



15 June 2016

Mr Dean Hall
State Secretary
Construction, Forestry, Mining and Energy Union, Construction and General Division
Australian Capital Territory Divisional Branch
3 Rosevear Place
Dickson ACT 2602

By e-mail: enquiries@act.cfmeu.asn.au

Dear Mr Hall

**Construction, Forestry, Mining and Energy Union, Construction and General Division
Australian Capital Territory Divisional Branch
Financial Report for the year ended 31 December 2015 - FR2015/444**

I acknowledge receipt of the financial report for the year ended 31 December 2015 for the Construction, Forestry, Mining and Energy Union, Construction and General Division, Australian Capital Territory Divisional Branch (CFMEU-ACT). The financial report was lodged with the Fair Work Commission (FWC) on 7 June 2016.

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

Whilst the 2015 report has been filed the following should be addressed in the preparation of the next financial report.

Trustee of superannuation entity

Subsection 254(2)(d) of the RO Act requires details of any officer or member of the reporting unit who is a trustee, or a director of a company that is a trustee, of a superannuation entity or an exempt public sector superannuation scheme.

The CFMEU-ACT Operating Report states that "No officer of the reporting unit is a trustee of a superannuation scheme...". This statement does not refer to members of the reporting unit as required by the RO Act.

If no officers or a member of the reporting unit is a trustee of a superannuation entity, the preferred wording to satisfy the subsection 254(2)(d) is:

'No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation'.

Disclosure of payables in respect of legal costs

Reporting Guideline 20(b) requires a payable in relation to legal costs to be disclosed by litigation and by other legal matters. Note 10B to the financial statements discloses this liability but does not distinguish based on the categories indicated above.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8656 4685 or by email at ken.morgan@fwc.gov.au

Yours sincerely

A handwritten signature in black ink, appearing to read 'K. Morgan', with a stylized flourish at the end.

Ken Morgan
Financial Reporting Advisor
Regulatory Compliance Branch

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – ACT BRANCH**

ABN 38 491 952 173

**FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2015**

CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – ACT BRANCH
ABN 38 491 952 173

CERTIFICATE OF SECRETARY

S268 of Fair Work (Registered Organisations) Act 2009

I, Dean Hall being the Branch Secretary of the Construction Forestry Mining and Energy Union Construction and General Division – ACT Branch certify:

- that the documents lodged herewith are copies of the full report for Construction Forestry Mining and Energy Union Construction and General Division – ACT Branch for the period ended 31 December 2015 referred to in S268 of Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members on 27 April 2016; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 24 May 2016, in accordance with section 266 of Fair Work (Registered Organisations) Act 2009.



Dean Hall
Branch Secretary
CFMEU
Construction and General Division
ACT Branch

Dated this *24* day of *May* 2016
at Canberra, Australian Capital Territory

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – ACT 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 Mining and Energy Union, Construction and General – ACT Branch, the relevant reporting unit, for the financial year ended 31 December 2015.

Principal Activities

CFMEU, Construction & General Division – ACT Branch (“reporting unit”) 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.

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

There were no significant changes to the financial affairs during the year.

The operating profit of the reporting unit for the year ended 31 December 2015 is \$1,443,509 (2014: operating profit \$36,178).

Members rights to resign

Members may resign from the Union in accordance with Section 174 of the Fair Work Act, 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; Which ever 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).

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – ACT BRANCH
ABN 38 491 952 173**

OPERATING REPORT (CONTINUED)

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 as Trustees

No officer of the reporting unit is a trustee of a superannuation scheme or a director of a company that is a trustee of a superannuation entity.

Prescribed Information


- (a) the number of persons that were, at 31st December 2015, 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 244 of the Fair Work (Registered Organisations) Act 2009 was 2,495 (1,600 financial members and 895 non-financial members); (2014: total 3,313 members; 2,092 financial members and 1,221 non-financial members);
- (b) the number of persons who were, at 31st December 2015, 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 11 employees (2014: 12 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 year ended 31st December 2015, and the period for which he or she held such a position is:

NAME	PERIOD
Dean Hall	Full year
Rod Driver	Full year
Brett Harrison	Full year
Jason O'Mara	Full year
Mark Dymock	Full year
Anthony Vitler	Full year
Duncan Bennett-Burleigh	Full year
Leon Arnold	Full year
Des Marland	Full year
Halafihi Kivalu	Removed 28 July 2015
Jason Jennings	Full year
Trevor Scott	Full year
Richard Garrety	Full year
Cameron Hardy	Full year
Tim Puckett	Full year
Jeff Polsen	Full year

Other Information

There is no other information that the reporting unit considers is relevant.

For and on behalf of the Committee of Management:


DEAN HALL

Dated at Canberra, ACT: 22/3/16


JASON O'MARA

Dated at Canberra, ACT: 22/03/2016

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – ACT BRANCH
ABN 38 491 952 173**

ACCOUNTING OFFICER'S CERTIFICATE

I, Dean Hall, being the officer responsible for keeping the accounting records of the Construction Forestry Mining and Energy Union – Construction and General Division – ACT Branch, hereby certify that as at 31st December 2015 the number of members of the Branch was 2,495 (2014: 3,313) and that in relation to the 2015 financial year, in my opinion;

- (a) the accounts annexed hereto show a true and fair view of the financial affairs of the Branch as at the end of the financial year;
- (b) a record has been kept of all monies paid by, or collected from, members of the Branch, and all monies so paid or collected have been credited to the bank account to which these monies are to be credited in accordance with the rules of the Branch;
- (c) before any expenditure was incurred by the Branch, approval for the incurring of the expenditure was obtained in accordance with the rules of the Branch;
- (d) as to funds of the Branch raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of such funds other than for the purposes for which the fund was created;
- (e) all loans or other financial benefits granted to persons holding office in the Branch were authorised in accordance with the rules of the Branch; and
- (f) the register of members of the Branch was maintained in accordance with the Act.



