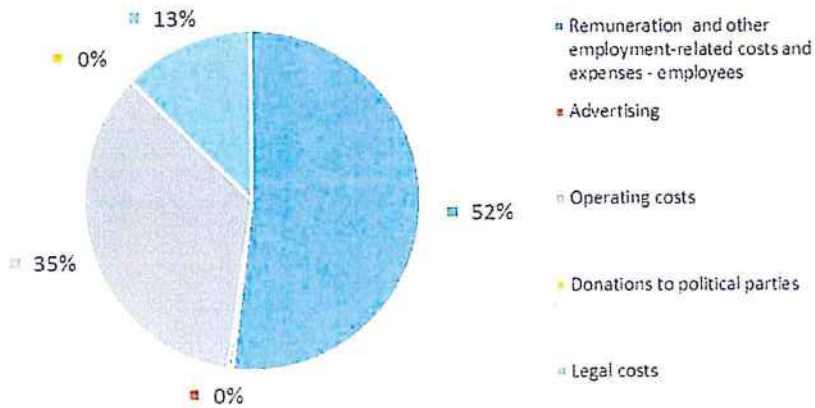
Date: 19 September 2022

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH  
REPORT REQUIRED UNDER SUBSECTION 255(2A)  
FOR THE YEAR ENDED 31 MARCH 2022**

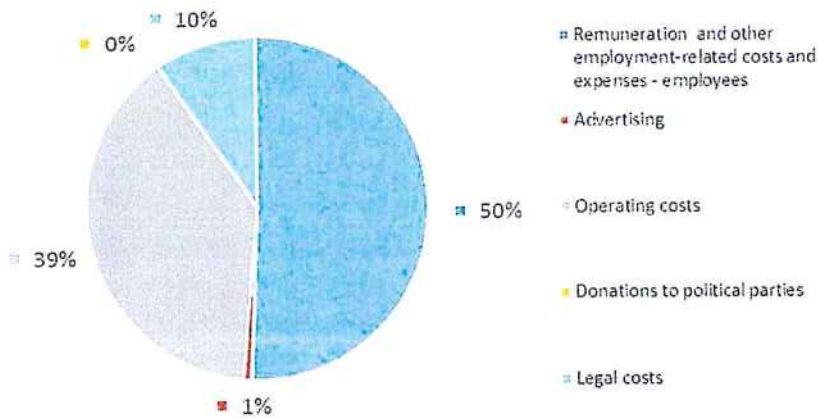
The Committee of Management and Executive presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 March 2022.

**Diagrammatic form**

2022 - EXPENDITURE AS REQUIRED UNDER S.255(2A) RO ACT



2021 - EXPENDITURE AS REQUIRED UNDER S.255(2A) RO ACT



Michael Buchan  
Secretary

CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH

Date: 20<sup>th</sup> July 2022

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH  
OPERATING REPORT  
FOR THE YEAR ENDED 31 MARCH 2022**

The Committee of Management and Executive presents its operating report for the year ended 31 March 2022.

**Review of Principal Activities, the results of those activities and any significant changes in the nature of those activities during the period.**

The principal activities of the reporting unit during the period were:

- (i) Recruiting organising and advocating for workers in the Construction industry
- (ii) Promoting the interests of, and protecting the safety of members
- (iii) Negotiating and enforcing collective agreements
- (iv) Providing advice and representing members in Industrial Courts and at WorkCover

No significant changes in the nature of these activities occurred during the period.

**Significant Changes in Financial Affairs**

The results of the activities for the financial period are summarised as follows:

- Total revenue was \$5,716,785 for the year ended 31 March 2022, which represents an increase of 18% compared to the last reporting period. This was mainly due to an increase in membership subscription income and training levies.
- A surplus of \$126,798 was achieved for the 12-month period, compared with a deficit of \$886,478 for the prior reporting period. This was achieved through an increase in revenue as well as a reduction in expenditure, in particular a reduction in administration expenses (insurance and office expenses) and impairment expenses relating to receivables from related parties that were written off in the previous year. The above reduction in expenditure was offset by an increase in legal costs.
- Full details of revenue and expenditure are set out on page 6.
- Total assets increased to \$6,222,463 as at 31 March 2022 (31 March 2021: \$6,043,495), with the increase arising from an increase in cash due to the proceeds from the sale of property and an increase in membership receipts.
- Total liabilities increased to \$3,863,762 as at 31 March 2022 (31 March 2021: \$3,811,592), largely due to an increase in the provision for legal costs offsetting the reduction in other payables (largely income received in advance).
- Net assets increased to \$2,358,701 as at 31 March 2022 (31 March 2021: \$2,231,903), mainly due to the increase in assets as detailed above.

There were no significant changes in the Branch's affairs during the financial period.

**The Right of Members to Resign**

A member may resign from the membership of the Union by a written notice addressed and delivered to the Divisional Branch Secretary or other officer of the Divisional Branch authorised to receive such correspondence.

**Trustee of a Superannuation Entity**

No officer or member is a trustee of a superannuation entity or an exempt public-sector superannuation scheme or a director of a company that is a trustee of such an entity or scheme, where the criterion for the officer or member holding such a position is being an officer or member of a registered organisation.

**Membership Information**

The number of members of the reporting unit as at 31 March 2022 was 7,124.



**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH  
OPERATING REPORT  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Employee Information**

The number of full-time equivalent employees of the Branch as at 31 March 2022 was 19.

