



13 August 2015

Mr Geoff Dyke
District Secretary

Construction, Forestry, Mining and Energy Union-Mining and Energy Division - Victorian District Branch

By e-mail: gd14cfmeu@tpg.com.au

Dear Mr Dyke,

Construction, Forestry, Mining and Energy Union-Mining and Energy Division - Victorian District Branch

Financial Report for the year ended 31 December 2014 - [FR2014/468]

I acknowledge receipt of the financial report of the Construction, Forestry, Mining and Energy Union-Mining and Energy Division - Victorian District Branch. The documents were lodged with the Fair Work Commission on 21 May 2015.

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

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

Timescale requirements

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. Information about these timeline requirements can be found on the Fair Work Commission website. In particular, I draw your attention to financial reporting process and timelines which explains the timeline requirements, and Diagrammatic summary of financial reporting timelines which sets out the timeline requirements in diagrammatical form.

I note that the following timescale requirements were not met:

Reports must be provided to Members at least 21 days before the General Meeting of Members

As noted in my e-mail to you of 20 July 2015, the Designated Officer's Certificate states that the financial report was provided to members on 19 April 2015, and presented to a series of general lodge meetings of members, the last of which was held on 8 May 2015. Under section 265(5)(a) of the RO Act, where the report is presented to general meetings of members, the report must be provided to members at least 21 days before that meeting.

If these dates are correct, the reporting unit only provided members the financial report 17 days before the final meeting of the series of general lodge meetings.

I thank you for your letter of 23 July 2015 providing an explanation regarding non-compliance with section 265(5)(a).

Please note that as a result of this non-compliance the financial report for the year ending 31 December 2015 will be subject to an advanced compliance review.

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Should you wish to discuss this letter, or if you require further information on the financial reporting requirements of the RO Act, I may be contacted on (03) 8661 7796 or by email at sam.gallichio@fwc.gov.au.

Yours sincerely



Sam Gallichio
Adviser
Regulatory Compliance Branch



CONSTRUCTION, FORESTRY, MINING & ENERGY UNION
MINING & ENERGY DIVISION
VICTORIAN DISTRICT BRANCH
P.O. Box 918, Morwell, Victoria 3840
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ABN 38 442 492 093



24th July 2015

To: Sam Gullichio
Advisor
Regulatory Compliance Branch
Fair Work Commission
Via email

CC: Luke van der Meulen (CFMEU President), Graeme Middlemiss (CFMEU Vice-President)
Via email

Dear Sam,

Without prejudice

Thank-you for your email dated 20th July 2015 regarding our Financial Report for the CFMEU Mining & Energy Division Victorian District Branch (FR2014/468). In your email you state that “the report must be provided to members at least 21 days before the final meeting of the series” and seek a response as to why this was not done. Having looked at the matter you have raised in your email, I sincerely apologise for an error made on my behalf.

Let me say that our organisation makes every possible effort to prepare a properly constructed and audited General Purpose Financial Report (GPFR) so that it can be made available for members to scrutinize in a timely manner. I note that in the Reporting Guidelines for Section 253 (13th June 2014) the General Manager states “*The disclosure requirements prescribed by these reporting guidelines are directed towards providing members of a reporting unit with information to enable them to gauge the performance of the committee of management and other holders of office in relation to the financial management of the reporting unit.*” I believe our organisation meets this intention and I am not aware of any complaint raised by a member.

As an overview of what actually occurred:

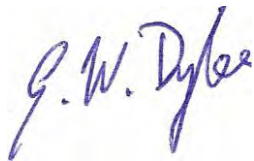
1. Our District Board of Management (BoM) was presented with a draft audited GPFR at our AGM on 11th March 2015. The GPFR was approved by our District BoM at this meeting and all Lodge Presidents were provided with a hard copy of the draft GPFR to take back to their Lodges.

2. There were a number of delays in obtaining the fully signed GPFR and it was only provided to me on the 15th April 2015.
3. As soon as I was able, on the 19th April 2015, I emailed out the fully signed GPFR to all District Lodges and arranged for it to be posted onto the CFMEU's National Website.
4. Our District Lodges then ran a series of meetings at each site to present the GPFR to members, concluding on the 8th May 2015.

Getting onto the matter raised as the technical non-compliance, I acknowledge that we did receive correspondence about this last year. I can also advise that I tried to set the date for the Lodges to conclude their meetings based on the 21 days advised. However, it appears that when I advised the Lodges of a date to conclude their meetings by, I mistakenly set the date based on the date I received the fully signed GPFR on; instead of the date that I sent the GPFR out. I can therefore confirm that any deviation from the 21 day requirement was not intentional but was the result of a simple human error on my part. You can rest assured that we will ensure compliance next year by allowing an even greater time period than the 21 days.

