



FAIR WORK  
COMMISSION

7 April 2015

Mr Michael Ravbar  
Secretary, Queensland Northern Territory Divisional Branch  
Construction and General Division  
CFMEU

Sent to: [queries@qld.cfmeu.asn.au](mailto:queries@qld.cfmeu.asn.au)

Dear Mr Ravbar,

**Re: Lodgement of financial statements and accounts - Construction, Forestry, Mining and Energy Union, Construction and General Division, Queensland Builders' Labourers Divisional Branch - for year ended 31 December 2013 (FR2013/441)**

I refer to the financial report lodged for the (former) Queensland Builders' Labourers Divisional Branch ['the reporting unit'] in respect of the year ended 31 December 2013. The documents were lodged with the Fair Work Commission on 15 August 2014. The financial report has been filed.

The financial report was assessed under a primary review. This involved confirming whether the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements. You are not required to take any further action in respect of the report lodged, but I draw your attention to the following matters identified.

Reports must be presented within 6 months after the end of the financial year.

The Designated Officer's Certificate stated that the financial report was presented to a meeting of the committee of management on 15 September 2014. Under section 266 of the RO Act, the report must be presented to a meeting within 6 months after the end of the financial year.

Auditor's Statement must be signed before full report provided to members

The Designated Officer's Certificate stated that the full report was provided to members on 25 March 2014. However the Auditor's Statement was signed on 2 April 2014. One of the key requirements of the RO Act is that a reporting unit must provide members with a full or concise report (section 265(1)). A full report must contain the signed Auditor's Statement.

The financial report was also the subject of consideration in the context of historical arrangements where the Branch's financial affairs and relationship with its state counterpart union were concerned. Your letter providing undertakings with respect to the preparation of a final report for the former Branch, for the period 1 Jan 2014-31 Jan 2014, was received today.

Please note that the final financial report may be subject to an advanced compliance review.

## Reporting Requirements

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

Should you require information on the financial reporting requirements of the Act, I may be contacted on (02) 6746 3283 or by email at [stephen.kellett@fwc.gov.au](mailto:stephen.kellett@fwc.gov.au).

Yours sincerely

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett  
Senior Adviser, Regulatory Compliance Branch

**From:** KELLETT, Stephen  
**To:** ["queries@qld.cfmeu.asn.au"](mailto:queries@qld.cfmeu.asn.au)  
**Cc:** ["John Payne"](#)  
**Subject:** Attention Ms Paula Masters/Michael Ravbar - financial reporting - Queensland Builders Labourers" Div Branch - y/e/ 31 Dec 2013 - filing  
**Date:** Tuesday, 7 April 2015 5:29:00 PM  
**Attachments:** [CFMEU QBLDB FR2013 441 \(primary final\).pdf](#)

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Dear Paula,

Thank you for your email and correspondence received earlier today. Please see attached my letter in relation to the above.

Yours sincerely

STEPHEN KELLETT  
Regulatory Compliance Branch  
**FAIR WORK COMMISSION**

80 William Street  
EAST SYDNEY NSW 2011

(ph) (02) 6746 3283  
(email) [stephen.kellett@fwc.gov.au](mailto:stephen.kellett@fwc.gov.au)

**From:** [Paula Masters](#)  
**To:** [KELLETT, Stephen](#)  
**Cc:** [John Payne](#); [James Stedman](#)  
**Subject:** Designated Officers certificate BLF 2013.pdf  
**Date:** Wednesday, 17 September 2014 9:45:29 AM  
**Attachments:** [image002.png](#)  
[image003.png](#)  
[Designated Officers certificate BLF 2013.pdf](#)

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Hi Stephen

Attached please find a *Certificate by Prescribed Designated Officer* for the BLF financial statements year ended 31 December 2013 signed by the QNTDB Divisional Branch Secretary, Michael Ravbar.

Please advise if there is anything more you need to complete the filing of the BLF statements for 2013.

*Regards*

**Paula Masters**  
**Administration Manager**

-----  
**CFMEU**

**QLD/NT Branch**

**Head Office:** 16 Campbell Street, BOWEN HILLS QLD 4006

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s.268 Fair Work (Registered Organisations) Act 2009

**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER**

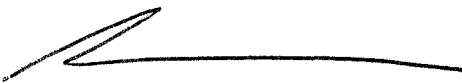
Certificate for the period ended 31 December 2013

*For the period ended 31 December 2013*

I, Michael Ravbar, being the Divisional Branch Secretary of the Queensland Northern Territory Divisional Branch of the Construction, Forestry, Mining and Energy Union (“the QNTDB”) hereby certify that:

- I am an Officer authorised by resolution of the management committee of the QNTDB to lodge these documents;
- the documents lodged herewith are copies of the full report for the Queensland Builders Labourers Divisional Branch (“the QBLDB”) for the period ended 31 December 2013 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*;
- I am informed that the management committee of the QBLDB met on 25 March 2014 to approve the accounts;
- I am informed that the full report was provided to members of the QBLDB on 25 March 2014;
- the QBLDB merged with the QNTDB on 1 February 2014 and became the merged QNTDB;
- I am informed that the full reports of the QBLDB for the year ended 31 December 2013 were not presented to the management committee of the QBLDB prior to the merger being effected; and
- the full report was presented to a meeting of the management committee of the QNTDB on 15 September 2014 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:

  
.....