**Members of the Committee of Management and Executive**

The members of the Committee of Management and Executive at any time during the 12 months and the period which they held the position were:

Brad Upton  
Dean Brooker  
Gary Shorto  
Glenn Hawkins  
Jimmy Poole  
Matt Ryan  
Michael Buchan  
Nathan Fisher  
Robert Benkesser  
Robert Pearson  
Stephen Catania  
Troy Smart

Signed on behalf of the Committee of Management and Executive



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Michael Buchan  
Secretary

CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH

Date: 20<sup>th</sup> July 2022

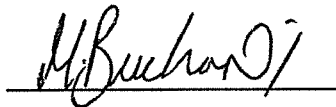
**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH  
COMMITTEE OF MANAGEMENT AND EXECUTIVE STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2022**

The Committee of Management and Executive of Construction Forestry Maritime Mining and Energy Union Construction and General Division – WA Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the year ended 31 March 2022:

The Committee of Management and Executive declares that in its opinion:

- a) the financial statements and notes comply with the Australian Accounting Standards;
- b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- e) during the financial year to which the GPFR relates and since the end of the period:
  - (i) meetings of the Committee of Management and Executive were held in accordance with the rules of the organisation including the rules of the branch; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of the branch; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other branches of the CFMEU; and
  - (v) where information has been sought in any request of a member of the reporting unit or the Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or the Commissioner; and
  - (vi) where any order for inspection of financial records made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

This declaration is made in accordance with a resolution of the Committee of Management and Executive.



Michael Buchan  
Secretary

CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH

Date: 20<sup>th</sup> July 2022

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH  
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 \$	2021 \$
<b>Revenue from contracts with customers</b>			
Membership Subscriptions	2	5,084,217	4,346,091
Capitation fees and other revenue from another reporting unit	2A	-	-
Training Levy	2B	354,227	156,860
<b>Total revenue from contracts with customers</b>		5,438,444	4,502,951
<b>Income for furthering objectives</b>			
Grants and/or donations	2C	-	-
<b>Total income for furthering objectives</b>		-	-
<b>Other Income</b>			
Investment income		5,983	20,385
Rental Income		40,636	52,262
Other income	2E	252,808	326,093
Revenue from recovery of wages activity	2D	-	-
Net Gain / (loss) on Sale of Assets		(21,086)	(39,196)
<b>Total other income</b>		278,341	359,544
<b>Total income</b>		5,716,785	4,862,495
<b>Expenses</b>			
Employee expenses	3A	2,891,824	2,911,235
Capitation fees and other expense to another reporting unit	3B	392,702	427,966
Affiliation fees	3C	97,960	90,435
Administration expenses	3D	617,051	730,243
Grants or donations	3E	39,341	33,390
Depreciation and amortisation		58,736	86,970
Finance costs		46,770	12,984
Legal costs	3F	704,086	560,579
Other expenses	3G	710,517	861,171
Audit fees	12	31,000	34,000
<b>Total expenses</b>		5,589,987	5,748,973
<b>Surplus/(deficit) for the year</b>		126,798	(886,478)
<b>Other comprehensive income</b>			
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		126,798	(886,478)

To be read in conjunction with the attached notes

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2022**

	Note	2022 \$	2021 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	3,844,051	2,507,106
Trade and other receivables	5	119,513	77,982
Other Financial Assets	6	1,046,045	1,136,124
<b>TOTAL CURRENT ASSETS</b>		<u>5,009,609</u>	<u>3,721,212</u>
<b>NON-CURRENT ASSETS</b>			
Investment property	7	990,000	2,050,000
Property, plant & equipment	8	222,854	272,283
<b>TOTAL NON-CURRENT ASSETS</b>		<u>1,212,854</u>	<u>2,322,283</u>
<b>TOTAL ASSETS</b>		<u>6,222,463</u>	<u>6,043,495</u>
<b>CURRENT LIABILITIES</b>			
Trade payables	9	128,633	113,486
Other payables	10	2,382,794	2,527,287
Employee provisions	11	574,111	611,517
Provision for legal/settlement costs – litigation		250,000	75,000
<b>TOTAL CURRENT LIABILITIES</b>		<u>3,335,538</u>	<u>3,327,290</u>
<b>NON-CURRENT LIABILITIES</b>			
Employee provisions	11	528,224	484,302
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>528,224</u>	<u>484,302</u>
<b>TOTAL LIABILITIES</b>		<u>3,863,762</u>	<u>3,811,592</u>
<b>NET ASSETS</b>		<u>2,358,701</u>	<u>2,231,903</u>
<b>EQUITY</b>			
General fund		1,749,934	1,623,136
Hardship fund		608,767	608,767
<b>TOTAL MEMBERS FUNDS</b>		<u>2,358,701</u>	<u>2,231,903</u>

To be read in conjunction with the attached notes

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2022**

	General Fund \$	Hardship Fund \$	Total \$
Balance as at 31 March 2020	2,509,614	608,767	3,118,381
Surplus/(deficit)	(886,478)	-	(886,478)
Other comprehensive income	-	-	-
<b>Balance as at 31 March 2021</b>	<b>1,623,136</b>	<b>608,767</b>	<b>2,231,903</b>
Surplus/(deficit)	126,798	-	126,798
Other comprehensive income	-	-	-
<b>Balance as at 31 March 2022</b>	<b>1,749,934</b>	<b>608,767</b>	<b>2,358,701</b>

NB: All funds required by the rules of the Union are included in the statement of changes in equity. There have been no withdrawals or transfers from a fund other than the general fund as set out above.

