FAIR WORK COMMISSION

16 July 2015

Mr Michael O'Connor
Divisional Secretary
Forestry, Furnishings, Building Products and Manufacturing Division
CFMEU

Sent via email: industrial@cfmeuffpd.org

Dear Mr O'Connor

Re: Lodgement of financial statements and accounts - Construction, Forestry, Mining and Energy Union, Forestry, Furnishings, Building Products and Manufacturing Division - for year ended 31 December 2014 (FR2014/456)

I refer to the financial report lodged for the Forestry, Furnishings, Building Products and Manufacturing Division in respect of the year ended 31 December 2014. The documents were lodged with the Fair Work Commission on 3 July 2015. The financial report has been filed.

The financial report was assessed under a primary review. This involved confirming whether 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. You are not required to take any further action in respect of the report lodged.

Please note that the financial report for the year ended 31 December 2015 may 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 require information on the financial reporting requirements of the Act, I may be contacted on (02) 6746 3283 or by email at stephen.kellett@fwc.gov.au.

Yours sincerely

Stephen Kellett

Senior Adviser, Regulatory Compliance Branch

Terrace Towers
80 William Street
East Sydney NSW 2011

Telephone: (02) 8374 6666
Facsimile: (02) 9380 6990
Email: orgs@fwc.gov.au

CFMEU

Forestry, Furnishing, Building Products &
Manufacturing Division (FFPD)
National Office
148 - 152 Miller St
WEST MELBOURNE VIC 3003
Phone: (03) 9274 9200
Fax: (03) 9274 9284
Freecall: 1800 060 556

2 July 2015

PM 1 2 3 4 5 6 7 8 9 10 11 12 PM
RECEIVED
3 JUL 2015
FAIR WORK COMMISSION
NEW SOUTH WALES
AM 1 2 3 4 5 6 7 8 9 10 11 12 AM

Fair Work Commission
Level 8
80 William Street
East Sydney NSW 2011

Dear Sir

Re: CFMEU FFPD Financial Report for year ended 31 December 2014

Please find enclosed the signed CFMEU Forestry, Furnishing, Building Products and Manufacturing Division and Controlled Entity Financial Report for the year ended 31 December 2014 and Certificate by Secretary.

Yours faithfully

B Disken

B Disken
Financial Controller

CFMEU

Divisional Office
148 - 152 Miller St
WEST MELBOURNE VIC 3003
Phone: (03) 9274 9200
Fax: (03) 9274 9284
Freecall: 1800 060 556

Certificate of Secretary

RECEIVED
3 JUL 2015
FAIR WORK COMMISSION
NEW SOUTH WALES

I Michael O'Connor, being the National Secretary of the Construction, Forestry, Mining and Energy Union, Forestry, Furnishings, Building Products and Manufacturing Division Certify;

I. That the documents lodged here within are copies of the full report for the year ended 31 December 2014 referred to in section 268 of the *Fair Work (Registered Organisations) Act* 2009; and

II. That the full report was presented by circular resolution to the Committee of Management of the reporting unit on 27 May 2015, (the first meeting) in accordance with section 266 of the *Fair Work (Registered Organisations) Act* 2009; and

III. That the full report was provided to members on 29 May 2015; and

IV. That the full report was presented by circular resolution to the Committee of Management of the reporting unit on 24 June 2015 (the second meeting) in accordance with section 266 of the *Fair Work (Registered Organisations) Act* 2009.

Michael O'Connor
CFMEU FFPD National Secretary
Date: 29 June 2015

CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
ABN 34 183 611 895
AND CONTROLLED ENTITY

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014

CFMEU

CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
ABN 34 183 611 895
AND CONTROLLED ENTITY

TABLE OF CONTENTS

This financial report covers both the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division as an individual entity and the controlled entity consisting of Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division and its subsidiary. The financial report is presented in the Australian currency.

The principal place of business is:
Construction, Forestry, Mining and Energy Union
Forestry, Furnishing, Building Products and Manufacturing Division
148-152 Miller Street
WEST MELBOURNE VIC 3003

The financial report was authorised for issue by the Divisional Executive on the 29th of May 2015.

CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
ABN 34 183 611 895
AND CONTROLLED ENTITY

OPERATING REPORT

Your Committee present their report on the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division and its controlled entity ("the union") for the financial year ended 31 December 2014.

Members of Divisional Executive:

The names of the Divisional Executive in office at any time during or since the end of the financial year are:

Name	*Position*
Jane Calvert	FFPD National President
Michael O'Conner	FFPD National Secretary
Leo Skourdoumbis	FFPD National Senior Assistant Secretary
Alex Millar	FFPD National Assistant Secretary
Frank Vari	FFPD National Assistant Secretary
Craig Smith	FFPD National Senior Vice President
David Kirner	FFPD National Vice President
Bradley Coates	FFPD National Vice President
Kenneth Fraser	FFPD National Executive Member
Damian Cooke	FFPD National Executive Member
Kim Mason	FFPD National Executive Member
Cliff Palmer	FFPD National Executive Member
Andrew Vendramini	FFPD National Executive Member
Denise Campbell-Burns	FFPD National Executive Member
Scott McLean	FFPD National Executive Member
Terry Bennier	FFPD National Executive Member
Phil Davies	FFPD National Executive Member

All Divisional Executive members have been in office since the start of the financial year to the date of this report unless otherwise stated.

OPERATING REPORT (CONTINUED)

Review of Principal activities and results of operations

The principal activities of the union during the financial year were:

- Implementation of decisions of the Divisional Executive and National Conference;
- Implementation of the reporting unit's organising agenda, including direct assistance and strategic advice on particular industry sector or site organising projects, the training and development of officials and assistance to Districts for planning, resourcing and conducting campaigns.
- Industrial supporting including representation of membership grievances, research, interpretation and advice on legal and legislative matters, and advocacy before industrial tribunal;
- Facilitation of communication within and between the Districts including the National Journal and website;
- Pursuing relevant change to the conditions of eligibility rules of the union, and responding to other unions' rules applications where they impact on membership of FFPD;
- The interpretation and administration of Awards and Agreements, and making applications to vary Awards on behalf of Districts to upgrade or amend them;
- Management of information technology and strategic membership system designs to support organising;
- Involvement in lobbying and negotiations with different levels of Government and key industry organisations around issues of importance to FFPD members.

A review of the operations of consolidated group indicate that it continued to engage in its principal activity of representing members in industrial and other matters. In pursuing these activities, the union has sought to protect members through representation of individuals in grievances and disputes. In pursuing such, the union has initiated and activated legal and industrial action when appropriate.

Significant changes in state of affairs

During the year, the Division contributed $1,000,000 towards the CFMEU National Office Campaign and incurred expenses for Royal Commission of $244,615. No other significant changes in the state of financial affairs of the consolidated group occurred during the financial year.

Union details

The number of full time equivalents employees of at 31 December 2014 was 52 (2013: 54).

The number of members of the union at 31 December 2014 was 10,646 (2013: 11,148).

Resignation from membership

Pursuant to the Union Rules and s174 of the Fair Work (Registered Organisations) Act 2009, a member may resign from membership by providing written notice addressed to and delivered to the Secretary of the Division or District of the Union.

A notice of resignation will take effect:

1) where the member ceases to be eligible to become a member of the Union:
   a) on the day on which the notice is received by the Union; or
   b) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to be a member;

   whichever is the later; or
2) in any other case:
   a) at the end of 2 weeks after the notice is received by the Union, or
   b) on the day specified in the notice;

   whichever is the later

CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
ABN 34 183 611 895
AND CONTROLLED ENTITY

OPERATING REPORT (CONTINUED)

Directorships of Superannuation Fund

To the best of our knowledge and belief, the following officers and employees of the union are superannuation fund trustee(s) or a director of a company that is a superannuation fund trustee:

Officer / Employee	Position	Trustee Company	Name of Superfund	Other
Alex Millar	Director	FIRST Superannuation Pty Ltd	FIRST Super	Officer of the union
Michael O'Conner	Director	FIRST Superannuation Pty Ltd	FIRST Super	Officer of the union
David Kirner	Director	FIRST Superannuation Pty Ltd	FIRST Super	Officer of the union
Frank Vari	Director	FIRST Superannuation Pty Ltd	FIRST Super	Officer of the union
Denise Campbell-Burns	Associate Director	FIRST Superannuation Pty Ltd	FIRST Super	Officer of the union

Apart from the above, to the best of our knowledge and belief, no officer or employee of the Union superannuation fund trustee(s) or a director of a company that is a superannuation fund trustee.

Signed in accordance with a resolution of the Divisional Executive:

Signature of designated officer:
Name of designated officer: Michael O'Conner
Title of designated officer: CFMEU FFPD National Secretary

Signature of designated officer:
Name of designated officer: Jane Calvert
Title of designated officer: CFMEU FFPD National President

Dated: 29 May 2015

CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
ABN 34 183 611 895
AND CONTROLLED ENTITY

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	Consolidated Group		Parent Entity	
		2014	2013	2014	2013
		$	$	$	$
Revenue from continuing operations	4	**8,390,453**	8,691,542	**8,397,409**	8,702,326
Administrative expenses		**(445,004)**	(399,135)	**(444,913)**	(398,314)
Affiliation fee	7	**(345,612)**	(306,547)	**(345,612)**	(306,547)
Depreciation		**(252,500)**	(253,496)	**(235,223)**	(242,841)
Campaign expenses		**(1,007,677)**	(516,457)	**(1,007,677)**	(516,457)
Communication - members		**(160,246)**	(156,776)	**(160,246)**	(156,776)
Conference and meetings		**(133,649)**	(146,385)	**(133,649)**	(146,385)
Legal and professional fees	8	**(444,459)**	(174,565)	**(441,923)**	(170,465)
Motor vehicle expenses		**(317,114)**	(349,702)	**(317,114)**	(349,702)
Occupancy expenses		**(242,473)**	(303,308)	**(242,473)**	(303,308)
Telephone expenses		**(87,766)**	(88,943)	**(87,766)**	(88,943)
Salaries and related expenses	9	**(5,782,315)**	(5,781,254)	**(5,782,315)**	(5,781,254)
Travel and accommodation expenses		**(489,529)**	(561,343)	**(489,529)**	(561,343)
Loss on disposal of fixed assets		**(41,376)**	(80,346)	**(41,197)**	(78,599)
Impairment loss		**(11,516)**	(209,286)	**(38,524)**	(228,431)
		(9,761,236)	(9,327,543)	**(9,768,161)**	(9,329,365)
(Deficit) before income tax		**(1,370,783)**	(636,001)	**(1,370,752)**	(627,039)
Income tax expense	6	**-**	-	**-**	-
(Deficit) attributable to members		**(1,370,783)**	(636,001)	**(1,370,752)**	(627,039)
Other comprehensive income					
Changes in other funds	18	**93,671**	(126,840)	**93,671**	(126,840)
Total comprehensive (loss) for the year		**(1,277,112)**	(762,841)	**(1,277,081)**	(753,879)

