



12 July 2023

Chris Cain
National Secretary
Construction, Forestry, Maritime, Mining and Energy Union

Sent via email: ccain@cfmew.org
CC: JGoodwin@cfmew.org; afong@morrows.com.au

Dear Chris Cain

**Construction, Forestry, Maritime, Mining and Energy Union
Financial Report for the year ended 31 December 2022 – (FR2022/214)**

I acknowledge receipt of the financial report for the year ended 31 December 2022 for the Construction, Forestry, Maritime, Mining and Energy Union. The documents were lodged with the Fair Work Commission (the Commission) on 30 June 2023.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

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 have been complied with. A primary review does not examine all disclosure requirements.

Please note that next year's financial report may be subject to an advanced compliance review.

Reporting Requirements

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

The Commission recommends that reporting units use these model financial statements to assist in complying with the RO Act, the section 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) 8650 0181 or by email at Madeleine.Hurrell@fwc.gov.au.

Yours sincerely

Madeleine Hurrell

**Madeleine Hurrell
Financial Reporting Officer
Fair Work Commission - Registered Organisations Services Branch**

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

**FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2022**


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

ABN 17 402 743 835

**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER
CERTIFICATE FOR THE YEAR ENDED 31 DECEMBER 2022**

I, Chris Cain, being the National Secretary of the Construction, Forestry, Maritime, Mining and Energy Union certify:

- that the documents lodged herewith are copies of the full report for the Construction, Forestry, Maritime, Mining and Energy Union for the period ended referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of the reporting unit on 03 May 2023; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 30 June 2023 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer: 

Name of prescribed designated officer: Chris Cain

Title of prescribed designated officer: National Secretary

Dated: 30 June 2023

REPORT REQUIRED UNDER SUBSECTION 255(2A)

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

Categories of expenditures	2022 \$	2021 \$
Remuneration and other employment related costs and expenses	817,166	716,580
Operating costs	847,375	80,735
Donations to political parties	-	-
Legal costs	4,780	2,131
Advertising	-	-



Chris Cain – National Secretary

Date: 01/05/2023

Melbourne

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

ABN 17 402 743 835

OPERATING REPORT

The National Executive presents its operating report for the reporting unit for the year ended 31 December 2022.

Principal Activities

The principal activities of the reporting unit during the financial year overall were to further the interests of the Union's members from the four Divisions by maintaining the effective operation of the Union as a registered organisation, assisting the Divisions grow union membership, assisting the Divisions with industrial campaigns, and advocating for and protecting the economic and political interests of members.

Operating Result

The results of the principal activities of the Union during the financial year was to further the interests of CFMMEU 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 \$(3,878) (2021: \$494,810 profit). No provision for tax was necessary as the Union is exempt from income tax.

Significant change in financial affairs

There have been no significant changes in the reporting unit's financial affairs during the year.

Number of Members

The number of persons that were, at the end of the financial year to which the reporting unit relates, recorded in the register of members in accordance with section 230 of the Fair Work (Registered Organisations) Act 2009 and who are taken to be members of the reporting unit in accordance with section 244 (2)(a) of the Fair Work (Registered Organisations) Act 2009 was 137,795.

Number of Employees

The number of persons who were, at the end of the financial year to which the reporting unit relates, employees of the reporting unit, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis was 3.

Rights of Member to Resign

Pursuant to the Reporting Unit Rule 11 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 notice whichever is the later.

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

ABN 17 402 743 835

OPERATING REPORT continued

Superannuation Trustees and Directors

The names of any officer or member of the reporting unit who 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 a superannuation entity or an exempt public sector superannuation scheme; and where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation are

Name	Position	Organisation	Duration
Grahame Kelly	Director	Auscoal Superannuation Pty Ltd	01/01/22 – 31/12/22
Anthony Maher	Director	Auscoal Superannuation Pty Ltd	01/01/22 – 31/12/22
Glenn Power	Alternate Director	Auscoal Superannuation Pty Ltd	01/01/22 – 31/12/22
Shane Thompson	Alternate Director	Auscoal Superannuation Pty Ltd	01/01/22 – 23/09/22
Rita Malia	Director	CBUS	01/01/22 – 31/12/22
Frank O’Grady	Director	CBUS	01/01/22 – 31/12/22
Jason O’Mara	Director	CBUS	01/01/22 – 31/12/22
Paula Masters	Director	BUSSQ	01/01/22 – 14/12/22
Jacqui Collie	Director	BUSSQ	01/01/22 – 31/12/22
Michael Ravbar	Director	BUSSQ	01/01/22 – 31/12/22
Emma Eaves	Director	BUSSQ	14/12/22 – 31/12/22
Alisha Bull	Director	Maritime Super	01/01/22 – 31/12/22
Jamie Newlyn	Director	Maritime Super	01/01/22 – 31/12/22
Paul Garrett	Director	Maritime Super	01/01/22 – 31/12/22
Will Tracey	Director	Maritime Super	01/01/22 – 31/12/22
Garry Keane	Alternate Director	Maritime Super	01/01/22 – 31/12/22
Michael O’Connor	Director and Co-Chair	FIRST Super	01/01/22 – 31/12/22
Denise Campbell-Burns	Director	FIRST Super	01/01/22 – 31/12/22
Anthony Pavey	Director	FIRST Super	01/01/22 – 31/12/22
Casey Thompson	Associate Director Director	FIRST Super FIRST SUPER	01/01/22 – 06/08/22 07/08/22 – 31/12/22
Frank Vari	Director	FIRST Super	01/01/22 – 07/08/22

Superannuation Officeholders

No other officer or member of the reporting entity 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.