If you would like to discuss this further with me please feel free to do so.

Regards,



Geoff Dyke
Secretary
Victorian District Branch
Mining & Energy Division
CFMEU

Mobile: 0409 090 659
Email: gd14cfmeu@tpg.com.au

From: GALLICHIO, Sam
To: ["gd14cfmeu@tpg.com.au"](mailto:gd14cfmeu@tpg.com.au)
Subject: Financial Report CFMEU M&E Vic (FR2014/468)
Date: Monday, 20 July 2015 3:19:00 PM

Dear Geoff,

Thank you for providing us with an Amended Designated Officer's Certificate for the Branch's Financial Report.

The Designated Officer's Certificate states that the financial report was provided to members on 19 April 2015 and presented to a series of general lodge meeting of members, the last of which was held on 8 May 2015. This means the report was provided to members 17 days prior to the last general lodge meeting of members. Under subsection 265(5)(a) of the RO Act, where the report is presented to general meetings of members, the report must be provided to members at least 21 days before the final meeting of the series.

Subsection 265(5) is a civil penalty provision.

We note that subsection 265(5)(a) was not complied with for the Branch's financial report in for the year ended 31 December 2013.

We request an explanation as to why this subsection has not been complied with for a second consecutive year, after it was brought to the attention of the Branch in a letter from Mr Stephen Kellett of the FWC dated 15 August 2014.

We seek a response from you by COB Friday 24 July 2015 in order for us to establish the most appropriate course of action moving forward.

Kind Regards

SAM GALLICHIO

Adviser

Regulatory Compliance Branch

Fair Work Commission

Tel: 03 8661 7796

Fax: 03 9655 0410

sam.gallichio@fwc.gov.au

11 Exhibition Street, Melbourne, Victoria 3000

GPO Box 1994, Melbourne, Victoria 3001

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From: Geoff Dyke [<mailto:gd14cfmeu@tpg.com.au>]
Sent: Monday, 13 July 2015 1:55 PM

To: Orgs
Cc: Graeme Middlemiss
Subject: On CMS FR2014/468 Amended Designated Officers Certificate CFMEU M&E Vic

[FR2014/468](#)

Hi Sam,

Please find attached amended Designated Officer's Certificate as discussed for GPFR 2014.

Regards,

Geoff

Geoff Dyke
Secretary
Victorian District Branch
Mining & Energy Division
CFMEU

Phone: 03-5134 3311
Mobile: 0409 090 659
Email: gd14cfmeu@tpg.com.au

**Construction Forestry Mining and Energy Union Mining & Energy Division –
Victorian District Branch**


s.268 Fair Work (Registered Organisations) Act 2009

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER¹

Certificate for the period ended 31 December 2014

I, **Geoffrey Wayne Dyke** being the **Secretary** of the Construction Forestry Mining and Energy Union Mining & Energy Division – Victorian District Branch certify:

- that the documents lodged herewith are copies of the full report for the Construction Forestry Mining and Energy Union Mining & Energy Division – Victorian District Branch for the period ended 31 December 2014 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the *full report* was provided to members of the reporting unit on 19th April 2015; and
- that the full report was presented to a series of general Lodge meetings of the members of the reporting unit, the last of such meetings being held on 8th May 2015 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer: 

Name of prescribed designated officer: Geoffrey Wayne Dyke

Title of prescribed designated officer: Secretary

Dated: 13/7/15

¹ Regulation 162 of the Fair Work (Registered Organisations) Regulations 2009 defines a 'prescribed designated officer' of a reporting unit for the purposes of s.268(c) as:
(a) the secretary; or
(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

**Construction Forestry Mining and Energy Union
Mining and Energy Division
Victorian District Branch**

ABN: 38 442 492 093

Financial Statements

For the Year Ended 31 December 2014

Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch

ABN: 38 442 492 093

For the Year Ended 31 December 2014

Financial Statements

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Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch

ABN: 38 442 492 093

Operating Report

31 December 2014

The Board of Management present their report on Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch for the financial year ended 31 December 2014.