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
ABN 34 183 611 895
AND CONTROLLED ENTITY

BALANCE SHEETS
AS AT 31 DECEMBER 2014

	Notes	Consolidated Group		Parent Entity	
		2014	2013	2014	2013
		$	$	$	$
ASSETS					
Current assets					
Cash and cash equivalents	10	**5,695,091**	7,069,197	**5,692,912**	7,061,958
Trade and other receivables	11	**1,166,907**	828,289	**1,186,582**	838,514
Total current assets		**6,861,998**	7,897,486	**6,879,494**	7,900,472
Non-current assets					
Trade and other receivables	12	-	-	**2,534,890**	2,547,787
Financial assets	13	**1,814,607**	1,338,885	**1,807,564**	1,333,191
Property, plant and equipment	14	**3,497,883**	3,759,745	**952,572**	1,210,167
Total non-current assets		**5,312,490**	5,098,630	**5,295,026**	5,091,145
Total assets		**12,174,488**	12,996,116	**12,174,520**	12,991,617
LIABILITIES					
Current liabilities					
Trade and other payables	15	**1,503,065**	1,061,491	**1,503,065**	1,056,991
Provisions	16	**1,927,556**	1,801,508	**1,927,556**	1,801,508
Total current liabilities		**3,430,621**	2,862,999	**3,430,621**	2,858,499
Non-current liabilities					
Provisions	16	**63,422**	81,889	**63,422**	81,889
Total non-current liabilities		**63,422**	81,889	**63,422**	81,889
Total liabilities		**3,494,043**	2,944,888	**3,494,043**	2,940,388
Net assets		**8,680,445**	10,051,228	**8,680,477**	10,051,229
MEMBERS' FUND					
Other funds	17	**3,309,589**	3,403,260	**3,309,589**	3,403,260
Retained profits	18	**5,370,856**	6,647,968	**5,370,888**	6,647,969
Total members' fund		**8,680,445**	10,051,228	**8,680,477**	10,051,229

The above balance sheets should be read in conjunction with the accompanying notes.

CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
ABN 34 183 611 895
AND CONTROLLED ENTITY

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	Other Funds $	Retained profits $	Total $
Consolidated Group			
Balance at 1 January 2013	3,276,420	2,250,635	5,527,055
(Deficit) for the year	-	(636,001)	(636,001)
Amount transferred from CFMEU FFTS Victoria Branch (17(b))	-	5,160,174	5,160,174
Transfer to other funds	126,840	(126,840)	-
Balance at 31 December 2013	3,403,260	6,647,968	10,051,228
Balance at 1 January 2014	3,403,260	6,647,968	10,051,228
(Deficit) for the year	-	(1,370,783)	(1,370,783)
Transfer to other funds	(93,671)	93,671	-
Balance at 31 December 2014	3,309,589	5,370,856	8,680,445
Parent Entity			
Balance at 1 January 2013	3,276,420	2,241,674	5,518,094
(Deficit) for the year	-	(627,039)	(627,039)
Amount transferred from CFMEU FFTS Victoria Branch (17(b))	-	5,160,174	5,160,174
Transfer to reserve	126,840	(126,840)	-
Balance at 31 December 2013	3,403,260	6,647,969	10,051,229
Balance at 1 January 2014	3,403,260	6,647,969	10,051,229
(Deficit) for the year	-	(1,370,752)	(1,370,752)
Transfer to other funds	(93,671)	93,671	-
Balance at 31 December 2014	3,309,589	5,370,888	8,680,477

The above statement of changes in equity should be read in conjunction with the accompanying notes.

CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
ABN 34 183 611 895
AND CONTROLLED ENTITY

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	Consolidated Group		Parent Entity	
		2014	2013	2014	2013
		$	$	$	$
Cash flows from operating activities					
Receipts from other reporting units	25(a)	**131,970**	46,005	**131,970**	46,005
Membership fees received		**5,120,171**	5,140,886	**5,120,171**	5,140,886
Receipts from controlled entities		**-**	-	**-**	-
Co-ordinator fees received		**1,802,805**	1,840,692	**1,802,805**	1,840,692
Consultancy fees received		**445,365**	786,140	**445,365**	786,140
Other income		**918,280**	1,271,188	**915,970**	1,271,188
Payments to suppliers and employees		**(8,574,198)**	(8,801,428)	**(8,566,859)**	(8,799,358)
Payments to other reporting units	25(b)	**(1,179,385)**	(779,248)	**(1,179,385)**	(779,248)
Payments to controlled entities		**-**	-	**-**	-
Dividends/Distribution received		**177,957**	10,701	**177,563**	10,524
Interest received		**189,568**	339,238	**189,567**	339,236
Net cash (outflow) from operating activities	25(c)	**(967,467)**	(145,826)	**(962,833)**	(143,935)
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		**246,992**	114,978	**246,993**	114,978
Payment for property, plant and equipment		**(158,355)**	(452,197)	**(158,355)**	(452,197)
Payment for investments (net)		**(500,425)**	(1,195,048)	**(500,000)**	(1,195,008)
Net cash (outflow) from investing activities		**(411,788)**	(1,532,267)	**(411,362)**	(1,532,227)
Cash flows from financing activities					
Loan to related party		**5,149**	18,938	**5,149**	18,938
Net cash inflow from financing activities		**5,149**	18,938	**5,149**	18,938
Net (decrease) in cash and cash equivalents		**(1,374,106)**	(1,659,155)	**(1,369,046)**	(1,657,224)
Cash transferred from CFMEU FFTS Victoria Branch		**-**	5,068,301	**-**	5,068,301
Cash and cash equivalents at beginning of financial year		**7,069,197**	3,660,051	**7,061,958**	3,650,881
Cash and cash equivalents at end of financial year	10(a)	**5,695,091**	7,069,197	**5,692,912**	7,061,958

The above statements of cash flows should be read in conjunction with the accompanying notes.

1: Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The financial report includes separate financial statements the for Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division as an individual entity and the consolidated group consisting of Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division and its subsidiary ("The Group").

(a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the requirements of the *Fair Work (Registered Organisations) Act 2009*. Tier 1 reporting requirements as per the Australian Accounting Standard AASB 1053 Application of Tiers of Australian Accounting Standards have been applied in the preparation of this report as required under Reporting Guideline 8. Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division is a not-for-profit entity for the purpose of preparing the financial statements.

Statement of Compliance

The financial report complies with Australian Accounting Standards. The Group's principal objective is not the generation of profit. Consequently, where appropriate, the Group has elected to apply options and exemptions within accounting standards that are applicable to not-for-profit entities. As a result this financial report does not comply with International Financial Reporting Standards (IFRS).

Early adoption of standards

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

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

New and amended standards adopted by the Group

The Group has applied the following standards and amendments for first time in their annual reporting period commencing 1 January 2014:

AASB 13 *Fair Value Measurement*
AASB 13 clarifies the definition of fair value and provides related guidance and enhanced disclosures about fair value measurements. It does not affect which items are required to be fair valued.

The scope of AASB 13 is broad and it applies for both financial and non-financial items for which other Australian Accounting Standards require or permit fair value measurements or disclosures about fair value measurements except in certain circumstances. AASB 13 applies prospectively for annual periods beginning on or after 1 January 2014. Its disclosure requirements need not be applied to comparative information in the first year of application. The group has however included as comparative information the AASB 13 disclosures that were required previously by AASB 7 *Financial Instruments: Disclosures*. The Group has applied AASB 13 for the first time in the current year.

1: Summary of significant accounting policies (Continued)

(a) Basis of Preparation (Continued)

New and amended standards adopted by the Group

Amendments to AASB 119 Employee Benefits
The 2011 amendments to AASB 119 made a number of changes to the accounting for employee benefits, the most significant relating to defined benefit plans. The amendments:

- eliminate the 'corridor method' and requires the recognition of remeasurements (including actuarial gains and losses) arising in the reporting period in other comprehensive income;
- change the measurement and presentation of certain components of the defined benefit cost. The net amount in profit or loss is affected by the removal of the expected return on plan assets and interest cost components and their replacement by a net interest expense or income based on the net defined benefit asset or liability; and
- enhance disclosures, including more information about the characteristics of defined benefit plans and related risks.

These amendments have had no significant impact on the entity.

Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

(b) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division ("parent entity") as at 31 December 2014 and the results of all subsidiaries for the year then ended. The Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division and its subsidiaries together are referred to in this financial report as the Group or the Consolidated Group.

Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group.

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals to minority interests result in gains and losses for the Group that are recorded in the income statement. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of identifiable net assets of the subsidiary.

1: Summary of significant accounting policies (Continued)

(b) Principles of Consolidation (Continued)

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Minority interests in the results and equity of subsidiaries are shown separately in the consolidated income statement and balance sheet respectively.

Investments in subsidiaries are accounted for at cost in the individual financial statements of Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division.

(c) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.
Revenue is recognised for the major operating activities as follows:

Service Revenue

Membership subscriptions
Membership subscriptions are recognised on an accrual basis and are recorded as revenue in the year to which they relate.

Sustentation fees and levies
Sustentation fees and levies are recognised when the right to receive the fees has been established.