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

ABN 17 402 743 835

OPERATING REPORT continued

National Executive Members

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	Position	Duration
Padraig Crumlin	National President	01/01/22 – 31/12/22
David Noonan	National Secretary National Assistant Secretary	01/01/22 – 25/03/22 25/03/22 – 31/12/22
Chris Cain	National Vice President National Secretary	01/01/22 – 31/12/22 25/03/22 – 31/12/22
Michael Ravbar	National Vice President National Executive Member	21/10/22 – 31/12/22 01/01/22 – 20/10/22
Leo Skourdoumbis	National Vice President	01/01/22 – 21/10/22
Mick Buchan	National Executive Member	01/01/22 – 31/12/22
Darren Greenfield	National Executive Member	01/01/22 – 31/12/22
Robert Graauwmans	National Executive Member	01/01/22 – 31/12/22
John Setka	National Executive Member	01/01/22 – 31/12/22
Andrew Sutherland	National Executive Member	01/01/22 – 31/12/22
Jade Ingham	National Executive Member	01/01/22 – 31/12/22
Robert Kera	National Executive Member	01/01/22 – 31/12/22
Rita Mallia	National Executive Member	01/01/22 – 31/12/22
Jason O'Mara	National Executive Member	01/01/22 – 14/02/22
Nigel Davies	National Executive Member	01/01/22 – 27/02/22
Zachary Smith	National Executive Member	17/02/22 – 31/12/22
Jason Jennings	National Executive Member	28/02/22 – 31/12/22
Denise Campbell-Burns	National Executive Member	01/01/22 – 31/12/22
Michael O'Connor	National Executive Member	01/01/22 – 31/12/22
Jenny Kruschel	National Executive Member	01/01/22 – 31/12/22
Michael Aird	National Executive Member	01/01/22 – 31/12/22
Scott McLean	National Executive Member	01/01/22 – 31/12/22
Brad Coates	National Executive Member	01/01/22 – 31/12/22
David Kirner	National Executive Member	01/01/22 – 31/12/22
Elizabeth Macpherson	National Executive Member	01/01/22 – 31/12/22
Craig Smith	National Executive Member	01/01/22 – 31/12/22
Warren Smith	National Executive Member	01/01/22 – 31/12/22
Adrian Evans	National Executive Member	01/01/22 – 31/12/22
Jamie Newlyn	National Executive Member	01/01/22 – 31/12/22
Jason Campbell	National Executive Member	01/01/22 – 31/12/22
Stephen Cumberlidge	National Executive Member	01/01/22 – 31/12/22
Glen Williams	National Executive Member	01/01/22 – 31/12/22
Paul Keating	National Executive Member	01/01/22 – 31/12/22
Michael Cross	National Executive Member	01/01/22 – 31/12/22
Shane Stevens	National Executive Member	01/01/22 – 31/12/22
Brett Larkin	National Executive Member	01/01/22 – 31/12/22
Will Tracey	National Executive Member	01/01/22 – 31/12/22

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

ABN 17 402 743 835

OPERATING REPORT continued

National Executive Members continued

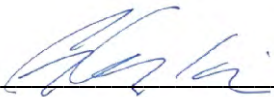
Andy Burford	National Executive Member	01/01/22 – 31/12/22
Mich-Elle Myers	National Executive Member	01/01/22 – 31/12/22
Peter Jordan	National Executive Member	01/01/22 – 31/01/22
Robin Williams	National Executive Member	01/03/22 – 31/12/22
Stephen Smyth	National Executive Member	01/01/22 – 31/12/22
Greg Busson	National Executive Member	01/01/22 – 31/12/22
Graeme Osborne	National Executive Member	01/01/22 – 31/12/22
Trevor Williams	National Executive Member	01/01/22 – 31/12/22
Ricky Gale	National Executive Member	01/01/22 – 31/12/22

Authorisation of Operating Report

On 28 April 2023 the National Executive passed a resolution approving the Operating Report and authorised the National President and the National Secretary to each sign the Operating Report on behalf of the National Executive.

Signed in accordance with a resolution of the National Executive.

For the National Executive:



Pdraig Crumlin – National President

Date: 01/05/2023

Sydney



Chris Cain – National Secretary

Date: 01/05/2023

Melbourne

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

ABN 17 402 743 835

**NATIONAL EXECUTIVE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

On 28/04/2023 The National Executive of the Construction, Forestry, Maritime, Mining and Energy Union passed the following resolution in relation to the general-purpose financial report (GPFR) for the financial year ended 31 December 2022 .

The National Executive declares that in its opinion:


- a) the financial statements and notes comply with the Australian Accounting Standards;
- b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- e) during the financial year to which the GPFR relates and since the end of that year:
 - i. meetings of the National Executive were held in accordance with the rules of the organisation including the rules of a branch concerned; and ¹
 - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - iii. the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - iv. 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 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 has been 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 National Executive.