Name of prescribed designated officer: Michael Ravbar

Title of prescribed designated officer: Divisional Branch Secretary

Date: 15 September 2014

**From:** [KELLETT, Stephen](#)  
**To:** [KELLETT, Stephen](#)  
**Subject:** FW: [Kellett] ON CMS - FR2013/441 - Financial Report CFMEU (105N-BQLD)  
**Date:** Saturday, 16 August 2014 5:47:36 PM  
**Attachments:** [image002.png](#)  
[image003.png](#)  
[photocopier\\_20140815\\_084927.pdf](#)

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**From:** Paula Masters [<mailto:PMasters@qld.cfmeu.asn.au>]  
**Sent:** Friday, 15 August 2014 9:45 AM  
**To:** Orgs  
**Subject:** [Kellett] ON CMS - FR2013/441 - Financial Report CFMEU (105N-BQLD)

[FR2013/441](#)

Attached please find the financial statements year ended 31 December 2013 for the Construction Forestry Mining & Energy Union Queensland Builders Labourers Divisional Branch.

*Regards*

**Paula Masters**  
**Administration Manager**

**CFMEU**  
**QLD/NT Branch**

**Head Office:** 16 Campbell Street, BOWEN HILLS QLD 4006  
Ph: 07 3231 4600 F: 07 3231 4699 E: [queries@qld.cfmeu.asn.au](mailto:queries@qld.cfmeu.asn.au)

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CONSTRUCTION, FORESTRY, MINING & ENERGY UNION  
QUEENSLAND BUILDERS LABOURERS  
DIVISIONAL BRANCH

**Certificate by Branch Secretary  
For the year ended 31 December 2013**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009 section 268 (c), I, David Hanna, certify that the attached copies of reports are copies of the documents that were provided to members on \_\_\_\_\_ and presented to a meeting of \_\_\_\_\_ on \_\_\_\_\_ in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.



David Hanna  
Branch Secretary  
Construction, Forestry, Mining & Energy Union  
Queensland Builders Labourers Divisional Branch

Date: 27-5-14

**CONSTRUCTION, FORESTRY, MINING & ENERGY UNION  
QUEENSLAND BUILDERS LABOURERS  
DIVISIONAL BRANCH**

**Financial Statements**

**For the year ended 31 December 2013**

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CONSTRUCTION, FORESTRY, MINING & ENERGY UNION  
QUEENSLAND BUILDERS LABOURERS  
DIVISIONAL BRANCH

**Operating Report**  
**For the year ended 31 December 2013**

The Committee of Management presents the Operating Report for the financial year ended 31 December 2013:

**Principal Activities**

The principal activities of the Union during the year were providing industrial relations and other related services to members.

The results of those activities are continually ongoing.

There were no significant changes to the nature of those activities during the year.

**Financial Affairs**

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

**Members' Rights**

Members have the right to resign from the Union in accordance with section 174 of the Fair Work (Registered Organisations) Act 2009.

**Superannuation Fund Trustees**

The officers and members listed below were trustees, or directors of a trustee company, of a Superannuation Fund as a consequence of their position with the Union:

- Hanna, David                      Trustee                      BUSS(Q)

**Company Directors/Board Members**

The officers and employees listed below are company directors or board members:

<u>name</u>	<u>name of company/board</u>	<u>principal activities of company/board</u>	<u>position held because of position with the Union or from a nomination</u>
Hanna, David	Stadiums Queensland	management of sport and entertainment stadiums	no
Hanna, David	Building Employees Redundancy Trust	construction industry redundancy fund	yes
Hanna, David	Construction Income Protection Scheme	construction industry income protection insurance	yes
Hanna, David	Bert Training Fund Qld	construction industry training fund	yes
Kupsch, Royce	Construction Skills Training Centre	construction industry skills training	yes
Williams, Bob (alternate director)	Bert Training Fund Qld	construction industry training fund	yes

**Number of Members**

The number of members at the end of the financial year recorded in the register of members and taken to be members of the Union was 3869 financial members.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION  
QUEENSLAND BUILDERS LABOURERS  
DIVISIONAL BRANCH

**Operating Report**  
**For the year ended 31 December 2013**

**Number of Employees**

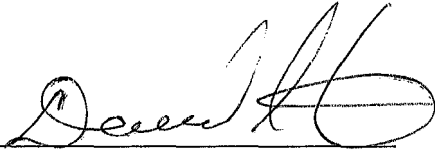
The number of full-time equivalent employees of the Union at the end of the financial year was 17.

**Committee of Management**

The members of the Committee of Management at any time during the financial year were as follows:

Andersen, Steven	Hanna, David	Maher, Pat
Ezzy, Dallas	Heenan, Kevin	Pearson, Kane
Fissenden, James	Koning, Michael	Williams, Bob
Floro, Tony	Kupsch, Dean	
Hamilton, Terry	Kupsch, Royce	

Signed on behalf of the Committee of Management by:



David Hanna  
Branch Secretary  
Construction, Forestry, Mining & Energy Union  
Queensland Builders Labourers Divisional Branch

Date: 25/03/14

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION  
QUEENSLAND BUILDERS LABOURERS  
DIVISIONAL BRANCH

**Income Statement**  
**for the year ended 31 December 2013**

	Note	2013 \$	2012 \$
<b>Revenue</b>			
Membership subscriptions		2,303,517	2,315,850
Entrance fees		79,374	62,830
Capitation fees	3	0	0
Compulsory levies	4	225,677	173,932
Voluntary levies and collections	5	0	0
Donations		0	0
Revenue from other reporting units of the organisation		0	0
Grant - health & safety officer		160,000	160,000
Grant - industry mentor program		150,000	150,000
Grant - traineeship fund		646,917	673,586
Traineeship fund - recoveries		419,456	402,000
Traineeship fund - completed intakes		111,122	134,408
Compliance income		208,724	149,472
BLF Charity Foundation - recoveries		30,000	60,000
Enterprise agreements		81,000	66,145
Interest		175,404	217,013
Dividends		214	0
Journal advertising		44,098	46,905
Rent received		113,136	103,818
Sponsorship		98,273	154,750
Sundry income		91,951	121,975
Gain on disposal of property, plant & equipment		20,957	28,076
Gain in value of investments		10,000	0
Total revenue		4,969,820	5,020,760
 <b>Expenditure</b>			
Affiliation fees	6	38,102	33,249
Auditors' remuneration	7	32,300	30,100
Capitation Fees	8	264,948	193,353
Compulsory levies	9	0	0
Consideration to employers for payroll deductions		0	0
Donations	10	2,818	0
Grants		0	0
Officers and employee expenses	11	2,271,824	2,091,569
Legal expenses	12	1,020,572	628,631
Meeting and conference attendance fees		13,680	13,680

