



Fair Work  
Commission

2 August 2023

Zachary Smith

Secretary

Construction, Forestry, Maritime, Mining and Energy Union-Construction and General Division - Australian Capital Territory Divisional Branch

Sent via email: [actnotices@cfmeu.org](mailto:actnotices@cfmeu.org)

CC: [rodney.miller@rsm.com.au](mailto:rodney.miller@rsm.com.au)

Dear Zachary Smith

Construction, Forestry, Maritime, Mining and Energy Union-Construction and General Division - Australian Capital Territory Divisional Branch  
Financial Report for the year ended 31 March 2023 – FR2023/4

I acknowledge receipt of the financial report for the year ended 31 March 2023 for the Construction, Forestry, Maritime, Mining and Energy Union-Construction and General Division - Australian Capital Territory Divisional Branch (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 31 July 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 sections 253, 265, 266 and 268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under section 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.

If you have any queries regarding this letter, please contact me on (03) 8650 0183 or via email at [ken.morgan@fwc.gov.au](mailto:ken.morgan@fwc.gov.au).

Yours sincerely

**KEN MORGAN**  
Assistant Director, Financial Analysis  
Registered Organisations Services Branch

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
THE CONSTRUCTION AND GENERAL DIVISION  
AUSTRALIAN CAPITAL TERRITORY DIVISIONAL BRANCH**

**ABN 38 491 952 173**

**FINANCIAL REPORT  
FOR THE YEAR ENDING 31 MARCH 2023**

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION**  
**THE CONSTRUCTION AND GENERAL DIVISION**  
**AUSTRALIAN CAPITAL TERRITORY DIVISIONAL BRANCH**  
**ABN 38 491 952 173**

**DESIGNATED OFFICER'S CERTIFICATE**

S268 of Fair Work (Registered Organisations) Act 2009

Certificate for the year ended 31 March 2023

I, Zachary Smith being the Divisional Branch Secretary of the Construction Forestry Maritime Mining and Energy Union, The Construction and General Division, Australian Capital Territory Divisional Branch certify:

- that the documents lodged herewith are copies of the full report for Construction Forestry Maritime Mining and Energy Union, The Construction and General Division, Australian Capital Territory Branch for the year ending 31 March 2023 referred to in S268 of Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of the Union on 30 June 2023; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 26 July 2023, in accordance with section 266 of Fair Work (Registered Organisations) Act 2009.



Zachary Smith  
Divisional Branch Secretary  
Construction Forestry Maritime Mining and Energy Union, The Construction and General Division,  
Australian Capital Territory Divisional Branch

Dated this *26<sup>th</sup>* day of *July* 2023  
at Canberra, Australian Capital Territory

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION  
THE CONSTRUCTION AND GENERAL DIVISION  
AUSTRALIAN CAPITAL TERRITORY DIVISIONAL BRANCH  
ABN 38 491 952 173**

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**RSM Australia Pty Ltd**

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**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION CONSTRUCTION AND GENERAL  
DIVISION- (ACT BRANCH)**

**Report on the Audit of the Financial Report**

**Opinion**

I have audited the financial report of Construction Forestry Maritime Mining and Energy Union Construction and General Division - (ACT Branch), which comprises the statement of financial position as at 31 March 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31 March 2023, notes to the financial statements, including a summary of significant accounting policies; the Committee of Management Statement, the subsection 255(2A) report and Officer 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 - (ACT Branch) as at 31 March 2023, 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**

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 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

**THE POWER OF BEING UNDERSTOOD  
AUDIT | TAX | CONSULTING**

RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

Liability limited by a scheme approved under Professional Standards Legislation

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

The Committee of Management 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.

### **Responsibilities of Committee of Management for the Financial Report**

The Committee of Management 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 Committee of Management 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 Committee of Management 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 Committee of Management 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**

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

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 Committee of Management.

- Conclude on the appropriateness of the Committee of Management'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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion.

I communicate with the Committee of Management 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, I am required to describe any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act.

In my opinion, no such matters were noted.

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

**RSM Australia Pty Ltd**

A handwritten signature in black ink, appearing to read 'Rodney Miller', is written over a horizontal line.

**Rodney Miller  
Director**

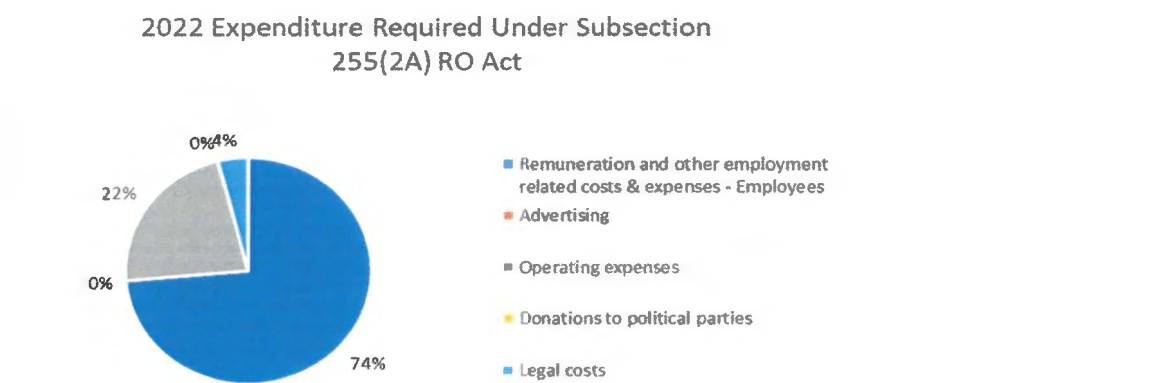
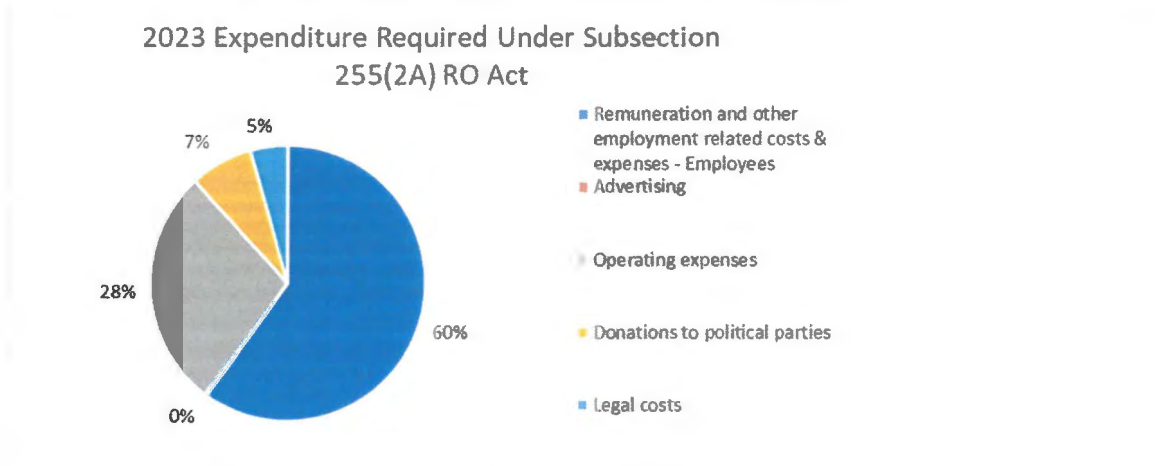
Canberra  
28 June 2023

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/144

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION**  
**THE CONSTRUCTION AND GENERAL DIVISION**  
**AUSTRALIAN CAPITAL TERRITORY DIVISIONAL BRANCH**  
**ABN 38 491 952 173**

**EXPENDITURE REPORT REQUIRED UNDER SUBSECTION 255(2A)**  
**FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023**

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Construction Forestry Maritime Mining and Energy Union, The Construction and General Division, Australian Capital Territory Divisional Branch for the year ended 31 March 2023.



Signature: 

Zachary Smith  
Divisional Branch Secretary  
Construction Forestry Maritime Mining and Energy Union, The Construction and General Division,  
Australian Capital Territory Divisional Branch

Dated: 28<sup>th</sup> June 2023



**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION**  
**THE CONSTRUCTION AND GENERAL DIVISION**  
**AUSTRALIAN CAPITAL TERRITORY DIVISIONAL BRANCH**  
**ABN 38 491 952 173**

**OPERATING REPORT**

In accordance with Section 254 of the Fair Work (Registered Organisations) Act 2009 the Committee of Management present their Operating Report on the Construction Forestry Maritime Mining and Energy Union, The Construction and General Division, Australian Capital Territory Divisional Branch, the relevant reporting unit, for the year ended 31 March 2023.

**Principal Activities**

Construction Forestry Maritime Mining and Energy Union, The Construction and General Division, Australian Capital Territory Divisional Branch ("the Union") is committed to advancing the wages, conditions, and wellbeing of its membership.

The reporting unit's principal activities during the year were:

- Representation of members on the job.
- Union-negotiated collective agreements.
- Assisting members with legal representation.
- Facilitating access to training courses.
- Informing members through the regular newsletter.
- Sale of products to union members.
- Investment of union funds.

**Review of principal activities**

The Committee of Management has reviewed its principal activities and is satisfied that activities have been successfully conducted throughout the year.

**Significant changes to activities**

There were no significant changes in the nature of the reporting unit's activities during the year.