Authorisation of National Executive Statement

On 28 April 2023 the National Executive passed a resolution approving the National Executive Statement and authorised the National President and the National Secretary to each sign the National Executive Statement on behalf of the National Executive.

For the National Executive:



Pdraig Crumlin – National President
Date: 01/05/2023
Sydney



Chris Cain – National Secretary
Date: 01/05/2023
Melbourne

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

ABN 17 402 743 835

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 \$	2021 \$
Revenue			
Membership subscription		-	-
Capitation fees	3A	1,624,003	1,660,857
Levies	3B	-	-
Interest	3C	73	41
Other revenue	3D	598,878	148,531
Total revenue		2,222,954	1,809,429
Other Income			
Grants and/or donations		-	-
Total other income		-	-
Total income		2,222,954	1,809,429
Expenses			
Employee expenses	4A	817,166	716,580
Affiliation fees	4C	482,357	475,277
Administration expenses	4D	847,375	80,735
Grants or donations	4E	-	-
Depreciation and amortisation	4F	13,363	19,116
Legal costs	4G	4,780	2,131
Audit fees	14	19,500	17,000
Other expenses	4H	42,291	3,780
Net losses from sale of assets	4I	-	-
Total expenses		2,226,832	1,314,619
Surplus for the year		(3,878)	494,810
Total comprehensive income for the year		(3,878)	494,810

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

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

ABN 17 402 743 835

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

	Notes	2022 \$	2021 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	836,953	535,417
Trade and other receivables	5B	46,356	176,073
Other current assets	5C	16,195	7,698
Total current assets		899,504	719,188
Non-Current Assets			
Plant and equipment	6A	10,663	16,893
Motor Vehicles	6B	50,265	-
Intangibles	6C	-	-
Total non-current assets		60,928	16,893
Total assets		960,432	736,081
LIABILITIES			
Current Liabilities			
Trade payables	7A	177,958	19,140
Other payables	7B	37,055	49,165
Employee Provisions	8A	592,879	515,885
Total current liabilities		807,892	584,190
Non-Current Liabilities			
Employee provisions	8A	8,638	4,111
Total non-current liabilities		8,638	4,111
Total liabilities		816,530	588,301
Net Assets/(liabilities)		143,902	147,780
EQUITY			
Retained earnings/ (accumulated deficit)		143,902	147,780
Total equity		143,902	147,780

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

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

ABN 17 402 743 835

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Retained earnings	Total equity
	\$	\$
Balance as at 1 January 2021	(347,030)	(347,030)
Surplus for the year	494,810	494,810
Closing balance as at 31 December 2021	<u>147,780</u>	<u>147,780</u>
Deficit for the year	(3,878)	(3,878)
Closing balance as at 31 December 2022	<u>143,902</u>	<u>143,902</u>

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

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

ABN 17 402 743 835

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 \$	2021 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units/controlled entity(s)	10B	1,976,816	1,965,759
Interest		73	41
Other		375,782	44,113
Cash used			
Suppliers and employees		(1,907,651)	(1,610,286)
Payment to other reporting units/controlled entity(s)	10B	(86,086)	(54,695)
Net cash from operating activities	10A	358,934	344,932
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		-	-
Cash used			
Purchase of plant and equipment		(57,398)	(13,297)
Purchase of land and buildings		-	-
Other		-	-
Net cash (used by) from investing activities		(57,398)	(13,297)
FINANCING ACTIVITIES			
Cash received			
		-	-
Cash used			
		-	-
		-	-
Net cash from (used by) financing activities		-	-
Net increase in cash held		301,536	331,635
Cash & cash equivalents at the beginning of the reporting period		535,417	203,782
Cash & cash equivalents at the end of the reporting period	5A	836,953	535,417

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

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Index to the Notes of the Financial Statements

Note 1	Summary of significant accounting policies
Note 2	Events after the reporting period
Note 3	Revenue and Income
Note 4	Expenses
Note 5	Current assets
Note 6	Non-current assets
Note 7	Current liabilities
Note 8	Provisions
Note 9	Equity
Note 10	Cash flow
Note 11	Related party disclosures
Note 12	Contingent liabilities, assets and commitments
Note 13	Key Management Personnel Remuneration for the reporting period
Note 14	Remuneration of auditors
Note 15	Financial instruments
Note 16	Fair value measurement
Note 17	Section 272 Fair Work (Registered Organisations) Act 2009
Note 18	Disclosure requirements under the rules
Note 19	Administration of financial affairs by a third party
Note 20	Officer declaration statement
Note 21	Union details
Note 22	Segment information

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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 Union has applied the Tier 1 reporting requirements as per the Australian Accounting Standard AASB 1053 Application of Tiers of Australian Accounting Standards.

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

1.2 Comparative amounts

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

1.3 Significant accounting judgements and estimates

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

1.4 New Australian Accounting Standards

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.

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 1 Summary of significant accounting policies

1.5 Current versus non-current classification

The reporting unit presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The reporting unit classifies all other liabilities as non-current.

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 1 Summary of significant accounting policies

1.6 Revenue

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

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

Revenue from contracts with customers

Where the reporting unit has a contract with a customer, the reporting unit recognises revenue when or as it transfers control of goods or services to the customer. The reporting unit 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.