DEAN HALL

Dated at Canberra, Australian Capital Territory this 22 March 2016



RSM Australia Pty Ltd

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

CONSTRUCTION FORESTRY MINING AND ENERGY UNION CONSTRUCTION AND GENERAL DIVISION- (ACT BRANCH)

We have audited the accompanying financial report of Construction Forestry Mining and Energy Union Construction and General Division - ACT Branch ("the union"), which comprises the statement of financial position as at 31 December 2015, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Committee of Management Statement.

Committee's Responsibility for the Financial Report

The Committee is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Fair Work (Registered Organisations) Act 2009*, and for such internal control as the Committee determine is necessary to enable the preparation 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee, as well as evaluating the overall presentation of the financial report.

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

Independence

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

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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 a/f Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

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Opinion

In our opinion;

- (a) the financial report presents fairly, in all material respects, the financial position of the Construction Forestry Mining and Energy Union Construction and General Division - ACT Branch as at 31 December 2015 and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Fair Work (Registered Organisations) Act 2009*; and
- (b) Management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statement is appropriate.

I declare that I am an approved auditor, a member of the Institute of Chartered Accountants in Australia, and hold a current public practice certificate.

RSM Australia Pty Ltd



Rodney Miller
Director

Canberra, Australia Capital Territory
Dated: 22 April 2016

CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – ACT BRANCH
ABN 38 491 952 173


COMMITTEE OF MANAGEMENT STATEMENT

On the 22nd March 2016 the Committee of Management of the Construction Forestry Mining and Energy Union, Construction and General Division – ACT Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2015:


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 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 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 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) No recovery of wages activities undertaken by the reporting unit resulted in any revenues or receipts paid or payable to the reporting unit. All Recovered wages were paid directly to reporting unit members by relevant employers.

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



Dean Hall
Branch Secretary



Jason O'Mara

Dated at Canberra, Australian Capital Territory this 22nd day of March 2016.

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – ACT BRANCH
ABN 38 491 952 173**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	NOTE	2015 \$	2014 \$
Membership Subscriptions		846,186	1,370,080
Advertising Income		-	23,250
Sitting Fees		25,285	25,143
Interest Received		11,810	22,395
Profits from Trusts		312,780	825,891
IQ Unit Distribution	8	2,923,826	-
Other Revenue	2	374,315	575,322
Total Revenue		4,494,202	2,842,081
Employee Expenses	3(a)	(1,689,390)	(1,722,834)
Capitation Fees	3(b)	(97,052)	(97,514)
Affiliation Fees	3(c)	(12,890)	(18,944)
Administrative Expenses	3(d)	(718,236)	(538,757)
Grants or Donations	3(e)	(12,940)	(5,605)
Legal Fees	3(f)	(295,446)	(35,878)
Depreciation Expense		(52,770)	(61,999)
Interest Expense		(2,347)	(4,801)
Bad Debts Expense		-	(170,000)
Member Benefits		(148,602)	(123,988)
Audit Fees	4	(21,020)	(20,176)
Loss on Sale of Motor Vehicles		-	(5,407)
Total Expenses		(3,050,693)	(2,805,903)
Net profit attributable to members of the Union		1,443,509	36,178
Other comprehensive income		-	-
Total comprehensive profit attributable to members of the Union		1,443,509	36,178

The accompanying notes form part of these financial statements.

CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – ACT BRANCH
ABN 38 491 952 173

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	NOTE	2015 \$	2014 \$
CURRENT ASSETS			
Cash and Cash Equivalents	5	1,302,860	689,399
Trade and Other Receivables	6	209,393	318,764
Other Current Assets	7	<u>153,229</u>	<u>308,061</u>
TOTAL CURRENT ASSETS		<u>1,665,482</u>	<u>1,316,224</u>
NON-CURRENT ASSETS			
Financial Assets	8	1,399,179	136,244
Property, plant and equipment	9	<u>178,532</u>	<u>213,000</u>
TOTAL NON-CURRENT ASSETS		<u>1,577,711</u>	<u>349,244</u>
TOTAL ASSETS		<u>3,243,193</u>	<u>1,665,468</u>
CURRENT LIABILITIES			
Trade payables	10A	121,402	292,632
Other payables	10B	85,013	21,665
Other Current Liabilities	11	56,054	60,579
Provisions	12	369,563	346,865
Borrowings	13	<u>290,741</u>	<u>38,406</u>
TOTAL CURRENT LIABILITIES		<u>922,773</u>	<u>760,147</u>
NON-CURRENT LIABILITIES			
Provisions	12	27,588	42,604
Borrowings	13	<u>-</u>	<u>13,394</u>
TOTAL NON-CURRENT LIABILITIES		<u>27,588</u>	<u>55,998</u>
TOTAL LIABILITIES		<u>950,361</u>	<u>816,145</u>
NET ASSETS		<u>2,292,832</u>	<u>849,323</u>
EQUITY			
Retained profits		<u>2,292,832</u>	<u>849,323</u>
TOTAL EQUITY		<u>2,292,832</u>	<u>849,323</u>

The accompanying notes form part of these financial statements.

CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – ACT BRANCH
ABN 38 491 952 173

STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2015

	Retained Earnings \$	Total \$
Balance as at 31 December 2013	813,145	813,145
Profit/(Loss) attributable to the entity	36,178	36,178
Balance as at 31 December 2014	849,323	849,323
Profit attributable to the entity	1,443,509	1,718,509
Balance as at 31 December 2015	2,292,832	2,567,832

The accompanying notes form part of these financial statements

CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – ACT BRANCH
ABN 38 491 952 173

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

	NOTE	2015 \$	2014 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from members' subscriptions		1,165,527	997,738
Cash Receipts from Customers		25,285	16,896
Cash payments to suppliers and employees		(3,107,013)	(2,228,955)
Interest received		11,810	22,395
Donations received		272,494	560,362
Payment of affiliation fees, capitation fees and dispute levies		(109,942)	(133,536)
Other Revenue		541,554	614,532
Donations paid		(17,940)	-
Net cash generated from operating activities	14(a)	<u>(1,218,225)</u>	<u>(150,568)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for Property, Plant and Equipment		(18,301)	(99,995)
Proceeds from Property, Plant and Equipment		-	34,545
Proceeds from investment		2,923,826	-
Marque Investment		-	(2,900)
Net cash provided by investing activities		<u>2,905,525</u>	<u>(68,350)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Net proceeds from borrowings		-	-
Loan to related company		(1,312,780)	-
Proceeds from borrowings		275,000	-
Repayment of Borrowings		(36,059)	(55,796)
Net cash provided by financing activities		<u>(1,073,839)</u>	<u>(55,796)</u>
Net change in cash held		613,461	(274,714)
Cash at beginning of the financial year		<u>689,399</u>	<u>964,113</u>
Cash at the end of the financial year	5	<u>1,302,860</u>	<u>689,399</u>

The accompanying notes form part of these financial statements.

CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – ACT BRANCH
ABN 38 491 952 173

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009.

The financial report covers the Construction Forestry Mining and Energy Union, Construction and General Division – ACT Branch (the Union) as an individual entity. The Union is an unincorporated entity. The Union is a not-for-profit entity for the purposes of Australian Accounting Standard AASB 1054.

The following is a summary of material accounting policies adopted in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Accounting Policies

a) Income Tax

The Union is exempt from income tax under the provisions of Section 50-5 of the *Income Tax Assessment Act 1997*.

b) Property, Plant and Equipment

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

Property

Leasehold buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic valuations by external independent valuers, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – ACT BRANCH
ABN 38 491 952 173

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increase of the same asset are charged against fair value reserves directly in equity, all other decrease are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a diminishing value basis over their useful economic lives commencing from the time the asset is held ready for use.

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

<i>Class of asset</i>	<i>Depreciation rate</i>
Office Equipment	12.5-66%
Motor Vehicles	25%

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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

Gain and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

c) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the entity, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Financial Instruments

Recognition

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

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified “at fair value through profit or loss”, in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated hedges. Realised and unrealised gains or losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Impairment

At each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available for sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – ACT BRANCH
ABN 38 491 952 173

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Impairment of Assets

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

Where it is not possible to estimate the recoverable amount of an individual asset, the Union estimates the recoverable amount of the cash-generating unit to which the asset belongs.

f) Investments in Associates

Investments in associate companies are recognised in the financial statements by applying the equity method of accounting. The equity method of accounting recognises the Union's share of post acquisition reserves of its associates.

Associated entities are those that the Committee of Management have determined that the Union has significant influence, but not controlling interest, by means of the level of equity held and the relationship to the Union and the Committee of Management members. There are currently no Investments in Associates.

g) Employee Benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries, and annual leave which will be settled after one year, have been measured at their nominal amount, plus any related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

h) Provisions

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

i) Cash and Cash Equivalents

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

j) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to members and customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the members and customers.

Revenue from membership fees is recognised at the fair value of consideration received or receivable in the period the membership fees relate and is net of returns, discounts or rebates.

Revenue from Trusts is recognised at the end of the Trust reporting period and may include early distributions where appropriate.

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

CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – ACT BRANCH
ABN 38 491 952 173

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

l) Capitation fees and levies

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

m) Comparative figures

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

n) Critical accounting estimates and judgements

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.

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

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New standards and interpretations issued but not yet effective

At the date of this financial report the following standards and interpretations, which may impact the entity in the period of initial application, have been issued but are not yet effective:

Reference	Title	Summary	Application date (financial years beginning)	Expected Impact
AASB 2015-3	<i>Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality</i>	The Standard completes the AASB's project to remove Australian guidance on materiality from Australian Accounting Standards.	1 July 2015	No expected impact
AASB 2015-4	<i>Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent</i>	This Standard amends AASB 128 to require the ultimate Australian entity apply the equity method in accounting for an interest in an associate or joint venture, to be consistent with the AASB 10 requirement for the ultimate Australian parent to present consolidated financial statements when either the parent or the group is a reporting entity, or both the parent and the group are reporting entities.	1 July 2015	Minimal impact
AASB 14	<i>Regulatory Deferral Accounts</i>	Specifies the financial reporting requirements for regulatory deferral account balances that arise when an entity provides goods or services to customers at a price or rate that is subject to rate regulation.	1 January 2016	Minimal impact
AASB 2014-1D	<i>Amendments to Australian Accounting Standards</i>	Part D of AASB 2014-1 makes amendments to AASB 1 <i>First-time Adoption of Australian Accounting Standards</i> , which arise from the issuance of AASB 14 <i>Regulatory Deferral Accounts</i> in June 2014.	1 January 2016	Minimal impact
AASB 2014-3	<i>Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations</i>	This Standard amends AASB 11 to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business.	1 January 2016	Minimal impact

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
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AASB 2014-4	<i>Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation</i>	This Standard amends AASB 116 and AASB 138 to establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset, and to clarify that revenue is generally presumed to be an inappropriate basis for that purpose.	1 January 2016	Minimal impact
AASB 2014-6	<i>Amendments to Australian Accounting Standards – Agriculture: Bearer Plants</i>	This amending standard defines bearer plants, and requires bearer plants to be accounted for as property, plant and equipment within the scope of AASB 116 <i>Property, Plant and Equipment</i> .	1 January 2016	Minimal impact
AASB 2014-9	<i>Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements</i>	This amending standard allows entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements.	1 January 2016	Minimal impact
AASB 2014-10	<i>Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	This amending standard requires a full gain or loss to be recognised when a transaction involves a business (even if the business is not housed in a subsidiary), and a partial gain or loss to be recognised when a transaction involves assets that do not constitute a business (even if those assets are housed in a subsidiary).	1 January 2016	Minimal impact
AASB 2015-1	<i>Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle</i>	The Standard makes amendments to various Australian Accounting Standards arising from the IASB's Annual Improvements process, and editorial corrections.	1 January 2016	Minimal impact
AASB 2015-2	<i>Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101</i>	The Standard makes amendments to AASB 101 <i>Presentation of Financial Statements</i> arising from the IASB's Disclosure Initiative project.	1 January 2016	Disclosures Only