General information

Information on Board of Management

The names of each person who has been on the Board of Management during the year and to the date of this report are:

Name	Position	Period of Appointment
Mr L van der Meulen	District President	01/01/14 - 31/12/14
Mr G Hardy	District Secretary	01/01/14 - 17/01/14
Mr G Dyke	District Secretary	20/03/14 - 31/12/14
Mr G Middlemiss	District Vice President	01/01/14 - 31/12/14
Mr S Sceney	BOM Member	01/01/14 - 31/12/14
Mr B Walsh	BOM Member	01/01/14 - 31/12/14
Mr B Leighton	BOM Member	01/01/14 - 31/12/14
Mr S Evans	BOM Member	01/01/14 - 10/09/14
Mr M Richards	BOM Member	01/01/14 - 31/12/14
Mr N Zammit	BOM Member	01/01/14 - 31/12/14
Mr K Clark	BOM Member	01/01/14 - 31/12/14
Mr G Aitken	BOM Member	01/01/14 - 31/12/14
Mr K Freeman	BOM Member	01/01/14 - 31/12/14
Mr R Bernardi	BOM Member	01/01/14 - 31/12/14

Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch

ABN: 38 442 492 093

Operating Report

31 December 2014

Principal activities

The principal activities of Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch during the financial year were:

- Conducting Activities for Parliamentary, Divisional and District elections, including assisting with statutory requirements.
- Co ordinating seminars / education courses for Lodge Officers to inform them of current developments or to seek collective input in the development of national policies.
- Representing the District's interest on various national committees and organisations.
- Responsibility for servicing national awards and enterprise agreements and maintaining related information services. District Office also advises Lodges on industrial matters.
- Provision to Lodges with economic and industrial research.
- Provision to Lodges of assistance with administration and financial management.
- Provision to Lodges of a National Library including information service / library through an electronic data base.
- Co-ordinating OH&S nationally and maintaining a national policy database and information service.
- Leading the conduct of legal action launched in defence of the District's constitutional work.
- Provision of a National Training Agenda by representing the Union on various Boards and Committees.

No significant changes in the nature of the Union's activity occurred during the financial year.

Operating results

The surplus of the Union amounted to \$126,666 (2013: \$162,248).

Review of operations

A review of the operations and the results of the Union is performed fortnightly in the meetings of the Executive Officers and monthly by the Board of Management. Additionally, such matters are considered monthly at a regular meeting of the General Officers of the Union.

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Union during the year.

Events after the reporting date

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

Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch

ABN: 38 442 492 093

Operating Report

31 December 2014

Right of members to resign

All members of the Union have the right to resign in accordance with Rule 5(iv) (a) of the Union Rules (and section 174 of the Fair Work (Registered Organisations) Act 2009), namely, by providing written notice addressed and delivered to either the District Secretary, or a Lodge Secretary or authorised delegate.

Superannuation Trustees

No officer or member of the Union acts:

- i) as a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- ii) as a director of a Union that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

Number of members

There were 1,395 members of the Union as at 31 December 2014 (2013: 1,363).

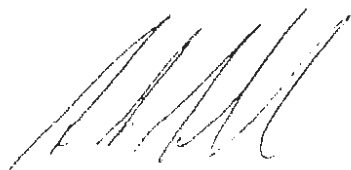
Number of employees

As at 31 December 2014 the Union had 5 employees (2013: 4).

Officers and employees who are directors of a Union or a member of a board

G Middlemiss is a director of South East Australian Transport Strategy and Gippsland Regional Waste Management Group.

Signed in accordance with a resolution of the Board of Management:



Luke van der Meulen
District President

Dated 11 March 2015

Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch

ABN: 38 442 492 093

Board of Management Statement

For the year ended 31 December 2014

On the 11 March 2015 the Board of Management of the Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2014:

The Board 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 the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the Board 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 manner consistent with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) there have been no recovery of wages activities that have occurred in the reporting period.

This declaration is made in accordance with a resolution of the Board of Management:

Luke van der Meulen
District President

Stuart Sceney
Board of Management

Dated 11 March 2015

**Construction Forestry Mining and Energy Union Mining and Energy Division
Victorian District Branch**

ABN: 38 442 492 093

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2014

	Note	2014 \$	2013 \$
Revenue	2	1,200,111	1,036,285
Other income	2	-	130,020
Employee benefits expense	3	(576,477)	(556,890)
Depreciation and amortisation expense		(28,171)	(34,957)
Capitation fees		(242,182)	(257,949)
Affiliation fees		(3,423)	(4,000)
Donations		(11,089)	(5,473)
Professional fees		(81,865)	(16,286)
Loss on disposal of fixed assets		(188)	(3,460)
Motor vehicle expenses		(12,624)	(14,994)
Other expenses		(117,426)	(110,048)
Surplus for the year		126,666	162,248
Other comprehensive income:			
Other comprehensive income items		-	-
Total comprehensive Income for the year		126,666	162,248

The accompanying notes form part of these financial statements.

