Australian Government
Registered Organisations Commission

8 August 2017

Mr Michael O'Connor
CFMEU FFPD National Secretary
Construction, Forestry, Mining and Energy Union - FFPD National Branch - The Forestry, Furnishing, Building Products and Manufacturing Division
industrial@cfmeuffpd.org

CC: ian.hinds@bglpartners.com.au

Dear Mr O'Connor,

Construction, Forestry, Mining and Energy Union - FFPD National Branch - The Forestry, Furnishing, Building Products and Manufacturing Division
Financial Report for the year ended 31 December 2016 - [FR2016/365]

I acknowledge receipt of the financial report of the Construction, Forestry, Mining and Energy Union - FFPD National Branch - The Forestry, Furnishing, Building Products and Manufacturing Division. The documents were lodged with the Registered Organisations Commission (the ROC) on 20 June 2017. I also acknowledge an amended designated officer's certificate which was lodged with the ROC on 4 August 2017.

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

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

Please note that the financial report for the year ending 31 December 2017 may be subject to an advanced compliance review.

Reporting Requirements

New Reporting Guidelines will apply to organisations and branches with financial years commencing on or after 1 July 2017. Updates and information on the new guidelines will be provided through the ROC website and the subscription service.

On the ROC website is a number of factsheets in relation to the financial reporting process and associated timelines. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The ROC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via this link.

If you have any queries regarding this letter, please contact me on (02) 8293 4654 or via email at david.vale@roc.gov.au.

Yours faithfully

David Vale
Principal Adviser, Financial Reporting
Registered Organisations Commission

VALE, David

From:	Alice Vickerman <avickerman@cfmeu.org>
Sent:	Friday, 4 August 2017 12:13 PM
To:	ROC - Registered Org Commission
Cc:	VALE,David
Subject:	CFMEU FFPD - amended designated officer's certificate for annual financial report 31 December 2016
Attachments:	Amended CFMEU FFPD designated officer's certificate 4 August 2017.pdf; FFPD National Div financial report 2016.pdf

Dear Registry

Further to speaking yesterday, 3 August, with the Commission's Mr David Vale, I have attached correspondence to the Commissioner, including an amended designated officer's certificate for the 2016 financial report for the FFPD division of the CFMEU.

I have attached also the 2016 financial report for the FFPD to which the certificate refers; this report was lodged previously with an incorrect designated officer's certificate.

Sincerely

Alice Vickerman
National Risk and Compliance Officer
Construction, Forestry, Mining and Energy Union
500 Swanston Street, CARLTON SOUTH VIC 3053
03 9274 9205
0451 835 959

http://www.standupspeakoutcomehome.org.au/

CFMEU
NATIONAL OFFICE
Construction Forestry Mining & Energy Union

4 August 2017

Mr Mark Bielecki
Commissioner
Registered Organisations Commission
GPO Box 2983
MELBOURNE VIC 3001

By email: regorgs@roc.gov.au
cc: David.Vale@roc.gov.au

Dear Commissioner

RE DESIGNATED OFFICER'S CERTIFICATE – ANNUAL FINANCIAL REPORT 2016, CFMEU FFPD

The financial report of the Forestry, Furnishing, Building and Manufacturing Division of the CFMEU for the financial year ending 31 December 2016 was lodged with the Registered Organisations Commission on 20 June 2017.

Mr David Vale, Principal Adviser of Financial Reporting, has notified the union that the designated officer's certificate lodged with the financial report indicates the report was provided to the membership prior to the date of the auditor's report to the membership.

Unfortunately, there was a typographical error in the designated officer's certificate which stated that the financial report was provided to the membership on 30 May 2017. This is not the case and I can confirm that, in accordance with Section 265(5) of the *Fair Work (Registered Organisations) Act 2009*, the report was presented to the FFPD membership on 31 May 2017, subsequent to the auditors having signed the independent auditor's report to the members, also on 31 May 2017.

This error has been corrected in the attached designated officer's certificate. Any difficulty caused is regretted and I thank the Commission for the opportunity to correct the typographical error and to re-lodge the certificate and the accompanying financial report.

Yours sincerely

MICHAEL O'CONNOR
National Secretary
CFMEU

Construction Forestry Mining and Energy Union
National Office

Michael O'Connor
National Secretary
ABN 17 402 743 835

500 Swanston Street
Carlton South VIC 3053

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CFMEU

Divisional Office
500 Swanston Street
CARLTON SOUTH VIC 3053
Phone: (03) 9274 9200
Fax: (03) 9274 9284
Freecall: 1800 060 556

Certificate of the prescribed designated officer for the period ended 31 December 2016 - s.268 *Fair Work (Registered Organisations) Act 2009*

I, Michael O'Connor, being the National Secretary of the Forestry, Furnishing, Building Products and Manufacturing Division [FFPD] of the Construction, Forestry, Mining and Energy Union certify:

- that the documents lodged herewith are copies of the full report for the CFMEU FFPD for the period ended 31 December 2016 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and

- that the full report was provided to members of the reporting unit on 31 May 2017; and

- that the full report was presented to a meeting of the committee of management of the reporting unit on 19 June 2017 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:

Name of prescribed designated officer:
MICHAEL O'CONNOR

Title of prescribed designated officer:
NATIONAL SECRETARY

Dated:
4 AUGUST 2017

VALE, David

From:	VALE,David
Sent:	Thursday, 3 August 2017 4:24 PM
To:	'avickerman@cfmeu.org'
Subject:	FR2016/365 - CFMEU FFPD-Financial Report 2016 [SEC=UNCLASSIFIED]
Attachments:	FFPD Financial Report 31 Dec 2016.pdf; FFPD designated officer certificate fin report 31.12.2016.pdf
Importance:	High

UNCLASSIFIED

Dear Alice

Thank you for lodging the financial report of the FFBPM Division of the Construction, Forestry, Mining and Energy Union in matter FR2016/365. As discussed with you, the designated officer's certificate states that the full report was provided to members on 30 May 2017, whilst the auditor's report was signed on 31 May 2017. Section 265(1) of the Fair Work (Registered Organisations) Act 2009 requires the full report which is provided to members must include a signed copy of the auditor's report.

Consequently, could you please arrange for a replacement designated officer's certificate to be re-lodged once the full report has been provided to members.

Yours sincerely

DAVID VALE
Principal Adviser
Financial Reporting
Registered Organisations Commission

Tel: (02) 8293 4654
david.vale@roc.gov.au

GPO Box 2983, MELBOURNE VIC 3001 | Street address: Level 13, 175 Liverpool Street Sydney NSW 2000

www.roc.gov.au

Australian Government
Registered Organisations Commission

From: Alice Vickerman [mailto:avickerman@cfmeu.org]
Sent: Tuesday, 20 June 2017 6:09 PM
To: ROC - Registered Org Commission
Subject: FR2016/365 - CFMEU FFPD-Financial Report 2016

Dear Registry

I attach for lodgement the financial report for the year ended 31 December 2016 for the Forestry, Furnishing, Building Products and Manufacturing Division of the CFMEU.

I also attach the designated officer's certificate.

With thanks,

Alice Vickerman
National Risk and Compliance Officer
Construction, Forestry, Mining and Energy Union
500 Swanston Street, CARLTON SOUTH VIC 3053
03 9274 9205
0451 835 959

http://www.standupspeakoutcomehome.org.au/

VALE,David

From: Alice Vickerman <avickerman@cfmeu.org>
Sent: Tuesday, 20 June 2017 6:09 PM
To: ROC - Registered Org Commission
Subject: FR2016/365 - CFMEU FFPD-Financial Report 2016
Attachments: FFPD Financial Report 31 Dec 2016.pdf; FFPD designated officer certificate fin report 31.12.2016.pdf

FR2016/365
Dear Registry

I attach for lodgement the financial report for the year ended 31 December 2016 for the Forestry, Furnishing, Building Products and Manufacturing Division of the CFMEU.

I also attach the designated officer's certificate.