The accompanying notes form part of these financial statements

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION  
QUEENSLAND BUILDERS LABOURERS  
DIVISIONAL BRANCH

**Income Statement**  
**for the year ended 31 December 2013**

	Note	2013 \$	2012 \$
Meeting and conference costs		41,422	33,448
Penalties	13	152,833	0
Bank fees		31,750	29,364
Business function expenses		30,526	10,000
CIPS		15,719	15,501
Clothing and uniform expenses		5,300	20,087
Commission - delegates		7,960	3,905
Computer expenses		23,456	14,896
Depreciation		277,119	264,288
Fighting fund expenses		32,533	5,743
Fringe benefits tax		57,572	22,344
Industrial relations expenses		15,510	14,013
Insurance - general		1,089	3,337
Journal expenses		46,343	50,437
Labour day expenses		34,357	62,644
Office administration		15,591	15,070
Office equipment rent and repairs		40,138	36,107
Payroll tax		74,545	83,295
Postage		21,872	22,873
Printing & stationery		22,280	29,371
Promotions		54,601	40,335
Provision for redundancy		6,736	7,774
Rates, body corp & maintenance - storage shed		5,712	4,766
Rates, body corp & maintenance - investment properties		80,736	89,118
Rent & maintenance - Brisbane office		96,896	105,336
Rent & maintenance - Gladstone		13,589	0
Staff training		15,243	4,595
Sundry expenses		23,803	26,533
Telephone & communication		50,815	47,552
Traineeship fund expenses		646,917	673,586
Travel & accomodation		137,038	141,377
Vehicle running costs		182,956	177,492
Veterans expenses		9,781	7,021
Workers' general insurance		11,635	8,800
Loss on disposal of property, plant & equipment		3,028	0
Loss on disposal of investments		0	2,499
<b>Total expenses</b>		<b>5,931,645</b>	<b>5,064,089</b>
<b>Surplus (deficit) before income tax</b>		<b>(961,825)</b>	<b>(43,329)</b>

The accompanying notes form part of these financial statements

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION  
 QUEENSLAND BUILDERS LABOURERS  
 DIVISIONAL BRANCH

**Income Statement**  
**for the year ended 31 December 2013**

	Note	2013 \$	2012 \$
Income tax expense	2	0	0
<b>Surplus (deficit) for the year</b>		<b>(961,825)</b>	<b>(43,329)</b>
<b>Other comprehensive income:</b>			
Items that will not be reclassified subsequently to profit or loss:			
Gain in value of land and buildings		162,711	0
Items that will be reclassified subsequently to profit or loss when conditions are met:			
Gain in value of Available for Sale Financial Assets		539	0
Other comprehensive income for the year		163,250	0
Total comprehensive surplus (deficit) attributable to the Union		<b>(798,575)</b>	<b>(43,329)</b>

The accompanying notes form part of these financial statements

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION  
QUEENSLAND BUILDERS LABOURERS  
DIVISIONAL BRANCH

**Balance Sheet**  
**as at 31 December 2013**

	Note	2013 \$	2012 \$
<b>Current Assets</b>			
Cash and cash equivalents	14	3,157,562	2,070,682
Financial assets	15	0	20,000
Trade and other receivables	16	232,409	50,170
Prepayments		<u>4,790</u>	<u>35,776</u>
Total current assets		<u>3,394,761</u>	<u>2,176,628</u>
<b>Non-Current Assets</b>			
Financial assets	15	2,010,756	2,001,666
Investment property	18	1,051,701	1,041,701
Property, plant and equipment	17	<u>3,214,567</u>	<u>3,177,988</u>
Total non-current assets		<u>6,277,024</u>	<u>6,221,355</u>
<b>Total Assets</b>		<u><b>9,671,785</b></u>	<u><b>8,397,983</b></u>
<b>Current Liabilities</b>			
Trade and other payables	19	1,320,475	485,249
Income received in advance	20	2,285,447	1,123,566
Short-term provisions	21	508,664	331,603
Special Funds	22	<u>11,102</u>	<u>14,878</u>
Total current liabilities		<u>4,125,688</u>	<u>1,955,296</u>
<b>Non-Current Liabilities</b>			
Long-term provisions	21	<u>374,209</u>	<u>472,224</u>
Total non-current liabilities		<u>374,209</u>	<u>472,224</u>
<b>Total Liabilities</b>		<u><b>4,499,897</b></u>	<u><b>2,427,520</b></u>
<b>Net Assets</b>		<u><b>5,171,888</b></u>	<u><b>5,970,463</b></u>
<b>Equity</b>			
Reserves	23	986,589	823,339
Retained earnings	24	<u>4,185,299</u>	<u>5,147,124</u>
<b>Total Equity</b>		<u><b>5,171,888</b></u>	<u><b>5,970,463</b></u>

The accompanying notes form part of these financial statements.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION  
QUEENSLAND BUILDERS LABOURERS  
DIVISIONAL BRANCH