**Construction Forestry Mining and Energy Union Mining and Energy Division
Victorian District Branch**

ABN: 38 442 492 093

Balance Sheet

As at 31 December 2014

	Note	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	417,964	255,421
Trade and other receivables	5	79,199	79,801
Other financial assets	6	211,887	200,000
Other assets	7	6,677	5,928
TOTAL CURRENT ASSETS		715,727	541,150
NON-CURRENT ASSETS			
Trade and other receivables	5	384,485	386,610
Property, plant and equipment	8	367,276	363,697
TOTAL NON-CURRENT ASSETS		751,761	750,307
TOTAL ASSETS		1,467,488	1,291,457
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	204,223	165,661
Employee benefits	11	112,970	98,288
Other liabilities	10	27,442	26,753
TOTAL CURRENT LIABILITIES		344,635	290,702
NON-CURRENT LIABILITIES			
Employee benefits	11	4,454	9,022
TOTAL LIABILITIES		349,089	299,724
NET ASSETS		1,118,399	991,733
EQUITY			
Retained earnings		1,118,399	991,733
TOTAL EQUITY		1,118,399	991,733

The accompanying notes form part of these financial statements.

**Construction Forestry Mining and Energy Union Mining and Energy Division
Victorian District Branch**

ABN: 38 442 492 093

Statement of Changes in Equity

For the Year Ended 31 December 2014

	Retained Earnings	
	2014	2013
	\$	\$
Balance at 1 January	991,733	829,485
Surplus for the year	126,666	162,248
Balance at 31 December	<u>1,118,399</u>	<u>991,733</u>

The accompanying notes form part of these financial statements.

**Construction Forestry Mining and Energy Union Mining and Energy Division
Victorian District Branch**

ABN: 38 442 492 093

Statement of Cash Flows

For the Year Ended 31 December 2014

	2014	2013
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and members contributions	1,306,285	1,255,968
Interest received	14,733	11,966
Payments to suppliers and employees	<u>(1,114,650)</u>	<u>(1,003,562)</u>
Net cash provided by operating activities	16(a) <u>206,368</u>	264,372
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for plant and equipment	(33,530)	(8,584)
Proceeds from sale of plant and equipment	1,592	15,909
Proceeds/(purchase) of held-to-maturity financial assets	<u>(11,887)</u>	220,802
Net cash (used in)/provided by investing activities	<u>(43,825)</u>	228,127
CASH FLOWS FROM FINANCING ACTIVITIES:		
Loans to members	-	<u>(399,560)</u>
Net cash used by financing activities	-	<u>(399,560)</u>
Net increase in cash and cash equivalents held	162,543	92,939
Cash and cash equivalents at beginning of year	<u>255,421</u>	162,482
Cash and cash equivalents at end of financial year	4 <u><u>417,964</u></u>	<u>255,421</u>

The accompanying notes form part of these financial statements.

Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch

ABN: 38 442 492 093

Notes to the Financial Statements

For the Year Ended 31 December 2014

The financial report covers the Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch (A division of the Construction, Forestry, Mining & Energy Union - Mining & Energy Division) ("the Union") as an individual entity. The Union is an organisation of employees registered under the *Fair Work (Registered Organisation) Act 2009* ("the RO Act"). In accordance with the RO Act, the Union is a body corporate and has perpetual succession, by virtue of this method of incorporation, the Union is not subject to the *Corporations Act 2001*.

1 Summary of Significant Accounting Policies

(a) Basis of preparation

The financial statements are a general purpose financial statements that has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australia 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 Union is a not-for-profit entity.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Historical cost is generally based on the fair values of the consideration given in exchange for assets. The financial statements are presented in Australian Dollars.

(b) Comparative figures

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

(c) Property, plant and equipment

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

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Depreciation

The depreciable amount of all fixed assets including buildings, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Union commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Land is not depreciated.

Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch

ABN: 38 442 492 093

Notes to the Financial Statements

For the Year Ended 31 December 2014

1 Summary of Significant Accounting Policies (Continued)

(c) Property, plant and equipment (Continued)

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5 - 10%
Plant and Equipment	5 - 50%
Motor Vehicles	25%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

(d) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Union becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss; and
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch

ABN: 38 442 492 093

Notes to the Financial Statements

For the Year Ended 31 December 2014

1 Summary of Significant Accounting Policies (Continued)

(d) Financial instruments (Continued)

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Union's trade and most other receivables fall into this category of financial instruments.

Discounting is omitted where the effect of discounting is considered immaterial.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

In some circumstances, the Union renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Union does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Union's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to be realised within 12 months after the end of the reporting period, which will be classified as current assets.

If during the period the Union sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired.

The Union's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch

ABN: 38 442 492 093

Notes to the Financial Statements

For the Year Ended 31 December 2014

1 Summary of Significant Accounting Policies (Continued)

(d) Financial Instruments (Continued)

Impairment of financial assets

At the end of the reporting period the Union assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

Available-for-sale financial assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

Derecognition of financial assets

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

(e) Impairment of non-financial assets

At the end of each reporting period the Union determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch

ABN: 38 442 492 093

Notes to the Financial Statements

For the Year Ended 31 December 2014

1 Summary of Significant Accounting Policies (Continued)

(e) Impairment of non-financial assets (Continued)

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

(f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the balance sheet.