With thanks,

Alice Vickerman
National Risk and Compliance Officer
Construction, Forestry, Mining and Energy Union
500 Swanston Street, CARLTON SOUTH VIC 3053
03 9274 9205
0451 835 959

CFMEU

Divisional Office
500 Swanston Street
CARLTON SOUTH VIC 3053
Phone: (03) 9274 9200
Fax: (03) 9274 9284
Freecall: 1800 060 556

Certificate of the prescribed designated officer for the period ended 31 December 2016 - s.268 *Fair Work (Registered Organisations) Act 2009*

I, Michael O'Connor, being the National Secretary of the Forestry, Furnishing, Building Products and Manufacturing Division [FFPD] of the Construction, Forestry, Mining and Energy Union certify:

- that the documents lodged herewith are copies of the full report for the CFMEU FFPD for the period ended 31 December 2016 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 30 May 2017; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 19 June 2017 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of ~~prescribed~~ designated officer:

Name of prescribed designated officer:

MICHAEL O'CONNOR

Title of prescribed designated officer:

NATIONAL SECRETARY

Dated:

20 JUNE 2017

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 2016

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
500 Swanston Street
CARLTON SOUTH VIC 3053

The financial report was authorised for issue by the Divisional Executive on 30 May 2017.

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 2016.

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'Connor	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 (resigned 27 April 2017)	FFPD National Executive Member
Damian Cooke (resigned 27 April 2017)	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 (resigned 13 February 2017)	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.

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.

OPERATING REPORT (CONTINUED)

Review of Principal activities and results of operations (Continued)

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.

The Construction, Forestry, Mining and Energy Union (CFMEU) and the Textile Clothing and Footwear Union of Australia (TCFUA) have signed a Memorandum of Understanding (MOU) on the 26 October 2016 expressing an in principle agreement to amalgamate. Under the terms of the MOU the TCFUA would be incorporated into the CFMEU Forestry, Furnishings, Building Products and Manufacturing Division.

Ongoing discussions have commenced and at the date of this Financial Report the discussions are continuing.

Significant changes in state of affairs

During the year, the Division contributed $1,030,000 towards the CFMEU National Office Campaign. 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 2016 was 44 (2015: 46).

The number of members of the union at 31 December 2016 was 11,033 (2015: 10,588).

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'Connor	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'Connor
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: 30 May 2017

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 2016

	Notes	Consolidated Group		Parent Entity	
		2016	2015	2016	2015
		$	$	$	$
Revenue from continuing operations	4	**4,715,171**	4,615,816	**4,715,171**	4,615,816
Other revenue	4	**4,436,657**	3,245,475	**3,920,138**	3,248,987
Administrative expenses		**(374,966)**	(466,529)	**(374,906)**	(466,438)
Affiliation fee	7	**(361,319)**	(322,017)	**(361,319)**	(322,017)
Depreciation		**(232,101)**	(223,503)	**(227,404)**	(206,866)
Campaign expenses		**(1,035,790)**	(1,004,823)	**(1,035,790)**	(1,004,823)
Communication - members		**(97,157)**	(122,098)	**(97,157)**	(122,098)
Conference and meetings		**(150,300)**	(142,751)	**(150,300)**	(142,751)
Legal and professional fees	8	**(175,269)**	(509,085)	**(170,163)**	(501,477)
Motor vehicle expenses		**(257,220)**	(286,693)	**(257,220)**	(286,693)
Occupancy expenses		**(356,568)**	(244,872)	**(356,568)**	(244,872)
Telephone expenses		**(86,718)**	(75,326)	**(86,718)**	(75,326)
Salaries and related expenses	9	**(5,924,624)**	(5,894,305)	**(5,924,624)**	(5,894,305)
Travel and accommodation expenses		**(520,739)**	(482,815)	**(520,739)**	(482,815)
Loss on disposal of assets		**(25,592)**	(9,153)	**(25,542)**	(8,377)
Impairment loss		**-**	-	**-**	(27,399)
		(9,598,363)	(9,783,970)	**(9,588,450)**	(9,786,257)
(Deficit) before income tax		**(446,535)**	(1,922,679)	**(953,141)**	(1,921,454)
Income tax expense	6	**-**	-	**-**	-
(Deficit) attributable to members		**(446,535)**	(1,922,679)	**(953,141)**	(1,921,454)
Other comprehensive income		**-**	-	**-**	-
Total comprehensive (loss) for the year		**(446,535)**	(1,922,679)	**(953,141)**	(1,921,454)

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 2016

	Notes	Consolidated Group		Parent Entity	
		2016	2015	2016	2015
		$	$	$	$
ASSETS					
Current assets					
Cash and cash equivalents	10	**2,239,765**	3,903,359	**2,238,282**	3,902,180
Trade and other receivables	11	**1,004,781**	1,183,730	**1,038,306**	1,210,205
Total current assets		**3,244,546**	5,087,089	**3,276,588**	5,112,385
Non-current assets					
Trade and other receivables	12	-	-	**3,316,707**	2,507,491
Financial assets	13	**1,857,889**	1,830,302	**1,850,371**	1,822,844
Property, plant and equipment	14	**4,596,186**	3,291,180	**745,005**	762,507
Total non-current assets		**6,454,075**	5,121,482	**5,912,083**	5,092,842
Total assets		**9,698,621**	10,208,571	**9,188,671**	10,205,227
LIABILITIES					
Current liabilities					
Bank overdraft	15	**150,424**	-	**150,424**	-
Trade and other payables	16	**1,348,484**	1,350,711	**1,343,883**	1,346,110
Employee benefit obligations	17	**1,858,032**	2,072,370	**1,858,032**	2,072,370
Total current liabilities		**3,356,940**	3,423,081	**3,352,339**	3,418,480
Non-current liabilities					
Employee benefit obligations	17	**30,450**	27,724	**30,450**	27,724
Total non-current liabilities		**30,450**	27,724	**30,450**	27,724
Total liabilities		**3,387,390**	3,450,805	**3,382,789**	3,446,204
Net assets		**6,311,231**	6,757,766	**5,805,882**	6,759,023
MEMBERS' FUND					
Other funds	18	**3,038,860**	2,845,149	**3,038,860**	2,845,149
Retained profits	19	**3,272,371**	3,912,617	**2,767,022**	3,913,874
Total members' fund		**6,311,231**	6,757,766	**5,805,882**	6,759,023

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 2016

	Other Funds $	Retained profits $	Total $
Consolidated Group			
Balance at 1 January 2015	3,309,589	5,370,856	8,680,445
(Deficit) for the year	-	(1,922,679)	(1,922,679)
Transfer to other funds	(464,440)	464,440	-
Balance at 31 December 2015	2,845,149	3,912,617	6,757,766
Balance at 1 January 2016	2,845,149	3,912,617	6,757,766
(Deficit) for the year	-	(446,535)	(446,535)
Transfer to other funds	193,711	(193,711)	-
Balance at 31 December 2016	3,038,860	3,272,371	6,311,231
Parent Entity			
Balance at 1 January 2015	3,309,589	5,370,888	8,680,477
(Deficit) for the year	-	(1,921,454)	(1,921,454)
Transfer to reserve	(464,440)	464,440	-
Balance at 31 December 2015	2,845,149	3,913,874	6,759,023
Balance at 1 January 2016	2,845,149	3,913,874	6,759,023
(Deficit) for the year	-	(953,141)	(953,141)
Transfer to other funds	193,711	(193,711)	-
Balance at 31 December 2016	3,038,860	2,767,022	5,805,882