**Review of results**

The results of the reporting unit's activities were consistent with the reporting unit's aims and activities.

**Significant changes to financial affairs**

The prior year noted two significant legal matters as ongoing. During the current financial year both of those matters were resolved. The Union received reimbursement of costs as part of the settlement in the case of one of the matters previously noted as significant.

Expenses increased this year as operations returned to normal after the past couple of years of restrictions due to Covid, especially in travel, conferences and face to face meeting costs. Donation costs increased due to contributions made for the Federal Election.

The Canberra Tradesmen's Union Club Limited (the Club) has provided a letter of support stating the Club undertakes to provide the CFMMEU with financial support to a level that will allow the CFMMEU to continue to operate as a going concern for a period of 12 months from the date of this financial report.

As a result, the Committee of Management believe that it is reasonably foreseeable that the Union will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The reporting unit at Note 1.23 has provided additional information.

The operating profit of the reporting unit for the year ending 31 March 2023 is \$103,448 (2022: operating profit \$199,117).

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION**  
**THE CONSTRUCTION AND GENERAL DIVISION**  
**AUSTRALIAN CAPITAL TERRITORY DIVISIONAL BRANCH**  
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**OPERATING REPORT (CONTINUED)**

There were no other events that occurred after 31 March 2023, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Construction Forestry Maritime Mining and Energy Union, The Construction and General Division, Australian Capital Territory Divisional Branch (the Union).

**Members rights to resign**

Members may resign from the Union in accordance with Section 254(2)(c) of the Fair Work (Registered Organisations) Act 2009, which reads as follows:

- 1) A member of the Union may resign from membership by written notice addressed and delivered to the Secretary of the Branch of which he is a member.
- 2) 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 notice is received by the Union; or
    - 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 later; or
  - b) In any other case:
    - i) At the end of two (2) weeks after the notice is received by the Union; or
    - ii) On the day specified in the notice;Whichever is later.
- 3) Any dues payable but not paid by a former member of the Union, in relation to a period before the member's resignation from the Union took effect, may be sued for and recovered in the name of the Union in a court of competent jurisdiction, as a debt due to the Union.
- 4) A notice delivered to the person mentioned in subsection (1) shall be taken to have been received by the Union when it was delivered.
- 5) A notice of resignation that has been received by the Union is not invalid because it was not addressed and delivered in accordance with subsection (1).

A resignation from membership of the Union is valid even if it is not affected in accordance with the rule if the member is informed in writing by or on behalf of the Union that the resignation has been accepted.

**Officers or Members as Trustees or directors of a company that is a superannuation fund trustee**

Jason O'Mara a member of the Union holds a position as a director of United Super Pty Ltd

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION**  
**THE CONSTRUCTION AND GENERAL DIVISION**  
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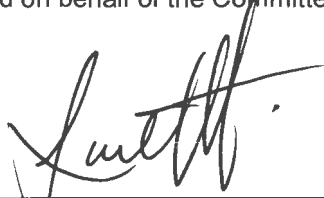
**OPERATING REPORT (CONTINUED)**

**Prescribed Information**

- (a) the number of persons that were, at 31<sup>st</sup> March 2023, recorded in the register of members for section 230 of the Fair Work (Registered Organisations) Act 2009 and who are taken to be members of the reporting unit under Section 254(2)(f) of the Fair Work (Registered Organisations) Act 2009 and Regulation 159(a) was 4,759 (2,267 financial members and 2,492 non-financial members); (2022: total 3,915 members; 2,316 financial members and 1,599 non-financial members);
- (b) the number of persons who were, at 31<sup>st</sup> March 2023, 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 15 employees (2022: 12.5 employees);
- (c) the name of each person who has been a member of the committee of management of the reporting unit at any time during the period 1 April 2022 to 31 March 2023, and the period for which he or she held such a position is:

<b>NAME</b>	<b>PERIOD</b>
Joshua Bolitho	16 December 2022 – 31 March 2023
Jason Jennings	1 April 2022 – 20 April 2022
Zachary Alan Smith	1 April 2022 – 31 March 2023
Michael Hiscox	1 April 2022 – 31 March 2023
Anthony Paul Vitler	1 April 2022 – 16 December 2022
Duncan James Bennett-Burleigh	1 April 2022 – 31 March 2023
Leon Mark Arnold	1 April 2022 – 31 March 2023
Dean Hart	1 April 2022 – 31 March 2023
Seamus Maher	1 April 2022 – 31 March 2023
Desmond Marland	1 April 2022 – 31 March 2023
Mark Steven Dymock	1 April 2022 – 31 March 2023
Cameron David Hardy	1 April 2022 – 31 March 2023
Sarah Clifford	16 December 2022 – 31 March 2023
Timothy Puckett	1 April 2022 – 31 March 2023
Anthony Nolan	16 December 2022 – 31 March 2023
Michael Barry Cousins	1 April 2022 – 31 March 2023
Garry McMinn	1 April 2022 – 31 March 2023
Michael Schow	1 April 2022 – 31 March 2023

For and on behalf of the Committee of Management:



**ZACHARY SMITH**

Dated at Canberra, ACT: 28/6/2023



**MICHAEL HISCOX**

Dated at Canberra, ACT: 28/6/2023

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION**  
**THE CONSTRUCTION AND GENERAL DIVISION**  
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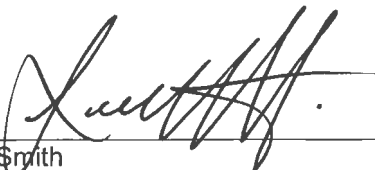
**COMMITTEE OF MANAGEMENT STATEMENT**

On the 28<sup>th</sup> of June 2023 the Committee of Management of the Construction Forestry Maritime Mining and Energy Union, The Construction and General Division, Australian Capital Territory Divisional Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the year ended 31 March 2023:

The Committee of Management 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 committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - (iv) 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 Commissioner duly made under section 272 of the RO Act has been provided to the member or 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 Committee of Management.

  
\_\_\_\_\_  
Zachary Smith  
Divisional Branch Secretary

  
\_\_\_\_\_  
Michael Hiscox  
Divisional Branch Assistant Secretary

Dated at Canberra, Australian Capital Territory this 28<sup>th</sup> June 2023.

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION**  
**THE CONSTRUCTION AND GENERAL DIVISION**  
**AUSTRALIAN CAPITAL TERRITORY DIVISIONAL BRANCH**  
**ABN 38 491 952 173**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023**

	NOTE	2023 \$	2022 \$
<b>Revenue from contracts with customers</b>	<b>3</b>		
Membership Subscriptions		1,856,814	1,752,857
Capitation fees and Other revenue from another reporting unit	<b>3A</b>	38,738	-
Levies and voluntary contributions	<b>3B</b>	8,000	7,340
<b>Total revenue from contracts with customers</b>		<u>1,903,552</u>	<u>1,760,197</u>
<b>Income for furthering objectives</b>	<b>3</b>		
Grants and/or donations	<b>3D</b>	1,713,073	2,199,177
Income recognised from volunteer services	<b>3H</b>	-	-
<b>Total income for furthering objectives</b>		<u>1,713,073</u>	<u>2,199,177</u>
<b>Other Income</b>			
Investment Income	<b>3C</b>	5,572	1,046
Revenue from recovery of wages activity	<b>3E</b>	-	-
Other Revenue	<b>3F</b>	1,437,002	289,316
Net gains from sale of assets	<b>3G</b>	12,727	-
Advertising Income		-	1,400
Profit from Trust Distribution		57,976	-
Insurance recovery	<b>3I</b>	781	-
<b>Total Other Income</b>		<u>1,514,058</u>	<u>291,762</u>
<b>Total Income</b>		<u>5,130,683</u>	<u>4,251,136</u>
<b>Expenses</b>			
Employee Expenses	<b>4A</b>	(2,820,172)	(2,676,839)
Capitation Fees and other expenses to another reporting unit	<b>4B</b>	(171,140)	(166,780)
Affiliation Fees	<b>4C</b>	(45,866)	(36,971)
Administrative Expenses	<b>4D</b>	(804,829)	(551,254)
Grants or Donations	<b>4E</b>	(394,064)	(39,135)
Legal Fees	<b>4F</b>	(222,322)	(142,957)
Penalties – via RO Act RO Regulations or Fair Work Act	<b>4G</b>	(54,000)	-
Depreciation & Amortisation Expense	<b>4H</b>	(180,125)	(190,093)
Finance costs	<b>4I</b>	(1,800)	(4,642)
Political & associated expenses		(2,288)	(3,600)
Bad Debts Expense		(21,684)	1,698
Member Benefits		(195,326)	(135,951)
Audit Fees	<b>14</b>	(28,000)	(25,500)
Unrealised loss on shares		-	(231)
Branch conference expense		(85,619)	-
Loss on sale of assets	<b>4J</b>	-	(79,764)
<b>Total Expenses</b>		<u>(5,027,235)</u>	<u>(4,052,019)</u>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<u>103,448</u>	<u>199,117</u>

The accompanying notes form part of these financial statements.