Capitation fees

The reporting unit's arrangement with the branches or other reporting units meets the criteria to be a contract with a customer. Accordingly, the reporting unit recognises the capitation fees promised under that arrangement when or as it transfers the services.

In circumstances where the criteria for a contract with a customer are not met, the reporting unit will recognise capitation fees as income upon receipt.

Levies

Levies paid by branches or other reporting units in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the reporting unit transfers the relevant services to the division/other reporting unit.

In circumstances where the criteria for a contract with a customer are not met, the reporting unit will recognise levies as income upon receipt.

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 1 Summary of significant accounting policies

1.6 Revenue continued

Income of the reporting unit as a Not-for-Profit Entity

Consideration is received by the reporting unit to enable the entity to further its objectives. The reporting unit recognises each of these amounts of consideration as income when the consideration is received 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 reporting unit's recognition of the cash contribution does not give to any related liabilities.

The reporting unit receives cash consideration from the following arrangements whereby that consideration will be recognised as income upon receipt:

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

Gains from sale of assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised.

Interest income

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

1.7 Employee benefits

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

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 1 Summary of significant accounting policies

1.7 Employee benefits continued

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

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

1.8 Leases

The Reporting Entity assesses whether a contract is or contains a lease, at inception of a contract. The Reporting Entity recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Reporting Entity recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Reporting Entity uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments, less any lease incentives.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

1.9 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents include 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.

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 1 Summary of significant accounting policies

1.10 Financial instruments

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

1.11 Financial assets

Contract assets and receivables

A contract asset is recognised when the reporting unit's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the reporting unit's future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer.

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (**OCI**), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the reporting unit's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the reporting unit initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (**SPPI**) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The reporting unit's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the reporting unit commits to purchase or sell the asset.

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 1 Summary of significant accounting policies

1.11 Financial assets continued

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss

Financial assets at amortised cost

The reporting unit measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The reporting unit's financial assets at amortised cost includes trade receivables and loans to related parties.

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The reporting unit has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - a) the reporting unit has transferred substantially all the risks and rewards of the asset, or
 - b) the reporting unit has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 1 Summary of significant accounting policies

1.11 Financial assets continued

When the reporting unit has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the reporting unit continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment

Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any loss allowance due to expected credit losses at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

(i) Trade receivables

For trade receivables that do not have a significant financing component, the reporting unit applies a simplified approach in calculating expected credit losses (**ECLs**) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the reporting unit does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The reporting unit has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The reporting unit considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the reporting unit may also consider a financial asset to be in default when internal or external information indicates that the reporting unit is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 1 Summary of significant accounting policies

1.12 Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The reporting unit's financial liabilities include trade and other payables.

Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

1.13 Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the reporting unit transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the reporting unit performs under the contract (i.e., transfers control of the related goods or services to the customer).

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 1 Summary of significant accounting policies

1.14 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.

1.15 Building improvement and Plant & Equipment

Asset Recognition Threshold

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

Depreciation

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

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

Class of Fixed Asset	2022	2021
Office Equipment	3-10 years	3-10 years
Furniture and Fittings	10 years	10 years
Motor Vehicles	4 years	4 years

Derecognition

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

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 1 Summary of significant accounting policies

1.16 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:

	2022	2021
Intangibles	5 years	5 years

Derecognition

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

1.17 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.

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 1 Summary of significant accounting policies

1.18 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 (ATO); 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 ATO is classified within operating cash flows.

1.19 Fair value measurement

The reporting unit measures financial instruments, such as, financial asset as at fair value through the profit or loss, financial assets at fair value through other comprehensive income, 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 Financial assets and liabilities.

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.

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 1 Summary of significant accounting policies

1.19 Fair value measurement continued

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

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

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

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

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

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

1.20 Going concern

The Union is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

The Union has not agreed to provide financial support to ensure another reporting unit has the ability to continue as a going concern.

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 1 Summary of significant accounting policies

1.21 Acquisition of Assets and Liabilities

The Union did not acquire any asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.

1.22 Recovery of Wages

The Union has not undertaken any recovery of wages activities during the year or the comparative year.

1.23 Retained Earnings

All funds required by the rules of the Union are included in the statement of changes in equity. The Union has no fund or account for compulsory levies, voluntary contribution or required by the rules of the organisation or union.

There has been no withdrawals or transfer from a fund other than the general fund, account, asset or controlled entity. The Union has not invested monies from a fund or account in any assets.

Note 2 Events after the reporting period

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the reporting unit, the results of those operations, or the state of affairs of the reporting unit in subsequent financial periods.