Other Revenue

Co-ordinator fee income
Co-ordinator fee income is recognised when the right to receive the income has been established.

Other revenue-generating activities
Revenue is recognised when the right to receive the commission has been established.

1: Summary of significant accounting policies (Continued)

(c) Revenue Recognition (Continued)

Interest income

Interest income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

Other revenue

Other revenue is recognised when the right to receive the revenue has been established.

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

(d) Leases

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

(e) Income tax

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

The Groups income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Unrecognised deferred tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Where assets are revalued, no provision for potential capital gains tax has been made because of the long-term nature of the assets and the existence of accumulated tax losses.

1: Summary of significant accounting policies (Continued)

(f) Impairment of assets

All assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(g) Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(h) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollected are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in the income statement within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the income statement.

(i) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the balance sheet are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from, or payable to the ATO as classified as operating cash flow. Commitments and contingencies are disclosed inclusive of GST.

1: Summary of significant accounting policies (Continued)

(j) Investment and other financial assets

Classification

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

The Group does not hold any investments in the following categories: held-to-maturity investments and financial assets at fair value through profit or loss.

(i) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

(ii) 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 are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet.

Recognition and derecognition

Regular purchases and sales of investments are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are carried at fair value through profit and loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the income statement as part of revenue from continuing operations when the Group's right to receive payments is established.

1: Summary of significant accounting policies (Continued)

(j) Investment and other financial assets (Continued)

Impairment

The Group assesses at each balance date whether there is objective evidence that a financial asset is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

(k) Property, plant and equipment

Each class of property, plant and equipment is carried at historical cost less any accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of items.

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. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the reporting period in which they are incurred.

Depreciation is calculated to allocate cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Class of fixed asset	Depreciation rate	Depreciation basis
Buildings	2.0%	Diminishing Value
Motor Vehicles	22.5%	Diminishing Value
Office equipment	10.0% – 33.33%	Diminishing Value
Furniture, fittings & equipment	5.0% – 47.90%	Diminishing Value
Computer equipment	37.5 – 66.66%	Diminishing Value

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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement .When revalued assets are sold; it is Group policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

(l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

1: Summary of significant accounting policies (Continued)

(m) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(n) Employee benefits

(i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after reporting date are discounted to present value

(o) Comparative figures

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

1: Summary of significant accounting policies (Continued)

(p) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2014 reporting periods. The group's assessment of the impact of these new standards and interpretations is set out below:

(i) AASB 9 *Financial Instruments*, AASB 2009- 11 *Amendments to Australian Accounting Standards arising from AASB 9*, AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)* (effective from 1 January 2015) and AASB 2013-6 *Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transitional Disclosures.*

AASB 9 *Financial Instruments* addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2015 but is available for early adoption. When adopted, the standard will affect in particular the Group's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading. Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss. This change will not impact the Group as current accounting for gains and losses on available–for–sale financial assets is consistent with proposed changes.

There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities. The derecognition rules have been transferred from AASB139 *Financial Instruments: Recognition and Measurement* and have not been changed. The Group has not yet decided when to adopt AASB 9.

(ii) AASB 10 *Consolidated Financial Statements*, AASB 11 *Joint Arrangements*, AASB 12 *Disclosure of Interests in Other Entities, revised* AASB 127 *Separate Financial Statements and* AASB 128 *Investments in Associates and Joint Ventures and* AASB 2013-7 *Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards* (effective 1 January 2014).

In August 2013, the AASB issued a suite of five new and amended standards which address the accounting for joint arrangements, consolidated financial statements and associated disclosures. AASB 10 replaces all of the guidance on control and consolidation in AASB 127 *Consolidated and Separate Financial Statements*, and Interpretation 12 *Consolidation – Special Purpose Entities*. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation.

Proposed changes will not have any impact on the Group as the Group does not have a material interest in other entities and is not a part of any joint arrangements.

(iii) AASB 13 *Fair Value Measurement* and AASB 2013-8 *Amendments to Australian Accounting Standards arising from AASB 13* (effective 1 January 2014)
AASB 13 was released in September 2013. It explains how to measure fair value and aims to enhance fair value disclosures. The Group has yet to determine which, if any, of its current measurement techniques will have to change as a result of the new guidance. It is therefore not possible to state the impact, if any, of the new rules on any of the amounts recognised in the financial statements. However, application of the new standard will impact the type of information disclosed in the notes to the financial statements. The Group does not intend to adopt the new standard before its operative date, which means that it would be first applied in the annual reporting period ending 31 December 2014.

1: Summary of significant accounting policies (Continued)

(p) New accounting standards and interpretations (Continued)

(iv) Revised AASB 119 *Employee Benefits,* AASB 2013-10 *Amendments to Australian Accounting Standards arising from* AASB 119 *(September 2013)* and AASB 2013-11 *Amendments to AASB 119(September 2013) arising from Reduced Disclosure Requirements* (effective 1 January 2014)
In September 2013, the AASB released a revised standard on accounting for employee benefits. It requires the recognition of all remeasurements of defined benefit liabilities/assets immediately in other comprehensive income (removal of the so-called 'corridor' method) and the calculation of a net interest expense or income by applying the discount rate to the net defined benefit liability or asset. This replaces the expected return on plan assets that is currently included in profit or loss. The standard also introduces a number of additional disclosures for defined benefit liabilities/assets and could affect the timing of the recognition of termination benefits. The amendments will have to be implemented retrospectively. This standard is not expected to impact the Group.

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

2: Critical accounting estimates and judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment
The Group assesses impairment at each reporting date by evaluating conditions specific to the Group 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.

(b) Critical judgments in applying the entity's accounting policies

Employee entitlements
Management judgements is applies in determining the following key assumptions in the calculation of long service leave at balance date:

- future increase in wages and salaries;
- future on-costs rates; and
- experience of employees' departures and period of service.

3: Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or the General Manager of Fair Work Commission:

(1) a member of a reporting unit, or the General Manager of Fair Work Commission, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(2) the application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) a reporting unit must comply with an application made under subsection (1).

4: Revenue

	Notes	Consolidated Group		Parent Entity	
		2014	2013	2014	2013
From continuing operations		$	$	$	$
Service revenue					
- sustentation fees - CFMEU C & G Qld/NT Divisional Branch		**11,388**	8,942	**11,388**	8,942
- membership subscriptions		**4,508,115**	4,587,042	**4,508,115**	4,587,042
- capitation fees – other reporting units		-	-	-	-
- support fund levy: Pulp and Paper Workers' District		**123,034**	139,381	**123,034**	139,381
		4,642,537	4,735,365	**4,642,537**	4,735,365
Other revenue					
- interest		**206,687**	324,232	**214,036**	334,456
- OHS contributions		**207,018**	230,981	**207,018**	230,981
- training income		**15,082**	29,946	**15,082**	29,946
- consultancy fees		**528,927**	543,927	**528,927**	543,927
- co-ordinator fees		**1,633,473**	1,648,573	**1,633,473**	1,648,573
- sponsorship		**30,775**	46,773	**30,775**	46,773
- director fees		**243,470**	336,850	**243,470**	336,850
- gain on disposal of assets		**107,462**	-	**107,462**	-
- unrealised gain on investments		-	7,119	-	7,856
- dividends		**177,957**	10,701	**177,564**	10,524
- distributions		-	2,550	-	2,550
- rent		**95,167**	125,260	**95,167**	125,260
- donations		-	-	-	-
- grant income		**149,782**	136,765	**149,782**	136,765
- representation fees		**115,701**	115,345	**115,701**	115,345
- transfer of employee entitlements		-	165,032	-	165,032
- financial support from another reporting unit		-	-	-	-
- other revenue		**236,415**	232,123	**236,415**	232,123
		3,747,916	3,956,177	**3,754,872**	3,966,961
Total revenue		**8,390,453**	8,691,542	**8,397,409**	8,702,326

5: Other disclosable items

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
(a) The loss before income tax expenses includes the following specific items:				
Depreciation				
- land and buildings	**15,347**	9,742	**635**	2,069
- office equipment	**32,478**	32,311	**30,630**	30,045
- motor vehicles	**190,529**	203,743	**190,529**	203,743
- furniture and fixtures	**14,146**	7,700	**13,429**	6,984
	252,500	253,496	**235,223**	242,841
Defined contribution superannuation expense	**621,476**	595,438	**621,476**	595,438
Rental expenses relating to operating leases				
Minimum lease payments	**47,763**	105,524	**47,763**	105,524
Consideration to employers for payroll deduction	**7,059**	6,960	**7,059**	6,960
Conference and meeting allowances	**28,550**	32,490	**28,550**	32,490
Donations				
Total paid that were $1,000 or less	-	-	-	-
Total paid that exceeded $1,000	**15,430**	7,840	**15,430**	7,840
Grants paid	-	-	-	-
Penalties – via RO Act or RO Regulations	-	-	-	-
Net loss on disposal of investments	**178**	1,747	-	-
Unrealised loss (gain) on investments	-	(7,119)	**25,627**	(7,856)
Provision for impairment	**11,516**	-	**12,897**	228,431
Revaluation of land and building	**(13,010)**	209,286	-	-
Loss on disposal of property, plant and equipment	**41,197**	78,599	**41,197**	78,599
(Gain) on disposal of property	**(107,462)**	-	**(107,462)**	-

6: Income tax expenses

	Consolidated		Parent Entity	
	2014	2013	2014	2014
	$	$	$	$
(a) Income tax expense:				
Current tax	-	-	-	-
Deferred tax	-	-	-	-
	-	-	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable:				
Loss from continuing operations before income tax expense	**(1,370,783)**	(636,001)	**(1,370,752)**	(627,039)
Prima facie income tax payable on loss before income tax at 30.0% (2014 - 30.0%)	**(411,235)**	(190,800)	**(411,226)**	(188,112)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:				
Net amount exempt under S50.1 of ITAA	**411,226**	188,112	**411,226**	188,112
Transfer to tax loss	**9**	2,688	**-**	-
Income tax expense attributable to loss	**-**	-	**-**	-

At balance date, there were accumulated tax losses, related to the subsidiary, of approximately $183,125 (2013: $183,166), giving rise to a potential future tax benefit. The potential deferred tax asset attributable to these revenue tax losses have not been recognised, as their realisation is uncertain.