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION**  
**THE CONSTRUCTION AND GENERAL DIVISION**  
**AUSTRALIAN CAPITAL TERRITORY DIVISIONAL BRANCH**  
**ABN 38 491 952 173**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2023**

	NOTE	2023 \$	2022 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	5A	1,332,868	1,369,740
Trade and Other Receivables	5B	83,068	112,479
Other Current Assets	5C	211,619	118,690
<b>TOTAL CURRENT ASSETS</b>		<u>1,627,555</u>	<u>1,600,909</u>
<b>NON-CURRENT ASSETS</b>			
Financial Assets	6A	3,400	3,140
Property, plant and equipment	6B	328,979	401,926
Right of use asset	6C	21,275	30,078
<b>TOTAL NON-CURRENT ASSETS</b>		<u>353,654</u>	<u>435,144</u>
<b>TOTAL ASSETS</b>		<u>1,981,209</u>	<u>2,036,053</u>
<b>CURRENT LIABILITIES</b>			
Trade payables	7A	222,161	374,715
Other payables	7B	105,908	39,420
Other Current Liabilities	7C	79,495	180,981
Employee Provisions	8A	635,968	531,029
Borrowings	9	-	70,437
Lease Liability	6C	8,980	8,657
<b>TOTAL CURRENT LIABILITIES</b>		<u>1,052,512</u>	<u>1,205,239</u>
<b>NON-CURRENT LIABILITIES</b>			
Employee Provisions	8A	44,717	41,310
Lease liability	6C	13,304	22,276
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>58,021</u>	<u>63,586</u>
<b>TOTAL LIABILITIES</b>		<u>1,110,533</u>	<u>1,268,825</u>
<b>NET ASSETS</b>		<u>870,676</u>	<u>767,228</u>
<b>EQUITY</b>			
Retained earnings (accumulated deficit)		<u>870,676</u>	<u>767,228</u>
<b>TOTAL EQUITY</b>		<u>870,676</u>	<u>767,228</u>

The accompanying notes form part of these financial statements.

**CONSTRUCTION FORESTRY MARITIME MINING AND ENERGY UNION**  
**THE CONSTRUCTION AND GENERAL DIVISION**  
**AUSTRALIAN CAPITAL TERRITORY DIVISIONAL BRANCH**  
**ABN 38 491 952 173**  
**STATEMENT OF CHANGES IN EQUITY**  
**AS AT 31 MARCH 2023**

	<b>Retained Earnings \$</b>	<b>Total \$</b>
<b>Balance as at 31 March 2022</b>	568,111	568,111
Profit attributable to the entity	199,117	199,117
<b>Balance as at 31 March 2022</b>	<u>767,228</u>	<u>767,228</u>
Profit attributable to the entity	103,448	103,448
<b>Balance as at 31 March 2023</b>	<u><u>870,676</u></u>	<u><u>870,676</u></u>

The accompanying notes form part of these financial statements

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	NOTE	2023 \$	2022 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Cash Received</b>			
Receipts from other reporting units/controlled entity(s)	11(d)	-	-
Cash receipts from members' subscriptions		1,773,510	1,633,335
Cash Receipts from Customers		23,050	173,082
Interest received		5,272	914
Donations received		1,713,073	2,252,290
Other Revenue		1,378,145	70,975
<b>Cash Used</b>			
Cash payments to suppliers and employees		(4,132,524)	(3,798,571)
Payments to other reporting units/controlled entity(s)	11(d)	(236,801)	(273,006)
Donations paid		(394,064)	(9,135)
Interest paid		(1,800)	(4,642)
<b>Net cash from (used by) operating activities</b>	11(a)	<b>127,861</b>	<b>45,242</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
<b>Cash Received</b>			
Proceeds from Property, Plant and Equipment		12,727	-
Proceeds from loans		-	-
<b>Cash Used</b>			
Purchase of Property, Plant and Equipment		(98,375)	(26,596)
<b>Net cash from (used by) investing activities</b>		<b>(85,648)</b>	<b>(26,596)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
<b>Cash Received</b>			
Proceeds from borrowings		-	-
<b>Cash Used</b>			
Repayment of Borrowings		(70,437)	(110,277)
Repayment of lease liabilities	6C	(8,648)	(8,351)
<b>Net cash from (used by) financing activities</b>		<b>(79,085)</b>	<b>(118,628)</b>
<b>Net increase/(decrease) in cash held</b>		<b>(36,872)</b>	<b>(99,982)</b>
Cash & cash equivalents at the beginning of the reporting period		1,369,740	1,469,722
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	5A	<b>1,332,868</b>	<b>1,369,740</b>

The accompanying notes form part of these financial statements.



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**NOTES TO THE FINANCIAL STATEMENTS**

**Note 1 Summary of significant accounting policies**

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

The financial statements are general purpose financial statements (Tier 1) 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 Construction Forestry Maritime Mining and Energy Union, The Construction and General Division, Australian Capital Territory Divisional Branch (the Union) is a not-for-profit entity.

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 debt and equity financial assets (including derivative financial instruments) that have been measured at fair value either through other comprehensive income or profit or loss, certain classes of property, plant and equipment and investment properties, 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**

The Committee evaluate estimates and judgements 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 following 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.

*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.

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

**1.4 New Australian Accounting Standards**

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

**Future Australian Accounting Standards**

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected to have a future financial impact on Construction Forestry Maritime Mining and Energy Union, Construction and General Division, ACT Branch (the Union).

***AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current***

This Standard amends AASB 101 *Presentation of Financial Statements* to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. This Standard applies to annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted. The Union does not expect the adoption of this amendment to have an impact on its financial statements.

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

**1.5 Investment in associates and joint arrangements**

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

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

A joint operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the individual assets and obligations for the liabilities of the joint operation.

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

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

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

The Union did not 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 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.

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

**1.7 Current versus non-current classification**

The Union 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 Union classifies all other liabilities as non-current

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

**1.8 Revenue**

The Union 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.

**Revenue from contracts with customers**

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

If there is only one distinct membership service promised in the arrangement, the Union recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Union'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 Union 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 Union 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 (for example, books or clothing) or as the service transfers to the customer (for example, member services or training course), the Union recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Union 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 Union at their standalone selling price, the Union accounts for those sales as a separate contract with a customer.

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

**1.8 Revenue (continued)**

**Capitation fees**

Where the Union's arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Union recognises the capitation fees promised under that arrangement when or as it transfers services.

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

**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 Union transfers the services.

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

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

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

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

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

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

**1.8 Revenue (continued)**

**Volunteer services**

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

**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 profit or loss when the asset is derecognised.

**Interest income**

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

**1.9 Employee benefits**

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

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

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

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the Union 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.



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

**1.10 Leases**

The Union assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**The Union as a lessee**

The Union applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Union recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**Right-of-use assets**

The Union recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	<b>2023</b>	<b>2022</b>
Plant and equipment	<b>1 to 5 years</b>	1 to 5 years

If ownership of the leased asset transfers to the Union at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

**Lease liabilities**

At the commencement date of the lease, the Union recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Union and payments of penalties for terminating the lease, if the lease term reflects the Union exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Union uses incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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

**1.10 Leases (continued)**

**Peppercorn or below market leases**

The Union has elected to recognise the fair value of the leased property at inception of the lease. The difference between the fair value of the leased asset and the lease liability measured at the present value of the 'peppercorn' lease rental, is recognised as expense.

The Union has a peppercorn rental agreement for premises it occupies. The conditions of the lease are those that would apply generally to a commercial rental agreement. The lease term is for 5 years commencing 6 August 2020. The lease has an option of a further 5 years.

**1.11 Borrowing costs**

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

**1.12 Cash**

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

**1.13 Financial instruments**

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

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

**1.14 Financial assets**

**Contract assets and receivables**

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

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

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 Union's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Union 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 Union'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 Union commits to purchase or sell the asset.

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

**1.14 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 fair value through profit or loss (including designated)**

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

**Derecognition**

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Union 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 Union has transferred substantially all the risks and rewards of the asset, or
  - b) the Union has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Union 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 Union continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

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

**1.14 Financial assets (continued)**

**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**

**Expected credit losses**

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 Union 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 Union does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Union 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.

**(ii) Debt instruments other than trade receivables**

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Union recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Union expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Union considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Union may also consider a financial asset to be in default when internal or external information indicates that the Union 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.

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

**1.15 Financial Liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, at amortised cost unless 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 Union's financial liabilities include trade and other payables.

**Subsequent measurement**

**Financial liabilities at fair value through profit or loss (including designated)**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 *Financial Instruments* are satisfied.

**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.

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

**1.16 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 Union transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Union performs under the contract (i.e. transfers control of the related goods or services to the customer).

**Refund liabilities**

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Union's refund liabilities arise from customers' right of return. The liability is measured at the amount the Union ultimately expects it will have to return to the customer. The Union updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

**1.17 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.

**1.18 Land, buildings, plant and equipment**

***Asset Recognition Threshold***

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

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

**1.18 Depreciation**

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

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

	<b>2023</b>	<b>2022</b>
Motor Vehicles	<b>4 years</b>	4 years
Plant and equipment	<b>3 to 10 years</b>	3 to 10 years

***Derecognition***

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

**1.19 Impairment of 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 Union were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

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

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

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



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

**1.21 Taxation**

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

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

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

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

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

**1.22 Fair value measurement**

The Union measures financial instruments, such as, financial assets as at fair value through the profit and loss, financial assets at fair value through OCI, 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 19.

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 Union. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Union 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.

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

**1.22 Fair value measurement (continued)**

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Union 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 Union 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.