CONSTRUCTION FORESTRY MINING AND ENERGY UNION
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AASB 2015-5	<i>Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception</i>	This Standard makes amendments to AASB 10, AASB 12 and AASB 128 arising from the IASB's narrow scope amendments associated with Investment Entities.	1 January 2016	Minimal impact
AASB 2015-6	<i>Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities</i>	The amendments specify consistent related party disclosure requirements for the Australian Government, State Governments, local councils and other not-for-profit public sector entities.	1 July 2016	Minimal impact
AASB 15	<i>Revenue from Contracts with Customers</i>	This Standard establishes principles (including disclosure requirements) for reporting useful information about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.	1 January 2017	Minimal impact
AASB 2014-5	<i>Amendments to Australian Accounting Standards arising from AASB 15</i>	Consequential amendments arising from the issuance of AASB 15.	1 January 2017	Minimal impact
AASB 9	<i>Financial Instruments</i>	This Standard supersedes both AASB 9 (December 2010) and AASB 9 (December 2009) when applied. It introduces a "fair value through other comprehensive income" category for debt instruments, contains requirements for impairment of financial assets, etc.	1 January 2018	Minimal impact
AASB 2014-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)</i>	Consequential amendments arising from the issuance of AASB 9	1 January 2018	Minimal impact

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015	2014
	\$	\$
NOTE 2 – OTHER REVENUE		
(a) Capitation Fees	-	-
(b) Levies	-	-
(c) Donations	272,494	560,362
(d) Dividends Received	155	426
(e) JLT Income	-	4,545
(f) EBA Lodgement Income	-	-
(g) Audit and Training Fund	-	6,350
(h) Revaluation of Investments	-	2
(i) Sundry Income	4,009	3,637
(j) Bad debts recovered	10,456	-
(k) Adjustment to impairment of receivables	87,201	-
(l) Grants	-	-
	374,315	575,322
	374,315	575,322

CONSTRUCTION FORESTRY MINING AND ENERGY UNION
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	2015 \$	2014 \$
NOTE 3 – EXPENSES		
a) Employee Expenses		
Office Holders		
Wages and Salaries	370,808	310,808
Wages and Salaries – Leave Paid Out	14,902	71,774
Superannuation	38,506	36,978
Separation	-	-
Other	47,905	41,984
	472,121	461,544
Employees other than Office Holders		
Wages and salaries	948,006	1,020,877
Wages and Salaries – Leave Paid Out	4,022	20,614
Superannuation	81,987	87,521
Separation	-	49,914
Other	183,254	82,364
	1,217,269	1,261,290
Total Employee Expenses	1,689,390	1,722,834

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 3 – EXPENSES (CONTINUED)

Key Management Personnel Remuneration for the Reporting Period

The key management personnel of the Branch are the Office Holders, Secretary and Assistant Secretary. The totals of remuneration paid to the key management personnel during the year are as follows:

	2015	2014
Short-term employee benefits	\$	\$
Salary (including leave taken)	370,808	310,808
Annual Leave and RDO Accrual	117,674	149,721
Long Term Benefits		
Long term benefits	75,283	66,413
Post Employment Benefits		
Post-employment benefits (to Superannuation fund only)	38,506	36,979
Termination benefits	-	-
	<hr/>	<hr/>
Total	602,271	563,921

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.

b) Capitation Fees		
CFMEU Construction & General Division National Office	97,052	97,514
	<hr/>	<hr/>
Total Capitation Fees	97,052	97,514
	<hr/>	<hr/>
c) Affiliation Fees		
Australian Labor Party	6,324	6,664
Unions ACT	5,748	11,680
APHEDA	818	600
	<hr/>	<hr/>
Total Affiliation Fees	12,890	18,944
	<hr/>	<hr/>

CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – ACT BRANCH
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NOTE 3 – EXPENSES (CONTINUED)

	2015	2014
	\$	\$
d) Administration Expenses		
Consideration to Employers for Payroll Deductions	-	-
Compulsory Levies:		
CFMEU Construction & General – National Campaign Levy	22,472	1,451
Fees/Allowances – Meeting and Conferences	42,800	-
Conference and Meeting Expenses	108,978	140,798
Contractors/Consultants	31,608	41,775
Property Expenses	42,696	33,016
Office Expenses	195,462	170,573
Motor Vehicle Expenses	60,864	70,463
Advertising Expenses	78,886	3,190
Sponsorship	455	8,000
Other Expenses	134,015	68,491
	<hr/>	<hr/>
Total Administration Expenses	718,236	538,757
	<hr/>	<hr/>
e) Grants or Donations		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	940	1,514
Total paid that exceeded \$1,000	12,000	4,091
	<hr/>	<hr/>
Total Grants or Donations	12,940	5,605
	<hr/>	<hr/>
f) Legal fees		
Litigation	169,602	-
Other Legal Matters	125,844	35,878
	<hr/>	<hr/>
Total Legal Fees	295,446	35,878
	<hr/>	<hr/>

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

NOTE 4 – REMUNERATION OF AUDITOR

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

	2015	2014
	\$	\$
Audit of the Union's financial report	21,020	20,176
Other services	-	-
Total remuneration of auditors	<u>21,020</u>	<u>20,176</u>

NOTE 5 – CASH AND CASH EQUIVALENTS

	2015	2014
	\$	\$
Cash on hand	1,400	1,400
Cash at bank	1,301,460	687,999
	<u>1,302,860</u>	<u>689,399</u>

The effective interest rate on cash at bank was 2.5% (2014: 3.0%)

Reconciliation of Cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

	2015	2014
	\$	\$
Cash assets and cash equivalents	1,302,860	689,399

NOTE 6 – TRADE AND OTHER RECEIVABLES

	2015	2014
	\$	\$
Receivables from other reporting units	-	22,560
Total receivables from other reporting units	<u>-</u>	<u>22,560</u>
Less provision for doubtful debts	-	-
Total provision for doubtful debts	<u>-</u>	<u>-</u>
Receivable from other reporting units (net)	<u>-</u>	<u>22,560</u>
Other Receivables		
GST Receivable from the Australian Taxation Office	12,186	-
Other trade receivables	197,207	296,204
Total other receivables	<u>209,393</u>	<u>296,204</u>
Total trade and other receivables (net)	<u>209,393</u>	<u>318,764</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	\$	\$
NOTE 7 – OTHER CURRENT ASSETS		
Accrued Income	39,097	263,862
Prepayments	64,132	44,199
Loan to Creative Safety Initiative Trust	50,000	-
	153,229	308,061