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 2016

	Notes	Consolidated Group		Parent Entity	
		2016	2015	2016	2015
		$	$	$	$
Cash flows from operating activities					
Receipts from other reporting units	25(a)	**59,517**	111,718	**59,517**	111,718
Membership fees received		**5,194,309**	5,062,318	**5,194,309**	5,062,318
Receipts from controlled entities		**-**	-	**-**	-
Service contract fees received		**1,666,732**	1,858,598	**1,666,732**	1,858,598
Consultancy fees received		**430,492**	463,492	**430,492**	463,492
Other income		**835,802**	1,177,820	**837,841**	1,174,699
Payments to suppliers and employees		**(8,385,895)**	(8,620,021)	**(8,387,864)**	(8,615,701)
Payments to other reporting units	25(b)	**(1,545,429)**	(2,040,330)	**(1,545,429)**	(2,040,330)
Payments to controlled entities		**-**	-	**-**	-
Dividends/Distribution received		**101,281**	112,279	**100,908**	111,959
Interest received		**74,149**	151,549	**74,148**	151,549
Net cash (outflow) from operating activities	25(c)	**(1,569,042)**	(1,722,577)	**(1,569,346)**	(1,721,698)
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		**46,818**	44,778	**46,818**	44,778
Payment for property, plant and equipment		**(282,062)**	(69,956)	**(282,062)**	(69,956)
Proceeds from sale of investments		**499,173**	-	**499,173**	-
Payment for investments		**(476,330)**	(121)	**(476,330)**	-
Net cash (outflow) from investing activities		**(212,401)**	(25,299)	**(212,401)**	(25,178)
Cash flows from financing activities					
Loan to related party		**(32,575)**	(43,856)	**(32,575)**	(43,856)
Net cash (outflow) from financing activities		**(32,575)**	(43,856)	**(32,575)**	(43,856)
Net (decrease) in cash and cash equivalents		**(1,814,018)**	(1,791,732)	**(1,814,322)**	(1,790,732)
Cash and cash equivalents at beginning of financial year		**3,903,359**	5,695,091	**3,902,180**	5,692,912
Cash and cash equivalents at end of financial year	10(a)	**2,089,341**	3,903,359	**2,087,858**	3,902,180

The above statements of cash flows 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 RECOVERY OF WAGES ACTIVITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
Cash assets in respect of recovered money at beginning of year	-	-	-	-
Receipts				
Amounts recovered from employers in respect of wages	104,839	-	104,839	-
Interest received on recovered money	-	-	-	-
Total receipts	104,839	-	104,839	-
Payments				
Deductions of amounts due in respect of membership for:				
12 months or less	3,973	-	3,973	-
Greater than 12 months	595	-	595	-
Deductions of donations or other contributions to accounts or funds of:				
The reporting unit:				
name of account	-	-	-	-
name of fund	-	-	-	-
Name of other reporting unit of the organisation:				
name of account	-	-	-	-
name of fund	-	-	-	-
Name of other entity:				
name of account	-	-	-	-
name of fund	-	-	-	-
Deductions of fees or reimbursement of expenses	33,166	-	33,166	-
Payments to workers in respect of recovered money	65,489	-	65,489	-
Total payments	103,223	-	103,223	-
Cash assets in respect of recovered money at end of year	1,616	-	1,616	-
Number of workers to which the monies recovered relates	12	-	12	-
Aggregate payables to workers attributable to recovered monies but not yet distributed				
Payable balance	1,616	-	1,616	-
Number of workers the payable relates to	2	-	2	-
Fund or account operated for recovery of wages				
CFMEU SA Trust Account	416	-	416	-
CFMEU FFPD Account	1,200	-	1,200	-

The above statements of recovery of wages activity 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 2016:

• AASB 2015-1 Amendments to Australian Accounting Standards (including Part A: Annual Improvements 2010-2012 and 2011-2013 Cycles and Part B: Defined Benefit Plans: Employee Contributions – Amendments to AASB 119)
The adoption of the improvements made in the 2012-2012 Cycle has required additional disclosures in our segment note. Other than that, the adoption of these amendments did not have any impact on the current period or any prior period and is not likely to affect future periods.

1: Summary of significant accounting policies (Continued)

(a) Basis of Preparation (Continued)

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 2016 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.

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.

1: Summary of significant accounting policies (Continued)

(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:

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.

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.

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)

1: Summary of significant accounting policies (Continued)

(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.

(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.

1: Summary of significant accounting policies (Continued)

(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.

Reclassification

The entity may choose to reclassify a non-derivative trading financial asset out of the held for trading category if the financial asset is no longer held for the purpose of selling it in the near term. Financial assets other than loans and receivables are permitted to be reclassified out of the held for trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term. In addition, the entity may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held for trading or available-for-sale categories if the entity has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

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.

1: Summary of significant accounting policies (Continued)

(j) Investment and other financial assets (Continued)

Measurement

At initial recognition, the entity measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Loans and receivables and held-to-maturity investments are subsequently carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value are recognised as follows:

- for 'financial assets at fair value through profit or loss' – in profit or loss within other income or other expenses
- for available-for-sale financial assets that are monetary securities denominated in a foreign currency – translation differences related to changes in the amortised cost of the security are recognised in profit or loss and other changes in the carrying amount are recognised in other comprehensive income
- for other monetary and non-monetary securities classified as available-for-sale – in other comprehensive income.

Dividends on financial assets at fair value through profit or loss and available-for-sale equity instruments are recognised in profit or loss as part of revenue from continuing operations when the entity's right to receive payments is established.

Interest income from financial assets at fair value through profit or loss is included in the net gains/(losses). Interest on available-for-sale securities, held-to-maturity investments and loans and receivables calculated using the effective interest method is recognised in the statement of profit or loss as part of revenue from continuing operations

Impairment

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

Assets carried at amortised cost

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

1: Summary of significant accounting policies (Continued)

(j) Investment and other financial assets (Continued)

Impairment (Continued)

Assets classified as available-for-sale
If there is objective evidence of impairment 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 or loss – is removed from equity and recognised in profit or loss.

Impairment losses on equity instruments that were recognised in profit or loss are not reversed through profit or loss in a subsequent period.

If the fair value of a debt instrument classified as available-for-sale increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

(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
Leasehold improvement	50%	Straight line
Motor Vehicles	22.5%	Diminishing Value
Office equipment	10.0% – 33.33%	Diminishing Value
Furniture, fittings & equipment	5.0% – 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.

1: Summary of significant accounting policies (Continued)

(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.

(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) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period 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 end of the reporting period of government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

1: Summary of significant accounting policies (Continued)

(n) Employee benefits (Continued)

(iii) Termination benefits

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The entity recognises termination benefits at the earlier of the following dates: (a) when the entity can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of AASB 137 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period 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.

(p) Fair value estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the entity is the current bid price.

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.

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.

1: Summary of significant accounting policies (Continued)

(q) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2016 reporting periods and have not been early adopted by the group. The group's assessment of the impact of these new standards and interpretations is set out below.

<table>
<tr><td>Title of Standard</td><td>AASB 9 Financial Instruments</td></tr>
<tr><td>Nature of change</td><td>AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities and includes a forward-looking 'expected loss' impairment model and a substantially-changed approach to hedge accounting. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139.

The main changes are:
a. Financial assets that are debt instruments will be classified based on: (i) the objective of the entity's business model for managing the financial assets; and (ii) the characteristics of the contractual cash flows.
b. Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income (instead of in profit or loss). Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.
c. Introduces a 'fair value through other comprehensive income' measurement category for particular simple debt instruments.
d. Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.
e. Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows:
• the change attributable to changes in credit risk are presented in Other Comprehensive Income (OCI)
• the remaining change is presented in profit or loss. If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.
• Otherwise, the following requirements have generally been carried forward unchanged from AASB 139 into AASB 9:
• classification and measurement of financial liabilities; and
• derecognition requirements for financial assets and liabilities.

AASB 9 requirements regarding hedge accounting represent a substantial overhaul of hedge accounting that enable entities to better reflect their risk management activities in the financial statements. Furthermore, AASB 9 introduces a new impairment model based on expected credit losses. This model makes use of more forward-looking information and applies to all financial instruments that are subject to impairment accounting. When this standard is first adopted for the year ending 31 December 2018, there will be no material impact on the transactions and balances recognised in the financial statements.</td></tr>
</table>

1: Summary of significant accounting policies (Continued)

(q) New accounting standards and interpretations (Continued)

Title of Standard	**AASB 9 Financial Instruments (Continued)**
Application date	Must be applied for financial years commencing on or after 1 January 2018. Based on the transitional provisions in the completed AASB 9, early adoption in phases was only permitted for annual reporting periods beginning before 1 February 2015. After that date, the new rules must be adopted in their entirety. The entity does not intend to adopt AASB 9 before its mandatory date.