**Statement of Changes in Equity  
for the year ended 31 December 2013**

	Note	<u>Retained Earnings</u>		Asset Revaluation Reserve \$	Financial Assets Reserve	Total \$
		General Fund \$	Fighting Fund			
<b>Balance at 1 January 2012</b>		4,509,809	680,644	823,339	0	6,013,792
Retrospective adjustment upon change in accounting policy						0
Surplus (deficit) for the year		73,399	(116,728)			(43,329)
Other comprehensive income for the year						0
<b>Balance at 31 December 2012</b>	24	<u>4,583,208</u>	<u>563,916</u>	<u>823,339</u>	<u>0</u>	<u>5,970,463</u>
Surplus (deficit) for the year		(769,461)	(192,364)			(961,825)
Other comprehensive income for the year:						0
Revaluation increment (decrement)				162,711	539	163,250
Transfer realised assets to retained earnings						0
<b>Balance at 31 December 2013</b>	24	<u>3,813,747</u>	<u>371,552</u>	<u>986,050</u>	<u>539</u>	<u>5,171,888</u>

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION  
QUEENSLAND BUILDERS LABOURERS  
DIVISIONAL BRANCH

**Cash Flow Statement**  
**for the year ended 31 December 2013**

	Note	2013 \$	2012 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from members		3,581,035	2,807,873
Grants received		1,511,291	1,265,255
Interest and dividends received		178,175	225,823
Other investment income received		113,136	103,818
Wage claim receipts		88,225	0
Other sundry receipts		592,919	648,211
Receipts from other reporting units or controlled entities:			
CFMEU C&G Qld		41,941	7,578
CFMEU C&G National Office		0	1,787
CFMEU C&G NSW		14,616	0
Payments to suppliers and employees		(4,088,843)	(4,071,157)
Payments to other reporting units or controlled entities:			
CFMEU C&G Qld		(487,026)	(222,583)
CFMEU C&G National Office		(244,980)	(219,280)
Wage claim payments for members		(92,000)	(121,241)
Net cash provided (used) by operating activities	25	1,208,489	426,084
<b>Cash Flows from Investing Activities</b>			
Purchase of property, plant & equipment		(219,603)	(468,403)
Net proceeds (purchase) of investments		11,449	(88,121)
Proceeds from sale of property, plant & equipment		86,545	75,217
Net cash provided (used) by investing activities		(121,609)	(481,307)
<b>Cash Flows from Financing Activities</b>			
Repayment of loans to others		0	0
Net cash provided (used) by financing activities		0	0
<b>Net increase (decrease) in cash held</b>		<b>1,086,880</b>	<b>(55,223)</b>
Cash at the beginning of the year		2,070,682	2,125,905
Cash at the end of the year	14	3,157,562	2,070,682

The accompanying notes form part of these financial statements.



CONSTRUCTION, FORESTRY, MINING & ENERGY UNION  
QUEENSLAND BUILDERS LABOURERS  
DIVISIONAL BRANCH

**Recovery of Wages Activity Report  
for the year ended 31 December 2013**

	Note	2013		2012	
		No. of workers	\$	No. of workers	\$
<b>Cash assets in respect of recovered money at the beginning of the year</b>					
- CBA "Wages Fund" account			15,307		136,544
<b>Receipts</b>					
Amounts recovered from employers in respect of wages etc			88,225	-	-
Interest received on recovered money			2		4
Reimburse wages fund float			-		-
Total receipts			88,227		4
<b>Payments</b>					
Deductions of amounts due in respect of membership for:					
12 months or less			5,448		11,984
greater than 12 months			-		-
Deductions of donations or other contributions to accounts or funds of:					
other entities:					
- BUSSQ			-		-
- BERT			15,277		-
- CIPQ			10,553		-
- BEWT			1,894		-
-			-		-
Deductions of fees or reimbursements of expenses					
Payments to workers in respect of recovered money			58,828		109,255
Bank fees			-		2
Total payments			92,000		121,241
<b>Cash assets in respect of recovered money at the end of the year</b>					
- CBA "Wages Fund" account			11,534		15,307
<b>Amounts recovered but not yet paid to workers</b>	12		11,102	13	14,878

The accompanying notes form part of these financial statements.

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION  
QUEENSLAND BUILDERS LABOURERS  
DIVISIONAL BRANCH

**Notes to the Financial Statements  
For the year ended 31 December 2013**

**Note 1: Information to be Provided to Members**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of section 272 which reads as follows:

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, 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).

**Note 2: Summary of Significant Accounting Policies**

The financial statements cover the Construction, Forestry, Mining & Energy Union Queensland Builders Labourers Divisional Branch as an individual reporting unit.

**Basis of Preparation**

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisations) Act 2009.

For the purpose of preparing the general purpose financial statements, the Union is a not-for-profit entity.

The financial statements, except for the cash flow information, have been prepared on an accruals basis. The financial statements have been prepared in accordance with historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

**Changes in Accounting Policies**

The Union has changed accounting policies for year ended 31 December 2013 in relation to accounting for membership income. Membership income is now accounted for on an accruals basis whereas in previous years it was accounted for on a cash basis.

Legally enforceable unpaid membership subscriptions are recognised in the financial statements as a Trade Receivable and a Provision for Doubtful Debts is also recognised.

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**Notes to the Financial Statements  
For the year ended 31 December 2013**

**Note 2: Summary of Significant Accounting Policies (cont'd)**

**Changes in Accounting Policies (cont'd)**

Membership subscriptions received relating to a dues period beyond the year end date are recognised as revenue received in advance.

The comparative figures for year ended 31 December 2012 have not been restated due to the membership income reporting system not being able to produce the required retrospective information for the year ended 31 December 2012.

The financial effect from the change of accounting policy for the year ended 31 December 2013 is:

<u>Recognising revenue in advance:</u>	<u>\$</u>
Decrease to membership subscriptions income	(741,548)
Decrease to compulsory levy income (fighting fund)	(59,471)
<u>Recognising trade receivables for membership income:</u>	
Increase to membership subscriptions income	138,531
Increase to compulsory levy income (fighting fund)	<u>15,570</u>
	<u>(646,918)</u>

**Accounting Policies**

**(a) Income Tax**

No provision for income tax is necessary as trade unions are exempt from income tax under Section 50-15 of the Income Tax assessment Act 1997.