**1.23 Going concern**

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

The Construction Forestry Maritime Mining and Energy Union, The Construction and General Division, Australian Capital Territory Divisional Branch (the Union) made a profit of \$103,448 and had net cash inflows from operating activities of \$127,861. As at 31 March 2023 the Union had net current assets of \$575,043 and net assets of \$870,676. The entity has prepared a cashflow forecast that indicates the entity will have sufficient cash to meet its operating commitments for the next 12 months.

The Canberra Tradesmen's Union Club Limited (the Club) has provided a letter of support stating the Club undertakes to provide the CFMMEU with financial support to a level that will allow the CFMMEU to continue to operate as a going concern for a period of 12 months from the date of this financial report.

As a result, the Committee of Management believe that it is reasonably foreseeable that the Union will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

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**Note 2 Events after the reporting period**

There were no other events that occurred after 31 March 2023, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Construction Forestry Maritime Mining and Energy Union, The Construction and General Division, Australian Capital Territory Divisional Branch (the Union).

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	<b>2023</b>	<b>2022</b>
	\$	\$

**Note 3 Revenue and income**

**Disaggregation of revenue from contracts with customers**

A disaggregation of the Union'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:

<b>Type of customer</b>			
Members		1,856,814	1,752,857
Other reporting units		38,738	-
Levies & voluntary contributions		8,000	7,340
<b>Total revenue from contracts with customers</b>		<b>1,903,552</b>	<b>1,760,197</b>

There has been no economic factors that have affected revenue from members. Voluntary contributions received are passed on in full to the relevant charity.

The table below contains the revenue recognised during the period for contracts with customers:

Opening Membership receivable	43,715
Closing Membership receivable	(40,399)
Opening Membership in advance	(180,981)
Closing Membership in advance	79,495
Cash received during the period	1,954,984
<b>Revenue recognised for the year</b>	<b>1,856,814</b>

**Disaggregation of income for furthering activities**

A disaggregation of the Union'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:

<b>Income funding sources</b>			
Grants and/or donations		1,713,073	2,199,177
<b>Total income for furthering activities</b>		<b>1,713,073</b>	<b>2,199,177</b>

The donation income is provided by the Canberra Tradesmen's Union Club Ltd. The donation income for 2023 has decreased on the prior year due to:

- The 2022 year included a one off donation of \$580,000.

The grant income was provided by the ACT Government to assist in the development and roll out of an ACT construction industry appropriate gender equity training short course with a respectful relationships/active bystander focus. The course is delivered to industry.

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	<b>2023</b>	<b>2022</b>
<b>Note 3 – Income (continued)</b>	<b>\$</b>	<b>\$</b>
<b>Note 3A: Capitation fees and other revenue from another reporting unit</b>		
Capitation fees:		
	-	-
	-	-
<b>Subtotal capitation fees</b>	<b>-</b>	<b>-</b>
<b>Other revenue from another reporting unit:</b>		
CFMMEU Construction and General NSW	-	-
CFMMEU Construction and General VIC/TAS	-	-
CFMMEU Construction and General QLD/NT	-	-
CFMMEU Construction and General SA	-	-
CFMMEU Construction and General WA	-	-
CFMMEU Construction and General National Office – wage reimbursement	38,738	-
Subtotal other revenue from another reporting unit	38,738	-
<b>Total capitation fees and other revenue from another reporting unit</b>	<b>38,738</b>	<b>-</b>

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	2023	2022
<b>Note 3 – Income (continued)</b>	<b>\$</b>	<b>\$</b>

**Note 3B: Levies and voluntary contributions raised from members**

The following funds were raised from the members as appeals for voluntary contributions (including whip arounds) for the furtherance of the following:

Voluntary contributions from whip around for assisting members in financial hardship	3,000	7,340
Voluntary contributions from whip around for St Vincent de Paul Appeal	5,000	-
<b>Total Levies</b>	<b>8,000</b>	<b>7,340</b>

**Note 3C: Investment income**

Interest		
Deposits	5,272	914
Dividends	76	132
Unrealised gain on shares	224	-
<b>Total investment income</b>	<b>5,572</b>	<b>1,046</b>

**Note 3D: Grants or donations**

Grant – received from ACT Government for development of gender equity training short course	27,273	72,727
Donations – received from Canberra Tradesmen’s Union Club for financial support to the Union	1,685,800	2,126,450
<b>Total grants or donations</b>	<b>1,713,073</b>	<b>2,199,177</b>

Donation income from Canberra Tradesmen’s Union Club decreased in 2023. In the 2022 year the Club provided an additional one off donation of \$580,000.

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	<b>2023</b>	<b>2022</b>
<b>Note 3 – Income (continued)</b>	<b>\$</b>	<b>\$</b>

**Note 3E: Revenue from recovery of wages activity**

Amounts recovered from employers in respect of wages	-	-
Interest received on recovered money	-	-
<b>Total revenue from recovery of wages activity</b>	<b>-</b>	<b>-</b>

**Note 3F: Other Revenue**

EBA Lodgement income	8,182	5,727
Court order receipts	-	21,500
ACCC reimbursement of costs	1,265,000	
Merchandise revenue	145	536
Secondment income	-	42,967
Sitting Fees	156,391	91,911
Sponsorship income	-	124,679
Sundry income	7,284	1,996
<b>Total other revenue</b>	<b>1,437,002</b>	<b>289,316</b>

**Note 3G: Net gains from sale of assets**

Plant & equipment	12,727	-
<b>Total net gain from sale of assets</b>	<b>12,727</b>	<b>-</b>

**Note 3H: Income recognised from volunteer services**

Amounts recognised from volunteer services	-	-
<b>Total income recognised from volunteer services</b>	<b>-</b>	<b>-</b>

**Note 3I: Insurance Recovery**

Amounts recognised from insurance proceeds received	781	-
<b>Total income insurance recovery</b>	<b>781</b>	<b>-</b>

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	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Note 4 - Expenses</b>		
<b>Note 4A – Employee Expenses</b>		
<b> Holders of Office</b>		
Wages and Salaries	963,760	1,007,534
Wages and Salaries – Leave Paid Out	105,366	134,195
Superannuation	122,452	99,268
Separation and redundancies	41,082	530,313
Other employee expenses	151,473	(114,797)
	<u>1,384,133</u>	<u>1,656,513</u>
 <b>Employees other than Office Holders</b>		
Wages and salaries	994,984	637,592
Wages and Salaries – Leave Paid Out	5,511	69,379
Superannuation	128,804	140,881
Separation and redundancies	85,032	42,299
Other employee expenses	221,708	130,175
	<u>1,436,039</u>	<u>1,020,326</u>
 <b>Total Employee Expenses</b>	<b><u>2,820,172</u></b>	<b><u>2,676,839</u></b>

Office holders receive honorariums for positions they hold with other entities. The amounts received are contributed back to the Union and are recorded as Sitting Fees in Revenue.



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	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Note 4 – Expenses (Continued)</b>		
<b>Note 4B – Capitation fees and other expense to another reporting unit</b>		
<b>Capitation Fees to another reporting unit</b>		
CFMMEU Construction & General Division National Office	150,240	134,877
Subtotal Capitation Fees	150,240	134,877
<b>Other expense to another reporting unit</b>		
CFMMEU Construction and General National Office		
- National campaign contribution	20,900	19,710
- Legal penalty reimbursement – ABCC v CFMEU Adelaide Airport	-	12,193
Subtotal other expense to another reporting unit	20,900	31,903
<b>Total capitation fees and other expense to another reporting unit</b>	<b>171,140</b>	<b>166,780</b>

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**Note 4 – Expenses (Continued)**

**Note 4B – Capitation fees and other expense to another reporting unit (continued)**

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

From time-to-time, the National Office of the Construction & General Division of the CFMMEU (“CFMMEU C&G National Office”) coordinates various administrative activities on behalf of the Union. This includes the collation of certain costs, which are apportioned to the appropriate branches and invoiced in full. Accordingly, with the CFMMEU C&G National Office merely being the facilitator of such transactions between the Union and independent third parties (and there is no profit component in recharging these costs), these are not considered to be related party expenditures of the Union and hence are not required to be disclosed. Notwithstanding this, the transfer of funds to meet these obligations remain related party transactions, and accordingly have been disclosed in the related party cash flows reported at note 11(d). Additionally, any amounts outstanding as at balance date between related parties have been disclosed at note 7A.