The deferred tax asset for revenue tax losses, which will offset future non-exempt income, will only be utilised if:

- future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised
- the condition for deductibility imposed by tax legislation continues to be complied with, and
- there is no change in tax legislation which would adversely affect the group in realising the benefit.

7: Affiliation fees, compulsory levies and sustentation fees

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Affiliation fees				
- Australian Labour Party – NSW	**4,468**	8,215	**4,468**	8,215
- Australian Labour Party – SA	**7,930**	8,588	**7,930**	8,588
- Australian Labour Party – TAS	**1,472**	2,186	**1,472**	2,186
- Australian Labour Party – VIC	**31,498**	35,828	**31,498**	35,828
- Ballarat Trades Hall Council	**1,137**	1,895	**1,137**	1,895
- Geelong Trades Hall Council	**2,198**	1,700	**2,198**	1,700
- NSW Labour Council	**3,831**	7,557	**3,831**	7,557
- S A Unions	**9,917**	11,361	**9,917**	11,361
- Unions WA	**1,279**	1,230	**1,279**	1,230
- Unions ACT	**1,540**	504	**1,540**	504
- Unions Tasmania	**2,627**	2,538	**2,627**	2,538
- South West T&LC	**113**	376	**113**	376
- Victorian Trades Hall Council	**33,280**	32,273	**33,280**	32,273
- International Federation of Chemical, Energy, Mine & General Workers' Union	**6,674**	5,759	**6,674**	5,759
- other	**600**	451	**600**	451
Compulsory levies				
- Victorian Trades Hall Council				
- Campaign levy	**3,408**	3,331	**3,408**	3,331
- Women levy	**1,911**	1,859	**1,911**	1,859
- Young unionists levy	**1,911**	1,859	**1,911**	1,859
- Australian Council of Trade Unions (via CFMEU National Office)	**29,044**	28,622	**29,044**	28,622
- SA Unions	**1,802**	-	**1,802**	-
Sustentation fees				
- CFMEU National Office	**198,972**	150,415	**198,972**	150,415
	345,612	306,547	**345,612**	306,547

8: Legal and professional fees

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Legal fees				
- litigation	-	-	-	-
- other legal matters	341,843	87,164	341,843	87,164
Consulting fee	72,173	58,260	72,173	58,260
Audit fees				
- audit of financial report (current auditor)	26,450	20,000	25,050	20,000
- ALP membership audit (current auditor)	-	750	-	750
- audit of financial report (previous auditor)	-	2,120	-	2,120
- audit of subsidiary financial report (previous auditor)	-	4,100	-	-
- grant audit (previous auditor)	-	935	-	935
Accounting fees	3,993	1,236	2,857	1,236
	444,459	174,565	441,923	170,465

9: Salaries and related expenses

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
(i) Employees other than holders of office				
- wages and salaries	3,513,027	3,460,342	3,513,027	3,460,342
- superannuation	504,413	477,464	504,413	477,464
- leave and other entitlements	99,773	(110,398)	99,773	(110,398)
- separation and redundancies	169,109	453,605	169,109	453,605
- other employee expenses	-	-	-	-
(ii) Holders of office				
- wages and salaries	808,417	833,930	808,417	833,930
- superannuation	117,063	117,974	117,063	117,974
- leave and other entitlements	7,808	22,615	7,808	22,615
- separation and redundancies	-	-	-	-
- other employee expenses	-	-	-	-
(iii) Other related expenses				
- employee training	20,858	31,033	20,858	31,033
- fringe Benefits Tax	110,271	64,264	110,271	64,264
- income protection insurance	62,574	61,314	62,574	61,314
- payroll Tax	257,893	252,680	257,893	252,680
- recruitment expenses	30,497	39,044	30,497	39,044
- redundancy fund	29,682	30,108	29,682	30,108
- workcover	50,930	47,279	50,930	47,279
	5,782,315	5,781,254	5,782,315	5,781,254

10: Current assets – Cash and cash equivalents

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Cash at banks	**528,108**	1,145,409	**525,930**	1,138,171
Term deposits	**5,165,282**	5,921,407	**5,165,282**	5,921,407
Cash on hand	**1,701**	2,381	**1,700**	2,380
	5,695,091	7,069,197	**5,692,912**	7,061,958

(a) Reconciliation to cash at the end of the year

The above figures are reconciled to cash at the end of the financial year as shown in the statements of cash flows as follows:

Balances as above	**5,695,091**	7,069,197	**5,692,912**	7,061,958
Bank overdrafts	**-**	-	**-**	-
Balances per statement of cash flows	**5,695,091**	7,069,197	**5,692,912**	7,061,958

11: Current assets - Trade and other receivables

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Trade receivables	**262,967**	78,424	**262,967**	78,424
	262,967	78,424	**262,967**	78,424
Less provision for impairment of receivables	**-**	-	**-**	-
	262,967	78,424	**262,967**	78,424
Other				
Receivable from other reporting units				
- CFMEU National Office	**5,421**	27,207	**5,421**	27,207
- CFMEU C & G Qld/NT Divisional Branch	**808**	-	**808**	-
- CFMEU C & G ACT Divisional Branch	**22,111**	-	**22,111**	-
Prepayments	**78,624**	100,220	**78,624**	100,220
Accrued income	**24,207**	7,089	**24,207**	7,089
Member subscription receivable	**196,046**	219,598	**196,046**	219,598
Deposit held in SEET	**349,852**	274,218	**349,852**	274,218
Other receivables	**226,871**	121,533	**246,546**	131,758
	903,940	749,865	**923,615**	760,090
	1,166,907	828,289	**1,186,582**	838,514

11: Current assets - Trade and other receivables (Continued)

(a) All amounts are short-term, except for a portion of the deposit held in SEET. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

(b) Movements in the provision for impairment of receivables is as follows:

	2014 $	2013 $
At 1 January	-	-
Provision for impairment recognised during the year	-	-
Unused amounts reversed	-	-
At 31 December	-	-

The creation and release of the provision for impaired receivables has been included in 'other expenses' in the income statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The carrying amount of receivables whose terms have been renegotiated, that would otherwise be past due or impaired is $Nil (2013: $Nil).

12: Non-current assets – Trade and other receivables

		Consolidated Group		Parent Entity	
		2014	2013	2014	2013
		$	$	$	$
Non-interest bearing					
- Loan to A.C.N. 117 909 127 Pty Ltd		-	-	3,071,707	3,071,707
- Provision for impairment	a	-	-	(781,817)	(768,920)
Interest bearing					
- Loan to A.C.N. 117 909 127 Pty Ltd		-	-	245,000	245,000
		-	-	2,534,890	2,547,787

(a) Provision for impairment	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
At 1 January	-	-	768,920	540,489
Provision for impairment recognised during the year	-	-	12,897	228,431
	-	-	781,817	768,920

13: Non-current assets – financial assets

		Consolidated Group		Parent Entity	
		2014	2013	2014	2013
		$	$	$	$
Available-for-sale financial assets	a	1,814,607	1,338,885	1,807,563	1,333,190
Other investments	b	-	-	1	1
		1,814,607	1,338,885	1,807,564	1,333,191

(a) Available-for-sale financial assets comprises:

		Consolidated Group		Parent Entity	
		2014	2013	2014	2013
		$	$	$	$
Listed investment, at fair value					
- shares in listed trusts and shares	c	10,266	8,698	3,222	3,003
Unlisted investment, at cost					
- shares in other corporations		127,905	127,905	127,905	127,905
Managed investment at fair value		1,676,436	1,202,282	1,676,436	1,202,282
	d	1,804,341	1,330,187	1,804,341	1,330,187
		1,814,607	1,338,885	1,807,563	1,333,190

(b) Other investments:

Shares in subsidiary	-	-	1	1
	-	-	1	1

(c) Movements in fair value of listed investment during the financial year:

Opening balance	8,698	10,569	3,003	2,429
Additions (Disposals)	248	(1,709)	-	-
Fair value adjustment	1,320	(162)	219	574
Closing balance	10,266	8,698	3,222	3,003

(d) Movements in fair value of unlisted investment during the financial year:

Opening balance	1,330,187	125,346	1,330,187	125,346
Additions (net)	500,000	1,197,559	500,000	1,197,559
Fair value adjustment	(25,846)	7,282	(25,846)	7,282
Closing balance	1,804,341	1,330,187	1,804,341	1,330,187

14: Non-current assets - Property, plant and equipment

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
LAND				
At cost	**1,900,000**	1,979,584	-	14,000
At fair value	**80,000**	-	-	-
	1,980,000	1,979,584	-	14,000
BUILDINGS				
At cost	**400,000**	685,429	-	103,453
At fair value	**165,000**	-	-	-
Less accumulated depreciation	**(22,454)**	(60,178)	-	(31,380)
	542,546	625,251	-	72,073
BUILDING IMPROVEMENTS				
At cost	-	6,003	-	-
Less accumulated depreciation	-	(517)	-	-
	-	5,486	-	-
Total property	**2,522,546**	2,610,321	-	86,073
PLANT AND EQUIPMENT				
Motor vehicles				
At cost	**1,282,109**	1,368,194	**1,282,109**	1,368,194
Less accumulated depreciation	**(498,621)**	(405,706)	**(498,621)**	(405,706)
	783,488	962,488	**783,488**	962,488
Office equipment				
At cost	**323,560**	313,589	**284,037**	274,066
Less accumulated depreciation	**(225,178)**	(201,410)	**(204,835)**	(182,915)
	98,382	112,179	**79,202**	91,151
Furniture, fixtures and fittings				
At cost	**156,671**	127,323	**142,642**	113,294
Less accumulated depreciation	**(63,204)**	(52,566)	**(52,760)**	(42,839)
	93,467	74,757	**89,882**	70,455
Total plant and equipment	**975,337**	1,149,424	**952,572**	1,124,094
Total property plant and equipment	**3,497,883**	3,759,745	**952,572**	1,210,167

14: Non-current assets - Property, plant and equipment (Continued)

(a) Non-current assets pledged as security

None of the non-current assets pledged as security by the parent entity and its controlled entity.