Title of Standard	**AASB 15 Revenue from Contracts with Customers**
Nature of change	AASB 15 replaces AASB 118 Revenue, AASB 111 Construction Contracts and some revenue-related Interpretations: – establishes a new revenue recognition model – changes the basis for deciding whether revenue is to be recognised over time or at a point in time – provides new and more detailed guidance on specific topics (e.g. multiple element arrangements, variable pricing, rights of return, warranties and licensing) – expands and improves disclosures about revenue In May 2015, the AASB issued ED 260 Income of Not-for-Profit Entities, proposing to replace the income recognition requirements of AASB 1004 Contributions and provide guidance to assist not-for-profit entities to apply the principles of AASB 15. The ED was open for comment until 14 August 2015 and the AASB is currently in the process of redeliberating its proposals with the aim of releasing the final amendments in late 2016. At this stage, the entity is not able to estimate the effect of the new rules on the entity's financial statements. The entity will make more detailed assessments of the effect over the next twelve months.
Application date	Mandatory for financial years commencing on or after 1 January 2018. At this stage, the entity does not intend to adopt the standard before its effective date.
Title of Standard	**AASB 16 Leases**
Nature of change	AASB 16 was issued in February 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change. The standard will affect primarily the accounting for the entity's operating leases. As at the reporting date, the entity has non-cancellable operating lease commitments of $33,638, see note 22. However, the entity has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the entity's profit and classification of cash flows. Some of the commitments may be covered by the exception for short-term and low value leases and some commitments may relate to arrangements that will not qualify as leases under AASB 16.
Application date	Mandatory for financial years commencing on or after 1 January 2019. At this stage, the entity does not intend to adopt the standard before its effective date.

1: Summary of significant accounting policies (Continued)

(q) New accounting standards and interpretations (Continued)	
Title of Standard	**AASB 1058 Income of Not-for-Profit Entities**
Nature of change	AASB 1058 clarifies and simplifies the income recognition requirements that apply to NFP entities, in conjunction with AASB 15 Revenue from Contracts with Customers. These Standards supersede all the income recognition requirements relating to private sector NFP entities, and the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 Contributions. Under AASB 1058, the timing of income recognition depends on whether a NFP transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity. This standard applies when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. In the latter case, the entity will recognise and measure the asset at fair value in accordance with the applicable Australian Accounting Standard (e.g. AASB 116 Property, Plant and Equipment). Upon initial recognition of the asset, AASB 1058 requires the entity to consider whether any other financial statement elements (called 'related amounts') should be recognised, such as: a. Contributions by owners; b. Revenue, or a contract liability arising from a contract with a customer; c. A lease liability; d. A financial instrument; or e. A provision. These related amounts will be accounted for in accordance with the applicable Australian Accounting Standard.
Application date	Mandatory for financial years commencing on or after 1 January 2019. At this stage, the entity does not intend to adopt the standard before its effective date.

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

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 are applied 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.

Useful lives of depreciable assets
Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

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 Commissioner:

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

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

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

4: Revenue

	Notes	Consolidated Group 2016 $	Consolidated Group 2015 $	Parent Entity 2016 $	Parent Entity 2015 $
From continuing operations					
- sustentation fees - CFMEU C & G Qld/NT Divisional Branch		**19,436**	6,540	**19,436**	6,540
- membership subscriptions		**4,695,735**	4,609,276	**4,695,735**	4,609,276
- capitation fees – other reporting units		**-**	-	**-**	-
- levies – other reporting units		**-**	-	**-**	-
		4,715,171	4,615,816	**4,715,171**	4,615,816
Other revenue					
- interest		**71,456**	139,706	**73,906**	144,606
- OHS contributions		**182,071**	182,071	**182,071**	182,071
- training income		**-**	7,545	**-**	7,545
- consultancy fees		**411,757**	271,852	**411,757**	271,852
- service contract		**1,588,804**	1,689,767	**1,588,804**	1,689,767
- sponsorship		**-**	25,000	**-**	25,000
- director fees		**260,596**	236,220	**260,596**	236,220
- realised/ unrealised gain on investments		**38,135**	16,348	**37,527**	15,280
- dividends		**99,772**	131,215	**99,400**	130,895
- rent		**66,783**	83,450	**66,783**	83,450
- donations		**-**	-	**-**	-
- grant income		**160,571**	191,743	**160,571**	191,743
- representation fees		**111,415**	117,992	**111,415**	117,992
- financial support from another reporting unit		**-**	-	**-**	-
- revaluation of building		**1,327,205**	-	**-**	-
- write back of impairment provision		**-**	-	**809,216**	-
- other revenue		**118,092**	152,566	**118,092**	152,566
		4,436,657	3,245,475	**3,920,138**	3,248,987

5: Other disclosable items

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
(a) The loss before income tax expenses includes the following specific items:				
Depreciation				
- land and buildings	2,375	14,125	-	-
- leasehold improvement	40,137	-	40,137	-
- office equipment	22,649	27,255	20,926	25,460
- motor vehicles	147,037	162,346	147,037	162,346
- furniture and fixtures	19,903	19,777	19,304	19,060
	232,101	223,503	227,404	206,866
Defined contribution superannuation expense	622,067	626,963	622,067	626,963
Rental expenses relating to operating leases				
Minimum lease payments	51,087	46,426	51,087	46,425
Consideration to employers for payroll deduction	5,898	6,043	5,898	6,043
Conference and meeting allowances	24,480	30,635	24,480	30,635
Donations				
Total paid that were $1,000 or less	193	982	193	982
Total paid that exceeded $1,000	10,910	8,340	10,910	8,340
Grants paid	-	-	-	-
Penalties – via RO Act or RO Regulations	-	-	-	-
Net (gain) loss on disposal of investments	(56,699)	776	(56,749)	-
Unrealised loss (gain) on investments	18,614	(16,348)	19,222	(15,280)
Provision for impairment	-	-	-	27,399
Revaluation of land and building	(1,327,205)	-	-	-
Loss on disposal of property, plant and equipment	25,542	8,377	25,542	8,377

6: Income tax expenses

	Consolidated		Parent Entity	
	2016	2015	2016	2016
	$	$	$	$
(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	**(446,535)**	(1,922,679)	**(953,141)**	(1,921,454)
Prima facie income tax payable on loss before income tax at 30.0% (2015 - 30.0%)	**(133,960)**	(576,804)	**(285,942)**	(576,436)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:				
Net amount exempt under S50.1 of ITAA	**285,436**	576,436	**285,942**	576,436
Other items	**(151,476)**	368	-	-
Income tax expense attributable to loss	-	-	-	-

At balance date, there were accumulated tax losses, related to the subsidiary, of approximately $ 182,959 (2015: $183,104), 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	
	2016	2015	2016	2015
	$	$	$	$
Affiliation fees				
- Australian Labour Party – NSW	-	4,395	-	4,395
- Australian Labour Party – SA	**7,401**	6,929	**7,401**	6,929
- Australian Labour Party – TAS	**1,498**	2,027	**1,498**	2,027
- Australian Labour Party – VIC	**25,498**	26,982	**25,498**	26,982
- Australian Labour Party – WA	**745**	-	**745**	-
- Ballarat Trades Hall Council	**2,224**	1,870	**2,224**	1,870
- Geelong Trades Hall Council	**1,833**	1,358	**1,833**	1,358
- Gippsland Trades Hall Council	**624**	-	**624**	-
- NSW Labour Council	**8,053**	11,876	**8,053**	11,876
- S A Unions	**8,607**	8,501	**8,607**	8,501
- Unions WA	**767**	749	**767**	749
- Unions Tasmania	-	2,074	-	2,074
- South West T&LC	**150**	113	**150**	113
- Victorian Trades Hall Council	**43,912**	34,209	**43,912**	34,209
- International Federation of Chemical, Energy, Mine & General Workers' Union	**7,286**	7,565	**7,286**	7,565
- other	**790**	199	**790**	199
Compulsory levies				
- Unions NSW	**45**	297	**45**	297
- Unions WA	**147**	133	**147**	133
- Victorian Trades Hall Council				
- Campaign levy	**1,905**	3,511	**1,905**	3,511
- Women levy	**1,080**	1,962	**1,080**	1,962
- Young unionists levy	**1,080**	1,962	**1,080**	1,962
- Australian Council of Trade Unions (via CFMEU National Office)	-	25,990	-	25,990
Sustentation fees				
- CFMEU National Office	**247,674**	179,315	**247,674**	179,315
	361,319	322,017	**361,319**	322,017