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Note 4C - Affiliation Fees</b>		
Australian Labor Party	8,032	7,974
Unions ACT	34,813	26,199
BWI	3,021	2,798
<b>Total Affiliation Fees</b>	<b>45,866</b>	<b>36,971</b>
 <b>Note 4D - Administration Expenses</b>		
Consideration to Employers for Payroll Deductions	-	-
Compulsory levies	-	-
Fees/Allowances – Meeting and Conferences	15,546	4,500
Fees/Allowances – Meeting and Conferences Officer Expense	8,431	5,640
Conference and Meeting Expenses	139,532	27,244
Contractors/Consultants	121,050	36,105
Property Expenses	62,010	49,611
Office Expenses	253,691	333,506
Motor Vehicle Expenses	68,859	46,517
Campaign funding expense	23,783	-
Advertising & Publications Expenses	36,052	19,233
Fines & Penalties	593	1,745
Other Expenses	75,282	27,153
<b>Total Administration Expenses</b>	<b>804,829</b>	<b>551,254</b>

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**Note 4 – Expenses (Continued)**

	2023	2022
	\$	\$
<b>Note 4E - Grants or Donations</b>		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	984	787
Total paid that exceeded \$1,000		
CFMMEU Construction and General National Office		
- Donation for Myanmar Strike Fund	-	10,000
- Donation for Qube dispute	-	10,000
CFMEU Industrial Union of Employees QLD State Construction & General Division Branch		
- Donation for Tongan Tsunami Appeal	-	10,000
Other	393,080	8,348
<b>Total Grants or Donations</b>	<b>394,064</b>	<b>39,135</b>

	2023	2022
	\$	\$
<b>Note 4F - Legal fees</b>		
Litigation	197,482	142,957
Other legal matters	24,840	-
<b>Total Legal Fees</b>	<b>222,322</b>	<b>142,957</b>

**Note 4G - Other expenses**

Penalties – via RO Act or the <i>Fair Work Act 2009</i>	54,000	-
<b>Total Other expenses</b>	<b>54,000</b>	-

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**Note 4 – Expenses (Continued)**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Note 4H - Depreciation and amortisation</b>		
Depreciation		
Property, Plant & Equipment	171,322	181,290
<b>Total depreciation</b>	<b>171,322</b>	<b>181,290</b>
Amortisation		
Lease	8,803	8,803
<b>Total amortisation</b>	<b>8,803</b>	<b>8,803</b>
<b>Total Depreciation &amp; Amortisation</b>	<b>180,125</b>	<b>190,093</b>
<b>Note 4I - Finance costs</b>		
Interest lease photocopier	967	1,264
Interest Loan Commonwealth Bank of Australia	833	3,378
<b>Total Finance costs</b>	<b>1,800</b>	<b>4,642</b>
<b>Note 4J - Net losses from sale of assets</b>		
Plant & equipment	-	79,764
<b>Total Losses from sale of assets</b>	<b>-</b>	<b>79,764</b>

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**Note 5 – Current Assets**

**Note 5A – Cash and Cash Equivalents**

	<b>2023</b>	<b>2022</b>
	\$	\$
Cash on hand	600	600
Cash at bank	1,332,268	1,369,140
<b>Total cash and cash equivalents</b>	<b>1,332,868</b>	<b>1,369,740</b>

The effective interest rate on cash at bank was 1.35% (2022: 0.01%)

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Note 5B – Trade and other receivables</b>		
<b>Receivables from other reporting units</b>		
CFMMEU Construction and General National Office	42,612	-
<b>Total receivables from other reporting units</b>	<b>42,612</b>	<b>-</b>
<b>Less allowance for expected credit losses</b>	-	-
<b>Total allowance for expected credit losses</b>	-	-
<b>Receivable from other reporting units (net)</b>	<b>42,612</b>	<b>-</b>
<b>Receivables from other related parties</b>		
Jason O'Mara	-	40,302
<b>Total receivables from other related parties</b>	<b>-</b>	<b>40,302</b>

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**Note 5 – Current Assets (continued)**

**Note 5B – Trade and Other receivables (Continued)**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Other Receivables</b>		
GST Receivable from the Australian Taxation Office	10,456	-
Trade receivables	95,399	115,892
Less provision for doubtful debts	(65,399)	(43,715)
Other trade receivables (Net)	-	-
<b>Total other receivables</b>	<u>40,456</u>	<u>72,177</u>
<b>Total trade and other receivables (net)</b>	<u><u>40,456</u></u>	<u><u>72,177</u></u>

The movement in the allowance for expected credit losses of trade and other receivables is as follows:

	<b>Movement</b>	<b>Total</b>
At 1 April 2022	(43,715)	(43,715)
Provision for expected credit losses	(21,684)	(21,684)
Write-off	-	-
<b>At 31 March 2023</b>	<u><u>(65,399)</u></u>	<u><u>(65,399)</u></u>

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**Note 5 – Current Assets (continued)**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Note 5C – Other Current Assets</b>		
Accrued Income	146,697	5,356
Prepayments	64,922	113,334
<b>Total other current assets</b>	<b>211,619</b>	<b>118,690</b>

**Note 6 – Non-current Assets**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Note 6A – Financial Assets</b>		
<b>Financial assets at fair value through profit or loss</b>		
Shares in listed corporations	3,400	3,140
<b>Total financial assets</b>	<b>3,400</b>	<b>3,140</b>

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**Note 6 – Non-Current Assets (continued)**

**Note 6B: Property, Plant and Equipment**

**2023**

	<b>Motor Vehicles</b>	<b>Office Equipment</b>	<b>Total</b>
	\$	\$	\$
Property, Plant and Equipment:			
carrying amount	480,226	342,572	822,798
accumulated depreciation	(266,411)	(227,408)	(493,819)
<b>Total Property, Plant and Equipment</b>	<b>213,815</b>	<b>115,164</b>	<b>328,979</b>

***Reconciliation of opening and closing balances of property, plant and equipment***

<b>Net book value 31 March 2022</b>	271,523	130,403	401,926
Additions:			
By purchase	50,482	47,893	98,375
Depreciation expense	(108,190)	(63,132)	(171,322)
Other movement (reversal of accumulated depreciation on disposal or write off)	-	59,517	59,517
Disposals:			
From disposal	-	(59,517)	(59,517)
<b>Net book value 31 March 2023</b>	<b>213,815</b>	<b>115,164</b>	<b>328,979</b>
<b>Net book value as of 31 March 2023 represented by:</b>			
Gross book value	480,226	342,572	822,798
Accumulated depreciation and impairment	(266,411)	(227,408)	(493,819)
<b>Net book value 31 March 2023</b>	<b>213,815</b>	<b>115,164</b>	<b>328,979</b>



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**Note 6 – Non-Current Assets (continued)**

**Note 6B: Property, Plant and Equipment (continued)**

**2022**

	<b>Motor Vehicles</b>	<b>Office Equipment</b>	<b>Total</b>
	\$	\$	\$
Property, Plant and Equipment:			
carrying value	429,744	354,196	783,940
accumulated depreciation	(158,221)	(223,793)	(382,014)
<b>Total Property, Plant and Equipment</b>	<b>271,523</b>	<b>130,403</b>	<b>401,926</b>

***Reconciliation of opening and closing balances of property, plant and equipment***

<b>Net book value 31 March 2021</b>	376,981	259,403	636,384
Additions:			
By purchase	-	26,596	26,596
Depreciation expense	(105,458)	(75,832)	(181,290)
Other movement (reversal of accumulated depreciation on disposal or write off)	-	61,765	61,765
Disposals:			
From disposal	-	(141,529)	(141,529)
<b>Net book value 31 March 2022</b>	<b>271,523</b>	<b>130,403</b>	<b>401,926</b>
<b>Net book value as of 31 March 2022 represented by:</b>			
Gross book value	429,744	354,196	783,940
Accumulated depreciation and impairment	(158,221)	(223,793)	(382,014)
<b>Net book value 31 March 2022</b>	<b>271,523</b>	<b>130,403</b>	<b>401,926</b>

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**Note 6 – Non-Current Assets (continued)**

**Note 6C: Leases (Right of Use Asset)**

The Union as a Lessee, sets out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	<b>Property Plant &amp; Equipment</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>As at 31 March 2021</b>	<b>38,881</b>	<b>38,881</b>
Additions	-	-
Depreciation expense	(8,803)	(8,803)
Impairment	-	-
Disposal	-	-
Other movement	-	-
<b>As at 31 March 2022</b>	<b>30,078</b>	<b>30,078</b>
Additions	-	-
Depreciation expense	(8,803)	(8,803)
Impairment	-	-
Disposal	-	-
<b>As at 31 March 2023</b>	<b>21,275</b>	<b>21,275</b>

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>As at 1 April</b>	<b>30,933</b>	<b>39,284</b>
Additions	-	-
Accretion of interest	967	1,264
Payments	(9,615)	(9,615)
<b>As at 31 March</b>	<b>22,285</b>	<b>30,933</b>
Current	8,980	8,657
Non-current	13,304	22,276

The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets	8,803	8,803
Interest expense on lease liabilities	967	1,264
<b>Total amount recognised in profit or loss</b>	<b>9,770</b>	<b>10,067</b>

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**Note 6C: Leases (Right of Use Asset) (continued)**

The CFMMEU has a lease agreement with Konica for a photocopier. The lease agreement is for a term of 5 years and is due to expire in September 2025.