	2015	2014
	\$	\$
NOTE 8 – FINANCIAL ASSETS		
Shares in listed corporations - available for sale	3,499	3,344
Equity in the Marque	132,900	132,900
Loan to Creative Safety Initiative Trust	262,780	-
Loan to Canberra Tradesmen's Union Club Limited	1,000,000	-
	1,399,179	136,244

At the date of this report the Union has subscribed to 132,900 \$1 units in Marque Northbourne Limited as trustee for The Marque Northbourne Unit Trust. The Trust is a Special Purpose Trust which has entered into a joint venture agreement with Prime Space as trustee of the Northbourne Trust and Worth Street Commercial Pty Ltd. The purpose of the JV is to construct and develop a residential development project. The project is known as IQ Apartments.

The investment has resulted in a distribution of \$2,923,826 which was received during the financial year ending 31st December 2015.

The Union is a minority unit holder in the Trust and does not have control over the Trust. The project has now reached practical completion and development risk has been eliminated. There are no liquidity arrangements, guarantees or other commitments with the joint venture that will affect the Union's interest in the investment.

At the date of these financials there does not exist any conditions precedent that have not yet been satisfied.

The Loan to Canberra Tradesmen's Union Club Limited was a secured financial loan for a period of 3 years at an interest rate of 5%pa. The Club may repay the whole or part of the loan on any date without penalty. The loan was for the general purpose of the Club. The Union has no reason to believe that the loan will affect the entity's cash requirements.

Loan to Creative Safety Initiative Trust is a distribution from the 2015 financial year. The distribution from the 2015 year will be completed by no more than 2 years. The Union has no reason to believe that the loan will affect the entity's cash requirements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 9 - PROPERTY, PLANT AND EQUIPMENT

	2015	2014
	\$	\$
Office Equipment - at cost	52,890	34,588
Less accumulated depreciation	<u>(28,954)</u>	<u>(23,648)</u>
	<u>23,936</u>	<u>10,940</u>
Motor Vehicles – at cost	291,554	291,554
Less accumulated depreciation	<u>(136,958)</u>	<u>(89,494)</u>
	<u>154,596</u>	<u>202,060</u>
Total Property, Plant and Equipment	<u><u>178,532</u></u>	<u><u>213,000</u></u>

Reconciliation of the Opening and Closing Balances of Plant and Equipment

	Motor Vehicles	Office Equipment	Total
	\$	\$	\$
As at 1 January			
Gross book value	291,554	34,588	326,142
Accumulated depreciation and impairment	<u>(89,494)</u>	<u>(23,648)</u>	<u>(113,142)</u>
Net book value 1 January	<u>202,060</u>	<u>10,940</u>	<u>213,000</u>
Additions:			
By purchase	-	18,301	18,301
From acquisition of entities (including restructuring)	-	-	-
Impairments	-	-	-
Depreciation expense	<u>(47,464)</u>	<u>(5,305)</u>	<u>(52,769)</u>
Other movement	-	-	-
Disposals:			
From disposal of entities (including restructuring)	-	-	-
Other	-	-	-
Net book value 31 December	<u>154,596</u>	<u>23,936</u>	<u>178,532</u>
Net book value as of 31 December represented by:			
Gross book value	291,554	52,889	344,443
Accumulated depreciation and impairment	<u>(136,958)</u>	<u>(28,953)</u>	<u>(165,911)</u>
Net book value 31 December	<u>154,596</u>	<u>23,936</u>	<u>178,532</u>

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015	2014
	\$	\$
NOTE 10A – TRADE PAYABLES		
Trade creditors	53,926	49,686
Accrued expenses	67,369	242,946
Subtotal trade creditors	121,295	292,632
 Payables to other reporting unit		
CFMEU C&G – VIC/TAS Branch	107	-
Subtotal payables to other reporting unit	107	-
 Total trade payables	121,402	292,632
Settlement is usually made within 30 days.		
 NOTE 10B – OTHER PAYABLES		
Legal costs	67,857	-
Superannuation	17,156	-
GST Payable	-	21,665
Total other payables	85,013	21,665
 Total other payables are expected to be settled in:		
No more than 12 months	85,013	21,665
Total other payables	85,013	21,665

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 \$	2014 \$
NOTE 11 – OTHER CURRENT LIABILITIES		
Income in Advance	56,054	60,579
	<u>56,054</u>	<u>60,579</u>
 NOTE 12 - PROVISIONS		
	2015 \$	2014 \$
Opening balance at 1 January 2015	389,469	383,638
Net provision movement during year	7,682	5,831
Balance at 31 December 2015	<u>397,151</u>	<u>389,469</u>
Current	369,563	346,865
Non-Current	<u>27,588</u>	<u>42,604</u>
	<u>397,151</u>	<u>389,469</u>
Employee benefits attributable to:		
Office Holders		
Annual Leave	55,445	36,915
Long Service Leave	75,283	66,412
Separations and redundancies	-	-
Other	62,229	112,807
Subtotal employee provisions – office holders	<u>192,957</u>	<u>216,134</u>
 Employees other than Office Holders		
Annual Leave	75,917	77,006
Long Service Leave	62,425	42,604
Separations and redundancies	-	-
Other	65,852	53,725
Subtotal employee provisions – employees other than office holders	<u>204,194</u>	<u>173,335</u>
Total Employee Provisions	<u>397,151</u>	<u>389,469</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.

CONSTRUCTION FORESTRY MINING AND ENERGY UNION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 13 – BORROWINGS

	2015	2014
	\$	\$
Current		
Hire purchase	16,003	38,406
Less future finance charges	(262)	-
Loan from Marque Northbourne Trust	275,000	-
	<u>290,741</u>	<u>38,406</u>
Non-Current		
Hire purchase	-	16,003
Less future finance charges	-	(2,609)
	<u>-</u>	<u>13,394</u>

The loan from Marque Northbourne Trust is an advance on the profit distribution for 2016. The loan is unsecured and non-interest bearing and will be repaid within 12 months.