8: Legal and professional fees

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
Legal fees				
- litigation	**110,664**	389,047	**110,664**	389,047
- other legal matters	**18,045**	17,729	**18,045**	17,729
Consulting fee	**9,481**	69,915	**9,481**	69,915
Audit fees				
- audit of financial report	**26,000**	27,200	**22,000**	21,300
- ALP membership audit	**1,775**	1,100	**1,775**	1,100
- grant audit	**1,000**	1,000	**1,000**	1,000
- SAEC return	**2,150**	-	**2,150**	-
Accounting fees	**6,154**	3,094	**5,048**	1,386
	175,269	509,085	**170,163**	501,477

9: Salaries and related expenses

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
(i) Employees other than holders of office				
- wages and salaries	**3,377,896**	3,388,708	**3,377,896**	3,388,708
- superannuation	**486,549**	497,451	**486,549**	497,451
- leave and other entitlements	**(208,451)**	(18,787)	**(208,451)**	(18,787)
- separation and redundancies	**687,440**	343,998	**687,440**	343,998
- other employee expenses	-	-	-	-
(ii) Holders of office				
- wages and salaries	**923,182**	879,979	**923,182**	879,979
- superannuation	**135,518**	129,512	**135,518**	129,512
- leave and other entitlements	**(28,341)**	127,903	**(28,341)**	127,903
- separation and redundancies	**118,798**	-	**118,798**	-
- other employee expenses	-	-	-	-
(iii) Other related expenses				
- employee training	**13,661**	22,816	**13,661**	22,816
- employee assistance program	**5,337**	-	**5,337**	-
- fringe Benefits Tax	**34,011**	96,881	**34,011**	96,881
- income protection insurance	**53,014**	60,531	**53,014**	60,531
- payroll Tax	**246,875**	268,218	**246,875**	268,218
- recruitment expenses	**890**	19,155	**890**	19,155
- redundancy fund	**27,497**	29,277	**27,497**	29,277
- workcover	**50,748**	48,663	**50,748**	48,663
	5,924,624	5,894,305	**5,924,624**	5,894,305

10: Current assets – Cash and cash equivalents

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
Cash at banks	**1,080,867**	613,265	**1,079,385**	612,087
Term deposits	**1,157,697**	3,288,783	**1,157,697**	3,288,783
Cash on hand	**1,201**	1,311	**1,200**	1,310
	2,239,765	3,903,359	**2,238,282**	3,902,180

(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	**2,239,765**	3,903,359	**2,238,282**	3,902,180
Bank overdrafts	**(150,424)**	-	**(150,424)**	-
Balances per statement of cash flows	**2,089,341**	3,903,359	**2,087,858**	3,902,180

(a) **Security** – the term deposits are used as secured for the new overdraft facility.

11: Current assets - Trade and other receivables

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
Trade receivables	**145,937**	121,774	**145,937**	121,774
Trade receivable from other reporting units				
- CFMEU National Office	**10,576**	-	**10,576**	-
	156,513	121,774	**156,513**	121,774
Less provision for impairment of receivables	**-**	-	**-**	-
	156,513	121,774	**156,513**	121,774
Receivable from other reporting units				
- CFMEU National Office	**19,841**	14,000	**19,841**	14,000
- CFMEU C & G Qld/NT Divisional Branch	**10,334**	-	**10,334**	-
Prepayments	**96,551**	339,543	**96,551**	339,543
Accrued income	**9,672**	12,365	**9,672**	12,365
Member subscription receivable	**176,849**	203,214	**176,849**	203,214
Entitlements held in SEET	**305,645**	312,551	**305,645**	312,551
Net GST	**17,856**	31,697	**17,856**	31,697
Other receivables	**211,520**	148,586	**245,045**	175,061
	848,268	1,061,956	**881,793**	1,088,431
	1,004,781	1,183,730	**1,038,306**	1,210,205

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

(i) Classification as trade and other receivables
Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Loans and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. If collection of the amounts is expected in one year or less they are classified as current assets. If not, they are presented as noncurrent assets. Trade receivables are generally due for settlement within 30 days and therefore are all classified as current.

(ii) Other receivables
These amounts generally arise from transactions during the usual operating activities of the entity. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained. The non-current other receivables are due and payable within three years from the end of the reporting period.

(iii) Fair values of trade and other receivables
Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value

Movements in the provision for impairment of receivables Is as follows:

	2016	2015
	$	$
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 (2015: $Nil).

12: Non-current assets – Trade and other receivables

		Consolidated Group		Parent Entity	
		2016	2015	2016	2015
		$	$	$	$
Loan to subsidiary					
Non-interest bearing		-	-	3,071,707	3,071,707
- Provision for impairment	a	-	-	-	(809,216)
Interest bearing		-	-	245,000	245,000
		-	-	3,316,707	2,507,491

12: Non-current assets – Trade and other receivables (Continued)

(a) Provision for impairment	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
At 1 January	-	-	809,216	781,817
Provision for impairment recognised during the year	-	-	-	27,399
Write back of impairment provision	-	-	(809,216)	-
	-	-	-	809,216

13: Non-current assets – financial assets

		Consolidated Group		Parent Entity	
		2016	2015	2016	2015
		$	$	$	$
Available-for-sale financial assets	a	1,857,889	1,830,302	1,850,370	1,822,843
Other investments	b	-	-	1	1
		1,857,889	1,830,302	1,850,371	1,822,844

(a) Available-for-sale financial assets comprises:		Consolidated Group		Parent Entity	
		2016	2015	2016	2015
		$	$	$	$
Listed investment, at fair value					
- shares in listed trusts and shares	c	10,605	10,324	3,086	2,865
Unlisted investment, at cost					
- shares in other corporations		127,905	127,905	127,905	127,905
Managed investment at fair value		1,719,379	1,692,073	1,719,379	1,692,073
	d	1,847,284	1,819,978	1,847,284	1,819,978
		1,857,889	1,830,302	1,850,370	1,822,843

(b) Other investments:				
Shares in subsidiary	-	-	1	1
	-	-	1	1

(c) Movements in fair value of listed investment during the financial year:				
Opening balance	10,324	10,266	2,865	3,222
Additions (Disposals)	(548)	(653)	-	-
Fair value adjustment	829	711	221	(357)
Closing balance	10,605	10,324	3,086	2,865

13: Non-current assets – financial assets (Continued)

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
(d) Movements in fair value of unlisted & managed investment during the financial year:				
Opening balance	**1,819,978**	1,804,341	**1,819,978**	1,804,341
Additions (net)	**46,750**	-	**46,750**	-
Fair value adjustment	**(19,444)**	15,637	**(19,444)**	15,637
Closing balance	**1,847,284**	1,819,978	**1,847,284**	1,819,978

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

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
LAND				
At fair value	**3,420,000**	1,980,000	-	-
	3,420,000	1,980,000	-	-
BUILDINGS				
At fair value	**425,000**	565,000	-	-
Less accumulated depreciation	**(11,749)**	(36,579)	-	-
	413,251	528,421	-	-
LEASEHOLD IMPROVEMENT				
At cost	**111,288**	-	**111,288**	-
Less accumulated amortisation	**(40,137)**	-	**(40,137)**	-
	71,151	-	**71,151**	-
Total property	**3,904,402**	2,508,421	**71,151**	-