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	\$	\$
Note 3 Revenue and income		
Disaggregation of revenue from contracts with customers		
A disaggregation of the reporting unit's revenue by type of arrangements 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.		
Type of customer		
Members	-	-
Other reporting units	1,624,003	1,765,275
Government	-	-
Other parties	-	-
Total revenue from contracts with customers	<u>1,624,003</u>	<u>1,765,275</u>
Disaggregation of income for furthering activities		
A disaggregation of the reporting unit's income by type of arrangement is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of income by funding source:		
Income funding sources		
Members	-	-
Other reporting units	34,924	-
Government	-	-
Other parties	563,954	-
Total income for furthering activities	<u>598,878</u>	<u>-</u>

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	\$	\$
Note 3A: Capitation fees*		
CFMMEU – Construction and General Division – National Office	1,115,741	1,133,452
CFMMEU – Manufacturing Division	77,978	97,121
CFMMEU – Mining and Energy Division – National Office	226,617	226,617
CFMMEU – Maritime Union of Australia Division	203,667	203,667
Total capitation fees	1,624,003	1,660,857
Note 3B: Levies*		
CFMMEU – Construction and General Division – National Office	-	-
CFMMEU – Manufacturing Division	-	-
CFMMEU – Mining and Energy Division – National Office	-	-
CFMMEU – Maritime Union of Australia Division	-	-
Total levies	-	-
Note 3C: Interest		
Deposits	73	41
Total interest	73	41
Note 3D: Other Income		
<u>Conference – CFMMEU National Conference</u>		
CFMMEU – Construction & General Division – National Office	16,560	-
CFMMEU – Construction & General Division – VIC/TAS Divisional Branch	6,818	-
CFMMEU – Mining & Energy National Office	11,545	-
<u>Net gain on divisional branch debts forgiven</u>		
CFMMEU – Construction & General VIC/TAS Divisional Branch	-	104,418
CFMMEU National Conference – contributions by other parties	563,955	-
Sundry Income	-	44,113
Total other income	598,878	148,531

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

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	\$	\$
Note 4 Expenses		
Note 4A: Employee expenses*		
Holders of office:		
Wages and salaries	223,176	-
Superannuation	22,872	-
Leave and other entitlements	33,909	-
Other employee expenses	24,569	-
Separation and redundancies	-	-
Subtotal employee expenses holders of office	304,526	-
Employees other than office holders:		
Wages and salaries	391,611	430,861
Superannuation	30,303	47,585
Leave and other entitlements	47,613	183,683
Separation and redundancies	-	-
Other employee expenses	43,113	54,451
Subtotal employee expenses employees other than office holders	512,640	716,580
Total employee expenses	817,166	716,580
 Note 4B: Capitation fees*		
Nil capitation fees for the year	-	-
Total capitation fees	-	-

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

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	\$	\$
Note 4C: Affiliation fees*		
Affiliation fees:		
Australian Council of Trade Union	475,205	465,318
Australian People for Health, Education and Development Abroad	5,821	8,624
IndustriALL Global Union	1,331	1,335
Total affiliation fees/subscriptions	482,357	475,277
 Note 4D: Administration expenses		
Included in administration expense		
Considerations to employers for payroll deductions of membership subscriptions*	-	-
Compulsory levies*	-	-
Voluntary levies*	-	-
Fees/allowances - meeting and conferences*	-	-
Conference and meeting expenses	639,711	493
Office expenses	200,405	74,392
Information communications technology	7,259	5,850
Doubtful debt expense	-	-
Total administration expenses	847,375	80,735
 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 - Political	-	-
Total paid that exceeded \$1,000 - Other	-	-
Total grants or donations	-	-

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

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	\$	\$
Note 4F: Depreciation and amortisation		
Depreciation		
Property, plant and equipment	7,905	7,569
Motor Vehicles	5,458	-
Total depreciation	13,363	7,569
Amortisation		
Intangibles	-	11,547
Total amortisation	-	11,547
Total depreciation and amortisation	13,363	19,116

Note 4G: Legal costs*

Litigation	-	-
Other legal matters	4,780	2,131
Total legal costs	4,780	2,131

Note 4H: Other expenses

Penalties – via RO Act or the Fair Work Act 2009	-	-
Campaign expenses	42,291	3,780
Total other expenses	42,291	3,780

Campaign expenses can be broken down as follows:

Advertising	-	-
Media	42,182	-
Campaign operating	-	-
Other	109	3,780
Total campaign expenses	42,291	3,780

Note 4I: Net losses from sale of assets

Plant and Equipment	-	-
Total net losses from asset sales	-	-

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

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	\$	\$
Note 5 Current Assets		
Note 5A: Cash and Cash Equivalents		
Cash at bank	836,953	535,417
Cash on hand	-	-
Total cash and cash equivalents	836,953	535,417
Note 5B: Trade and other receivables		
Receivables from other reporting units*		
CFMMEU – Manufacturing Division	24,076	176,073
Total receivables from other reporting units	24,076	176,073
Less allowance for expected credit losses*	-	-
Receivable from other reporting unit (net)	24,076	176,073
Other Receivables		
Other Receivables	22,280	-
Total other receivables	22,280	-
Total trade and other receivables	46,356	176,073
The movement in the allowance for expected credit losses of trade and other receivables is as follows:		
At 1 January	-	-
Provision for expected credit losses	-	-
Write-off	-	-
At 31 December	-	-
The reporting unit has recognised the following assets related to contracts with customers:		
Receivables	46,356	176,073
Receivables - current	46,356	176,073
Receivables – non-current	-	-

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

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	\$	\$

Note 5B: Trade and other receivables continued

There were no liabilities recognised related to contracts with customers and no unsatisfied performance obligations.