(g) Employee benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the balance sheet if the Union does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

(h) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch

ABN: 38 442 492 093

Notes to the Financial Statements

For the Year Ended 31 December 2014

1 Summary of Significant Accounting Policies (Continued)

(i) Revenue and other income

The Union recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch's activities as discussed below.

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Capitation fees

Revenue from the provision of capitation fees is recognised on a straight line basis over the financial year.

All revenue is stated net of the amount of goods and services tax (GST).

Rental income

Investment property revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

Interest revenue

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Grants

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

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

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

(ii) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch

ABN: 38 442 492 093

Notes to the Financial Statements

For the Year Ended 31 December 2014

1 Summary of Significant Accounting Policies (Continued)

(k) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(l) Critical accounting estimates and judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates – impairment of property, plant and equipment

The Union assesses impairment at the end of each reporting period by evaluating conditions specific to the Union that may be indicative of impairment triggers.

Key estimates – provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Key estimates – receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

**Construction Forestry Mining and Energy Union Mining and Energy Division
Victorian District Branch**

ABN: 38 442 492 093

Notes to the Financial Statements

For the Year Ended 31 December 2014

1 Summary of Significant Accounting Policies (Continued)

(m) Income tax

No provision for income tax is necessary, as the union (being a registered Industrial Trade Union) is exempt from tax under s.50-15 of the Income Tax Assessment Act.

(n) New accounting standards for application in future periods

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2014 reporting periods and have not been early adopted by the Union.

There are no standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(o) Adoption of new and revised accounting standards

During the current year, there have been no new or revised accounting standards that have become mandatory, which have had a material impact (in the current year or retrospectively) upon the measurement of assets, liabilities, equity, income or expenses, nor upon the disclosures required in this financial report.

**Construction Forestry Mining and Energy Union Mining and Energy Division
Victorian District Branch**

ABN: 38 442 492 093

Notes to the Financial Statements

For the Year Ended 31 December 2014

2 Revenue and other income

Revenue from continuing operations

	2014	2013
	\$	\$
Revenue		
Member subscriptions	1,144,316	927,299
Capitation fees	-	-
Levies	-	-
Interest income	11,001	17,212
Rents received	30,572	29,525
Other income	14,222	11,204
Levy - Yallourn lockout	-	51,045
Total revenue	<u>1,200,111</u>	<u>1,036,285</u>
Other income		
Grants	-	-
Donations	-	130,020
Total income	<u>1,200,111</u>	<u>1,166,305</u>

**Construction Forestry Mining and Energy Union Mining and Energy Division
Victorian District Branch**

ABN: 38 442 492 093

Notes to the Financial Statements

For the Year Ended 31 December 2014

3 Result for the year

(a) The result for the year includes the following specific expenses

	2014	2013
	\$	\$
Grants and donations:		
- Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
- Donations		
Total paid that were \$1,000 or less	7,849	5,473
Total paid that exceeded \$1,000	3,240	-
	<u>11,089</u>	<u>5,473</u>
Depreciation and amortisation:		
- Land and buildings	9,280	9,280
- Property, plant and equipment	18,891	25,677
	<u>28,171</u>	<u>34,957</u>
Legal costs:		
- Litigation	-	-
- Other legal matters	65,155	5,936
Employee benefits expense		
Holders of office:		
- Wages and salaries	239,137	338,068
- Superannuation	27,724	36,318
- Leave and other entitlements	5,114	(50,127)
- Separation and redundancies	-	-
- Other employee expenses	19,344	21,837
	<u>291,319</u>	<u>346,096</u>
Employees other than office holders:		
- Wages and salaries	238,972	158,529
- Superannuation	27,702	19,529
- Leave and other entitlements	5,000	21,137
- Separation and redundancies	-	-
- Other employee expenses	13,484	11,599
	<u>285,158</u>	<u>210,794</u>
Total employee benefits expense	<u><u>576,477</u></u>	<u><u>556,890</u></u>

**Construction Forestry Mining and Energy Union Mining and Energy Division
Victorian District Branch**

ABN: 38 442 492 093

Notes to the Financial Statements

For the Year Ended 31 December 2014

3 Result for the year (Continued)

	Note	2014 \$	2013 \$
Capitation fees			
- CFMEU M&E National Office		242,182	257,949
Affiliation fees			
- Victorian Trades Hall		3,423	4,000
Administration expenses:			
- Consideration to employers for payroll deductions		-	-
- Compulsory levies		-	-
- Conference and meetings expenses		1,749	2,422
- Fees / allowances - meeting and conferences		-	-
Penalties - via RO Act or RO Regulations		-	-