**(b) Revenue**

Revenue is measured at the fair value of the consideration received or receivable. Revenue from subscriptions is accounted for on an accruals basis and is recorded as revenue in the year to which it relates.

Receivables for goods and services are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of debt is no longer probable.

**(c) Property, Plant and Equipment**

Property, plant and equipment are carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

**Property**

Land and buildings are shown at their fair value less subsequent depreciation for buildings. Investment properties are not depreciated.

**Plant and equipment**

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

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**Notes to the Financial Statements**  
**For the year ended 31 December 2013**

**Note 2: Summary of Significant Accounting Policies (cont'd)**

**(c) Property, Plant and Equipment (cont'd)**

The carrying amount of plant and equipment is reviewed annually by the Union's management to ensure it is not in excess of the recoverable amount from these assets.

**Depreciation**

The depreciable amount of all fixed assets are depreciated on a straight line basis over the useful lives of the assets to the Union commencing from the time the asset is held ready for use.

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

<b>Fixed Asset</b>	<b>Rate</b>
Buildings	4%
Motor vehicles	25%
Computer equipment	30%
Office furniture and equipment	10%
Investment property furniture	20%

**(d) Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Union, are classified as finance leases. Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased asset or the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the Union will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

**(e) Financial Instruments**

**Initial Recognition and Measurement**

Financial instruments are initially measured at fair value on trade date, which includes transaction costs, when related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

**Classification and Subsequent Measurement:**

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**Notes to the Financial Statements  
For the year ended 31 December 2013**

**Note 2: Summary of Significant Accounting Policies (cont'd)**

**(e) Financial Instruments (cont'd)**

**Loans and receivables**

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

**Held to maturity investments**

These investments have fixed maturities, and it is the Union's intention to hold these investments to maturity. Any held to maturity investments held by the Union are stated at amortised cost using the effective interest rate method.

**Available for sale financial assets**

Available for sale financial assets include any financial assets not included in the above categories. Available for sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value other than impairment losses are recognised as other comprehensive income and transferred to Reserves in equity. When the financial asset is derecognised, the cumulative gain or loss previously recognised is reclassified into profit or loss.

**Financial assets at fair value**

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or is so designated by management and within the requirements of *AASB 139: Recognition and Measurement of Financial Instruments*. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

**Financial liabilities**

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal repayments and amortisation.

**Fair value**

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

**Impairment**

At each reporting date, the Union assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the income statement.

**(f) Provisions**

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

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**Notes to the Financial Statements  
For the year ended 31 December 2013**

**Note 2: Summary of Significant Accounting Policies (cont'd)**

**(g) Impairment of Assets**

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

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables includes the reporting unit's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

**(h) Employee Benefits**

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amount expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

**(i) Cash and Cash Equivalents**

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

**(j) Goods and Services Tax (GST)**

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

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

**(k) Comparative Figures**

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

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**Notes to the Financial Statements**  
**For the year ended 31 December 2013**

**Note 2: Summary of Significant Accounting Policies (cont'd)**

**Key accounting estimates and judgements**

The Union evaluates estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data.

*Key estimates - Impairment*

The Union assesses impairment at each reporting date by evaluating conditions specific to the Union that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

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**Notes to the Financial Statements  
 for the year ended 31 December 2013**

	Note	2013 \$	2012 \$
<b>Note 3: Capitation Fees income</b>		0	0
		0	0

**Note 4: Compulsory Levies income**

Fighting fund		225,677	173,932
		225,677	173,932

The Fighting Fund is maintained for the purpose of providing additional resources needed to defend our members against actions from governments , government agencies and employers.

**Note 5: Voluntary Levies & Collections**

	0	0
	0	0

**Note 6: Affiliation Fees**

ALP Qld	19,080	13,937
ALP Qld State Conference	200	200
Brisbane Labour History Association	50	50
Qld Council of Unions	10,230	11,340
Union Shopper	8,542	7,722
	38,102	33,249

**Note 7: Auditor's Remuneration**

Audit services	30,500	28,300
Other services	1,800	1,800
	32,300	30,100

**Note 8: Capitation Fees expense**

CFMEU National Office	264,948	193,353
	264,948	193,353

**Note 9: Compulsory Levies expense**

	0	0
	0	0



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**Notes to the Financial Statements  
 for the year ended 31 December 2013**

	Note	2013	2012
		\$	\$
<b>Note 10: Donations</b>			
Donations up to \$1000 each		1,000	0
Donations that exceed \$1000:			
Queensland Council of Unions - campaign fund 2013		1,818	0
		2,818	0
 <b>Note 11: Officers and Employee Expenses</b>			
<b>Holders of office:</b>			
Wages and salaries		1,427,980	1,234,662
Superannuation		287,536	262,347
Leave and other entitlements		94,246	61,054
Separation and redundancies		0	0
Clothing allowance		26,012	14,197
		1,835,774	1,572,260
 <b>Employees other than office holders:</b>			
Wages and salaries		380,936	438,505
Superannuation		52,429	62,341
Leave and other entitlements		(21,936)	12,512
Separation and redundancies		20,249	0
Clothing allowance		4,372	5,951
		436,050	519,309
		2,271,824	2,091,569
 <b>Total Officers and Employee Expenses</b>			
 <b>Note 12: Legal Fees</b>			
From general fund:			
Litigation		674,700	343,714
Other legal matters		48,197	0
		722,897	343,714
 From fighting fund:			
Litigation		297,675	284,917
Other legal matters		0	0
		297,675	284,917
		1,020,572	628,631

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**Notes to the Financial Statements  
for the year ended 31 December 2013**