Note 5C: Other current assets

Prepayments	16,195	7,698
Total other current assets	16,195	7,698

Note 6 Non-current Assets

Note 6A: Plant and Equipment

Office equipment:

Carrying amount	51,839	50,164
accumulated depreciation	(41,176)	(33,271)
Total Building Improvements	10,663	16,893

Reconciliation of the Opening and Closing Balances of Plant and Equipment

As at 1 January		
Gross book value	50,164	36,867
Accumulated depreciation and impairment	(33,271)	(25,702)
Net book value 1 January	16,893	11,165
Additions		
By purchase	1,675	13,297
Depreciation expense	(7,905)	(7,569)
Write off – cost	-	-
Write off – accumulated depreciation	-	-
Net book value 31 December	10,663	16,893
Net book value as of 31 December represented by:		
Gross book value	51,839	50,164
Accumulated depreciation and impairment	(41,176)	(33,271)
Net book value 31 December	10,663	16,893

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	\$	\$
Note 6B: Motor Vehicles		
Plant and equipment:		
Carrying amount	55,723	-
Accumulated depreciation	(5,458)	-
Total plant and equipment	50,265	-

Reconciliation of the Opening and Closing Balances of Motor Vehicles

As at 1 January		
Gross book value	-	-
Accumulated depreciation and impairment	-	-
Net book value 1 January	-	-
Additions:		
By purchase	55,723	-
Depreciation expense	(5,458)	-
Disposals	-	-
Write off accumulated depreciation on disposed assets	-	-
Net book value 31 December	50,265	-
Net book value as of 31 December represented by:		
Gross book value	55,723	-
Accumulated depreciation and impairment	(5,458)	-
Net book value 31 December	50,265	-

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	\$	\$
Note 6C: Intangibles		
Website development at cost:		
Purchased	173,188	173,188
accumulated amortisation	(173,188)	(173,188)
Total intangibles	-	-

Reconciliation of the Opening and Closing Balances of Intangibles

As at 1 January		
Gross book value	173,188	173,188
Accumulated amortisation and impairment	(173,188)	(161,641)
Net book value 1 January	-	11,547
Additions:		
By purchase	-	-
Amortisation	-	(11,547)
Net book value 31 December	-	-
Net book value as of 31 December represented by:		
Gross book value	173,188	173,188
Accumulated amortisation and impairment	(173,188)	(173,188)
Net book value 31 December	-	-

Note 6D: Leases

Operating leases disclosure under AASB 16

Minimum payments due under operating leases:

- not later than one year	-	-
- between one year and five years	-	-
- later than five years	-	-
	-	-

Leasing Commitments

From 1 October 2020, CFMMEU National Office occupies office space within a premises owned by CFMMEU Construction & General VIC/TAS Divisional Branch on a rent-free basis.

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	\$	\$
Note 7 Current Liabilities		
Note 7A: Trade payables		
Trade creditors and accruals	31,642	19,140
Income in advance	-	-
Subtotal trade creditors	31,642	19,140
Payables to other reporting unit[s]*		
CFMMEU – Construction & General VIC/TAS Divisional Branch	144,966	-
CFMMEU – Construction & General QLD/NT Divisional Branch	1,350	-
Subtotal payables to other reporting unit[s]	146,316	-
Total trade payables	177,958	19,140
Settlement is usually made within 30 days.		
Note 7B: Other payables		
Consideration to employers for payroll deductions*	-	-
Legal costs*	-	-
Litigation	-	-
Other legal matters	-	-
PAYG Payable	10,996	10,717
GST payable	26,059	38,448
Other	-	-
Total other payables	37,055	49,165
Total other payables are expected to be settled in:		
No more than 12 months	37,055	49,165
More than 12 months	-	-
Total other payables	37,055	49,165

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

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	\$	\$
Note 8: Provisions		
Note 8A: Employee Provisions*		
Office Holders:		
Annual leave	276,495	-
Long service leave	100,114	-
Personal leave	16,343	-
Rostered day off	5,949	-
Separation and redundancies	-	-
Other employee provisions	-	-
Subtotal employee provisions—office holders	398,901	-
Employees other than office holders:		
Annual leave	130,305	361,828
Long service leave	35,936	124,986
Personal leave	17,155	23,895
Rostered day off	19,220	9,287
Separation and redundancies	-	-
Other employee provisions	-	-
Subtotal employee provisions—employees other than office holders	202,616	519,996
Total employee provisions	601,517	519,996
Current	592,879	515,885
Non-Current	8,638	4,111
Total employee provisions	601,517	519,996

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

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	\$	\$
Note 9 Equity		
Note 9: Other Specific disclosures - Funds		
Compulsory levy/voluntary contribution fund		
Nil	-	-
Other fund(s) required by rules		
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	-	-
Note 10 Cash Flow		
Note 10A: Cash Flow Reconciliation		
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:		
Cash and cash equivalents as per:		
Cash flow statement	836,953	535,417
Balance sheet	836,953	535,417
Difference	-	-
Reconciliation of profit/(deficit) to net cash from operating activities:		
Surplus/(deficit) for the year	(3,878)	494,810
Adjustments for non-cash items		
Depreciation/amortisation	13,363	19,116
Loss on write off of fixed assets	-	-
Changes in assets/liabilities		
(Increase)/Decrease in net receivables	129,717	(68,252)
(Increase)/Decrease in prepayments	(8,497)	3,057
Increase/(Decrease) in supplier payables	158,818	(551,102)
Increase in other payables	(12,110)	(32,286)
Increase in employee provisions	81,521	479,589
Net cash from (used by) operating activities	358,934	344,932