(b) Movements in Carrying Amounts

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

2013 - Group	Land	Building	Building improvements	Vehicles	Office equipment	Furniture, fittings & equipment	Total
	$	$	$	$	$	$	$
Opening net book amount	1,119,584	906,779	802,987	769,768	110,696	43,194	3,753,008
Additions	-	-	-	370,630	26,573	54,994	452,197
NBV transferred from CFMEU FFTS Victoria Branch	-	-	-	202,400	8,501	-	210,901
Disposals	-	-	-	(176,567)	(1,280)	(15,731)	(193,578)
Depreciation	-	(2,069)	(7,673)	(203,743)	(32,311)	(7,700)	(253,496)
Revaluation	860,000	(279,459)	(789,828)	-	-	-	(209,287)
Closing net book amount	1,979,584	625,251	5,486	962,488	112,179	74,757	3,759,745

2014 - Group	Land	Building	Building improvements	Vehicles	Office equipment	Furniture, fittings & equipment	Total
	$	$	$	$	$	$	$
Opening net book amount	1,979,584	625,251	5,486	962,488	112,179	74,757	3,759,745
Additions	-	-	-	106,294	18,963	33,098	158,355
Disposals	(14,000)	(71,438)	-	(94,765)	(282)	(242)	(180,727)
Depreciation	-	(15,204)	(143)	(190,529)	(32,478)	(14,146)	(252,500)
Revaluation	14,416	3,937	(5,343)	-	-	-	13,010
Closing net book amount	1,980,000	542,546	-	783,488	98,382	93,467	3,497,883

2013 - Parent	Land	Building	Building improvements	Vehicles	Office equipment	Furniture, fittings & equipment	Total
	$	$	$	$	$	$	$
Opening net book amount	14,000	74,142	-	769,768	87,402	38,176	983,488
Additions	-	-	-	370,630	26,573	54,994	452,197
NBV transferred from CFMEU FFTS Victoria Branch	-	-	-	202,400	8,501	-	210,901
Disposals	-	-	-	(176,567)	(1,280)	(15,731)	(193,578)
Depreciation	-	(2,069)	-	(203,743)	(30,045)	(6,984)	(242,841)
Closing net book amount	14,000	72,073	-	962,488	91,151	70,455	1,210,167

14: Non-current assets - Property, plant and equipment (Continued)

(b) Movements in Carrying Amounts (Continued)

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

2014 - Parent	Land	Building	Building improvements	Vehicles	Office equipment	Furniture, fittings & equipment	Total
	$	$	$	$	$	$	$
Opening net book amount	14,000	72,073	-	962,488	91,151	70,455	1,210,167
Additions	-	-	-	106,294	18,963	33,098	158,355
Disposals	(14,000)	(71,438)	-	(94,765)	(282)	(242)	(180,727)
Depreciation	-	(635)	-	(190,529)	(30,630)	(13,429)	(235,223)
Closing net book amount	-	-	-	783,488	79,202	89,882	952,572

15: Current liabilities - Trade and other payables

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Unsecured				
Trade payables	**303,560**	336,027	**303,558**	336,027
Legal cost payables – other matters	-	11,987	-	11,987
Legal cost payables - litigations	-	-	-	-
Amount payables to other reporting units				
- CFMEU National Office	**497,815**	-	**497,815**	-
- CFMEU C & G ACT Divisional Branch	**4,155**	-	**4,155**	-
- CFMEU C & G NSW Divisional Branch	**265**	-	**265**	-
Sundry creditors	**116,027**	134,587	**116,027**	130,087
Income received in advance	**426,945**	417,133	**426,945**	417,133
Consideration to employers for payroll deductions	-	-	-	-
Relief funds held in trust	**12,891**	12,891	**12,891**	12,891
SA District Trust Account	**7,290**	319	**7,290**	319
GST liability	**134,117**	148,547	**134,119**	148,547
	1,503,065	1,061,491	**1,503,065**	1,056,991

All above liabilities are short-term. The carrying values are considered to be a reasonable approximation of fair value.

16: Provisions

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Holder of Office				
Annual leave	**177,704**	166,159	**177,704**	166,159
Long service leave	**306,076**	279,538	**306,076**	279,538
Personal leave	**33,071**	68,566	**33,071**	68,566
RDO	**43,049**	38,613	**43,049**	38,613
Separations and redundancies	**27,860**	27,074	**27,860**	27,074
	587,760	579,950	**587,760**	579,950
Employees other than office holders:				
Annual leave	**455,871**	443,585	**455,871**	443,585
Long service leave	**620,769**	573,440	**620,769**	573,440
Personal leave	**252,569**	230,548	**252,569**	230,548
RDO	**74,009**	55,874	**74,009**	55,874
Separations and redundancies	**-**	-	**-**	-
	1,403,218	1,303,447	**1,403,218**	1,303,447
Total employee provisions	**1,990,978**	1,883,397	**1,990,978**	1,883,397
Disclosed as:				
Current	**1,927,556**	1,801,508	**1,927,556**	1,801,508
Non-current	**63,422**	81,889	**63,422**	81,889
	1,990,978	1,883,397	**1,990,978**	1,883,397

(a) Employee benefits - long service leave

A provision has been recognised for future employee benefits relating to long service leave for employees. 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 on an assessment of the individual employee's circumstances. The measurement and recognition criteria for employee benefits have been included in Note 1.

(b) Amounts not expected to be settled within the next 12 months.

The current provision for long service leave includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire obligation is presented as current, since the Group does not have an unconditional right to defer settlement. However, based on past experience, the Group does not expect all employees to take the full amount of accrued long service leave within the next 12 months. The following amounts reflect leave that is not expected to be taken within the next 12 months:

16: Provisions (Continued)

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Long service leave obligation expected to be settled after 12 months	63,422	81,889	63,422	81,889

17: Other funds

	Note	Consolidated Group		Parent Entity	
		2014	2013	2014	2013
		$	$	$	$
John Curtin Fund	a	**1,101,108**	1,043,916	**1,101,108**	1,043,916
SA Workers Welfare Fund	b	**73,072**	72,864	**73,072**	72,864
Pulp and Paper Workers' Support Fund	c	**2,017,219**	2,164,587	**2,017,219**	2,164,587
NSW Support Fund	d	**118,190**	121,893	**118,190**	121,893
		3,309,589	3,403,260	**3,309,589**	3,403,260

Presented below is a reconciliation of the movements in each of the other funds, pursuant to CFMEU FFPD Rule 14D and E, as well as the assets and liabilities of the funds recorded as if the fund was a separate entity.

17a: John Curtin Fund	2014	2013
	$	$
Balance at 1 January	**1,043,916**	972,253
Income		
Contributions	**34,588**	37,900
Interest received	**22,604**	33,763
Expenditure	**-**	-
Net movement	**57,192**	71,663
Balance at 31 December	**1,101,108**	1,043,916
Represented by:		
Cash at bank	**29,141**	320,730
Receivables	**376,967**	28,186
Loan to related entity	**245,000**	245,000
Loan to parent entity	**450,000**	450,000
Balance at 31 December	**1,101,108**	1,043,916

The John Curtin Fund – is for contributing members of the fund within Victoria. In terms of the CFMEU FFPD Rule 14D: "Those fund will be expended to members of those groups of members in a manner consistent with the purposes for which the funds were established and that manner shall not be changed without consultation and agreement with the relevant District Committee of Management."

17: Other funds (Continued)

17b: SA Workers Welfare Fund	2014	2013
	$	$
Balance at 1 January	**72,864**	70,218
Income		
Contributions	**208**	345
Interest received	**-**	2,374
Expenditure		
Bank charges	**-**	(73)
Net movement	**208**	2,646
Balance at 31 December	**73,072**	72,864
Represented by:		
Cash at bank	**316**	72,756
Investment	**72,756**	-
Receivables	**-**	108
Balance at 31 December	**73,072**	72,864

The SA Workers Support Fund - is for contributing members of the fund within the South Australian District. In terms of the CFMEU FFPD Rule 14D: "Those fund will be expended to members of those groups of members in a manner consistent with the purposes for which the funds were established and that manner shall not be changed without consultation and agreement with the relevant District Committee of Management."

17c: Pulp and Paper Workers' Support Fund	2014	2013
	$	$
Balance at 1 January	**2,164,587**	2,156,341
Income		
Levies	**123,034**	139,381
Interest received	**64,598**	87,995
Expenditure		
Campaign expenses	**(330,000)**	(200,000)
Donations	**(5,000)**	(5,000)
Legal expenses	**-**	(14,130)
Net movement	**(147,368)**	8,246
Balance at 31 December	**2,017,219**	2,164,587

17: Other funds (Continued)

17c: Pulp and Paper Workers' Support Fund (Continued)

Represented by:	2014	2013
	$	$
Cash at bank	1,779,539	2,017,580
Receivables	237,680	147,007
	2,017,219	2,164,587

The PPW Support Fund is for the members of the PPW District. In terms of the CFMEU FFPD Rule 14D: "Those fund will be expended to members of those groups of members in a manner consistent with the purposes for which the funds were established and that manner shall not be changed without consultation and agreement with the relevant District Committee of Management."

17d: NSW Support Fund	2014	2013
	$	$
Balance at 1 January	121,893	77,608
Income		
Contributions	40,340	42,201
Interest received	639	2,084
Expenditure		
Legal expenses	(44,682)	-
Net movement	(3,703)	44,285
Balance at 31 December	118,190	121,893
Represented by:		
Cash at bank	38,383	2,324
Investment	56,887	116,244
Receivables	22,920	3,325
Balance at 31 December	118,190	121,893

The NSW Support Fund is for the members of the NSW District. In terms of the CFMEU FFPD Rule 14D: "Those fund will be expended to members of those groups of members in a manner consistent with the purposes for which the funds were established and that manner shall not be changed without consultation and agreement with the relevant District Committee of Management."