4 Cash and cash equivalents

Cash on hand	340	126
Cash at bank	417,624	255,295
	<u>417,964</u>	<u>255,421</u>

5 Trade and other receivables

CURRENT			
Trade receivables		54,285	41,453
Other receivables		10,484	25,398
Member loans	5(b)	14,430	12,950
		<u>79,199</u>	<u>79,801</u>
NON CURRENT			
Member loans	5(b)	384,485	386,610

**Construction Forestry Mining and Energy Union Mining and Energy Division
Victorian District Branch**

ABN: 38 442 492 093

Notes to the Financial Statements

For the Year Ended 31 December 2014

5 Trade and other receivables (Continued)

(a) Credit risk - Trade and Other Receivables

The following table details the Union's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, within the terms and conditions agreed between the Union and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the Union.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

The Union does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired

	Gross amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			< 30	31-60	61-90	> 90	
	\$	\$	\$	\$	\$	\$	\$
2014							
Trade and term receivables	54,285	-	-	-	-	-	54,285
Total	54,285	-	-	-	-	-	54,285
2013							
Trade and term receivables	41,453	-	-	-	-	-	41,453
Total	41,453	-	-	-	-	-	41,453

The other classes of receivables do not contain impaired assets.

(b) Member Loans

In the 2013 financial year the Union entered into an interest free loan of \$399,560 with some members of the Yalourn Power Station Lodge, during a period whilst those members were locked out of their worksite.

The loans are expected to be repaid in accordance with the loan agreement from 31 March 2015 at a rate of \$5 per week, per borrower.

**Construction Forestry Mining and Energy Union Mining and Energy Division
Victorian District Branch**

ABN: 38 442 492 093

Notes to the Financial Statements

For the Year Ended 31 December 2014

6 Other financial assets

	Note	2014 \$	2013 \$
Held-to-maturity financial assets	(a)	<u>211,887</u>	<u>200,000</u>
(a) Held-to-maturity investments comprise:			
Term deposits held with financial institutions		<u>211,887</u>	<u>200,000</u>

7 Other assets

Prepayments		<u>6,677</u>	<u>5,928</u>
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8 Property, plant and equipment

LAND AND BUILDINGS

Freehold land at cost		23,000	23,000
Land and buildings			
At cost		364,081	364,081
Accumulated depreciation		<u>(79,295)</u>	<u>(70,015)</u>
		<u>284,786</u>	<u>294,066</u>

PLANT AND EQUIPMENT

Plant and equipment

At cost		79,222	76,697
Accumulated depreciation		<u>(58,041)</u>	<u>(52,899)</u>
		<u>21,181</u>	<u>23,798</u>

Motor vehicles

At cost		88,029	59,426
Accumulated depreciation		<u>(49,720)</u>	<u>(36,593)</u>

		<u>38,309</u>	<u>22,833</u>
Total plant and equipment		<u>59,490</u>	<u>46,631</u>

Total property, plant and equipment		<u>367,276</u>	<u>363,697</u>
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**Construction Forestry Mining and Energy Union Mining and Energy Division
Victorian District Branch**

ABN: 38 442 492 093

Notes to the Financial Statements

For the Year Ended 31 December 2014

8 Property, plant and equipment (Continued)

(a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land and buildings	Plant and equipment	Motor Vehicles	Total
	\$	\$	\$	\$
Balance at 1 January 2013	326,346	20,571	62,523	409,440
Additions	-	8,584	-	8,584
Disposals	-	-	(19,370)	(19,370)
Depreciation expense	(9,280)	(5,357)	(20,320)	(34,957)
Balance at 31 December 2013	317,066	23,798	22,833	363,697

	Land and buildings	Plant and equipment	Motor Vehicles	Total
	\$	\$	\$	\$
Balance at 1 January 2014	317,066	23,798	22,833	363,697
Additions	-	4,927	28,603	33,530
Disposals	-	(1,780)	-	(1,780)
Depreciation expense	(9,280)	(5,764)	(13,127)	(28,171)
Balance at 31 December 2014	307,786	21,181	38,309	367,276

	2014	2013
	\$	\$
9 Trade and other payables		
Trade and other payables	204,223	165,661
(a) Payables to other reporting entities		
CFMEU M&E National Office	69,048	78,133

**Construction Forestry Mining and Energy Union Mining and Energy Division
Victorian District Branch**

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Notes to the Financial Statements

For the Year Ended 31 December 2014

9 Trade and other payables (Continued)

	2014	2013
	\$	\$
(b) Other payables		
Legal fees payable	-	-
Consideration to employers for payroll deductions	-	-