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	\$	\$
Note 10 Cash Flow continued		
Note 10B: Cash flow information*		
Cash inflows		
CFMMEU – Construction & General National Office	1,245,532	1,177,213
CFMMEU – Construction & General VIC/TAS Divisional Branch	7,500	19,328
CFMMEU – Mining & Energy National Office	249,278	249,278
CFMMEU – Manufacturing Division	237,772	-
CFMMEU – Maritime Union of Australia Division	236,734	519,939
Total cash inflows	1,976,816	1,965,758
Cash outflows		
CFMMEU – Construction & General National Office	4,931	3,740
CFMMEU – Construction & General VIC/TAS Divisional Branch	72,271	2,162
CFMMEU – Construction & General QLD/NT Divisional Branch	8,884	-
CFMMEU – Maritime Union of Australia National Office	-	48,794
Total cash outflows	86,086	54,696

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

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	\$	\$
Note 11 Related Party Disclosures		
Note 11A: Related Party Transactions for the Reporting Period		
The following table provides the total amount of transactions that have been entered into with related parties for the relevant year. The reporting unit is the National Office of the Construction, Forestry, Maritime, Mining and Energy Union. The related parties mentioned below in Note 11A are constituent Divisions and Divisional Branches of the reporting unit.		
Revenue received from related parties includes the following:		
CFMMEU – Construction & General VIC/TAS Divisional Branch	6,818	17,571
CFMMEU – Construction & General National Office	1,132,301	1,133,452
CFMMEU – Mining & Energy National Office	226,617	226,617
CFMMEU – Manufacturing Division	77,978	97,121
CFMMEU – Maritime Union of Australia Division	215,213	499,572
Net gain on divisional branch debts forgiven:		
CFMMEU – Construction & General VIC/TAS Divisional Branch	-	104,418
Expenses paid to related parties includes the following:		
CFMMEU – Construction & General VIC/TAS Divisional Branch	216,577	1,965
CFMMEU – Construction & General QLD/NT Divisional Branch	10,233	-
CFMMEU – Maritime Union of Australia Division	-	3,406
Amounts owed by related parties include the following:		
CFMMEU – Manufacturing Division	24,076	176,073
Amounts owed to related parties Branch include the following:		
CFMMEU – Construction & General QLD/NT Divisional Branch	1,350	-
CFMMEU – Construction & General VIC/TAS Divisional Branch	144,966	-

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

Terms and conditions of transactions with related parties

The services to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for services 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 2022, the reporting unit has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2021: \$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.

As at 31 December 2021, Employee entitlements to the value of \$295,905 were transferred from CFMMEU Maritime Union of Australia National Office for an employee transferred to CFMMEU National Office. The consideration represents the balance of the employee entitlements as at the date of the employment transfer.

Office space has been provided within CFMMEU Construction & General Victoria Divisional Branch premises on a rent-free basis.

No expected credit losses have been raised in relation to any outstanding balances, and no expense has been recognised in respect of expected credit losses.

There have been no payments made during the financial year to a former related party of the Union.

Note 12 Contingent Liabilities, Assets and Commitments

There were no contingent liabilities, asset and commitments as at 31 December 2022 (2021: Nil)

Note 13 Key Management Personnel Remuneration for the Reporting Period

	2022	2021
	\$	\$
Short-term employee benefits		
Salary (including annual leave taken)	223,176	-
Annual leave accrued	17,337	-
Other	11,048	-
Total short-term employee benefits	<u>251,561</u>	<u>-</u>
Post-employment benefits:		
Superannuation	22,872	-
Total post-employment benefits	<u>22,872</u>	<u>-</u>
Other long-term benefits:		
Long-service leave	5,524	-
Total other long-term benefits	<u>5,524</u>	<u>-</u>
Total	<u>279,957</u>	<u>-</u>

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	\$	\$
Note 13A: 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		
Value of the services provided		
Financial statement audit services	19,500	17,000
Other services	-	-
Total remuneration of auditors	19,500	17,000

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

Note 15 Financial Instruments

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

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

Note 15A: Categories of Financial Instruments

Financial Assets

Financial liabilities:

Trade and other payables	215,013	68,305
Total	215,013	68,305
Carrying amount of financial liabilities	215,013	68,305

Note 15B: Net Income and Expense from Financial Assets

Interest revenue	73	41
Net gain on financial assets at fair value through profit or loss	73	41

The net income/expense from financial assets not at fair value from profit or loss is \$Nil (2021: \$Nil).