18: Retained profits

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Movements in retained profits were as follows:				
Balance 1 January	**6,647,968**	2,250,635	**6,647,969**	2,241,674
Amount transferred from CFMEU FFTS Victoria Branch (Note 17b)	-	5,160,174	-	5,160,174
Transfer (to) other funds	**93,671**	(126,840)	**93,671**	(126,840)
Net (loss) for the year	**(1,370,783)**	(636,001)	**(1,370,752)**	(627,039)
Balance 31 December	**5,370,856**	6,647,968	**5,370,888**	6,647,969

(a) No specific funds or accounts have been operated in respect of compulsory levies or voluntary contributions.

(b) Re-structure	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Assets acquired:				
Cash on hand and at bank	-	5,068,301	-	5,068,301
Receivables & prepayments	-	286,405	-	286,405
Office equipment taken over at book value	-	8,501	-	8,501
Motor vehicles taken over at book value	-	202,400	-	202,400
	-	5,565,607	-	5,565,607
Less: Liabilities assumed				
Employee entitlements	-	(439,250)	-	(439,250)
Net assets acquired as per signed financial report	-	5,126,357	-	5,126,357
Add: membership reported on accrual basis	-	33,817	-	33,817
Total net assets acquired	-	5,160,174	-	5,160,174

In 2012, the union underwent a restructure including Rule changes which were certified by the General Manager of Fair Work Commission on 15 August 2012. The amendments made to the Rules provided for a substantial restructure of Districts, and creation of new offices and various other additions, amendments, rescissions and other alterations. As part of the restructure the assets and liabilities of the CFMEU FFTS Victoria Branch were transferred to the CFMEU FFPD.

19: Events occurring after reporting date

No matter or circumstance has arisen since the end of the financial year to the date of this report, that has or may significantly affect the activities of the Group, the results of those activities or the state of affairs of the Group in the ensuing or any subsequent financial year.

20: Commitments

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Lease commitments				
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:				
Within one year	9,895	1,084	9,895	1,084
Later than one year but not later than five years	18,814	-	18,814	-
	28,709	1,084	28,709	1,084

The group leases office and equipments under non-cancellable operating leases expiring within one to five years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated

Other commitments				
Campaign funding to the National Office				
Within one year	1,000,000	-	1,000,000	-
Later than one year but not later than five years	1,000,000	-	1,000,000	-
	2,000,000	-	2,000,000	-

21: Contingencies

There are no other known contingent assets or liabilities and commitments at 31 December 2014.

22: Other information

(i) Going Concern

The entity's ability to continue as a going concern is not reliant on financial support from another reporting unit.

(ii) Financial Support

No financial support has been provided to another reporting unit to ensure that it continues as a going concern. However, the entity has provided financial support to the CFMEU National Office.

(iii)Acquisition of assets and liability as part of a business combination

If assets and liabilities were acquired during the financial year as part of a business combination, the requirement of the Australian Accounting Standards will be complied with. No such acquisition has occurred during the financial year.

23: Wage recovery activities

All wage recovery activity has resulted in payments being made directly to members by employers. The reporting entity has not derived any revenue in respect of these activities.

24: Related party transactions

The Group's related parties include its key management personnel and related entities as described below.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

(a) Parent entity

The parent entity within the Group is Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division.

(b) Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

Name of entity	Country of incorporation	Class of shares	Equity holding 2014	Equity holding 2013
A.C.N. 117 909 127 Pty Ltd	Australia	Ordinary	100%	100%

(c) Transactions with related parties

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Sales of goods and services				
Sustentation fees from CFMEU C & G Qld/NT Divisional Branch	**11,388**	8,942	**11,388**	8,942
Rental income from CFMEU National Office	**25,000**	25,000	**25,000**	25,000
Secondment reimbursement from CFMEU C & G ACT Divisional Branch	**51,708**	-	**51,707**	-
Purchase of goods and services				
Campaign contribution to CFMEU National Office	**1,000,000**	505,000	**1,000,000**	505,000
Sustentation fee to CFMEU National Office	**198,972**	150,415	**198,972**	150,415
Reimbursement to CFMEU National Office in relation to the following costs:				
- Royal Commission	**244,615**	-	**244,615**	-
- ACTU levy	**29,044**	28,622	**29,044**	28,622
- subscription	**10,000**	-	**10,000**	-
- accommodation	**18,698**	-	**18,698**	-

(d) Outstanding balances arising from sales/purchases of goods and services

These balances are included in the notes on receivables and payables.

24: Related party transactions (Continued)

(e) The names of the Divisional Executive in office at any time during or since the end of the financial year are:

Members of Divisional Executive:

The names of the Divisional Executive in office at any time during or since the end of the financial year are:

Name	*Position*
Jane Calvert	FFPD National President
Michael O'Conner	FFPD National Secretary
Leo Skourdourmbis	FFPD National Senior Assistant Secretary
Alex Millar	FFPD National Assistant Secretary
Frank Vari	FFPD National Assistant Secretary
Craig Smith	FFPD National Senior Vice President
David Kirner	FFPD National Vice President
Bradley Coates	FFPD National Vice President
Kenneth Fraser	FFPD National Executive Member
Damian Cooke	FFPD National Executive Member
Kim Mason	FFPD National Executive Member
Cliff Palmer	FFPD National Executive Member
Andrew Vendramini	FFPD National Executive Member
Denise Campbell-Burns	FFPD National Executive Member
Scott McLean	FFPD National Executive Member
Terry Bennier	FFPD National Executive Member
Phil Davies	FFPD National Executive Member

(f) Other transactions

- As part of directorship arrangement for director fees, any officers or employees who are directors of a company or trustee of a superannuation scheme due to their positions of the entity are paid to the CFMEU directly.
- There were no other transactions between the officers of the Division other than those relating to reimbursement by the Division in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which is reasonable to expect would have been adopted by parties at arm's length.

(g) Loans to key management personnel

There are no loans between key management personnel and the entity.

24: Related party transactions (Continued)

(h) Key management personnel compensation	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
The aggregate compensation made to key management personnel of the Group is as follows:				
Short-term employee benefits				
Salary (including annual leave taken)	**976,353**	833,930	**976,353**	833,930
Leaves accrued	**(22,633)**	2,395	**(22,633)**	2,395
Total short-term employee benefits	**953,720**	836,325	**953,720**	836,325
Post-employment benefits:				
Superannuation	**138,280**	117,974	**138,280**	117,974
Total post-employment benefits	**138,280**	117,974	**138,280**	117,974
Other long-term benefits:				
Long-service leave	**40,321**	19,507	**40,321**	19,507
Total other long-term benefits	**40,321**	19,507	**40,321**	19,507
Termination benefits	**784**	713	**784**	713
Total	**1,133,105**	974,519	**1,133,105**	974,519

25: Cash flow information

(a) Receipts from other reporting units	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
Branches	$	$	$	$
CFMEU C & G Qld/NT Divisional Branch	11,638	9,836	11,638	9,836
CFMEU C & G ACT Divisional Branch	29,741	-	29,741	-
CFMEU National Office	90,591	36,169	90,591	36,169
	131,970	46,005	131,970	46,005

(a) Payments to other reporting units	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
Branches	$	$	$	$
CFMEU C & G Vic/Tas Education & Training Unit	590	-	590	-
CFMEU C & G - National Office	1,812	-	1,812	-
CFMEU C & G ACT Divisional Branch	43	-	43	-
CFMEU C &G Vic/Tas Divisional Branch	350	-	350	-
CFMEU C & G Qld/NT Divisional Branch	125	-	125	-
CFMEU C & G NSW Divisional Branch	10,311	-	10,311	-
CFMEU C & G SA Divisional Branch	1,375	-	1,375	-
CFMEU Mining and Energy National Office	1,246	-	1,246	-
CFMEU National Office	1,163,533	779,248	1,163,533	779,248
	1,179,385	779,248	1,179,385	779,248

25: Cash flow information (Continued)

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
(c) Reconciliation of cash flow from operations with (loss) after income tax				
(Loss) after income tax	**(1,370,783)**	(636,001)	**(1,370,752)**	(627,039)
Non-cash flows in (loss)				
Depreciation	**252,500**	253,496	**235,223**	242,841
Net (gain) loss on disposal of investments	**178**	1,747	**-**	-
Unrealised loss (gain) on investments	**24,526**	(7,119)	**25,627**	(7,856)
Provision for impairment	**-**	-	**12,897**	228,431
Revaluation of land and building	**(13,010)**	209,286	**-**	-
Non-cash distribution	**-**	(2,550)	**-**	(2,550)
Net (gain) loss on disposal of property, plant and equipment	**(66,265)**	78,599	**(66,265)**	78,599
Changes in assets and liabilities				
(Increase) in receivables	**(343,766)**	126,403	**(353,216)**	116,177
Increase (Decrease) in payables	**441,572**	(81,904)	**446,072**	(84,755)
Increase (Decrease) in provisions	**107,581**	(87,783)	**107,581**	(87,783)
Net cash flows from operating activities	**(967,467)**	(145,826)	**(962,833)**	(143,935)

26: Financial risk management

The group's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the group. The group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, other price risks and aging analysis for credit risk.

Risk management is carried out by management under policies approved by the Divisional Executive. The management identifies, evaluates and hedges financial risks as part of regular meetings. This identification and analysis includes an analysis of interest rate exposure and the evaluation of strategies in the context of most recent economic conditions.

(a) Market risk

(i) Foreign exchange risk

The Group is not exposed to foreign exchange risk.

(ii) Price risk

The Group is exposed to equity securities price risk. This arises from investments held by the Group and classified on the balance sheet either as available-for-sale or at fair value through profit or loss. To manage its price risk arising from investments in equity securities, the group only maintains a small portfolio.

The Group is not exposed to commodity price risk.

The Group's equity investments are publicly traded and are listed on the ASX.

The table below summarises the impact of increases/decreases of the indexes on the Group's post-tax profit for the year and on equity. The analysis is based on the assumption that the equity indexes had increased/(decreased) by 10% (2013 - 10%) with all other variables held constant and all the Group's equity instruments moved according to the historical correlation with the index.