	Note	2013	2012
		\$	\$
<b>Note 13: Penalties</b>			
RO Act and Regulations penalties		152,833	0
Other penalties		0	0
		152,833	0
<b>Note 14 Cash and Cash Equivalents</b>			
Cash on hand		1,000	1,000
Bank a/c - general account		1,046,020	179,762
Bank a/c - recovery of wages account		11,534	16,307
Bank a/c - traineeship fund cheque account		57,277	59,794
Bank a/c - traineeship fund online saver account		730,000	525,749
Short-term bank deposits maturing in less than 3 months		1,311,731	1,288,070
		3,157,562	2,070,682
Reconciliation of cash:			
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the balance sheet as follows:			
Cash and cash equivalents		3,157,562	2,070,682
		3,157,562	2,070,682
<b>Note 15: Financial Assets</b>			
<b>CURRENT</b>			
Held to maturity investments:			
Term deposits maturing between 3 to 12 months		0	20,000
Financial assets at fair value:			
Debentures/Notes maturing between 3 to 12 months		0	0
Total current financial assets		0	20,000
<b>NON-CURRENT</b>			
Held to maturity investments:			
Notes and deposits		1,991,045	1,991,045
Available for sale financial assets:			
Listed investments at fair value:			
Shares in Lend Lease Group		10,538	0
Unlisted investments at fair value:			
Union House Partnership at fair value		9,172	10,620
Shares in CSTC Pty Ltd at fair value		1	1
		19,711	10,621

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**Notes to the Financial Statements  
for the year ended 31 December 2013**

	Note	2013 \$	2012 \$
Total non-current financial assets		<u>2,010,756</u>	<u>2,001,666</u>
<b>Note 16: Receivables</b>			
Trade receivables - members		1,874,259	0
Provision for doubtful debts		(1,720,158)	0
Trade receivables - other		36,705	7,901
Accrued income		18,404	20,960
Sundry debtors		8,000	2,500
Receivables from other reporting units:			
CFMEU Construction & General Qld		8,108	18,809
CFMEU Construction & General NSW		7,091	0
Provision for impairment of receivables from other reporting units:		0	0
		<u>232,409</u>	<u>50,170</u>
<b>Note 17: Property, Plant and Equipment</b>			
Land and Buildings			
Union House Brisbane (1/3 share):			
Union House Brisbane (1/3 share) - at independent valuation 2013		2,333,333	-
Union House Brisbane (1/6 share) - at independent valuation 2008		-	1,183,333
Union House Brisbane (1/6 share) - at cost 2010		-	1,157,079
Additions at cost		-	63,563
Accumulated depreciation		-	(176,634)
		<u>2,333,333</u>	<u>2,227,341</u>
Storage Shed - at management valuation 2009		220,000	220,000
Additions at cost		0	0
Accumulated depreciation		(35,200)	(26,400)
		<u>184,800</u>	<u>193,600</u>
Total land and buildings		<u>2,518,133</u>	<u>2,420,941</u>
Motor Vehicles - at cost		731,878	691,947
Accumulated depreciation		(252,114)	(193,927)
		<u>479,764</u>	<u>498,020</u>
Plant & Equipment		434,370	428,614
Accumulated depreciation		(217,700)	(169,587)
		<u>216,670</u>	<u>259,027</u>
Total property, plant and equipment		<u>3,214,567</u>	<u>3,177,988</u>

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**Notes to the Financial Statements  
for the year ended 31 December 2013**

Revaluations of land and buildings are made on the basis of open market value. Surplus on revaluation is credited to the asset revaluation reserve.

**Movements in Carrying Amounts**

Movement in the carrying amounts between the beginning and the end of the current financial year:

	Land and buildings \$	Motor vehicles \$	Plant and equipment \$	Total \$
Balance at start of year	2,420,941	498,020	259,027	3,177,988
Additions	-	213,847	5,756	219,603
Disposals (wdv)	-	(68,616)	-	(68,616)
Revaluation increments (decrements)	162,711	-	-	162,711
Depreciation expense	(65,519)	(163,487)	(48,113)	(277,119)
Carrying amount at end of year	<u>2,518,133</u>	<u>479,764</u>	<u>216,670</u>	<u>3,214,567</u>

	Note	2013 \$	2012 \$
<b>Note 18: Investment Property</b>			
Balance at beginning of year		1,041,701	670,000
Acquisitions		0	371,701
Disposals		0	0
Fair value adjustments		10,000.00	0
Balance at end of year		<u>1,051,701</u>	<u>1,041,701</u>

The fair value model is applied to all investment property. Management valuations are prepared at each balance date where an independent valuation has not been obtained.

**Note 19: Trade and Other Payables**

Classified as financial liabilities at amortised cost	<u>1,320,475</u>	<u>485,249</u>
Trade payables	200,047	196,613
Accrued expenses	36,887	25,380
Payables to other reporting units:		
CFMEU Construction & General Qld	50,390	0
CFMEU Construction & General National Office	57,655	13,256

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**Notes to the Financial Statements  
 for the year ended 31 December 2013**

	Note	2013	2012
		\$	\$
Consideration to employers for payroll deductions		0	0
Legal expenses		975,496	250,000
		1,320,475	485,249

**Note 20: Income Received in Advance**

Compliance fees		55,000	0
Membership subscriptions		801,019	0
Traineeship fund		1,429,428	1,123,566
		2,285,447	1,123,566

**Note 21: Provisions**

Employee entitlements		790,873	718,563
Redundancy		92,000	85,264
		882,873	803,827
Current		508,664	331,603
Non-current		374,209	472,224
		882,873	803,827

**Employee Entitlements:**

Opening balance at 1 January 2013		718,563	644,997
Additional provisions raised during year		111,430	115,461
Amounts used		(39,120)	(41,895)
Balance at 31 December 2013		790,873	718,563

Analysis of employee entitlements provision:

Current		416,664	331,603
Non-current		374,209	386,960
		790,873	718,563

In calculating the present value of future cash flows in respect of the long service leave provision, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits has been included in note 2.