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

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
PLANT AND EQUIPMENT				
Motor vehicles				
At cost	**1,150,173**	1,184,171	**1,150,173**	1,184,171
Less accumulated depreciation	**(618,146)**	(589,958)	**(618,146)**	(589,958)
	532,027	594,213	**532,027**	594,213
Office equipment				
At cost	**337,799**	333,343	**302,153**	293,820
Less accumulated depreciation	**(268,535)**	(249,763)	**(248,550)**	(227,624)
	69,264	83,580	**53,603**	66,196
Furniture, fixtures and fittings				
At cost	**193,377**	187,947	**179,348**	173,918
Less accumulated depreciation	**(102,884)**	(82,981)	**(91,124)**	(71,820)
	90,493	104,966	**88,224**	102,098
Total plant and equipment	**691,784**	782,759	**673,854**	762,507
Total property plant and equipment	**4,596,186**	3,291,180	**745,005**	762,507

(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) Revaluation

Land and buildings are recognised at fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

(c) 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:

2015 - Group	Land	Building	Vehicles	Office equipment	Furniture, fittings & equipment	Total
	$	$	$	$	$	$
Opening net book amount	1,980,000	542,546	783,488	98,382	93,467	3,497,883
Additions	-	-	25,035	13,645	31,276	69,956
Disposals	-	-	(51,964)	(1,192)	-	(53,156)
Depreciation	-	(14,125)	(162,346)	(27,255)	(19,777)	(223,503)
Closing net book amount	1,980,000	528,421	594,213	83,580	104,966	3,291,180

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

(c) Movements in Carrying Amounts (Continued)

2016 - Group	Land	Building	Leasehold improvement	Vehicles	Office equipment	Furniture, fittings & equipment	Total
	$	$	$	$	$	$	$
Opening net book amount	1,980,000	528,421	-	594,213	83,580	104,966	3,291,180
Additions	-	-	111,288	157,011	8,333	5,430	282,062
Revaluation	1,440,000	(112,795)	-	-	-	-	1,327,205
Disposals	-	-	-	(72,160)	-	-	(72,160)
Depreciation	-	(2,375)	(40,137)	(147,037)	(22,649)	(19,903)	(232,101)
Closing net book amount	3,420,000	413,251	71,151	532,027	69,264	90,493	4,596,186

2015 - Parent	Land	Building	Vehicles	Office equipment	Furniture, fittings & equipment	Total
	$	$	$	$	$	$
Opening net book amount	-	-	783,488	79,202	89,882	952,572
Additions	-	-	25,035	13,645	31,276	69,956
Disposals	-	-	(51,964)	(1,191)	-	(53,155)
Depreciation	-	-	(162,346)	(25,460)	(19,060)	(206,866)
Closing net book amount	-	-	594,213	66,196	102,098	762,507

2016 - Parent	Land	Leasehold improvement	Vehicles	Office equipment	Furniture, fittings & equipment	Total
	$	$	$	$	$	$
Opening net book amount	-	-	594,213	66,196	102,098	762,507
Additions	-	111,288	157,011	8,333	5,430	282,062
Disposals	-	-	(72,160)	-	-	(72,160)
Depreciation	-	(40,137)	(147,037)	(20,926)	(19,304)	(227,404)
Closing net book amount	-	71,151	532,027	53,603	88,224	745,005

15: Current liabilities – Bank overdraft

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
Bank overdraft	150,424	-	150,424	-

The overdraft is secured by the union's term deposits.

16: Current liabilities - Trade and other payables

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
Unsecured				
Trade payables	**622,409**	496,967	**622,409**	496,967
Legal cost payables – other matters	**7,521**	4,197	**7,521**	4,197
Legal cost payables - litigations	**4,659**	22,562	**4,659**	22,562
Amount payables to other reporting units				
- CFMEU National Office	**189,764**	322,372	**189,764**	322,372
- CFMEU C & G National Office	**377**	-	**377**	-
- CFMEU C & G Vic/Tas Divisional Branch	**131,263**	-	**131,263**	-
Sundry creditors	**25,151**	19,276	**20,550**	14,675
Income received in advance	**353,719**	461,723	**353,719**	461,723
Consideration to employers for payroll deductions	**-**	-	**-**	-
Relief funds held in trust	12,891	12,891	12,891	12,891
SA District Trust Account	**730**	10,723	**730**	10,723
	1,348,484	1,350,711	**1,343,883**	1,346,110

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

17: Employee benefit obligations

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
Holder of Office				
Annual leave	**180,834**	195,831	**180,834**	195,831
Long service leave	**371,475**	345,101	**371,475**	345,101
Personal leave	**66,375**	93,254	**66,375**	93,254
RDO	**36,023**	50,119	**36,023**	50,119
Separations and redundancies	**32,612**	31,358	**32,612**	31,358
	687,319	715,663	**687,319**	715,663
Employees other than office holders:				
Annual leave	**410,154**	462,878	**410,154**	462,878
Long service leave	**543,762**	617,385	**543,762**	617,385
Personal leave	**187,270**	238,692	**187,270**	238,692
RDO	**59,977**	65,476	**59,977**	65,476
Separations and redundancies	-	-	-	-
	1,201,163	1,384,431	**1,201,163**	1,384,431
Total employee provisions	**1,888,482**	2,100,094	**1,888,482**	2,100,094
Disclosed as:				
Current	**1,858,032**	2,072,370	**1,858,032**	2,072,370
Non-current	**30,450**	27,724	**30,450**	27,724
	1,888,482	2,100,094	**1,888,482**	2,100,094

(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:

17: Employee benefit obligations (Continued)

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
Long service leave obligation expected to be settled after 12 months	**30,450**	27,724	**30,450**	27,724

18: Other funds

	Note	Consolidated Group		Parent Entity	
		2016	2015	2016	2015
		$	$	$	$
John Curtin Fund	a	**1,190,287**	1,151,409	**1,190,287**	1,151,409
SA Workers Welfare Fund	b	**71,138**	72,330	**71,138**	72,330
Pulp and Paper Workers' Support Fund	c	**1,651,565**	1,528,885	**1,651,565**	1,528,885
NSW Support Fund	d	**125,870**	92,525	**125,870**	92,525
		3,038,860	2,845,149	**3,038,860**	2,845,149

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 included in these financial statements but allocated as if the fund was a separate entity.

(a): John Curtin Fund	2016	2015
	$	$
Balance at 1 January	**1,151,409**	1,101,108
Income		
Contributions	**30,409**	34,985
Interest received	**8,469**	15,316
Expenditure	-	-
Net movement	**38,878**	50,301
Balance at 31 December	**1,190,287**	1,151,409
Represented by:		
Cash at bank	**3,210**	92,903
Receivables	**492,077**	363,506
Loan to related entity	**245,000**	245,000
Loan to parent entity	**450,000**	450,000
Balance at 31 December	**1,190,287**	1,151,409

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."

18: Other funds (Continued)

(b): SA Workers Welfare Fund	2016	2015
	$	$
Balance at 1 January	**72,330**	73,072
Income		
Contributions	**208**	208
Expenditure	**(1,400)**	(950)
Net movement	**(1,192)**	(742)
Balance at 31 December	**71,138**	72,330
Represented by:		
Cash at bank	-	472
Investment	**72,756**	72,756
Receivable	-	52
Payable	**(1,618)**	(950)
Balance at 31 December	**71,138**	72,330

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."

(c): Pulp and Paper Workers' Support Fund	2016	2015
	$	$
Balance at 1 January	**1,528,885**	2,017,219
Income		
Levies	**117,095**	121,419
Interest received	**38,085**	50,247
Expenditure		
Campaign expenses	**(32,500)**	(660,000)
Net movement	**122,680**	(488,334)
Balance at 31 December	**1,651,565**	1,528,885

18: Other funds (Continued)

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

Represented by:	2016	2015
	$	**$**
Cash at bank	**1,384,708**	1,362,042
Receivables	**266,857**	166,843
	1,651,565	1,528,885

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."