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Effect on equity:				
Increase of equity index by 10%	**181,460**	133,888	**180,756**	133,319
Decrease of equity index by 10%	**(181,460)**	(133,888)	**(180,756)**	(133,319)

Equity would further increase/decrease as a result of gains/ (losses) on equity securities classified as available-for-sale.

The price risk for the unlisted securities is immaterial in terms of the possible impact on profit or loss or total equity. It has therefore not been included in the sensitivity analysis.

(iii) Cash flow and fair value interest rate risk

The group has no borrowings and is therefore not exposed to interest rate risk on liabilities. The group has investments in a variety of interest-bearing assets which have fixed interest rates and therefore are not subject to interest rate volatility.

26: Financial risk management (Continued)

(b) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. Cash transactions are limited to high credit quality financial institutions. Currently the investments are held in Australian banks. The group has no significant concentrations of credit risk. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets.

The credit quality of financial assets can be assessed by reference to external credit ratings as follows:

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Cash at bank:				
AA- Rating	**5,693,390**	7,066,816	**5,691,212**	7,059,578

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close-out market positions

(d) Sensitivity analysis

As at 31 December the effect on the (deficit)/surplus as a result of changes in interest rates, with all other variables remaining constant would be as follows:

	Consolidated Group		Parent Entity	
	2014	2013	2014	2013
	$	$	$	$
Effect on results:				
Increase of interest rates by 2%	**113,868**	141,336	**113,824**	141,191
Decrease of interest rates by 2%	**(113,868)**	(141,336)	**(113,824)**	(141,191)

26: Financial risk management (Continued)

(e) Maturity profile of financial instruments
The maturity profile of financial assets and liabilities held are detailed below

Group
2014

	Weighted Average Interest rate	Floating Interest rate	1 year or less	1 to 2 years	2 to 5 years	Non Interest bearing	Total
	%	$	$	$	$	$	$
Financial Assets							
Cash at bank	5	528,108	5,165,282	-	-	1,701	5,695,091
Trade and other receivables		-	-	-	-	1,088,283	1,088,283
Investments		-	-	-	-	1,814,607	1,814,607
		528,108	5,165,282	-	-	2,904,591	8,597,981
Financial Liabilities							
Trade and other payables		-	-	-	-	1,503,065	1,503,065
		-	-	-	-	1,503,065	1,503,065
Net Financial Assets		528,108	5,165,282	-	-	1,401,526	7,094,916

Group
2013

	Weighted Average Interest rate	Floating Interest rate	1 year or less	1 to 2 years	2 to 5 years	Non Interest bearing	Total
	%	$	$	$	$	$	$
Financial Assets							
Cash at bank	3	1,145,409	5,921,407	-	-	2,381	7,069,197
Trade and other receivables		-	-	-	-	728,069	728,069
Investments		-	-	-	-	1,338,885	1,338,885
		1,145,409	5,921,407	-	-	2,069,335	9,136,151
Financial Liabilities							
Trade & other payables		-	-	-	-	1,061,491	1,061,491
		-	-	-	-	1,061,491	1,061,491
Net Financial Assets		1,145,409	5,921,407	-	-	1,007,844	8,074,660

26: Financial risk management (Continued)

(e) Maturity profile of financial instruments (Continued)

Parent
2014

	Weighted Average Interest rate	Floating Interest rate	1 year or less	1 to 2 years	2 to 5 years	Non Interest bearing	Total
	%	$	$	$	$	$	$
Financial Assets							
Cash at bank	5	525,930	5,165,282	-	-	1,700	5,692,912
Other receivables		-	-	-	-	1,107,958	1,107,958
Loans to related parties	3	-	-	245,000	-	2,289,890	2,534,890
Investments		-	-	-	-	1,807,564	1,807,564
		525,930	5,165,282	245,000	-	5,207,112	11,143,324
Financial Liabilities							
Trade & other payables		-	-	-	-	1,503,065	1,503,065
		-	-	-	-	1,503,065	1,503,065
Net Financial Assets		525,930	5,165,282	245,000	-	3,704,047	9,640,259

Parent
2013

	Weighted Average Interest rate	Floating Interest rate	1 year or less	1 to 2 years	2 to 5 years	Non Interest bearing	Total
	%	$	$	$	$	$	$
Financial Assets							
Cash at bank	2	1,138,171	5,921,407	-	-	2,380	7,061,958
Other receivables		-	-	-	-	738,294	738,294
Loans to related parties	3	-	-	245,000	-	2,302,787	2,547,787
Investments		-	-	-	-	1,331,191	1,331,191
		1,138,171	5,921,407	245,000	-	4,374,652	11,679,230
Financial Liabilities							
Trade & other payables		-	-	-	-	1,056,991	1,056,991
		-	-	-	-	1,056,991	1,056,991
Net Financial Assets		1,138,171	5,921,407	245,000	-	3,317,661	10,622,239

27: Fair value measurement

(a) Fair value measurement of financial instruments

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3: unobservable inputs for the asset or liability.

The following table shows the Levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis at 31 December 2014 and 31 December 2013:

Group	Level 1		Level 2		Level 3		Total	
	2014	2013	2014	2013	2014	2013	2014	2013
	$	$	$	$	$	$	$	$
Assets								
Listed investments	10,266	8,698	-	-	-	-	10,266	8,698
Unlisted investments	-	-	-	-	127,905	127,905	127,905	127,905
Managed investments	-	-	1,676,436	1,202,282	-	-	1,676,436	1,202,282
Total assets	10,266	8,698	1,676,436	1,202,282	127,905	127,905	1,814,607	1,338,885

There were no transfers between Level 1, Level 2 and Level 3 in 2014 or 2013.

Listed investment – fair values have been determined by reference to their quoted bid prices at the reporting date.

The entity also has a number of assets and liabilities which are not measured at fair value, but for which fair values are disclosed in the notes.

The carrying amounts of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

27: Fair value measurement (Continued)

(b) Valuation techniques used to derive level 2 and level 3 fair values

(i) Recurring fair value measurements

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

(ii) Non-recurring fair value measurements

The entity does not have assets in this category.

(c) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended 31 December 2014 and 2013 for recurring fair value measurements:

	2014 $	2013 $
Opening balance	**127,905**	125,347
Transfer from other levels	-	-
Gains/(losses) recognised in other comprehensive income	-	2,558
Closing balance	127,905	127,905
Unrealised gains or (losses) recognised in profit or loss attributable to assets held at the end of the reporting period (included in gains/(losses) recognised in other income)	-	-

27: Fair value measurement (Continued)

(d) Fair value measurement of non-financial instruments

The following table shows the Levels within the hierarchy of non-financial assets measured at fair value on a recurring basis at 31 December 2014 and 31 December 2013:

Group	Level 1		Level 2		Level 3		Total	
	2014	2013	2014	2013	2014	2013	2014	2013
	$	$	$	$	$	$	$	$
Property, plant & equipment								
Land	-	-	-	-	**1,980,000**	1,979,584	**1,980,000**	1,979,584
Building	-	-	-	-	**542,546**	625,251	**542,546**	625,251
Building improvements					**-**	5,486	**-**	5,486
Total assets	-	-	-	-	**2,522,546**	2,610,321	**2,522,546**	2,610,321

Fair value of the group's property assets is estimated based on appraisals performed by independent, professionally-qualified property valuers. The significant inputs and assumptions are developed in close consultation with management. The valuation processes and fair value changes are reviewed by the Committee of Management at each reporting date.

The significant unobservable input is the adjustment for factors specific to the land and building in question. The extent and direction of this adjustment depends on the number and characteristics of the observable market transactions in similar properties that are used as the starting point for valuation. Although this input is a subjective judgement, management considers that the overall valuation would not be materially affected by reasonably possible alternative assumptions.

The reconciliation of the carrying amounts of non-financial assets classified within Level 3 is as follows:

Group	Land	Building	Building improvements	Total
	$	$	$	$
Opening net book amount	1,979,584	625,251	5,486	2,610,321
Disposals	(14,000)	(71,438)	-	(85,438)
Depreciation	-	(15,204)	(143)	(15,347)
Revaluation	14,416	3,937	(5,343)	13,010
Closing net book amount	1,980,000	542,546	-	2,522,546

28: Capital management

The group manages its capital to ensure that it will be able to continue as a going concern while maximising the return on investments. The Committee ensure that the overall risk management strategy is in line with this objective.

The capital structure of the group consists of cash and cash equivalents and members' funds, comprising reserves and retained earnings.

The Committee effectively manages the group's capital by assessing the group's financial risk and responding to changes in these risks and in the market. These responses may include the consideration of debts levels. There have been no changes to the strategy adopted by Committee to control capital of the entity since the previous year. No operations of the group are subject to external imposed capital requirements.

29: Disclosure requirements under the rules

In terms of the Rules of the CFMEU, the Union is required to provide additional disclosures.

a) *CFMEU Rule 24C and CFMEU FFPD Rule 14G - Officers' Material Personal Interests*

None of the Officers have disclosed any material personal interests in a matter that the officer has or acquires; or a relative of the officer has or acquires; that relates to the affairs of the Division.

b) *CFMEU Rule 24D and CFMEU FFPD Rule 14H - Payments to related parties and declared person or body of the Union*

Payments to related parties are disclosed under Note 24.