**Note 7 – Current Liabilities**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Note 7A – Trade payables</b>		
Trade creditors	47,931	181,126
Accrued expenses	145,522	191,869
<b>Subtotal trade creditors</b>	<b>193,453</b>	<b>372,995</b>
<b>Payables to other reporting unit</b>		
CFMMEU Construction & General National Office – credit note	-	(2,563)
CFMMEU Construction & General National Office - payable	16,900	-
CFMMEU Construction & General National Office – accrual	1,107	639
<b>Subtotal payables to other reporting unit</b>	<b>18,007</b>	<b>(1,924)</b>
<b>Payables to related parties</b>		
CFMEU ACT Branch – end of month union dues employees	720	500
Construction Charitable Works Ltd – equipment reimbursement	400	-
Canberra Tradesmen’s Union Club Ltd – mobile phone costs	5,348	872
Canberra Tradesmen’s Union Club Ltd – membership fees	108	1,272
Canberra Tradesmen’s Union Club Ltd – hotel accommodation	375	375
C Hardy - reimbursement	450	450
Organisers Contribution fund – end of month payroll deduction	3,300	1,000
<b>Subtotal payables to related parties</b>	<b>10,701</b>	<b>3,644</b>
<b>Total trade payables</b>	<b>222,161</b>	<b>374,715</b>
Settlement is usually made within 30 days.		
<b>Note 7B – Other payables</b>		
Legal costs - Litigation	75,685	6,097
Legal costs - Other	-	-
<b>Subtotal Legal costs</b>	<b>75,685</b>	<b>6,097</b>
Wages & salaries	(253)	(2,053)
Superannuation	30,476	28,249
Payable to employers for making payroll deductions of membership subscriptions	-	-
GST Payable	-	7,127
<b>Total other payables</b>	<b>105,908</b>	<b>39,420</b>
Total other payables are expected to be settled in:		
No more than 12 months	105,908	39,420
<b>Total other payables</b>	<b>105,908</b>	<b>39,420</b>

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**Note 7 – Current Liabilities (continued)**

	2023 \$	2022 \$
<b>Note 7C – Other current liabilities</b>		
Income in Advance	79,495	180,981
<b>Total other current liabilities</b>	<u>79,495</u>	<u>180,981</u>

**Note 8 - Provisions**

**Note 8A – Employee provisions**

	2023 \$	2022 \$
Current	635,968	531,029
Non-Current	44,717	41,310
<b>Total employee provisions</b>	<u>680,685</u>	<u>572,339</u>

Employee benefits attributable to:

**Office Holders**

Annual Leave	78,609	107,595
Sick Leave	101,014	88,127
Long Service Leave - current	121,456	84,630
Long Service Leave – non-current	20,769	30,932
Separations and redundancies	-	-
Other	92,028	73,640
<b>Subtotal employee provisions – office holders</b>	<u>413,876</u>	<u>384,924</u>

**Employees other than Office Holders**

Annual Leave	76,052	53,989
Sick Leave	30,184	23,460
Long Service Leave - current	54,754	46,483
Long Service Leave – non-current	23,948	10,378
Separations and redundancies	-	-
Other	81,871	53,105
<b>Subtotal employee provisions – employees other than office holders</b>	<u>266,809</u>	<u>187,415</u>
<b>Total Employee Provisions</b>	<u>680,685</u>	<u>572,339</u>

**Provision for Employee Entitlements**

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The recognition criteria for employee benefits has been included in Note 1.

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**Note 9 – Borrowings**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
HP Current Liability	-	70,437
	<u>-</u>	<u>70,437</u>
<b>Non-Current</b>		
HP Non-Current liability	-	-
	<u>-</u>	<u>-</u>

Loan was repaid by November 2022.

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**Note 10 – Equity**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Note 10A – General funds</b>		
<b>Balance as at start of year</b>	-	-
Transferred to general fund	-	-
Transferred out of general fund	-	-
<b>Balance as at end of year</b>	-	-
<b>Total general funds</b>	-	-
<b>Note 10B: Other funds</b>		
<b>Compulsory levy/voluntary contribution fund</b>		
<b>Balance as at start of year</b>	-	-
Transferred to fund, account or controlled entity	-	-
Transferred out of fund, account or controlled entity	-	-
<b>Balance as at end of year</b>	-	-
<b>Total compulsory levy/voluntary contribution fund</b>	-	-
<b>Other fund(s) required by rules</b>		
<b>Balance as at start of year</b>	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
<b>Balance as at end of year</b>	-	-

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**Note 11 – Cash flow**

**(a) Cash flow reconciliation**

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

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Cash and cash equivalents as per:</b>		
Cash flow statement	1,332,868	1,369,740
Balance sheet	<u>1,332,868</u>	<u>1,369,740</u>
<b>Difference</b>	<u>-</u>	<u>-</u>
<b>Reconciliation of profit/(deficit) to net cash from operating activities</b>		
Profit/(deficit) for the year	103,448	199,117
<b>Adjustments for non-cash items:</b>		
Depreciation and amortisation	180,125	190,094
Unrealised (gain)/loss on Investments	(224)	230
Bad Debts Expense	21,684	(1,698)
IAG Shares – Dividend Reinvestment Plan	(36)	(132)
(Profit)/Loss on sale of Assets	(12,727)	79,764
Investment Income	-	-
Changes in assets and liabilities:		
(Increase)/Decrease in receivables	18,183	(107,182)
(Increase)/Decrease in other assets	(92,928)	(47,647)
Increase/(Decrease) in payables	(96,523)	8,041
Increase/(Decrease) in provisions	108,346	(263,005)
Increase/(Decrease) in other liabilities	<u>(101,487)</u>	<u>(12,340)</u>
Cash flows from operations	<u><b>127,861</b></u>	<u><b>45,242</b></u>

**(b) Non-cash Financing and Investing Activities**

There were no non-cash financing or investing activities during the period.

**(c) Credit Stand by Arrangement and Loan Facilities**

The Union has four credit cards issued to office holders and employees, with a total credit limit for all four of \$32,500. No other credit stand-by or financing facilities are in place.

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**Note 11 – Cash flow information (Continued)**

**(d) Cash Flow to/from other reporting units**

	2023	2022
	\$	\$
Cash Inflows from other reporting units		
CFMMEU Construction and General National Office	-	-
CFMMEU Head Office	-	-
CFMMEU Construction and General NSW	-	-
CFMMEU Construction and General QLD/NT	-	-
CFMMEU Manufacturing Division VIC	-	-
CFMMEU Construction and General WA	-	-
CFMMEU Construction and General VIC/TAS	-	-
CFMMEU Construction and General SA	-	-
Total Cash Inflow from Other reporting units	-	-
Cash Outflow to other reporting units		
CFMMEU Construction and General National Office	236,801	263,006
CFMMEU Construction and General NSW	-	-
CFMMEU Construction and General QLD/NT	-	-
CFMEU Industrial Union of Employees QLD State Construction and General Division Branch	-	10,000
CFMMEU Forestry and Furnishings Products Division VIC	-	-
CFMMEU Head Office	-	-
CFMMEU Construction and General WA	-	-
CFMMEU Construction and General SA	-	-
CFMMEU Construction and General VIC/TAS	-	-
Total Cash Outflow from Other reporting units	236,801	273,006

**NOTE 12 – ECONOMIC DEPENDENCY**

The continuing operation of the Union is dependent upon the financial support by the Canberra Tradesmen's Union Club Limited to the Construction Forestry Maritime Mining and Energy Union, The Construction and General Division, Australian Capital Territory Divisional Branch. The support from Canberra Tradesmen's Union Club included financial support totalling \$1,685,800 (2022: \$2,126,450).



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**Note 13 – Related party disclosure**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

**REVENUE RECEIVED**

**Goods & Services**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Unions ACT	-	47,263
Construction Employment Training & Welfare Ltd ATF Creative Safety Initiatives Trust	36,719	
Canberra Tradesmen's Union Club Ltd	3,428	
	<u>40,147</u>	<u>47,263</u>

Officers of the Construction Forestry Maritime Mining and Energy Union, Construction and General Division, ACT Branch, hold executive positions with the above entities.

**Donations received**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Canberra Tradesmen's Union Club	1,685,800	2,126,450
	<u>1,685,800</u>	<u>2,126,450</u>

Officers of the Construction Forestry Maritime Mining and Energy Union, Construction and General Division, ACT Branch, hold director positions with the above entity.

**Receivable from former related party**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Jason O'Mara	-	40,302
	<u>-</u>	<u>40,302</u>

The above receivable was due by a former Officer of the Construction Forestry Maritime Mining and Energy Union, Construction and General Division, ACT Branch. The receivable from the former officer was due within 6 months from his resignation as Branch Secretary, which occurred on 14 February 2022.

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**Note 13 – Related party transactions (Continued)**

**EXPENSES PAID**

**Affiliation Fees**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Unions ACT	-	26,199
	-	26,199
	-	26,199

Officers of the Construction Forestry Maritime Mining and Energy Union, Construction and General Division, ACT Branch, hold executive positions with the above entity.

For the 2023 year Officers of the Construction Forestry Maritime Mining and Energy Union, Construction and General Division, ACT Branch, did not hold executive positions with the above entity.

**Goods & Services**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
CFMEU Children’s Healthcare Trust	-	-
Canberra Tradesmen’s Union Club Charity Trust	-	-
Construction Employment Training & Welfare Ltd ATF Creative Safety Initiatives Trust	4,599	130
Construction Charitable Works Ltd	400	-
Canberra Tradesmen’s Union Club Ltd	46,035	36,413
	51,034	36,543
	51,034	36,543

Officers of the Construction Forestry Maritime Mining and Energy Union, Construction and General Division, ACT Branch, hold director positions with the above entities.

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**Note 13 – Related party transactions (Continued)**

**Other expense to another reporting unit**

CFMMEU Construction and General National Office

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
• Donation for Myanmar strike fund	-	10,000
• Donation for Qube Dispute	-	10,000
• Legal penalty reimbursement – ABCC v CFMEU Adelaide Airport	-	12,193
• Capitation fees	150,240	134,877
• CFMMEU national campaign contribution/donation	20,900	19,710
	<u>171,140</u>	<u>186,780</u>

**Payments made to former related party**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Jason O'Mara travel allowance to attend United Super Pty Ltd Board meeting	-	1,050
	<u>-</u>	<u>1,050</u>

The above travel allowance was paid to a former Officer of the Construction Forestry Maritime Mining and Energy Union, Construction and General Division, ACT Branch. The payment to the former officer was made within 6 months from his resignation as Branch Secretary, which occurred on 14 February 2022.