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**Notes to the Financial Statements  
 for the year ended 31 December 2013**

	Note	2013	2012
		\$	\$
<b>Redundancy:</b>			
Opening balance at 1 January 2013		85,264	77,490
Additional provisions raised during year		6,736	7,774
Amounts used		0	0
Balance at 31 December 2013		92,000	85,264
 Analysis of redundancy provision:			
Current		92,000	0
Non-current		0	85,264
		92,000	85,264
 A provision has been recognised for redundancy relating to entitlements of office staff.			
 <b>Holders of office:</b>			
Annual leave		322,971	231,200
Long service leave		332,337	329,862
Separations and redundancies		0	0
Other		0	0
Total holders of office		655,308	561,062
 <b>Employees other than office holders:</b>			
Annual leave		54,936	61,603
Long service leave		80,629	95,898
Separations and redundancies		92,000	85,264
Other		0	0
Total employees other than holders of office		227,565	242,765
Total Officers and Employee Provisions		882,873	803,827
 <b>Note 22: Special Funds</b>			
Recovery of wages fund		11,102	14,878
		11,102	14,878
 <b>Note 23: Reserves</b>			
Asset revaluation reserve		986,050	823,339
Financial assets reserve		539	0
		986,589	823,339

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**Notes to the Financial Statements  
for the year ended 31 December 2013**

	Note	2013	2012
		\$	\$

The asset revaluation reserve records revaluations of non-current assets.

The financial assets reserve records revaluations of available for sale financial assets.

**Note 24: Retained Earnings**

**General Fund**

Balance at start of year		4,583,208	4,509,809
Transferred to fund		0	73,399
Transferred out of fund		(769,461)	0
Balance at start of year		3,813,747	4,583,208

**Fighting Fund**

Balance at start of year		563,916	680,644
Transferred to fund		225,677	173,932
Transferred out of fund		(418,041)	(290,660)
Balance at start of year		371,552	563,916

The fund has invested in the following assets:

Cash and cash equivalents		371,552	563,916
		371,552	563,916

The Fighting Fund is maintained for the purpose of providing additional resources needed to defend our members against actions from governments , government agencies and employers.

**Note 25: Cash Flow Information**

(a) Reconciliation of cash flow from operations with surplus(deficit) for year:

Surplus(deficit) after income tax		(961,825)	(43,329)
Non-cash flows in ordinary activities:			
Depreciation		277,119	264,288
Net (gain) loss on disposal of fixed assets		(17,929)	(28,076)
Net (gain) loss on disposal of investments		0	2,499
Net (gain) loss in value of investments		(10,000)	0
Changes in assets and liabilities:			
(Increase) decrease in trade debtors		(182,239)	5,702
(Increase) decrease in prepayments		30,986	(9,176)
Increase (decrease) in payables		835,226	241,835
Increase (decrease) in other liabilities		1,158,105	(88,999)
Increase (decrease) in provisions		79,046	81,340
		1,208,489	426,084

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**Notes to the Financial Statements  
 for the year ended 31 December 2013**

	Note	2013	2012
		\$	\$

(b) There were no non-cash financing or investing activities during the year.

(c) The union has no credit stand-by arrangement or loan facilities.

**Note 26: Capital and Leasing Commitments**

**Capital Expenditure Commitments**

Capital expenditure commitments contracted for:

Plant and equipment purchases	0	0	
Capital expenditure projects	0	0	
	0	0	
Payable - not later than 12 months			
- between 12 months and 5 years	0	0	
- greater than 5 years	0	0	
	0	0	

**Note 27: Contingent Liabilities**

There are continually numerous ongoing unsettled legal actions against the Union regarding industrial relations matters.

If at year end, a judgement has been awarded against the Union and the amount is unpaid, the Union accrues an expense for estimated costs and penalties in relation to the matter.

Where a judgement has not been awarded against the Union by year end, but the committee considers that an unfavourable judgement is likely to be made, the Union accrues an expense for estimated costs and penalties in relation to the matter.

For other matters, no provision is made for any settlement costs or penalties as the Union intends to defend the claims.

**Note 28: Events After the Reporting Period**

Other than the following, the Union is not aware of any significant events since the end of the reporting period:

At the date of this report, the Union (BLF) is in the process of amalgamating with the Construction Forestry Mining and Energy Industrial Union of Employees Queensland (CFMEUQ).

If the amalgamation is approved, the assets and liabilities of the BLF will be transferred to the CFMEUQ and the BLF will be deregistered.



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**Notes to the Financial Statements  
 for the year ended 31 December 2013**

	Note	2013	2012
		\$	\$
<b>Note 29: Financial Risk Management</b>			
The Union's financial instruments are listed below.			
<b>FINANCIAL ASSETS</b>			
Cash and bank		1,845,831	782,612
Term deposits		1,311,731	1,308,070
Floating rate deposits, notes and debentures		1,991,045	1,991,045
Loans		-	-
		5,148,607	4,081,727
<b>FINANCIAL LIABILITIES</b>			
		0	0
		0	0

The Union's exposure to interest rate risk is the risk that a financial instrument's value may fluctuate as a result of changes in market interest rates.

**Net Fair Values**

(i) For listed available-for-sale financial assets and financial assets at fair value through profit or loss the fair values have been based on closing quoted bid prices at the end of the reporting period.

In determining the fair values of the unlisted available-for-sale financial assets, the committee have used inputs that are observable either directly (as prices) or indirectly (derived from prices).

(ii) Fair values of held-to-maturity investments are based on quoted market prices at the end of the reporting period.