NOTE 14 - CASH FLOW INFORMATION

(a) Reconciliation of Cash Flows from Operations with Profit

	2015	2014
	\$	\$
Profit/(Loss) for the year	1,443,509	36,178
Adjustments for:		
Depreciation and amortisation	52,770	61,999
Unrealised gain on Investments	-	-
Bad Debts Expense	-	170,000
HP Liability Adjustment	-	8,823
Loss on sale of Assets	-	5,407
Investment Income	(2,923,826)	
Changes in operating assets and liabilities:		
(Increase)/Decrease in receivables	450,973	(695,891)
(Increase)/Decrease in other assets	(20,088)	(24,117)
Increase/(Decrease) in payables	(228,967)	219,336
Increase/(Decrease) in employee provisions	13,255	8,007
Increase/(Decrease) in other liabilities	(5,851)	59,690
Cash flows from operations	<u>(1,218,225)</u>	<u>(150,568)</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 14 - CASH FLOW INFORMATION (CONTINUED)

(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 three of \$32,500. No other credit stand-by or financing facilities are in place.

(d) Cash Flow to/from other reporting units

Cash Flow from other reporting units

CFMEU Construction and General Head Office	6,485	-
CFMEU Construction and General National Office	25,000	-
CFMEU Construction and General NSW	8,429	-
CFMEU Construction and General QLD	-	8,596
CFMEU Forestry and Furnishings Products Division VIC	4,570	43
CFMEU Construction and General WA	-	16,377
CFMEU Construction and General VIC/TAS	-	2,000
CFMEU Mining and Energy QLD	5,561	2,533
Total Cash Flow from Other reporting units	50,045	29,549

Cash Flow to other reporting units

CFMEU Construction and General Head Office	213,566	162,618
CFMEU Construction and General NSW	2,600	1,421
CFMEU Construction and General QLD	19,223	1,160
CFMEU Forestry and Furnishings Products Division VIC	27,084	29,741
CFMEU Head Office	134,449	-
CFMEU Construction and General WA	2,000	-
CFMEU Construction and General VIC/TAS	2,254	1,500
Total Cash Flow from Other reporting units	401,176	196,440

NOTE 15 – EVENTS AFTER THE BALANCE SHEET DATE

There have been no significant events after the balance sheet date.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 16 – RELATED PARTY TRANSACTIONS

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

Sitting fees for Office Holders

	2015	2014
	\$	\$
ACT Construction Industry Long Service Leave Board	2,245	3,264
ACIRT	15,000	19,500
Membership	-	-
	<u>17,245</u>	<u>22,764</u>

Affiliation Fees paid

	2015	2014
	\$	\$
Australian Labor Party – ACT Branch	6,324	6,664
Unions ACT	5,748	11,680
APHEDA	818	600
	<u>12,890</u>	<u>18,944</u>

Transactions with other reporting units - Expenses

	2015	2014
	\$	\$
CFMEU Construction and General NSW	2,364	1,291
CFMEU Construction and General Head Office	197,639	147,835
CFMEU Construction and General QLD	17,476	1,055
CFMEU Construction and General VIC/TAS	2,147	1,364
CFMEU Forestry and Furnishings Products Division VIC	15,250	40,020
CFMEU Construction and General WA	2,000	-
CFMEU Head Office	122,226	-
	<u>359,102</u>	<u>191,565</u>

Transactions with other reporting units - Revenue

	2015	2014
	\$	\$
CFMEU Construction and General NSW	-	7,663
CFMEU Construction and General Head Office	5,895	-
CFMEU Construction and General National Office	25,000	-
CFMEU Construction and General QLD	-	7,815
CFMEU Forestry and Furnishings Products Division VIC	-	4,194
CFMEU Mining and Energy QLD	-	7,358
CFMEU Construction and General WA	-	14,888
	<u>30,895</u>	<u>41,918</u>

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION – ACT BRANCH
ABN 38 491 952 173**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

NOTE 16 – RELATED PARTY TRANSACTIONS (CONTINUED)

Payables to other reporting units

	2015	2014
	\$	\$
CFMEU Construction and General Head Office	-	32,332
CFMEU Construction and General VIC/TAS	107	-
CFMEU Forestry and Furnishings Products Division VIC	-	10,310
	<u>107</u>	<u>42,642</u>

Receivables from other reporting units

	2015	2014
	\$	\$
CFMEU Construction and General NSW	-	8,429
CFMEU Construction and General Head Office	-	43,273
CFMEU Construction and General VIC/TAS	-	-
CFMEU Forestry and Furnishings Products Division VIC	-	-
CFMEU Mining and Energy QLD	-	5,560
	<u>-</u>	<u>57,262</u>

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2015, the Construction Forestry Mining and Energy Union – ACT Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2014: \$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.

NOTE 17 – ECONOMIC DEPENDENCY

The continuing operation of the Union is dependent upon the financial support by the Canberra Tradesmen's Union Club to the CFMEU ACT Branch. The support from Canberra Tradesmen's Union Club included financial support totalling \$272,493 (2014: \$555,817) for the year ended 31 December 2015.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 18 - FINANCIAL RISK MANAGEMENT

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	2015 \$	2014 \$
Financial Assets			
Cash and cash equivalents	5	1,302,860	689,399
Loan to CSI Trust		50,000	-
Available for sale financial assets			
– Shares in listed corporations	8	3,499	3,344
– Shares in Marque Northbourne Trust		132,900	132,900
Loans and Receivables			
– Loan to Creative Safety Initiative Trust		262,780	-
– Loan to Canberra Tradesmen's Union Club Ltd		1,000,000	-
		2,752,039	825,643
Financial Liabilities			
Financial liabilities at amortised cost			
– Trade payables	10A	121,402	292,632
– Other payables	10B	85,013	21,665
– Borrowings	13	290,741	51,800
		497,156	366,097