To be read in conjunction with the attached notes

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH  
STATEMENT OF CASHFLOWS  
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 \$	2021 \$
<b>Cashflows from Operating Activities</b>			
Receipts from members		5,767,575	5,070,566
Receipts from other reporting units		-	3,054
Payments to suppliers and employees		(4,904,719)	(5,390,238)
Payments to other reporting units		(574,362)	(642,932)
Interest received		1,219	3,257
<b>Net Cash Provided by (used in) Operating Activities</b>	14	289,713	(956,293)
<b>Cashflows from Investing Activities</b>			
Net payments for managed investments		17,625	14,054
Payments for Property, Plant & Equipment		(46,707)	(88,176)
Proceeds from sale of Property, Plant & Equipment and Investment property		1,076,314	144,375
<b>Net Cash Provided by (used in) Investing Activities</b>		1,047,232	70,253
Net Increase (Decrease) in Cash Held		1,336,945	(886,040)
Cash & cash equivalents at the beginning of the reporting period		2,507,106	3,393,146
<b>Cash &amp; cash equivalents at the end of the reporting period</b>		3,844,051	2,507,106

To be read in conjunction with the attached notes

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF PREPARATION**

The financial statements are general purpose financial statements (being Tier 1 reporting requirements) that have been prepared in accordance with Accounting Standards, Urgent Issues Group Interpretations, other pronouncements of the Australian Accounting Standards Board and the reporting guidelines made under section 255 of the Fair Work (Registered Organisations) Act 2009. The Branch is a not-for-profit entity for financial reporting purposes.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on the 20<sup>th</sup> day of July 2022 by the members of the Committee of Management and Executive.

**(a) GOING CONCERN**

The Union has assessed its ability to continue as a going concern, taking into account all available information for a period of 12 months from the date of issuing the financial statements.

The Committee of Management and Executive remains confident that the Union will be able to continue as a going concern, which assumes the Union will be able to continue trading and realise assets and discharge liabilities in the ordinary course of business for at least 12 months from the date of the financial statements. In reaching this conclusion the following factors have been considered;

- The level of current assets of the Union including cash and other liquid assets which can be drawn upon if required;
- The forecast trading results for the next 15 months;
- The success management have had in the current year in turning a deficit in the prior year into a surplus;
- Management have taken steps that are expected to avoid losses in future; and
- The expected timing and amounts of employee related liabilities (provisions) expected to be paid out in the next 12 months. Such liabilities are required to be classified as current liabilities notwithstanding they may not actually be paid out on the next 12 months.

The outcome of the above leads the Committee of Management and Executive to determine that the Union's financial position is strong and it will be able to meet its debts as and when they fall due for a period of at least 12 months from the date of issue of the financial statements.

The financial statements have therefore been prepared on a going concern basis.

**(b) REVENUE**

The Branch enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, levies, grants, and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION**  
**CONSTRUCTION AND GENERAL DIVISION – WA BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Revenue from contracts with customers**

Where the Branch has a contract with a customer, the Branch recognises revenue when or as it transfers control of goods or services to the customer. The Branch accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

**Membership subscriptions**

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Branch.

If there is only one distinct membership service promised in the arrangement, the Branch recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Branch's promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the Branch allocates the transaction price to each performance obligation based on the relative standalone selling price of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the Branch charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good or as the service transfers to the customer, the Branch recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For membership subscriptions paid annually in advance, the Branch has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the Branch at their standalone selling price, the Branch accounts for those sales as a separate contract with a customer.

**Levies**

Levies paid by a member (or other party) in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the Branch transfers the training services.

In circumstances where the criteria for a contract with a customer are not met, the Branch will recognise capitation fees as income upon receipt (as specified in the income recognition policy below).

**Income of the Branch as a Not-for-Profit Entity**

Consideration is received by the Branch to enable the entity to further its objectives. The Branch recognises each of these amounts of consideration as income when the consideration is received (which is when the Branch obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- the Branch's recognition of the cash contribution does not give rise to any related liabilities.



**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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The Branch receives cash consideration from the following arrangements whereby that consideration is recognised as income upon receipt:

- donations and voluntary contributions from members (including whip arounds); and
- government grants.

**Volunteer Services**

The Branch receives volunteer services. In those circumstances where the fair value of the volunteer services can be measured reliably, the Branch recognises the fair value of volunteer services received as income together with a corresponding expense where the economic benefits of the volunteer services are consumed as the services are acquired. Where the volunteer services contribute to the development of an asset, the fair value is included in the carrying amount of that asset.

During the year, the Branch did not recognise any volunteer services as revenue because it could not reliably measure the fair value of those services.

**Interest income**

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

**Rental income**

Leases in which the Branch as a lessor, do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the relevant lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as income in the period in which they are earned.

**(c) PROPERTY, PLANT AND EQUIPMENT**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment loss.

Plant and equipment, motor vehicles and furniture and fittings acquired are brought to account at cost.

The carrying amount of property, plant and equipment is reviewed annually by board members to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal.

**Depreciation**

The Depreciable amount of all fixed assets is depreciated on the diminishing value over their useful lives to the Union commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Furniture & Fittings	7.5 - 37.5%pa
Motor Vehicles	22.5%pa

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised.

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**(d) INVESTMENT PROPERTY**

Investment property is held to generate long-term rental yields or capital appreciation. All tenant leases are on an arm's length basis. Investment property is initially measured at cost and subsequently measured at fair value.

Fair value of investment properties is determined annually based on a valuation by an independent valuer, who has recognised and appropriate professional qualifications and recent experience in the location and category of investment property being valued, or alternatively by an assessment made by the Committee of Management and Executive. Fair values are determined by reference to market information, including prices for similar properties in comparable locations.

Changes to fair values of investment properties are recognised in profit or loss in the period in which they occur.

**(e) FAIR VALUE OF ASSETS AND LIABILITIES**

The Union measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard. Fair value is the price the Union would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs). For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

**(f) IMPAIRMENT OF ASSETS**

At each reporting date, the Union reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

**(g) INCOME TAX**

No provision for income tax is necessary as "Trade Unions" are exempt from income tax under section 50-15 of the Income Tax Assessment Act (1997).

**(h) EMPLOYEE BENEFITS**

Provision is made for the Union's liability for employee benefits arising from services rendered by employees at balance date.

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Liability for Annual Leave benefits are expected to be settled within 12 months and are therefore considered current liabilities. Liability for Long Service Leave benefits are not expected to be settled within 12 months and are therefore considered non-current liabilities, notwithstanding that any immaterial amounts may be settled within the next 12 months.