No payments were made by the Division to a declared person or body of the Division.

c) *CFMEU Rule 24B and CFMEU FFPD Rule 14F - Remuneration paid to the five highest paid officers of the Division and the two highest paid officers of the Districts.*

Name of officer	District/Office	*Wages*	*Superannuation*	*Other*	*Total*	*Note*	*Form of Non Cash Benefits*
Leo Skourdoumbis	Division	*101,853*	*15,060*	*1,300*	*118,213*		*Vehicle*
Denise Campbell Burns	Division	*95,580*	*12,925*	*6,424*	*114,929*	*Note1*	*Vehicle*
Frank Vari	Division	*96,763*	*13,964*	*1,300*	*112,027*	*Note1*	*Vehicle*
Jane Calvert	Division	*93,030*	*14,485*	*4,164*	*111,679*	*Note1*	*Vehicle*
Alex Millar	Division	*91,530*	*12,895*	*4,137*	*108,562*	*Note1*	*Vehicle*
Bradley Coates	Greater Green Triangle District	*85,945*	*12,624*	*650*	*99,219*		*Vehicle*
Craig Smith	New South Wales District	*86,098*	*12,085*	*3,919*	*102,102*	*Note1*	*Vehicle*
Phil Davies	New South Wales District	*77,215*	*10,404*	*650*	*88,269*		*Vehicle*
Denise Campbell Burns	PPW District	*95,580*	*12,925*	*6,424*	*114,929*	*Note1*	*Vehicle*

29: Disclosure requirements under the rules (Continued)

c) *CFMEU Rule 24B and CFMEU FFPD Rule 14F - Remuneration paid to the five highest paid officers of the Division and the two highest paid officers of the Districts. (Continued)*

Name of officer	District/Office	*Wages*	*Superannuation*	*Other*	*Total*	*Note*	*Form of Non Cash Benefits*
Alex Millar	PPW District	*91,530*	*12,895*	*4,137*	*108,562*	*Note1*	*Vehicle*
David Kirner	South Australian District	*85,121*	*13,016*	*3,265*	*101,402*	*Note1*	*Vehicle*
Mark Nicholls	South Australian District	*72,031*	*10,567*	*650*	*83,248*		*Vehicle*
Frank Vari	Victorian District	*96,763*	*13,964*	*1,300*	*112,027*	*Note1*	*Vehicle*
Andrew Vendramini	Victorian District	*61,408*	*8,960*	*1,300*	*71,668*		*Vehicle*
Scott Mclean	Tasmanian District	*9,558*	*1,242*	*0*	*10,800*		*Nil*

In terms of the rules:

"Remuneration"

(i) Includes pay, wages, salary, fees, allowances, leave, benefits or other entitlements; but
(ii) Does not include a non-cash benefit; and
(iii) Does not include the reimbursement or payment of reasonable expenses incurred in the course of the office carrying out his or her duties

Note 1:
These officers were entitled to receive director's fees during the period of disclosure but elected not to receive those fees which were instead directed to and paid to the Union.
Note 2:
Where there is only one officer disclosed for a District, there is only one officer in this District.
Note 3:
In some cases officers are both officers of Division and a District. In this case the officer's total remuneration is disclosed under both areas.

CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION
FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION
ABN 34 183 611 895
AND CONTROLLED ENTITY

STATEMENT BY DIVISIONAL EXECUTIVE

On the 29 of May 2015, the Divisional Executive of the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2014:

The Committee of Management declares that in its opinion:

1. the financial statements and notes comply with Australian Accounting Standards;
2. the financial statements and notes comply with the reporting guidelines of the General Manager;
3. 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;
4. there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable; and
5. during the financial year to which the GPFR relates and since the end of that year:
   a. meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
   b. 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
   c. the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
   d. the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
   e. the information sought in any request of a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been furnished to the members or the General Manager;
   f. no order for inspection of financial records have been made by the Fair Work Commission under section 273 of the RO Act.
6. All wage recovery activity has resulted in payments being made directly to members by employers. The reporting unit has not derived any revenue in respect of these activities.

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

Signature of designated officer:
Name of designated officer: Michael O'Conner - CFMEU FFPD National Secretary

Signature of designated officer:
Name of designated officer: Jane Calvert - CFMEU FFPD National President

Dated: 29 May 2015

BGL PARTNERS
CHARTERED ACCOUNTANTS

Suite 1, Ground Floor
598 St Kilda Rd
MELBOURNE VIC 3004

All correspondence to
PO Box 6094
MELBOURNE VIC 3004

E bgl@bglpartners.com.au
T (03) 9525 2511
F (03) 9525 2829
W bglpartners.com.au

ABN 96 006 935 459

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION

Report on the financial report

We have audited the accompanying financial report of the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division and consolidated group, 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, statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Divisional Executive of the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division. The consolidated group comprising the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division and the entity it controlled at the year's end or from time to time during the financial year.

Divisional Executive's responsibility for the financial report

The Divisional Executive 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 Divisional Executive determines as 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 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 judgment, 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 Divisional Executive, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by the Divisional Executive.

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

BGL PARTNERS
CHARTERED ACCOUNTANTS

Suite 1, Ground Floor
598 St Kilda Rd
MELBOURNE VIC 3004

All correspondence to
PO Box 6094
MELBOURNE VIC 3004

E bgl@bglpartners.com.au
T (03) 9525 2511
F (03) 9525 2829
W bglpartners.com.au

ABN 96 006 935 459

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION FORESTRY, FURNISHING, BUILDING PRODUCTS AND MANUFACTURING DIVISION (Continued)

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Opinion

In our opinion:

- the general purpose financial report of Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division and consolidated group presents fairly, in all material respects, the financial position of Construction, Forestry, Mining and Energy Union - Forestry, Furnishing, Building Products and Manufacturing Division and consolidated group as at 31 December 2014 and the results of its operations, its changes in equity and cash flows for the year then ended, in accordance with any of the following that apply to the entity:

  a) the Australian Accounting Standards; and

  b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009*.

- the Divisional Executive's use of the going concern basis of accounting in the preparation of the Division's financial statements is appropriate.

BGL Partners
Chartered Accountants

I. A. Hinds - C.A. – Partner
Approved Auditor
(Member of The Institute of Chartered Accountants in Australia and holder of current Public Practice Certificate)

Melbourne
29 May 2015

Chartered Accountants

12 June 2015

Mr Michael O'Connor
National Secretary / Divisional Secretary
Construction, Forestry, Mining and Energy Union - FFPD No. 1 National Branch, The Forestry, Furnishing, Building Products and Manufacturing Division
Sent via email: industrial@cfmeuffpd.org

Dear Mr O'Connor,

Lodgement of Financial Report - Reminder to lodge on or before 15 July 2015

The Fair Work Commission's (the FWC) records disclose that the financial year of the FFPD No. 1 National Branch, The Forestry, Furnishing, Building Products and Manufacturing Division of the Construction, Forestry, Mining and Energy Union (the reporting unit) ended on the 31 December 2014.

As you would be aware, the *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires that a reporting unit prepare a financial report in accordance with the RO Act, make it available to the members and then must lodge the financial report within 14 days after the general meeting of members, or if the rules of the reporting unit allow, the Committee of Management meeting (s.268).

The maximum period of time allowed under the RO Act for the completion of the financial reporting process is six months and 14 days after the expiry date of its financial year (s.253, s254, s265, s.266, s.268). For your reporting unit that requires lodgement of its financial report on or before **15 July 2015, and in any event no later than 14 days after the relevant meeting.**

The FWC encourages your reporting unit to lodge its financial report at the earliest opportunity in order to ensure compliance with its obligations. Failure of a reporting unit to lodge its financial report is a breach of a civil penalty provision of the RO Act. This can result in the General Manager instituting an inquiry or investigation into a reporting unit's non-compliance under Chapter 11, Part 4 of the RO Act. The actions available to the General Manager following an investigation include issuing Federal Court legal proceedings for breach of a civil penalty provision. The orders available to the Federal Court include imposition of a pecuniary penalty on the organisation or individual officer, whose conduct led to the contravention, of up to $51,000 per contravention on the organisation and up to $10,200 per contravention on the individual officer.

We encourage you to lodge the full financial report directly to orgs@fwc.gov.au. That is the official email address for electronic lodgements of material related to registered organisations matters.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7936 or via email at robert.pfeiffer@fwc.gov.au.

Yours sincerely,

Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch

FairWork Commission

13 January 2015

Mr Michael O'Connor
National Secretary / Divisional Secretary
Construction, Forestry, Mining and Energy Union - FFPD No. 1 National Branch - The Forestry, Furnishing, Building Products and Manufacturing Division
Sent via email: industrial@cfmeuffpd.org

Dear Mr O'Connor,

Re: Lodgement of Financial Report - [FR2014/456]
Fair Work (Registered Organisations) Act 2009 (the RO Act)

The financial year of the FFPD No. 1 National Branch - The Forestry, Furnishing, Building Products and Manufacturing Division of the Construction, Forestry, Mining and Energy Union (the reporting unit) ended on 31 December 2014.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date, namely 15 July 2015 (being the expiry date of 6 months and 14 days from the end of the financial year), under s.268 of the RO Act.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. Further, the General Manager's updated Reporting Guidelines that apply to all financial reports prepared on or after 30 June 2014 are also available on the website supported by a webinar presentation.

The Fair Work Commission has also developed a model set of financial statements. There is no requirement to use this model but it may be a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. All of the above information can be accessed through our website under Financial Reporting.

I request that the financial report and any statement of loans, grants or donations made during the financial year (statement must be lodged within 90 days of end of financial year) be emailed, rather than posted, to orgs@fwc.gov.au. A sample statement of loans, grants or donations is available at sample documents.

It should be noted that s.268 is a civil penalty provision. Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to $51,000 for a body corporate and $10,200 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7936 or via email at robert.pfeiffer@fwc.gov.au.

Yours sincerely,

Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch

11 Exhibition Street
Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001

Telephone : (03) 8661 7777
Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
Prepare financial statements and Operating Report.		As soon as practicable after end of financial year
(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement. (b) A #designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).	/ /	As soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	Within a reasonable time of having received the GPFR (NB: Auditor's report must be dated on or after date of Committee of Management Statement
Provide full report free of charge to members – s265 The full report includes: • the General Purpose Financial Report (which includes the Committee of Management Statement); • the Auditor's Report; and • the Operating Report.	/ /	*(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,* *or* *(b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.*
Present full report to: (a) General Meeting of Members - s266 (1),(2); OR	/ /	*Within 6 months of end of financial year*
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	*Within 6 months of end of financial year*
Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268	/ /	*Within 14 days of meeting*

* *the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.*

\# *The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.*

++ *The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.*