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

	Not past due Nor Impaired 2015 \$	Past due or impaired 2015 \$	Not past due Nor Impaired 2014 \$	Past due or impaired 2014 \$
Financial asset				
Trade, term and loans receivables	109,912	7,316	20,599	20,000
Sundry debtors	85,524	62,799	298,164	150,000
Total	195,436	70,115	318,763	170,000

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 18 - FINANCIAL RISK MANAGEMENT (CONTINUED)

Ageing of financial assets that were past due but not impaired for 2015

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade receivables	109,912	-	-	7,316	117,228
Sundry debtors	85,524	-	-	62,799	148,323
Total	195,436	-	-	70,115	265,551

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

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade receivables	6,800	13,429	-	20,370	40,599
Sundry Debtors	298,164	-	-	150,000	448,164
Total	304,964	13,429	-	170,370	488,763

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 18 – FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial Risk Management Policies

Consisting of senior committee members, the finance and investment committee'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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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 18 – 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 2015

	Note	< 1 Year	1 - 2 Years	2 – 5 Years	>5 Years	Total
		\$	\$	\$	\$	\$
Financial liabilities due for payment						
Trade payables (excluding estimated annual leave and deferred income)	10A	121,402	-	-	-	121,402
Other payables	10B	85,013	-	-	-	85,013
Borrowings	13	290,741	-	-	-	290,741
Total expected outflows		497,156	-	-	-	497,156
Financial assets — cash flows realisable						
Cash and cash equivalents	5	1,302,860	-	-	-	1,302,860
Trade, term and loans receivables	6	209,393	-	-	-	209,393
Total expected inflows		1,512,253	-	-	-	1,512,253
Total Net Inflows/(Outflows)		1,015,097	-	-	-	1,015,097

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 18 – FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial liability and financial asset maturity analysis 2014

	Note	< 1 Year	1 - 2 Years	2 – 5 Years	>5 Years	Total
		\$	\$	\$	\$	\$
Financial liabilities due for payment						
Trade payables (excluding estimated annual leave and deferred income)	10A	292,632	-	-	-	292,632
Other payables	10B	21,665	-	-	-	21,665
Borrowings	13	38,406	-	13,394	-	51,800
Total expected outflows		352,703	-	13,394	-	366,097
Financial assets — cash flows realisable						
Cash and cash equivalents	5	689,399	-	-	-	689,399
Trade, term and loans receivables	6	318,764	-	-	-	318,764
Total expected inflows		1,008,163	-	-	-	1,008,163
Total Net Inflows/(Outflows)		655,460	-	13,394	-	642,066

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 18 – FINANCIAL RISK MANAGEMENT (CONTINUED)

Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the balance sheet. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. 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. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the company. Most of these instruments which are carried at amortised cost are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the company.

	Footnote	2015 Net Carrying Value \$	Net Fair Value \$	2014 Net Carrying Value \$	Net Fair Value \$
Financial assets					
Cash and cash equivalents	(i)	1,302,860	1,302,860	689,399	689,399
Trade and other receivables	(i)	209,393	209,393	318,764	318,764
Loans receivable	(i)	1,312,780	1,312,780	-	-
Investments – available-for-sale	(ii)	136,399	136,399	136,244	136,244
Total financial assets		2,961,432	2,961,432	1,144,407	1,144,407
Financial liabilities					
Trade payables	(i)	121,402	121,402	292,632	292,632
Other payables	(i)	85,013	85,013	21,665	21,665
Loans payable	(i)	290,741	290,741	51,800	51,800
Total financial liabilities		497,156	497,156	366,097	366,097

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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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 18 – FINANCIAL RISK MANAGEMENT (CONTINUED)

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.

	Financial Assets	
	Profit	Equity
	\$	\$
Year Ended 31 December 2015		
+/- 2% in interest rates	26,029	26,029
+/- 10% in listed investments	13,640	13,640
Year Ended 31 December 2014		
+/- 2% in interest rates	13,760	13,760
+/- 10% in listed investments	13,624	13,624

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.

NOTE 19 – 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.

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

NOTE 20 – CONTINGENT LIABILITIES

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

Unquantifiable contingencies

The Union is currently involved in a number of ongoing legal matters in the normal course of business. The liability of the Union in respect of these matters cannot be reliably estimated at this time.

NOTE 21 – COMMITMENTS

	2015	2014
	\$	\$
Hire Purchase Liability		
Payable – minimum lease payments		
Not later than 12 months	15,741	38,406
Between 12 months but not later than 5 years	-	16,003
Greater than 5 years		
Less future finance charges	-	(2,609)
	15,741	51,800
 Loan to Marque Northbourne Trust		
Payable – Not later than 12 months	275,000	-
	275,000	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 22 – FAIR VALUE MEASUREMENTS

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

- Available for sale financial assets

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.

(a) Fair value hierarchy

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:

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

The fair 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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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

NOTE 22 – FAIR VALUE MEASUREMENTS (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 \$	Total \$
2015			
Recurring fair value measurements			
— Financial assets	8	3,499	3,344
Total assets recognised at fair value		3,499	3,344

(b) Valuation techniques and inputs used to measure Level 1 fair values

Description	Fair value at 31 December 2015 \$	Valuation Techniques	Inputs used
— Financial assets	3,499	Market approach using quoted prices for identical assets published on Australian Stock Exchange	Price per square metre/yield to net income
	3,499		

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

NOTE 22 – FAIR VALUE MEASUREMENTS (CONTINUED)

(c) Disclosed fair value measurements

The following assets and liabilities are not measured at fair value in the statement of financial position, but their fair values are disclosed in the notes:

- Accounts receivable and other debtors
- Accounts payable and other payables
- Hire purchase liabilities

The following table provides the level of the fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation technique(s) and inputs used:

Description	Note	Fair value hierarchy level	Valuation technique(s)	Inputs used
Accounts receivable and other debtors	6	3	Amortised cost	Invoices and contracts
Accounts payable and other payables	10	3	Amortised cost	Invoices and contracts
Hire purchase liability	13	2	Income approach using discounted cash flow methodology	Current commercial borrowing rates for similar instruments

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 23 – MEMBERS’ ACCESS TO FINANCIAL RECORDS

Pursuant to Section 272 of the Fair Work (Registered Organisations) Act 2009, Members may access financial records as follows:

- 1) A member of the Union, or the General Manager, may apply to the Union for specified prescribed information in relation to the Union 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 Union.
- 3) A Union must comply with an application made under subsection (1).