Provisions for employee benefits are brought to account at the amounts expected to be paid when the liability is settled, plus related on-costs. Provisions for redundancy fund are accrued at its current value. Any movement in the redundancy provision is expensed through the superannuation account.

Superannuation contributions made by the Union are expensed when due, except in the case for the redundancy fund mentioned above.

**(i) PROVISIONS**

Provisions are recognised when the Union has a legal or constructive obligation, as a result of past events, for which it is probably that an outflow of economic benefits will result and that outflow can be reliably measured.

**(j) CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

**(k) TRADE AND OTHER RECEIVABLES**

Trade and other receivables include amounts due from customers in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(f) for further discussion on determination of impairment losses.

**(l) TRADE AND OTHER PAYABLES**

Trade and other payables represent the liabilities for goods and services received by the Union that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

**(m) GOODS & SERVICES TAX (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where GST incurred on purchases is not recoverable from the ATO.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to the ATO is included with other receivables or payables in the statement of financial position.

**(n) MANAGED INVESTMENTS**

Managed Investments comprise of a diversified portfolio of tradeable equities, managed funds and cash, managed by an independent fund manager. Managed Investments are classified as "financial assets at fair value through profit and loss" and are recorded at net market value, with any changes in net market value brought to account in the Statement of Comprehensive Income in the periods in which they occur.

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**(o) FINANCIAL INSTRUMENTS**

**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Union commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

**Classification and subsequent measurement**

*Financial liabilities*

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit or loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability, that is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

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**Financial assets**

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss on the basis of the two primary criteria:
- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost if it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income if it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit or loss.

The Union initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance to the documented risk management or investment strategy and information about the groupings was documented appropriately, so as the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

**Equity instruments**

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the Union made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investments will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Union's accounting policy.

**Derecognition**

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

**Derecognition of financial liabilities**

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

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The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

**Derecognition of financial assets**

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Union no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

**Impairment**

The Union recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amount due from customers under contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Union use the simplified approach to impairment, as applicable under AASB 9.

**Simplified approach**

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to trade receivables or contract assets that results from transactions that are within the scope of AASB 15: Revenue from Contracts with Customers, that contain a significant financing component.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (ie diversity of its customer base, appropriate groupings of its historical loss experience, etc).

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**Recognition of expected credit losses in financial statements**

At each reporting date, the Union recognised the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

**(p) ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS**

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

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

No new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting reports are expected to have a future material financial impact.

**(q) COMPARATIVE AMOUNTS**

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

Certain properties, previously classified under property, plant & equipment have been reclassified in the current and previous year as Investment property to more accurately describe the nature of the property holdings. Other than the reclassifications there were no changes to the book values attributed to these assets, nor to gross or net assets nor to reported results for each year.

**(r) SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

The Committee of Management and Executive evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Union, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

*Key estimates – Impairment*

The Union assesses impairment at each reporting date by evaluating conditions specific to the Union that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

*Key estimates –Fair Value of Investment property*

The Union regularly reassesses the value of investment property so as to ensure that they are reflected at fair value based on either independent valuations or third part appraisals. Such assessments are based on information available, and judgements made at the time of preparing these financial statements. Refer to note 7 for information on best estimates used in the valuation of investment property.

*Key estimates – Provision for Legal and Settlement Costs*

At each reporting date the union assesses the amount which should be provided for in relation to legal and settlement costs. The amount determined is based on management's assessment of the likely outcome of actions in progress at year end taking into account the advice from legal counsel.

Actual legal and settlement costs could be lower or higher than the amount provided for at 31 March 2022 depending on the ultimate outcome of actions in progress at year end.

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**(s) REGISTRATION STATUS**

The Construction Forestry Maritime Mining and Energy Union Construction and General Division – WA Branch is a federally registered divisional branch of the Construction Forestry Maritime Mining and Energy Union.

**2. REVENUE AND INCOME**

**DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS**

A disaggregation of Construction Forestry Maritime Mining and Energy Union Construction and General Division – WA Branch's revenue by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of revenue by type of customer:

	2022 \$	2021 \$
Type of customer		
Members	5,084,217	4,346,091
Employers	354,227	156,860
<b>Total revenue from contracts with customers</b>	<b>5,438,444</b>	<b>4,502,951</b>

**2A. CAPITATION FEES AND OTHER REVENUE FROM ANOTHER REPORTING UNIT**

	2022 \$	2021 \$
Nil	-	-
<b>Total capitation fees and other revenue from another reporting unit</b>	<b>-</b>	<b>-</b>

**2B. LEVIES**

	2022 \$	2021 \$
Training Levy	354,227	156,860
<b>Total levies</b>	<b>354,227</b>	<b>156,860</b>

**2C. GRANTS AND/OR DONATIONS**

	2022 \$	2021 \$
Nil	-	-
<b>Total grants and donations</b>	<b>-</b>	<b>-</b>

**2D. REVENUE FROM RECOVERY OF WAGES ACTIVITY**

	2022 \$	2021 \$
Nil	-	-
<b>Total revenue from recovery of wages activity</b>	<b>-</b>	<b>-</b>



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**2E. OTHER INCOME**

	2022	2021
	\$	\$
Other receipts – sundry income	124,044	216,606
Government subsidies	-	100,000
Manufacturing services	83,145	-
Merchandise sales	12,922	25,180
Legal fees and penalties recovered	9,477	32,879
Payroll tax refund	-	-
Sponsorship income	94,455	18,181
Interest income	1,219	3,257
Revaluation of managed investments	(72,454)	(70,010)
<b>Total other income</b>	<b>252,808</b>	<b>326,093</b>

**3A. EMPLOYEE EXPENSES**

	2022	2021
	\$	\$
<b>Office Holders:</b>		
Wages and salaries	713,492	726,378
Superannuation	92,107	112,989
Leave and other entitlements	99,736	(51,122)
Separation and redundancies	9,048	9,048
	<b>914,383</b>	<b>797,293</b>
<b>Employees other than office holders:</b>		
Wages and salaries	1,472,730	1,748,659
Superannuation	202,790	297,487
Leave and other entitlements	243,109	(5,881)
Separation and redundancies	58,812	73,677
	<b>1,977,441</b>	<b>2,113,942</b>
<b>Total employee expenses</b>	<b>2,891,824</b>	<b>2,911,235</b>

Office holders comprise key management personnel having authority and responsibility for planning, directing and controlling the activities of the Union, and include members of the Committee of Management and Executive.