**Payments to other related parties - Rule 24D(a)(i)(A)**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Rachel Jennings <sup>(1)</sup>	62,375	96,775
	<u>62,375</u>	<u>96,775</u>
Outstanding balances including commitments	<u>-</u>	<u>-</u>
Provision for doubtful debts related to outstanding balances	<u>-</u>	<u>-</u>
Expense recognised during the period in respect of bad or doubtful debts	<u>-</u>	<u>-</u>

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**Note 13 – Related party transactions (Continued)**

(1) Rachel Jennings was an employee of the reporting unit and was, pursuant to s.9B(2) of the Fair Work (Registered Organisations) Act 2009, a related party of the reporting unit, by virtue of being the spouse of an officer of the Reporting Unit during the reporting period. These payments recorded in 2023 are for wages and other conditions of employment, and are made on terms that reflect the ordinary employment arrangement offered to other employees of the branch and that would be reasonable in the circumstances if the branch and the related party were dealing at arm's length.

**Rent payable**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Canberra Tradesmen's Union Club Ltd	585,236	567,808
	<u>585,236</u>	<u>567,808</u>

The CFMMEU has a peppercorn rental agreement with the Canberra Tradesmen's Union Club Ltd for premises it occupies. The annual payment is for \$1 and the lease agreement is for a term of 5 years commencing 6 August 2020. The lease has an option of a further 5 years, there is no outstanding lease payable as at 31 March 2023. The market value of the rent for the year ending 31 March 2023 is \$585,236.

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

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ending 31 March 2023, the Construction Forestry Maritime Mining and Energy Union, The Construction and General Division, Australian Capital Territory Divisional Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2022: \$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.

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**Note 13 – Related party transactions (Continued)**

**Key Management Personnel Remuneration for the Reporting Period**

In accordance with AASB 124, the key management personnel of the Branch are the Secretary and Assistant Secretary. The totals of remuneration paid to the key management personnel during the year are as follows:

	<b>2023</b>	<b>2022</b>
<b>Short-term employee benefits</b>	<b>\$</b>	<b>\$</b>
Salary (including leave taken)	530,666	556,875
Annual Leave and RDO Accrual	(11,312)	(73,590)
Sick leave accrual	8,969	(93,380)
<b>Total short-term employment benefits</b>	<b>528,323</b>	<b>389,905</b>
<b>Other long Term Benefits</b>		
Long term benefits Accrual	13,680	(59,805)
<b>Total other long term benefits</b>	<b>13,680</b>	<b>(59,805)</b>
<b>Post Employment Benefits</b>		
Post-employment benefits	66,220	102,465
<b>Total post employment benefits</b>	<b>66,220</b>	<b>102,465</b>
<b>Termination benefits</b>	<b>-</b>	<b>530,313</b>
<b>Total</b>	<b>608,223</b>	<b>962,878</b>

**Note 14 – Remuneration of Auditor**

Total amounts received and receivable by the auditors of the Union for:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Audit of the Union's financial report	28,000	25,500
Other services	-	-
<b>Total remuneration of auditors</b>	<b>28,000</b>	<b>25,500</b>

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

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**Note 15 – Financial Instruments**

The union's financial instruments consist mainly of deposits with bank, short term investments, accounts receivable and accounts payable.

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

	NOTE	2023 \$	2022 \$
<b>Financial Assets</b>			
Fair value through profit or loss			
Cash and cash equivalents	5A	1,332,268	1,369,140
Shares in listed corporations	6A	3,400	3,140
Total		1,335,668	1,372,280
Loans and Receivables			
-		-	-
Total		-	-
<b>Carrying amount of financial assets</b>		<b>1,335,668</b>	<b>1,372,280</b>
<b>Financial Liabilities</b>			
Other Financial liabilities:			
- Trade payables	7A	222,161	374,715
- Other payables	7B	105,908	39,420
- Borrowings	9	-	70,437
- Leases	6C	22,284	30,933
<b>Carrying amount of other financial liabilities</b>		<b>350,353</b>	<b>515,505</b>

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**Note 15 – Financial Instruments (continued)**

**Note 15A – Net Income and Expense from Financial Assets**

	<b>2023</b>	<b>2022</b>
<b>Designated Fair value through profit and loss</b>	<b>\$</b>	<b>\$</b>
Interest revenue	5,272	914
Dividend revenue	75	132
Change in fair value	224	(231)
<b>Total designated fair value through profit and loss</b>	<u>5,571</u>	<u>815</u>
<b>Net gain/(loss) at fair value through profit and loss</b>	<u>5,571</u>	<u>815</u>

**Note 15B – Net Income and Expense from Financial Liabilities**

	<b>2023</b>	<b>2022</b>
<b>At amortised cost</b>	<b>\$</b>	<b>\$</b>
Interest expense	(1,800)	(4,642)
<b>Net gain/(loss) from financial liabilities</b>	<u>(1,800)</u>	<u>(4,642)</u>

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**Note 15 – Financial Instruments (continued)**

**Note 15C - Credit risk**

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

<b>31 March 2023</b>	<b>Trade and other receivables</b>					
	<b>Days past due</b>					<b>Total</b>
	<b>Current</b>	<b>&lt;30 days</b>	<b>30-60 days</b>	<b>61-90 days</b>	<b>&gt;91 days</b>	
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Expected credit loss rate	47%	0%	0%	0%	0%	
Estimate total gross carrying amount at default	138,011		-	-	-	138,011
Expected credit loss	(65,399)		-	-	-	(65,399)

<b>31 March 2022</b>	<b>Trade and other receivables</b>					
	<b>Days past due</b>					<b>Total</b>
	<b>Current</b>	<b>&lt;30 days</b>	<b>30-60 days</b>	<b>61-90 days</b>	<b>&gt;91 days</b>	
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Expected credit loss rate	28%	0%	0%	0%	0%	
Estimate total gross carrying amount at default	156,194		-	-	-	156,194
Expected credit loss	(43,715)		-	-	-	(43,715)

The Union's maximum exposure to credit risk for the components of the statement of financial position as at 31 March 2023 and 2022 is the carrying amounts as illustrated in Note 15C.



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**Note 15 – Financial Instruments (continued)**

**Note 15D – Financial risk management**

**Financial Risk Management Policies**

The Reporting Unit's overall risk management strategy seeks to assist the union in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the finance committee on a regular basis. These include credit risk policies and future cash flow requirements.

**Specific Financial Risk Exposures and Management**

The main risks the union is exposed to through its financial instruments are interest rate risk, liquidity risk, credit risk and equity price risk.

**a. Interest rate risk**

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

**b. Liquidity risk**

Liquidity risk arises from the possibility that the union might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The union manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- investing only in surplus cash with major financial institutions; and
- Comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

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**Note 15 – Financial Instruments (continued)**

**Note 15D – Financial risk management (Continued)**

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

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 timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

***Financial liability and financial asset maturity analysis 2023***

	Note	< 1 Year	1 - 2 Years	2 – 5 Years	>5 Years	Total
		\$	\$	\$	\$	\$
<b>Financial liabilities due for payment</b>						
Trade payables (excluding estimated annual leave and deferred income)	7A	222,161	-	-	-	222,161
Other payables	7B	105,908	-	-	-	105,908
Borrowings	9	-	-	-	-	-
Leases	6C	8,980	9,314	3,990	-	22,284
Total expected outflows		337,049	9,314	3,990	-	350,353
<b>Financial assets – cash flows realisable</b>						
Cash and cash equivalents	5A	1,332,868	-	-	-	1,332,868
Trade, term and loans receivables	5B	83,068	-	-	-	83,068
Total expected inflows		1,415,936	-	-	-	1,415,936
Total Net Inflows/(Outflows)		1,078,887	(9,314)	(3,990)	-	1,065,583

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**Note 15 – Financial Instruments (continued)**

**Note 15D – Financial risk management (Continued)**

***Financial liability and financial asset maturity analysis 2022***

	Note	< 1 Year	1 - 2 Years	2 – 5 Years	>5 Years	Total
		\$	\$	\$	\$	\$
<b>Financial liabilities due for payment</b>						
Trade payables (excluding estimated annual leave and deferred income)	7A	374,715	-	-	-	374,715
Other payables	7B	39,420	-	-	-	39,420
Borrowings	9	70,437	-	-	-	70,437
Total expected outflows		8,657	8,980	13,296	-	30,933
		493,229	8,980	13,296	-	515,505
<b>Financial assets — cash flows realisable</b>						
Cash and cash equivalents	5A	1,369,740	-	-	-	1,369,740
Trade, term and loans receivables	5B	112,479	-	-	-	112,479
Total expected inflows		1,482,219	-	-	-	1,482,219
Total Net Inflows/(Outflows)		988,990	(8,980)	(13,296)	-	966,714

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**Note 15 – Financial Instruments (continued)**

**Note 15E – Market Risk**

*Sensitivity Analysis*

The following table illustrates sensitivities to the union's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	<b>Financial Assets</b>	
	<b>Profit</b>	<b>Equity</b>
	<b>\$</b>	<b>\$</b>
<b>Year Ended 31 March 2023</b>		
+/- 3% in interest rates	39,968	39,968
+/- 10% in investments	340	340
<b>Year Ended 31 March 2022</b>		
+/- 0.1% in interest rates	1,369	1,369
+/- 10% in investments	314	314

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

No sensitivity analysis has been performed on foreign exchange risk, as the union is not exposed to foreign currency fluctuations.