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 15 Financial Instruments continued

Note 15C: Credit Risk

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

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

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

Credit risk exposures

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

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

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

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

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

	2022	2021
	\$	\$
Financial assets		
Cash and cash equivalents	836,953	535,417
Trade and other receivables	46,356	176,073
Total	<u>883,309</u>	<u>711,490</u>
Financial liabilities		
Trade and other payables	215,013	68,305
Total	<u>215,013</u>	<u>68,305</u>

In relation to the entity's gross credit risk the following collateral is held: \$Nil (2021: \$Nil)

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 15 Financial Instruments continued

Note 15C: Credit Risk continued

Set out below is the information about the credit risk exposure on financial assets using a provision matrix:

Ageing of financial assets that were past due but not impaired for 2022

	Current	0 to 30 days \$	31 to 60 days \$	61 to 90 days \$	90+ days \$	Total \$
Cash and cash equivalents	-	836,953	-	-	-	836,953
Trade and other receivables	-	22,280	24,076	-	-	46,356
Total	-	859,233	24,076	-	-	883,309
Expected credit loss rate	-%	-%	-%	-%	-%	
Estimate total gross carrying amount at default	-	-	-	-	-	
Expected credit loss	-	-	-	-	-	

Ageing of financial assets that were past due but not impaired for 2021

	Current	0 to 30 days \$	31 to 60 days \$	61 to 90 days \$	90+ days \$	Total \$
Cash and cash equivalents	-	535,417	-	-	-	535,417
Trade and other receivables	-	-	26,709	-	149,364	176,073
Total	-	535,417	26,709	-	149,364	711,490
Expected credit loss rate	-%	-%	-%	-%	-%	
Estimate total gross carrying amount at default	-	-	-	-	-	
Expected credit loss	-	-	-	-	-	

The reporting unit's maximum exposure to credit risk for the components of the statement of financial position at 31 December 2022 and 2021 is the carrying amounts as illustrated above.

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 15 Financial Instruments continued

Note 15D: Liquidity Risk

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

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

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

Contractual maturities for financial liabilities 2022

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade and other payables	-	215,013	-	-	-	215,013
Total	-	215,013	-	-	-	215,013

Contractual maturities for financial liabilities 2021

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade and other payables	-	68,305	-	-	-	68,305
Total	-	68,305	-	-	-	68,305

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 15 Financial Instruments continued

Note 15E: Market Risk

(i) Interest rate risk

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

Sensitivity analysis of the risk that the entity is exposed to for 2022

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity
			\$	\$
Interest rate risk	836,953	+ 3.0%	25,109	25,109
Interest rate risk	836,953	- 3.0%	(25,109)	(25,109)

Sensitivity analysis of the risk that the entity is exposed to for 2021

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity
			\$	\$
Interest rate risk	535,417	+ 0.1%	535	535
Interest rate risk	535,417	- 0.1%	(535)	(535)

(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.

Note 15F: Asset Pledged/or Held as Collateral

There were no assets pledged or held as collateral as at 31 December 2022 (2021: \$Nil).

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 16 Fair Value Measurement

Note 16A: Financial Assets and Liabilities

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

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

- Fair values of the reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The own performance risk as at 31 December 2022 was assessed to be insignificant.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the reporting entity based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 31 December 2022, the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

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

	Carrying amount 2022 \$	Fair value 2022 \$	Carrying amount 2021 \$	Fair value 2021 \$
Financial Assets				
Cash and cash equivalents	836,953	836,953	535,417	535,417
Trade and other receivables	46,356	46,356	176,073	176,073
Total	883,309	883,309	711,490	711,490
Financial Liabilities				
Trade and other payables	215,013	215,013	68,305	68,305
Total	215,013	215,013	68,305	68,305

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

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

Information to be provided to members or Commissioner:

- (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 in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

Note 18 Disclosure requirements under the rules

In terms of the rules of the Construction Forestry Maritime Mining and Energy Union National Office, the union is required to provide additional disclosures for the financial year ended 31 December 2022.

(a). CFMEU Rule 24B – Remuneration paid to the Elected Official of the Union for the financial year ended 31 December 2022.

	2022	2021
	\$	\$
Salary	223,176	-
Annual Leave Accrual	17,337	-
Superannuation	22,872	-
Termination	-	-
Total	<u>263,385</u>	<u>-</u>

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

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

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

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

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

ABN 17 402 743 835

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Note 19 Administration of financial affairs by a third party

There has been no administration of financial affairs by a third party.

Note 20 Officer Declaration Statement

An officer declaration statement has not been prepared given that all relevant disclosures required under this declaration, have been incorporated into this financial report, including 'NIL' disclosures.

Note 21 Union Details

The registered office of the Union is:

Level 6, 540 Elizabeth Street
Melbourne VIC 3000

Note 22 Segment Information

The Union operates solely in one reporting segment, being the provision of industrial services.



Level 13, Freshwater Place, 2 Southbank Boulevard,
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION NATIONAL OFFICE

Report on the Financial Report

Opinion

We have audited the financial report of Construction Forestry Maritime Mining and Energy Union National Office (the Reporting Unit), which comprises the statement of financial position as at 31 December 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 December 2022, notes to the financial statements, including a summary of significant accounting policies; and the National Executive Statement and the subsection 255(2A) report.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Reporting Unit as at 31 December 2022, and its financial performance and its cash flows for the year ended on that date in accordance with:

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

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

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

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

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

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

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

In connection with 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.

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Morrrows Audit Pty Ltd
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION NATIONAL OFFICE

National Executive's Responsibility for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

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

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Reporting Unit audit. We remain solely responsible for my audit opinion.

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

I declare that I am an auditor registered under the Corporations Act 2001 and RO Act.



MORROWS AUDIT PTY LTD



A.M. FONG
Director

Melbourne: 2 May 2023

Registration number (as registered by the RO Commissioner under the RO Act): AA2020/8

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