(d): NSW Support Fund	**2016**	**2015**
	$	**$**
Balance at 1 January	**92,525**	118,190
Income		
Contributions	**32,789**	35,719
Interest received	**556**	1,691
Expenditure		
Legal expenses	**-**	(63,075)
Net movement	**33,345**	(25,665)
Balance at 31 December	**125,870**	92,525
Represented by:		
Cash at bank	**1,018**	33,035
Investment	**57,062**	56,887
Receivables	**67,790**	2,603
Balance at 31 December	**125,870**	92,525

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."

19: Retained profits

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
Movements in retained profits were as follows:				
Balance 1 January	**3,912,617**	5,370,856	**3,913,874**	5,370,888
Transfer (to) other funds	**(193,711)**	464,440	**(193,711)**	464,440
Net (loss) for the year	**(446,535)**	(1,922,679)	**(953,141)**	(1,921,454)
Balance 31 December	**3,272,371**	3,912,617	**2,767,022**	3,913,874

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

20: 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.

21: Commitments

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
Lease commitments				
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:				
Within one year	**6,559**	9,895	**6,559**	9,895
Later than one year but not later than five years	**-**	6,559	**-**	6,559
	6,559	16,454	**6,559**	16,454

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

22: Contingencies

There are no other known contingent assets or liabilities and commitments at 31 December 2016.

23: 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 2016	Equity holding 2015
A.C.N. 117 909 127 Pty Ltd	Australia	Ordinary	100%	100%

(c) Transactions with related parties

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
Sales of goods and services				
Sustentation fees from CFMEU C & G Qld/NT Divisional Branch	**19,436**	6,540	**19,436**	6,540
Rental income from CFMEU National Office	**8,333**	25,000	**8,333**	25,000
Secondment reimbursement from CFMEU C & G ACT Divisional Branch	**-**	3,623	**-**	3,623
Purchase of goods and services				
Campaign contribution to CFMEU National Office	**1,030,000**	1,000,000	**1,030,000**	1,000,000
Sustentation fee to CFMEU National Office	**247,674**	179,315	**247,674**	179,315
Reimbursement to CFMEU National Office in relation to the following costs:				
- Royal Commission	**70,472**	226,546	**70,472**	226,546
- ACTU levy	**-**	25,990	**-**	25,990
- accommodation & travel & other	**52,654**	7,367	**52,654**	7,367
Shared expenses to CFMEU C&G Vic/Tas Divisional Branch	**128,808**	-	**128,808**	-

(d) Outstanding balances arising from sales/purchases of goods and services
These balances are included in the notes on receivables and payables.

23: 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:

Name	*Position*
Jane Calvert	FFPD National President
Michael O'Connor	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 (resigned 27 April 2017)	FFPD National Executive Member
Damian Cooke (resigned 27 April 2017)	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 (resigned 13 February 2017)	FFPD National Executive Member

(f) Other transactions

- As part of directorship arrangements, director fees paid for 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.

23: Related party transactions (Continued)

(h) Key management personnel compensation	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
The aggregate compensation made to key management personnel of the Group is as follows:				
Short-term employee benefits				
Salary (including annual leave taken)	1,140,661	1,083,905	1,140,661	1,083,905
Leaves accrued	(78,488)	92,202	(78,488)	92,202
Total short-term employee benefits	1,062,173	1,176,107	1,062,173	1,176,107
Post-employment benefits:				
Superannuation	166,880	161,050	166,880	161,050
Total post-employment benefits	166,880	161,050	166,880	161,050
Other long-term benefits:				
Long-service leave	(17,014)	51,699	(17,014)	51,699
Total other long-term benefits	(17,014)	51,699	(17,014)	51,699
Termination benefits	322,529	3,500	322,529	3,500
	322,529	3,500	322,529	3,500
Total	1,534,568	1,392,356	1,534,568	1,392,356

(i) Loans to /from related parties	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
Loan to subsidiary				
Beginning of the year	-	-	2,529,967	2,552,466
Provision for impairment	-	-	-	(27,399)
Write back of provision	-	-	809,216	-
Interest charged	-	-	2,450	4,900
End of year	-	-	3,341,633	2,529,967

24: 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 any reporting unit to ensure that it continues as a going concern.

(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.

25: Cash flow information

(a) Receipts from other reporting units	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
Branches	$	$	$	$
CFMEU C & G Qld/NT Divisional Branch	10,013	8,093	10,013	8,093
CFMEU C & G ACT Divisional Branch	-	27,084	-	27,084
CFMEU C & G Division	-	10,160	-	10,160
CFMEU Mining and Energy Division Victorian Branch	-	522	-	522
CFMEU National Office	49,504	65,859	49,504	65,859
	59,517	111,718	59,517	111,718

(b) Payments to other reporting units	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
Branches	$	$	$	$
CFMEU C & G Vic/Tas Education & Training Unit	1,803	-	1,803	-
CFMEU C & G - National Office	1,821	2,262	1,821	2,262
CFMEU C & G ACT Divisional Branch	-	4,570	-	4,570
CFMEU C &G Vic/Tas Divisional Branch	142,385	598	142,385	598
CFMEU C & G NSW Divisional Branch	-	524	-	524
CFMEU C & G SA Divisional Branch	1,577	-	1,577	-
CFMEU C & G WA Divisional Branch	-	1,000	-	1,000
CFMEU Mining and Energy National Office	-	727	-	727
CFMEU National Office	1,397,843	2,030,649	1,397,843	2,030,649
	1,545,429	2,040,330	1,545,429	2,040,330

25: Cash flow information (Continued)

	Consolidated Group		Parent Entity	
	2016	2015	2016	2015
	$	$	$	$
(c) Reconciliation of cash flow from operations with (loss) after income tax				
(Loss) after income tax	**(446,535)**	(1,922,679)	**(953,141)**	(1,921,454)
Non-cash flows in (loss)				
Depreciation	**232,101**	223,503	**227,404**	206,866
Net (gain) loss on disposal of investments	**(56,699)**	776	**(56,749)**	-
Unrealised loss (gain) on investments	**18,614**	(16,348)	**19,222**	(15,280)
Provision for impairment	-	-	-	27,399
Revaluation of property	**(1,327,205)**	-	-	-
Write back of provision	-	-	**(809,216)**	-
Other non-cash items	**(12,544)**	-	**(12,843)**	-
Net (gain) loss on disposal of property, plant and equipment	**25,542**	8,377	**25,342**	8,377
Changes in assets and liabilities				
Decrease in receivables	**211,523**	27,033	**204,472**	20,234
(Decrease) in payables	**(2,227)**	(152,355)	**(2,225)**	(156,956)
(Decrease) Increase in provisions	**(211,612)**	109,116	**(211,612)**	109,116
Net cash flows from operating activities	**(1,569,042)**	(1,722,577)	**(1,569,346)**	(1,721,698)

(d) Financing arrangements

The group had access to the following borrowing facilities at the end of the reporting period

	2016	2015
	$	$
Floating rate – expiring within one year (bank overdraft)	**1,000,000**	-

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. They are secured by the union's term deposits.

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 include listed investment, managed fund and unlisted investment.