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**Note 15 – Financial Instruments (continued)**

**Note 15F – Changes in liabilities arising from financing activities**

	1 April 2022	Cash flows	Changes in fair values	Other	31 March 2023
		\$	\$	\$	\$
Current Interest bearing loans and borrowings	70,437	(70,437)	-	-	-
<b>Total financial liabilities</b>	<b>70,437</b>	<b>(70,437)</b>	<b>-</b>	<b>-</b>	<b>-</b>

	1 April 2021	Cash flows	Changes in fair values	Other	31 March 2022
	\$	\$	\$	\$	\$
<b>Financial liabilities</b>					
2					
Current interest bearing loans and borrowings	180,713	(110,276)	-	-	70,437
<b>Total financial liabilities</b>	<b>180,713</b>	<b>(110,276)</b>	<b>-</b>	<b>-</b>	<b>70,437</b>

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**Note 16 – Fair Value Measurement**

**Noted 16A – Financial assets and liabilities**

Management of the Union 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 Union'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 March 2022 was assessed to be insignificant.
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Union 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 March 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 Union's financial assets and liabilities:

	Footnote	2023		2022	
		Net Carrying Value \$	Net Fair Value \$	Net Carrying Value \$	Net Fair Value \$
<b>Financial assets</b>					
Cash and cash equivalents	(i)	1,332,868	1,332,868	1,369,740	1,369,740
Trade and other receivables	(i)	83,068	83,068	112,479	112,479
Loans receivable	(i)	-	-	-	-
Investments	(ii)	3,400	3,400	3,140	3,140
<b>Total financial assets</b>		<b>1,419,336</b>	<b>1,419,336</b>	<b>1,485,359</b>	<b>1,485,359</b>
<b>Financial liabilities</b>					
Trade payables	(i)	222,161	222,161	374,715	374,715
Other payables	(i)	105,908	105,908	39,420	39,420
Loans payable	(i)	-	-	70,437	70,437
Lease payable	(i)	22,284	22,284	30,933	30,933
<b>Total financial liabilities</b>		<b>350,353</b>	<b>350,353</b>	<b>515,505</b>	<b>515,505</b>

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**Note 16 – Fair Value Measurement (continued)**

**Note 16A – Financial assets and liabilities (Continued)**

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for relating to annual leave and deferred income which is not considered a financial instrument.
- (ii) For listed available-for-sale financial assets, closing quoted bid prices at reporting date are used.
- (iii) Fair values are determined using a discounted cash flow model incorporating current commercial borrowing rates. The fair values of fixed rate lease liability will differ to the carrying values.

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**Note 16B – Financial and non-financial assets and liabilities fair value hierarchy**

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

- Financial assets at fair value through the profit and loss.

The company 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.

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information according to the relevant level in the fair value hierarchy. This hierarchy categories fair value measurements into one of three possible levels based on the lowest level that a significant input can be categorised into. The levels are outlined below:

<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
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 value of assets and liabilities that are not traded in an active market is 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 company selects valuation techniques that are 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 company are consistent with one or more of the following valuation approaches:

- **Market approach: uses prices and other relevant information generated by market transactions involving identical or similar assets or liabilities.**
- **Income approach: converts estimated future cash flows or income and expenses into a single current (i.e. discounted) value.**
- **Cost approach: reflects the current replacement cost of an asset at its current service capacity.**

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 company 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 are not available and therefore are developed using the best information available about such assumptions are considered unobservable.



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**Note 16 – Fair Value Measurement (continued)**

**Note 16B – Financial and Non-financial assets and liabilities fair value hierarchy (Continued)**

The following table provides the fair value of the company's assets measured and recognised on a recurring basis after initial recognition, categorised within the fair value hierarchy.

	Note	Level 1 \$	Level 2	Level 3	Total \$
<b>2023</b>					
Recurring fair value measurements					
— Financial assets	<b>6A</b>	3,400	-	-	3,400
<b>Total assets recognised at fair value</b>		3,400	-	-	3,400
	Note	Level 1 \$	Level 2	Level 3	Total \$
<b>2022</b>					
Recurring fair value measurements					
— Financial assets	<b>6A</b>	3,140	-	-	3,140
<b>Total assets recognised at fair value</b>		3,140	-	-	3,140

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**Note 17 – Capital management**

Management control the capital of the union to ensure that adequate cash flows are generated to fund its operations and that returns from investments are maximised. Management ensures that the overall risk management strategy is in line with this objective.

Management operates under policies approved by the Committee of Management. Risk management policies are approved and reviewed by the Committee on a regular basis. These include credit risk policies and future cash flow requirements.

There have been no changes to the strategy adopted by management to control the capital of the union since previous year.

**Note 18 – Contingent assets and liabilities**

As at balance date the Union has no known contingent assets and liabilities.

**Note 19 – Capital expenditure commitments**

At 31 March 2023, the branch has made a capital expenditure commitment to CFMEU C&G National Office for \$672,539 over the next 5 years. The capitation expenditure is for the AS400 Modernisation Project which is due to commence in July 2023 and will take 3-5 years to complete. The project is a complete redevelopment of the membership database system. Branches from all states will also be contributing to this project.

**Note 20 – Members' access to financial records**

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).

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**Note 21 - Administration of financial affairs by a third party**

**Name of entity providing service:** Canberra Tradesmen's Union Club Ltd (CTUC)

**Terms and conditions:** The following services are provided:

- Payroll
- Accounts payable
- Accounts Receivable
- BAS preparation
- Bank reconciliation
- End of month financial reports
- End of year financial reports
- End of year audit

Relevant CTUC staff abide by CFMEU ACT Branch financial policies.

Relevant CTUC staff have completed approved training in relation to Union Governance.

The financial services are provided on behalf of the Construction Forestry Maritime Mining and Energy Union The Construction and General Division ACT Divisional Branch by the administrative staff at the Canberra Tradesmen's Union Club Ltd. It is almost impossible to separate the time of such staff members in assisting the CFMMEU ACT Branch from time spent with their general duties hence no fee is charged for this service.

**Nature of expenses/consultancy service:** Nil revenues collected and/or expenses incurred

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**Note 22 – Disclosure of remuneration and non-cash benefits**

In accordance with CFMMEU Rule 24B (c) (ii) and (iii) the top two ranked officers within the Branch by relevant remuneration are:

	Zachary Smith Divisional Branch Secretary	Michael Hiscox Assistant Divisional Branch Secretary
Salary and Allowances	\$254,863	\$203,540
Accrued Annual Leave and/or Rostered Days Off cashed out	\$ 72,263	\$ -
Redundancy Fund contribution	\$ 7,790	\$ 5,980
Superannuation Fund contribution	\$ 28,167	\$ 24,282
Sitting Fees (as disclosed to the Union pursuant to Rule 24B(a), all sitting fees are not retained by officer but remitted to union)	\$ 4,975	\$ 28,114
Termination payment made in accordance with Divisional Branch Redundancy Policy (payment of accrued leave entitlements, pay in lieu of notice, and severance pay)	\$ -	\$ -
Non cash benefits	Motor Vehicle Income Protection	Motor Vehicle Income Protection
Non cash benefits		
<b>Total relevant remuneration (excluding sitting fees not retained by officer)</b>	<b>\$368,058</b>	<b>\$261,916</b>

**Note 23 – Union details**

The registered office of the union is:

7-10, 8 Cape Street  
Dickson ACT 2602

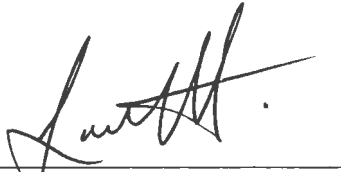
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**OFFICER DECLARATION STATEMENT**

I, Zachary Smith, being the Divisional Branch Secretary of the Construction Forestry Maritime Mining and Energy Union, The Construction and General Division, Australian Capital Territory Divisional Branch, declare that the following activities did not occur during the reporting period ending 31 March 2023.

Pursuant to the reporting guidelines of Section 253 of the Fair Work (Registered Organisations) Act 2009, the Union did not:

- 1) agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount);
- 2) 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);



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Zachary Smith  
Divisional Branch Secretary

Dated at Canberra, Australian Capital Territory this <sup>20<sup>th</sup></sup> June 2023



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**AUDITOR'S DISCLAIMER**

The additional financial data presented in the following pages is in accordance with the books and records of the Construction Forestry Maritime Mining and Energy Union Construction and General Division - (ACT Branch) which have been subjected to the auditing procedures applied in our audit of the Construction Forestry Maritime Mining and Energy Union Construction and General Division - (ACT Branch) for the year ended 31 March 2023. It will be appreciated that our audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person, other than to the Construction Forestry Maritime Mining and Energy Union Construction and General Division - (ACT Branch), in respect of such data, including any errors or omissions therein however caused.

**Rodney Miller**

Director

**RSM AUSTRALIA PTY LTD**

Canberra, Australian Capital Territory

Dated: 28 June 2023

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