**3B. CAPITATION FEES AND OTHER EXPENSE TO ANOTHER REPORTING UNIT**

	2022	2021
	\$	\$
<b>Capitation fees</b>		
CFMEU Construction & General National Office	392,702	427,966
	<b>392,702</b>	<b>427,966</b>
<b>Other expense to another reporting unit</b>		
Nil	-	-
<b>Total capitation fees and other expense to another reporting unit</b>	<b>392,702</b>	<b>427,966</b>

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**3C. AFFILIATION FEES**

	2022 \$	2021 \$
Unions WA	44,855	41,944
Australian Labor Party	45,170	41,975
BWI	7,935	6,516
<b>Total affiliation fees</b>	<u>97,960</u>	<u>90,435</u>

**3D. ADMINISTRATION EXPENSES**

	2022 \$	2021 \$
Total paid to employers for payroll deductions of membership subscriptions	-	-
Compulsory levies	-	-
Fees/allowances – meeting and conferences	-	-
Conference and meeting expenses	23,287	34,427
Contractors/consultants	24,432	38,782
Property expenses	101,965	51,696
Office expenses	179,418	236,814
Information communications technology	23,756	83,420
Insurance	83,335	114,111
Advertising	23,420	46,549
Election expenses	9,356	61,166
Campaign costs	73,337	54,010
Other	74,745	9,268
<b>Total administration expenses</b>	<u>617,051</u>	<u>730,243</u>

**3E. GRANTS OR DONATIONS**

	2022 \$	2021 \$
<b>Grants:</b>		
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-
<b>Donations:</b>		
Total expensed that were \$1,000 or less	1,841	1,798
Total expensed that exceeded \$1,000	37,500	31,592
<b>Total grants or donations</b>	<u>39,341</u>	<u>33,390</u>

**3F. LEGAL COSTS**

	2022 \$	2021 \$
Litigation	704,086	560,579
Other legal costs	-	-
<b>Total legal costs</b>	<u>704,086</u>	<u>560,579</u>

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**3G. OTHER EXPENSES**

	2022 \$	2021 \$
Penalties – via RO Act or the <i>Fair Work Act 2009</i>	-	-
Fringe Benefits Tax	26,092	46,510
Impairment Expense – trade receivables	-	169,233
Charity fund expenses	22,771	-
Member benefits	333,032	305,263
CSTC Training Top Up	32,184	18,222
Merchandise purchases	-	24,536
Marketing	2,947	-
Motor vehicle expenses & service charges	98,626	94,672
Payroll tax	114,346	118,980
Parking	30,655	34,180
Sponsorship	19,695	15,036
Travel and accommodation	30,169	34,539
<b>Total other expenses</b>	<u>710,517</u>	<u>861,171</u>

**4. CASH AND CASH EQUIVALENTS**

	2022 \$	2021 \$
Cash at bank	3,842,951	2,507,006
Cash on hand	1,100	100
<b>Total cash and cash equivalents</b>	<u>3,844,051</u>	<u>2,507,106</u>

**5. TRADE AND OTHER RECEIVABLES**

	2022 \$	2021 \$
<b>Receivables from other reporting unit(s)</b>		
CFMEU Construction & General National Office	38,791	-
Construction Skills Training Centre	14,161	-
<b>Total receivables from other reporting unit(s)</b>	<u>52,952</u>	<u>-</u>
<b>Less allowance for expected credit losses</b>		
Nil	-	-
<b>Total allowance for expected credit losses</b>	<u>-</u>	<u>-</u>
<b>Receivable from other reporting unit(s) (net)</b>	<u>52,952</u>	<u>-</u>
<b>Other receivables:</b>		
GST receivables	-	-
Other	66,561	77,982
<b>Total other receivables</b>	<u>66,561</u>	<u>77,982</u>
<b>Total trade and other receivables (net)</b>	<u>119,513</u>	<u>77,982</u>

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**6. OTHER FINANCIAL ASSETS**

	2022	2021
	\$	\$
<b>Financial assets at fair value through profit or loss</b>		
Cash in financial institutions	608,251	357,755
Shares in listed companies/trusts	437,794	778,369
<b>Total other financial assets</b>	1,046,045	1,136,124

Managed investments are recorded at fair value, which reflects market value, as at the reporting date.

**7. INVESTMENT PROPERTY**

	2022	2021
	\$	\$
<b>Non-current assets – at fair value</b>		
3 Lugano Terrace, Beelieer	510,000	510,000
81 Birchley Road, Beelieer	-	500,000
Unit 14, 42 Merrifield Avenue, Kelmscott	-	280,000
Unit 1, 42 Merrifield Avenue, Kelmscott	-	280,000
27 McKenzie Way, Karratha	480,000	480,000
<b>Total investment property</b>	990,000	2,050,000

	2022	2021
	\$	\$
Carrying balance at 1 April	2,050,000	2,050,000
Acquisitions	-	-
Disposals	(1,060,000)	-
Net gain/(loss) from fair value adjustment	-	-
<b>Total investment property</b>	990,000	2,050,000

*Valuation Basis*

The basis of valuation of investment property is fair value. Fair values are based on market values, being the price that would be received to sell an asset in an orderly transaction between market participants at the reporting date. The value adopted as at 31 March 2022 was based on an assessment by the Committee of Management and Executive of the property market values. The methodology used for the assessment of the property value incorporated a valuation performed as at 31 March 2020 by Regents Commercial Property Specialists (not a licensed independent valuer), as well as consideration of other current relevant factors and market conditions.