10 Other liabilities

Income in advance	<u>27,442</u>	<u>26,753</u>
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11 Employee benefits

CURRENT

Employee benefits expense	<u>112,970</u>	<u>98,288</u>
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NON-CURRENT

Employee benefits expense	<u>4,454</u>	<u>9,022</u>
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Total	<u><u>117,424</u></u>	<u><u>107,310</u></u>
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(a) Total employee benefits attributable to:

Office Holders:

- Annual leave	41,599	48,073
- Long service leave	1,041	-
- Separations and redundancies	-	-
- Other	10,495	19,343
	<u>53,135</u>	<u>67,416</u>

Employees other than office holders:

- Annual leave	45,174	28,234
- Long service leave	11,085	9,022
- Separation and redundancies	-	-
- Other	8,030	2,638
	<u>64,289</u>	<u>39,894</u>

Total	<u><u>117,424</u></u>	<u><u>107,310</u></u>
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Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch

ABN: 38 442 492 093

Notes to the Financial Statements

For the Year Ended 31 December 2014

12 Financial risk management

The main risks Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk.

The Board of Managements' overall risk management strategy seeks to assist the Union in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The Union's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and 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:

		2014	2013
		\$	\$
Financial Assets			
Cash and cash equivalents	4	417,964	255,421
Held-to-maturity investments	6	211,887	200,000
Trade and other receivables	5	463,684	466,411
Total financial assets		1,093,535	921,832
Financial Liabilities			
Financial liabilities at amortised cost			
- Trade and other payables	9	204,223	165,661

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

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the balance sheet due to the effect of discounting.

Financial liability maturity analysis - Non derivative

	Within 1 year		Total	
	2014	2013	2014	2013
	\$	\$	\$	\$
Financial liabilities due for payment				
Trade and other payables	204,223	165,661	204,223	165,661

The timing of expected outflows is not expected to be materially different from contracted cashflows.

**Construction Forestry Mining and Energy Union Mining and Energy Division
Victorian District Branch**

ABN: 38 442 492 093

Notes to the Financial Statements

For the Year Ended 31 December 2014

12 Financial risk management (Continued)

Market Risk – Cash flow interest rate sensitivity

The following table illustrates the sensitivity of the net result for the year and equity to a reasonably possible change in interest rates of +1% and -1% (2013: +1%/-1%), with effect from the beginning of the year. These changes are considered to be reasonably possible based on observation of current market conditions.

The calculations are based on the financial instruments held at each reporting date. All other variables are held constant.

	2014		2013	
	+1%	-1%	+1%	-1%
	\$	\$	\$	\$
Cash and cash equivalents				
Net results	5,691	(5,691)	3,983	(3,983)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Union. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

The Union has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The utilisation of credit limits by customers is regularly monitored by line management.

Trade receivables consist of a large number of customers. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

	2014	2013
(a) Net income and expense from Financial Assets	\$	\$
Held-to-maturity		
Interest revenue	11,001	17,212

Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch

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Notes to the Financial Statements

For the Year Ended 31 December 2014

12 Financial risk management (Continued)

Net fair values

Fair value estimation

The fair values of financial assets and liabilities are disclosed in the balance sheet and notes to the financial statements.

Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded.

13 Interests of Key Management Personnel

The totals of remuneration paid to the key management personnel of Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch during the year are as follows:

	2014	2013
	\$	\$
Short-term employee benefits		
Salary (including annual leave taken)	205,063	257,692
Leave accrued	24,111	28,793
	<u>229,174</u>	<u>286,485</u>
Post-employment benefits		
Superannuation	28,721	36,318
Other long term benefits	946	-
Termination benefits	-	-
	<u>258,841</u>	<u>322,803</u>

14 Remuneration of Auditors

Remuneration of the auditor of the Union, Daley & Co Chartered Accountants, for:

- auditing or reviewing the financial report	12,800	6,700
other services	3,910	3,650
	<u>16,710</u>	<u>10,350</u>

Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch

ABN: 38 442 492 093

Notes to the Financial Statements

For the Year Ended 31 December 2014

15 Related party transactions

Related Parties

(a) Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Board of Management member (whether executive or otherwise) of that entity is considered key management personnel.

For details of disclosures relating to key management personnel, refer to Note 13: Interests of Key Management Personnel.