NOTE 24 – GENERAL DISCLOSURES

Pursuant to the reporting guidelines of Section 253 of the Fair Work (Registered Organisations) Act 2009 the Union notes that:

- 1) The reporting entity is not reliant on an agreed financial support of another reporting unit;
- 2) The reporting entity has not agreed to provide financial support to another reporting unit;
- 3) The reporting unit has not acquired an asset or a liability during the year as a result of an amalgamation, or other restructure or business combination;
- 4) The reporting unit has not had a revocation of an asset or a liability during the year as a result of a determination under s245 or revocation under s249;
- 5) The reporting unit has not received any capitation fees from another reporting unit;
- 6) The reporting unit has not raised funds from members or as an appeal for voluntary contributions from members during the year, and no compulsory levies have been imposed on the reporting unit;
- 7) The reporting unit is not in receipt of financial support from another reporting unit;
- 8) The reporting unit has not incurred expenses as consideration for employers making payroll deductions of membership subscriptions;
- 9) The reporting unit has no payables to employers as consideration for the employers making payroll deductions of membership subscriptions;
- 10) The reporting unit has no other funds as specified in Reporting Guideline 22 other than the general fund.
- 11) The reporting unit has not had penalties applied under the Fair Work (Registered Organisations) Act 2009;

**CONSTRUCTION FORESTRY MINING AND ENERGY UNION
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NOTE 25 – DISCLOSURE BY OFFICERS OF REMUNERATION AND NON-CASH BENEFITS

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

Name of Officer	Relevant Remuneration	Non-Cash benefits
Dean Hall	Base Package \$156,420.27 \$ 49,674.00* \$206,094.27 <i>*Note: The officer had Annual leave/RDO's cashed out during the period of disclosure total amount being \$49,674.00</i>	Vehicle
Jason O'Mara	Base Package \$142,189.49 \$ 29,911.76* \$172,101.25 <i>*Note: The officer had Annual leave/RDO's cashed out during the period of disclosure total amount being \$29,911.76</i>	Vehicle

NOTE 26 – UNION DETAILS

The registered office of the union is:

3 Rosevear Place
Dickson ACT 2602



RSM Australia Pty Ltd

Equinox Building 4, Level 2, 70 Kent Street Deakin ACT 2600
GPO Box 200 Canberra ACT 2601

T +61(0) 2 6217 0300
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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 Mining and Energy Union Construction and General Division – ACT Branch (CFMEU) which have been subjected to the auditing procedures applied in our audit of the CFMEU for the year ended 31 December 2015. 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 CFMEU), in respect of such data, including any errors or omissions therein however caused.

RSM Australia Pty Ltd

Rdney Miller
Director

Canberra, Australian Capital Territory
Dated: 22 April 2016

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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

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CONSTRUCTION FORESTRY MINING AND ENERGY UNION
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DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

Revenue	2015	2014
	\$	\$
Membership subscriptions	846,186	1,370,080
Grant Income	-	-
Donations received	272,494	560,362
Sitting fees	25,285	25,144
EBA Lodgement Income	-	-
JLT Income	-	4,545
Sundry income	4,009	3,636
Bad debts recovered	10,456	-
Interest received	11,810	22,395
Advertising	-	23,250
Profits from trusts	312,780	825,891
IQ Unit Distribution	2,923,826	-
Dividends Received	155	426
Audit and Training Fund	-	6,350
Adjustment to impairment of receivables	87,201	-
Revaluation of Investments	-	2
Total Revenue	4,494,202	2,842,081
 Expenditure		
Membership fees	8,575	8,238
Audit and accounting fees	26,870	23,775
ACIRT	49,760	46,220
Advertising and promotion costs	78,886	3,190
Annual Leave expense	17,440	(14,430)
Bank charges	12,744	13,977
Bad Debts expense	-	170,000
Campaign Funding expense	114,000	48,000
Capitation fees – National Office	97,052	97,514
Loss on sale of motor vehicles	-	5,407
Catering	-	270
CITEA rent	-	-
Consultancy services	25,758	38,176
Compulsory Levies	22,472	2,451
Computer expenses	4,144	5,879
Conference & Meeting expenses	14,259	9,410
Depreciation	52,770	61,999
Donations	17,940	5,151
Fees/Allowances-Meeting & Conferences	42,800	-
Freight and cartage	1,213	341
Fines and Penalties	7,272	464
Fringe Benefits Tax	48,465	29,581
Interest	2,912	4,801
Insurance	22,975	42,926
Publications	53,540	61,982
Legal costs	295,446	35,878
Long Service Leave expense	28,691	(6,525)
Affiliation fees	12,890	18,944
Motor vehicle expenses	60,864	70,463
Payroll tax	168,358	63,941
Postage, printing and stationery	29,676	33,638
Political payments	-	454
Protective clothing	16,432	(20,440)
RDO Expense	(38,449)	26,787

CONSTRUCTION FORESTRY MINING AND ENERGY UNION
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Expenditure (continued)	2015	2014
	\$	\$
Salaries and wages – office holders & employees	1,337,738	1,473,988
Sponsorship	455	8,000
Subscriptions	3,001	1,582
Sundry expenses	-	6,050
Superannuation contributions	120,492	124,499
Staff training	-	-
Telephone	40,666	32,642
Training	8,455	10,787
Travelling & accommodation expenses	94,720	131,388
Workers compensation	5,358	8,355
Waste Disposal	1,279	374
Repairs and maintenance	751	-
Office expenses	-	4,027
Member expenses	142,023	115,749
Total Expenditure	<u>3,050,693</u>	<u>2,805,903</u>
Operating Profit / (Loss)	<u>1,443,509</u>	<u>36,178</u>