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**8. PROPERTY, PLANT & EQUIPMENT**

	2022	2021
	\$	\$
<b>Canteens</b>		
Carrying value	406,794	406,794
Accumulated depreciation	(406,794)	(406,794)
<b>Total canteens</b>	-	-
<b>Furniture &amp; Fittings</b>		
Carrying value	136,568	136,568
Accumulated depreciation	(122,890)	(118,538)
<b>Total furniture &amp; fittings</b>	13,678	18,030
<b>Motor Vehicles</b>		
Carrying value	409,293	436,208
Accumulated depreciation	(200,117)	(181,955)
<b>Total motor vehicles</b>	209,176	254,253
<b>Total property, plant &amp; equipment</b>	222,854	272,283

**Movement in carrying amounts**

Movements in carrying amounts for each class of property, plant & equipment between the beginning and the end of the current financial year (for those classes that moved):

	Canteens	Furniture & Fittings	Motor vehicles	Total
	\$	\$	\$	\$
<b>2022</b>				
Balance at the beginning of year	-	18,030	254,253	272,283
Additions	-	-	46,707	46,707
Disposals	-	-	(37,400)	(1,097,400)
Depreciation expense	-	(4,352)	(54,384)	(58,736)
<b>Carrying amount at the end of year</b>	-	13,678	209,176	222,854
<b>2021</b>				
Balance at the beginning of year	-	21,433	433,215	454,648
Additions	-	1,990	86,224	88,214
Disposals	-	(38)	(183,571)	(183,609)
Depreciation expense	-	(5,355)	(81,615)	(86,970)
<b>Carrying amount at the end of year</b>	-	18,030	254,253	272,283

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
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**9. TRADE PAYABLES**

	2022 \$	2021 \$
Trade creditors and accruals	72,275	48,202
<b>Total trade payables</b>	<u>72,275</u>	<u>48,202</u>
<b>Payables to other reporting unit(s)</b>		
CFMEU Construction & General National Office	-	65,284
Construction Forestry Mining and Energy Union of Workers	23,403	-
Construction Skills Training Centre	32,955	
<b>Total payables to other reporting unit(s)</b>	<u>56,358</u>	<u>65,284</u>
<b>Total trade payables</b>	<u>128,633</u>	<u>113,486</u>

**10. OTHER PAYABLES**

	2022 \$	2021 \$
GST payable	132,404	88,341
Sundry creditors	74,514	112,666
Superannuation payable	29,635	29,286
Income received in advance	2,146,241	2,296,994
<b>Total other payables</b>	<u>2,382,794</u>	<u>2,527,287</u>

**11. EMPLOYEE PROVISIONS**

	2022 \$	2021 \$
<b>Office Holders:</b>		
Annual leave	245,487	259,927
Long service leave	256,601	243,508
Separation and redundancies	-	-
Other	33,650	38,170
	<u>535,738</u>	<u>541,605</u>
<b>Employees other than office holders:</b>		
Annual leave	269,527	282,546
Long service leave	271,623	240,794
Separation and redundancies	-	-
Other	25,447	30,874
	<u>566,597</u>	<u>554,214</u>
<b>Total employee provisions</b>	<u>1,102,335</u>	<u>1,095,819</u>
Current	574,111	611,517
Non-current	528,224	484,302
<b>Total employee provisions</b>	<u>1,102,335</u>	<u>1,095,819</u>

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH  
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**12. REMUNERATION OF AUDITORS**

	2022 \$	2021 \$
Audit of the financial statements	26,000	29,000
Other services	5,000	5,000
<b>Total remuneration of auditors</b>	<u>31,000</u>	<u>34,000</u>

**13. KEY MANAGEMENT PERSONNEL REMUNERATION**

Key Management Personnel comprise the members of the Committee of Management and Executive as set out on page 4 (the Operating Report).

	2022 \$	2021 \$
<b>Short term employee benefits</b>		
Salary (incl leave taken)	974,571	1,091,232
Annual Leave accrued	114,349	114,348
Performance bonus	-	-
<b>Total short-term employee benefits</b>	<u>1,088,920</u>	<u>1,205,580</u>
<b>Post-employment benefits</b>		
Superannuation	122,673	160,503
<b>Total post-employment benefits</b>	<u>122,673</u>	<u>160,503</u>
<b>Other Long-Term Benefits</b>		
Net Long Service Leave accrued	19,498	58,066
Net Retirement Benefit accrued	(5,427)	(382,959)
Termination benefits	-	-
<b>Total other long-term benefits</b>	<u>14,071</u>	<u>(324,893)</u>
<b>Total Key Management Personnel Remuneration</b>	<u>1,225,664</u>	<u>1,041,190</u>

**14. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR**

In accordance with the requirements of Section 272, subsections (1), (2) and (3) of the *Fair Work (Registered Organisations) Act 2009*:

- 1.) A member of a reporting unit, or the Commissioner, 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 within 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).

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**15. CASHFLOW INFORMATION**

Reconciliation of Cashflow from Operations with Operating Surplus is as follows:

	2022	2021
	\$	\$
<b>Operating Surplus/(Deficit)</b>	126,798	(886,478)
Non-cash flows in operating surplus		
Depreciation	58,736	86,970
Revaluation of Managed Investments	72,454	70,010
(Profit)/Loss on sale of assets	21,086	39,196
Changes in Assets and Liabilities:		
(Increase)/decrease in receivables	(41,531)	105,176
Increase/(decrease) in payables and Unearned Income	(129,346)	384,732
Increase/(decrease) in provisions	181,516	(755,899)
<b>Cash Flows from/(to) Operations</b>	289,713	(956,293)

**16. FINANCIAL RISK MANAGEMENT**

The Union undertakes transactions in a range of financial instruments. The material financial instruments are:

- Cash assets
- Managed investments (a diversified portfolio of tradeable listed investments, managed funds and cash management trusts)
- Sundry debtors and loans receivable
- Trade and sundry creditors
- Other financial liabilities

The union does not have any derivative instruments as at 31 March 2022 and does not speculate in any types of financial instruments.