(b) Transactions with related parties

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

Other related parties

- i) Capitation fees totalling \$242,182 (2013: \$257,949) were charged by the Construction, Forestry, Mining and Energy Union during the year.
- ii) Salary & Wages totalling \$45,910 (2013: \$41,544) were paid during the year to a relative of an elected official for the provision of administration services on a part-time basis. Terms and conditions were within a normal employee relationship and no more favourable than those made available to other employees.
- iii) An amount of \$29,536 (2013: \$29,536) was received from Construction, Forestry, Mining and Energy Union, Construction and General Division, Victorian Divisional Branch during the year, for costs associated with occupying the Union premises.
- iv) An amount of \$7,473 (2013: \$5,153) was received from Construction, Forestry, Mining and Energy Union, Construction & General Division during the year, for costs associated with computer software support.
- v) During the 2013 financial year loans totalling \$399,560 were granted to members of the District. Relatives of the Board of Management have been entitled to and have received loan funds, however the terms and conditions of these loans were identical to that provided to other members.
- vi) From time to time the Union makes expenditures which relate to itself as well as other branches and divisions of the CFMEU. These expenditures are then reimbursed to the Union at cost, hence they are not considered to be related party transactions.

**Construction Forestry Mining and Energy Union Mining and Energy Division
Victorian District Branch**

ABN: 38 442 492 093

Notes to the Financial Statements

For the Year Ended 31 December 2014

16 Cash flow information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2014	2013
	\$	\$
Result for the year	126,666	162,248
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
depreciation	28,171	34,957
net loss on disposal of plant and equipment	188	3,460
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	2,727	13,645
- (increase)/decrease in other assets	(749)	2,117
- increase/(decrease) in trade and other payables	38,562	63,373
increase/(decrease) in income in advance	689	-
increase/(decrease) in employee benefits	10,114	(15,128)
Cashflow from operations	206,368	264,372

(b) Cash flow information

Cash inflows from reporting units

- CFMEU M&E National Office	-	50,000
- CFMEU National	-	20,000
- CFMEU M&E Queensland	-	30,000
- CFMEU M&E New South Wales	-	5,000
- CFMEU C&G Victoria	29,536	29,536

Cash outflows from reporting units

CFMEU M&E National Office	326,293	159,820
- CFMEU C&G National Office	7,473	5,153



Daley & Co
chartered accountants

Integrated Financial Solutions

**Independent Audit Report to the members of
Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch**

Report on the Financial Report

We have audited the accompanying financial report of Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch, which comprises the balance sheet as at 31 December 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Board of Management Statement.

Board of Management and Accounting Officer's Responsibility for the Financial Report

The Board of Management and the Accounting Officer are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisation) Act 2009*, and for such internal control as management determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Union's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Union's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management and the Accounting Officer, as well as evaluating the overall presentation of the financial report.

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

Independence

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



Daley & Co
chartered accountants

Integrated Financial Solutions

**Independent Audit Report to the members of
Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch**

Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of Construction Forestry Mining & Energy Union Mining & Energy Division Victorian District Branch (a Division of the Construction, Forestry, Mining & Energy Union - Mining & Energy Division), as at 31 December 2014, and of its financial performance and cash flows for the year then ended in accordance with:

- (a) 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 scope of our audit did extend to recovery of wages activity, however as noted in the Board of Management Statement, no such activity was undertaken during the reporting period.

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

I declare that management's use of the going concern basis of accounting in preparation of the Union's financial statement is appropriate.

Daley & Co.

Daley & Co
Chartered Accountants

Michael Mundt

Michael Mundt
Partner

Wollongong
Dated 11 March 2015

Liability limited by a scheme approved under Professional Standards Legislation

Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch

ABN: 38 442 492 093

Certificate of Accounting Officer

Certificate for the year ended 31 December 2014

I, Luke van der Meulen being the District President of the Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch certify:

- that the documents lodged herewith are copies of the full report for the Construction Forestry Mining and Energy Union Mining and Energy Division Victorian District Branch for the year ended 31 December 2014 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 11 March 2015; and
- that the full report was presented to a meeting of the Board of Management of the reporting unit on 11 March 2015 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.



Luke van der Meulen
District President

~~Dated 11 March 2015~~

15 April 2015

**Construction Forestry Mining and Energy Union Mining & Energy Division –
Victorian District Branch**

s.268 *Fair Work (Registered Organisations) Act 2009*

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER¹

Certificate for the period ended 31 December 2014

I, Geoffrey Dyke being the Secretary of the Construction Forestry Mining and Energy Union Mining & Energy Division – Victorian District Branch certify:

- that the documents lodged herewith are copies of the full report for the Construction Forestry Mining and Energy Union Mining & Energy Division – Victorian District Branch for the period ended 31 December 2014 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 8th May 2015; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 11th March 2015 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:

.....


Name of prescribed designated officer:

.....
GEOFFREY DYKE

Title of prescribed designated officer:

SECRETARY

Dated:

21/5/15

¹ Regulation 162 of the Fair Work (Registered Organisations) Regulations 2009 defines a 'prescribed designated officer' of a reporting unit for the purposes of s.268(c) as:
(a) the secretary; or
(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.