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% (2015 - 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	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
Effect on equity:				
Increase of equity index by 10%	**185,789**	183,030	**185,037**	182,284
Decrease of equity index by 10%	**(185,789)**	(183,030)	**(185,037)**	(182,284)

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	
	2016	2015	2016	2015
	$	$	$	$
Banks:				
A- Rating	**6,725**	2,216	**6,725**	2,216
AA- Rating	**466,664**	408,886	**465,182**	407,708
BBB+ Rating	**607,318**	1,489,508	**607,318**	1,489,508
Non-bank:				
Un-rated	**1,157,857**	2,001,438	**1,157,857**	2,001,438
	2,238,564	3,902,048	**2,237,082**	3,900,870

(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	
	2016	2015	2016	2015
	$	$	$	$
Effect on results:				
Increase of interest rates by 2%	**44,771**	78,041	**44,742**	78,017
Decrease of interest rates by 2%	**(44,771)**	(78,041)	**(44,742)**	(78,017)

26: Financial risk management (Continued)

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

Group
2016

	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	1,080,867	1,157,697	-	-	1,201	2,239,765
Trade and other receivables		-	-	-	-	908,230	908,230
Investments		-	-	-	-	1,857,889	1,857,889
		1,080,867	1,157,697	-	-	2,767,320	5,005,884
Financial Liabilities							
Bank overdraft	7.6	150,424	-	-	-	-	150,424
Trade and other payables		-	-	-	-	1,348,484	1,348,484
		150,424	-	-	-	1,348,484	1,498,908
Net Financial Assets		930,443	1,157,697	-	-	1,418,836	3,506,976

Group
2015

	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	4.2	613,265	3,288,783	-	-	1,311	3,903,359
Trade and other receivables		-	-	-	-	844,187	844,187
Investments		-	-	-	-	1,830,302	1,830,302
		613,265	3,288,783	-	-	2,675,800	6,577,848
Financial Liabilities							
Trade & other payables		-	-	-	-	1,350,711	1,350,711
		-	-	-	-	1,350,711	1,350,711
Net Financial Assets		613,265	3,288,783	-	-	1,325,089	5,227,137

26: Financial risk management (Continued)

(e) Maturity profile of financial instruments (Continued)

Parent
2016

	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	1,079,385	1,157,697	-	-	1,200	2,238,282
Other receivables		-	-	-	-	941,755	941,755
Loans to related parties	1	-	-	245,000	-	3,071,707	3,316,707
Investments		-	-	-	-	1,850,371	1,850,371
		1,079,385	1,157,697	245,000	-	5,865,033	8,347,115
Financial Liabilities							
Bank overdraft	7.6	150,424	-	-	-	-	150,424
Trade & other payables		-	-	-	-	1,343,883	1,343,883
		150,424	-	-	-	1,343,883	1,494,307
Net Financial Assets		928,961	1,157,697	245,000	-	4,521,150	6,852,808

Parent
2015

	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	4.2	612,087	3,288,783	-	-	1,310	3,902,180
Other receivables		-	-	-	-	870,662	870,662
Loans to related parties	2	-	-	245,000	-	2,262,491	2,507,491
Investments		-	-	-	-	1,822,844	1,822,844
		612,087	3,288,783	245,000	-	4,957,307	9,103,177
Financial Liabilities							
Trade & other payables		-	-	-	-	1,346,110	1,346,110
		-	-	-	-	1,346,110	1,346,110
Net Financial Assets		612,087	3,288,783	245,000	-	3,611,197	7,757,067

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 2016 and 31 December 2015:

Group	**Level 1**		**Level 2**		**Level 3**		**Total**	
	2016	**2015**	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**
	$	$	$	$	$	$	$	$
Assets								
Listed investments	10,605	10,324	-	-	-	-	10,605	10,324
Unlisted investments	-	-	-	-	127,905	127,905	127,905	127,905
Managed investments	-	-	1,719,379	1,692,073	-	-	1,719,379	1,692,073
Total assets	10,605	10,324	1,719,379	1,692,073	127,905	127,905	1,857,889	1,830,302

There were no transfers between Level 1, Level 2 and Level 3 in 2016 or 2015.

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 2016 and 2015 for recurring fair value measurements:

	2016 $	2015 $
Opening balance	**127,905**	127,905
Transfer from other levels	-	-
Gains/(losses) recognised in other comprehensive income	-	-
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 2016 and 31 December 2015:

Group	Level 1		Level 2		Level 3		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	$	$	$	$	$	$	$	$
Property, plant & equipment								
Land	-	-	-	-	**3,420,000**	1,980,000	**3,420,000**	1,980,000
Building	-	-	-	-	**413,251**	528,421	**413,251**	528,421
Total assets	-	-	-	-	3,833,251	2,508,421	3,833,251	2,508,421

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	Total
	$	$	$
Opening net book amount	1,980,000	528,421	2,508,421
Revaluation	1,440,000	(112,795)	1,327,205
Depreciation	-	(2,375)	(2,375)
Closing net book amount	3,420,000	413,251	3,833,251

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 23.
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*
Kenneth Fraser	Division	170,763	7,546	650	178,859	*Note 4*	*Vehicle*
Alex Millar	Division	108,916	16,518	4,237	129,671	*Note1*	*Vehicle*
Jane Calvert	Division	107,087	17,549	4,678	129,314	*Note 1*	*Vehicle*
Leo Skourdoumbis	Division	109,381	16,023	1,300	126,704	*Note 1*	*Vehicle*
Andrew Vendramin	Division	104,336	15,605	3,162	123,103		*Vehicle*
Bradley Coates	Greater Green Triangle District	101,845	15,396	3,335	120,576		*Vehicle*
Phil Davies	New South Wales District	292,519	12,234	650	306,403	*Note 4*	*Vehicle*
Craig Smith	New South Wales District	102,831	15,572	4,463	122,866	*Note 1*	*Vehicle*
Denise Campbell Burns	PPW District	105,566	15,459	650	121,675	*Note 1*	*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	108,916	16,518	4,237	129,671	*Note 1*	*Vehicle*
David Kirner	South Australian District	101,374	15,366	3,143	119,883	*Note 1*	*Vehicle*
Mark Nicholls	South Australian District	77,733	11,633	650	90,016		*Vehicle*
Frank Vari	Victorian District	102,079	15,384	3,768	121,231	*Note 1*	*Vehicle*
Andrew Vendramini	Victorian District	104,336	15,605	3,162	123,103		*Vehicle*
Scott Mclean	Tasmanian District	66,481	8,643	-	75,124		*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.
Note 4:
For two officers included in the wages is a termination payment:
Kenneth Fraser $118,798
Phil Davies $202,476

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 30 May 2017, 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 2016:

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 Commissioner;

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 Commissioner duly made under section 272 of the RO Act has been furnished to the members or the Commissioner;

   f. no order for inspection of financial records have been made by the Fair Work Commission under section 273 of the RO Act.

STATEMENT BY DIVISIONAL EXECUTIVE (Continued)

g. where the reporting unit has derived revenue from undertaking recovery of wages activity:

(i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Commissioner; and

(ii) the committee of management instructed the auditor to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity; and

(iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and

(iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and

(v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

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

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

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

Dated: 30 May 2017

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

Report on the audit of 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 its subsidiaries, which comprises the balance sheet as at 31 December 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year ended and notes to the financial statements including a summary of significant accounting policies, and the Statement by the Divisional Executive of the Construction, Forestry, Mining and Energy Union Forestry, Furnishing, Building Products and Manufacturing Division.

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 2016 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;

  b) in relation to recovery of wages activity:

  i. that the scope of the audit encompassed recovery of wages activity;

  ii. that the financial statements and notes and recovery of wages activity financial report properly and fairly report all information required by the reporting guidelines of the Commissioner, including:

    (1) any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and

    (2) any donations or other contributions deducted from recovered money; and

  c) 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.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

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

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

Independence

We are independent of the entity in accordance with auditor independent requirements of ethical requirements of the Accounting Professional and Ethical Standards Board's APES110 Code of Ethics for Professional Accountants (the "Code") that are relevant to our audit of the financial report in Australia. We have fulfilled our other ethnical responsibilities in accordance with the Code.

Divisional Executive 's responsibility for the financial report

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

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

Auditor 's responsibility for the audit of the financial report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Divisional Executive.

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

Auditor 's responsibility for the audit of the financial report (Continued)

- Conclude on the appropriateness of the Divisional Executive's use of the going concern basis of accounting in the preparation of the financial report. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial report about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial report. However, future events or conditions may cause an entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or activities within the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

BGL Partners

BGL Partners

JHinds.

I. A. Hinds - C.A. – Partner
Approved Auditor
(Member of Chartered Accountants Australia & New Zealand and holder of current Public Practice Certificate)

Melbourne
31 May 2017