The activities of the Union expose it primarily to the financial risks, associated with its financial instruments, of market risk, credit risk and interest rate risk. The Committee of Management and Executive are responsible for the monitoring and managing the financial risks of the Union. They monitor these risks through monthly board meetings where management accounts are presented and analysed. Any changes or issues identified are communicated to the administration team who implement changes. Management of the different types of financial risks are explained below;

**a) Market Risk**

The only material market risk we are exposed to is the risk that the fair value or future cash flows of our managed investments will fluctuate because of changes in market prices. We manage these risks by having a diversified portfolio of tradeable equities, managed funds and cash, managed by an independent funds manager. The investment value and returns are regularly reported to and monitored by the Committee of Management and Executive who makes changes as required.

**Sensitivity Analysis**

If market prices of our tradeable securities were 10% higher or lower the impact on our operating surplus would be to increase/decrease the surplus by approximately \$44,000 (as a substantial proportion of the managed investments are currently held in cash). A sensitivity of 10% has been selected as this is considered reasonable given the diversified portfolio.

**b) Credit Risk**

Credit risk is the risk that a contracting entity will not complete its obligations to repay us and thus will cause us to make a financial loss.

The largest material credit risk we are exposed to relates to cash assets, which comprises cash at banks and managed investments. We manage these risks by limiting the amount of funds invested with any financial institution and by evaluation of the financial institutions selected.



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**16. FINANCIAL RISK MANAGEMENT (Continued)**

The Union also has exposure to credit risk through its sundry debtors and loans receivable. Most receivables are from a related union (the CFMEUW). Whilst there is a concentration of credit risk it has been assessed that the CFMEUW can comfortably meet its obligations.

**c) Liquidity Risk**

Liquidity risk is the risk that the Union will not be able to meet its financial obligations as they fall due, the Union manages liquidity risk by maintaining adequate cash reserves and by monitoring forecast cash flows, which reflect managements' expectations of the settlement of financial assets and liabilities.

All financial assets and liabilities mature within a period of less than 12 months.

**d) Fair Value Financial Instruments**

The carrying amounts of financial assets and liabilities approximate their fair values.

**e) Interest Rate Risk**

The Unions' exposure to interest rate risk, which is the risk that a financial instruments' value will fluctuate as a result of the changes in market interest rates, is limited only to its cash holdings with a number of banks.

To demonstrate the Unions' sensitivity to changes in interest rates a movement in rate of plus or minus 1% at the reporting date would have increased / decreased net profit by approximately \$1,268. For further details on interest rate risk refer to the table below.

*The following table summarises interest rate risk for the Company together with effective interest rates as at balance date:*

	Floating Interest Rate	Fixed rate maturing:		Non - Interest Bearing	TOTAL
		1 year or less	Over 1 year		
<b><u>2022</u></b>					
<b>Financial Assets</b>					
Cash Assets	3,842,951	-	-	1,100	3,844,051
Other Financial Assets	-	608,251	-	437,794	1,046,045
Other Receivables	-	-	-	119,513	119,513
Related Entity Loans	-	-	-	-	-
<b>Total Financial Assets</b>	<b>3,842,951</b>	<b>608,251</b>	<b>-</b>	<b>558,407</b>	<b>5,009,609</b>
<b><u>2021</u></b>	<b>2,507,006</b>	<b>357,755</b>	<b>-</b>	<b>856,451</b>	<b>3,721,212</b>
	Floating Interest Rate	Fixed rate maturing:		Non - Interest Bearing	TOTAL
		1 year or less	Over 1 year		
<b><u>2022</u></b>					
<b>Financial Liabilities</b>					
Trade payables	-	-	-	128,633	128,633
Other payables	-	-	-	236,553	236,553
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>365,186</b>	<b>365,186</b>
<b><u>2021</u></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>343,779</b>	<b>343,779</b>

*Floating interest rates represent the most recently determined rate applicable to the instrument at balance date.*

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH  
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**17. CONTINGENT LIABILITIES**

The Union and specified officials are subject to regulatory actions and are being prosecuted for Civil penalties under Federal Legislation in 2 cases. The Union and its officials have a cross claim in respect of one of the matters. The Committee of Management and Executive are of the opinion that the actions can be successfully defended by the Union and are currently involved in litigation challenging the actions.

Given the complex and protracted nature of these actions and advice from legal counsel, it is not practicable to reliably estimate fully the potential financial impact, if any, of these actions at this time, although any potential financial impact (in addition to that already provided for in the financial statements as at 31 March 2022) is not expected to be material and will likely not be known until 2023.

The information usually required by AASB 137 Provisions, Contingent Liabilities and Contingent Assets, is not disclosed on the grounds that it can be expected to seriously prejudice the outcome of the litigation.

**18. RELATED PARTY DISCLOSURES**

There are no related party transactions other than remuneration of office holders, as disclosed in Notes 11 and 13 and the following transactions and balances listed below:

	2022	2021
	\$	\$
Cash flows paid to the CFMEU Construction & General National Office during the year		
- Capitation fees	392,702	427,966
- National campaign levies	63,120	52,510
Amounts payable to CFMEU Construction & General National Office (GST Inc)		
- Balance payable at year end	-	65,284
Amounts receivable from CFMEU Construction & General National Office (GST Inc)		
- Balance payable at year end	38,791	-
Cash flows paid to CFMEU Construction & General Victoria Branch during the year		
- Miscellaneous payments	-	1,030
Amounts payable to Construction Forestry Mining and Energy Union of Workers (CFMEUW)		
- Balance receivable at year end	23,403	-
Amounts receivable from Construction Skills Training Centre (CSTC)		
- Balance receivable at year end	14,161	-
Amounts payable to Construction Skills Training Centre (CSTC)		
- Balance payable at year end	32,955	-

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
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**18. RELATED PARTY DISCLOSURES (Continued)**

	2022	2021
	\$	\$
Cash flows to/from Construction Skills Training Centre (CSTC)		
- Transfer of training levies to CSTC	18,933	18,040
- Payroll tax recovered from CSTC	-	3,054

**19. CAPITAL EXPENDITURE COMMITMENTS**

There are no capital expenditure commitments for the 12 months ended 31 March 2022.