**Note 30: Financial Support received from another reporting unit**

The Union is not reliant on the agreed financial support of another reporting unit to continue as a going concern.

**Note 31: Financial Support given to another reporting unit**

The Union has not agreed to provide financial support to another reporting unit.

**Note 32: Acquisition of assets/liabilities from a amalgamation/restructure**

The Union has not acquired an asset or liability from an amalgamation, restructure, determination or revocation by the General Manager of the Fair Work Commission.

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**Notes to the Financial Statements  
for the year ended 31 December 2013**

Note	2013	2012
	\$	\$

**Note 33: Acquisition of assets/liabilities from a business combination**

The Union has not acquired an asset or liability as part of a business combination.

**Note 34: Payments to former related parties**

Payments to former related parties where the liability for the payment was incurred during the period in which a related party relationship existed are detailed as follows:

<u>name of former party</u>	<u>details of payment</u>	<u>amount</u>
		\$
	nil	nil

**Note 35: Union Details**

The principal place of business of the Union is:

Construction, Forestry, Mining & Energy Union Queensland Builders Labourers Divisional Branch  
16 Campbell Street Bowen Hills Qld 4006

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION  
QUEENSLAND BUILDERS LABOURERS  
DIVISIONAL BRANCH

**Committee of Management Statement  
For the year ended 31 December 2013**

(Fair Work (Registered Organisations) Act 2009 Cwlth)

In accordance with a resolution passed by the Committee of Management of the Construction, Forestry, Mining & Energy Union Queensland Builders Labourers Divisional Branch on 25 MARCH 2014, the Committee declares that in their opinion:

- (a) The financial statements and notes comply with Australian Accounting Standards.
- (b) The financial statements and notes comply with the reporting guidelines of the General Manager.
- (c) The financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate.
- (d) There are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable, and
- (e) During the financial year to which the general purpose financial report relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - (iv) 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
  - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act, that information has been provided to the member or General Manager; and
  - (vi) there has been compliance with any order for inspection of financial records made by the Fair Work Commission under section 273.
- (f) in relation to 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 General Manager; 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 moneys 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 moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

Signed on behalf of the Committee of Management by:



David Hanna

Branch Secretary

Construction, Forestry, Mining & Energy Union Queensland Builders Labourers Divisional Branch

Date: 25 MARCH 2014

CONSTRUCTION, FORESTRY, MINING & ENERGY UNION  
QUEENSLAND BUILDERS LABOURERS DIVISIONAL BRANCH

**Independent Auditor's Report to the Members**

**Report on the Financial Report**

We have audited the accompanying financial report of the Construction, Forestry, Mining & Energy Union Queensland Builders Labourers Divisional Branch which comprises the balance sheet as at 31 December 2013, income statement, statement of changes in equity, cash flow statement, and recovery of wages activity report for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the Committee of Management Statement.

*Committee of Management's Responsibility for the Financial Report*

The committee of management is 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 management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

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

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

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

*Independence*

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

*Auditor's opinion*

In our opinion, the financial report:

- (a) presents fairly, in all material respects, in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 including the Reporting Guidelines and Part 3 of Chapter 8 of the Act, the financial position of the Construction, Forestry, Mining & Energy Union Queensland Builders Labourers Divisional Branch as at 31 December 2013 and its financial performance and its cash flows for the year then ended; and
- (b) reports properly and fairly:
  - (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.

We have concluded that management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

*Auditor's statement*

We declare that the auditor is an approved auditor, a member of CPA Australia and a holder of a current Public Practice Certificate.



Michael Rice  
Michael Rice & Associates



28 February 2014

Mr David Hanna  
Branch Secretary  
Construction, Forestry, Mining and Energy Union-Construction and General Division, Queensland  
Builders' Labourers' Divisional Branch  
Sent by email: [queries@qld.cfmeu.asn.au](mailto:queries@qld.cfmeu.asn.au)

Dear Mr Hanna,

**Re: Lodgement of Financial Report - [FR2013/441]  
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Construction and General Division, Queensland Builders' Labourers' Divisional Branch of the Construction, Forestry, Mining and Energy Union (the reporting unit) ended on 31 December 2013.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date, namely 15 July 2014 (being the expiry date of 6 months and 14 days from the end of the financial year), under s.268 of the RO Act.

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

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. Additionally, the General Manager's updated Reporting Guidelines, that apply to all financial reports prepared on or after 30 June 2013, are also available on the website as is our webinar on the financial Reporting Guidelines.

The Fair Work Commission has also developed a model set of financial statements for the 2012-2013 financial year. There is no requirement to use this model but it may be a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. All of the above information can be accessed through our website under [Compliance & litigation](#).

The financial report and any statement of loans, grants or donations made during the financial year [statement must be lodged within 90 days of end of financial year] can be emailed to [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au). A sample statement of loans, grants or donations is available at [sample documents no.5](#)

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

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

Yours sincerely,

Robert Pfeiffer  
Senior Adviser  
Regulatory Compliance Branch

## TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
Prepare financial statements and Operating Report.		
<p>(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.</p> <p>(b) A # designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).</p>	/ /	As soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	<p>Within a reasonable time of having received the GPFR</p> <p>(NB: Auditor's report must be dated on or after date of Committee of Management Statement</p>
<p>Provide full report free of charge to members – s265</p> <p>The full report includes:</p> <ul style="list-style-type: none"> <li>the General Purpose Financial Report (which includes the Committee of Management Statement);</li> <li>the Auditor's Report; and</li> <li>the Operating Report.</li> </ul>	/ /	<p>(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,</p> <p>or</p> <p>(b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.</p>
Present full report to:		
(a) General Meeting of Members - s266 (1),(2); OR	/ /	Within 6 months of end of financial year
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	Within 6 months of end of financial year
Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268	/ /	Within 14 days of meeting

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

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

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