**20. FAIR VALUE MEASUREMENTS**

The Union measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- available-for-sale financial assets; and
- investment property.

The Union does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

**Fair Value Hierarchy**

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

**Valuation Techniques**

The Union selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Union are consistent with one or more of the following valuation approaches:

- *Market approach*: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach*: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- *Cost approach*: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH  
NOTES TO THE FINANCIAL STATEMENTS  
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**19. FAIR VALUE MEASUREMENTS (Continued)**

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Union gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following tables provide the fair values of the Union's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>31 March 2022</b>				
<b>Recurring fair value measurements</b>				
<i>Financial assets</i>				
Available-for-sale financial assets:				
Shares in listed companies/trusts	437,794	-	-	437,794
<b>Total financial assets recognised at fair value</b>	<b>437,794</b>	<b>-</b>	<b>-</b>	<b>437,794</b>
<i>Non-financial assets</i>				
Investment property	-	990,000	-	990,000
<b>Total non-financial assets recognised at fair value</b>	<b>-</b>	<b>990,000</b>	<b>-</b>	<b>990,000</b>
<b>31 March 2021</b>				
<b>Recurring fair value measurements</b>				
<i>Financial assets</i>				
Available-for-sale financial assets:				
Shares in listed companies/trusts	778,369	-	-	778,369
<b>Total financial assets recognised at fair value</b>	<b>778,369</b>	<b>-</b>	<b>-</b>	<b>778,369</b>
<i>Non-financial assets</i>				
Investment property	-	2,050,000	-	2,050,000
<b>Total non-financial assets recognised at fair value</b>	<b>-</b>	<b>2,050,000</b>	<b>-</b>	<b>2,050,000</b>

**Valuation Techniques and Inputs Used to Measure Level 2 Fair Values**

Description	Fair Value at 31 March 2022 \$	Valuation Technique(s)	Inputs Used
<i>Non-financial assets</i>			
Investment property (i)	990,000	Market approach using recent observable market data for similar properties; income approach using discounted cash flow methodology	Price per hectare; market borrowing rate
	<u>990,000</u>		

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH  
NOTES TO THE FINANCIAL STATEMENTS  
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**19. FAIR VALUE MEASUREMENTS (Continued)**

- (i) The fair value of investment property is determined every year based on valuations by either an independent valuer or by the Committee of Management and Executive. At the end of each period the Committee of Management and Executive review the carrying values and when appropriate update the fair value measurement to reflect current market conditions using the valuation techniques noted above.

There were no changes during the period in the valuation techniques used to determine Level 2 fair values.

**20. EVENTS SUBSEQUENT TO BALANCE DATE**

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, the results of those operations or the state of affairs of the Union in future financial years.

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH  
SECRETARY DECLARATION STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2022**

I, Michael Buchan, being the Secretary of the Construction Forestry Maritime Mining and Energy Union Construction and General Division – WA Branch, declare that the following activities did not occur during the reporting period ending 31 March 2022.

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit



Michael Buchan  
Secretary

CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
CONSTRUCTION AND GENERAL DIVISION – WA BRANCH

Date: 20<sup>th</sup> July 2022

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY  
UNION CONSTRUCTION AND GENERAL DIVISION – WA BRANCH****Opinion**

I have audited the financial report of Construction Forestry Maritime Mining and Energy Union Construction and General Division – WA Branch (the reporting unit ) which comprises the statement of financial position as at 31 March 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31 March 2022, notes to the financial statements including a summary of significant accounting policies, the committee of management and executive statement, the subsection 255(2A) report and the secretary declaration statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Construction Forestry Maritime Mining and Energy Union Construction and General Division – WA Branch as at 31 March 2022, and its financial performance and its cash flows for the year ended on that date in accordance with:

- i. the Australian Accounting Standards; and
- ii. any other requirements imposed by the reporting guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act)

I declare that management's use of the going concern basis in the preparation of the financial statements of the reporting unit is appropriate.

**Basis for Opinion**

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

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

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

The committee of management and executive is responsible for the other information. The other information obtained at the date of this auditor's report is in the operating report accompanying the financial report. My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY  
UNION CONSTRUCTION AND GENERAL DIVISION – WA BRANCH (CONTINUED)**

**Responsibility of Committee of Management and Executive for the Financial Report**

The committee of management and 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 RO Act, and for such internal controls as the committee of management and executive determine necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee of management and executive is responsible for assessing the reporting unit's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the committee of management and executive either intend to liquidate the reporting unit or to cease operations, or have no realistic alternative but to do so.

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

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standard Board website at [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our audit report.

I communicate with the committee of management and executive regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I declare that I am an auditor registered under the RO Act.

**Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of section 257(7) of the RO Act, in my opinion there are no deficiencies, failures or shortcomings in respect of the matters referred to in section 252 and 257(2) of the RO Act.



SHAUN WILLIAMS  
PARTNER  
REGISTERED AUDITOR #AA201778  
AND APPROVED AUDITOR AND HOLDER  
OF A CURRENT PUBLIC PRACTICE CERTIFICATE



MOORE AUSTRALIA AUDIT (WA)  
CHARTERED ACCOUNTANTS

Signed at Perth this 21<sup>st</sup> day of July 2022.