Australian Government
Registered Organisations Commission

15 July 2019

Michael Ravbar
Branch Secretary
Construction, Forestry, Maritime, Mining and Energy Union-Construction and General Division, Queensland Northern Territory Divisional Branch

Sent via email: qntqueries@cfmeu.org
CC: Shaun.Lindemann@pkf.com.au

Dear Michael Ravbar,

Construction, Forestry, Maritime, Mining and Energy Union-Construction and General Division, Queensland Northern Territory Divisional Branch
Financial Report for the year ended 31 March 2019 – (FR2019/10)

I acknowledge receipt of the financial report of the Construction, Forestry, Maritime, Mining and Energy Union-Construction and General Division, Queensland Northern Territory Divisional Branch (**the reporting unit**). The documents were lodged with the Registered Organisations Commission (**the ROC**) on 24 June 2019.

The financial report has now been filed.

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 March 2020 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. I make the following comments to assist you when you next prepare a financial report. The ROC will confirm these concerns have been addressed prior to filing next year's report.

General purpose financial report (GPFR)

Nil activity disclosures

Item 21 of the reporting guidelines (**RGs**) states that if any of the activities identified within items 10-20 of the RGs have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. I note that the body of the notes includes the following nil activity disclosure for which there was already an equivalent form of disclosure in the financial statements:

- "Receiving revenue from undertaking recovery of wages activity" is disclosed in both the statement of comprehensive income and Note 1.21.

Please note that nil activities only need to be disclosed once.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 RGs and a model set of financial statements.

The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 RGs and Australian Accounting Standards. Access to this information is available via this link.

If you have any queries regarding this letter, please contact me on (03) 9603 0764 or via email at kylie.ngo@roc.gov.au.

Yours sincerely,

Kylie Ngo
Registered Organisations Commission

CFMEU

QLD/NT

CONSTRUCTION, FORESTRY, MARITIME, MINING & ENERGY UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

ABN 24 502 631 846

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

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CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

COMMITTEE OF MANAGEMENT OPERATING REPORT

FOR THE YEAR ENDED 31 MARCH 2019

Operating Report

In accordance with section 254 of the *Fair Work (Registered Organisations) Act 2009* the Committee of Management ("the Committee") presents its Operating Report on the Construction, Forestry, Maritime, Mining & Energy Union Construction & General Division Queensland Northern Territory Divisional Branch ("Union"), for the year ended 31 March 2019.

Principal Activities

The principal activities of the Union, fall into the following categories:

- Implementation of the decisions of the Divisional Branch Executive, Divisional Branch Management Committee and resolutions of the State Delegates' convention.
- The development and implementation of the Union policy through effective communications with members at the workplace.
- The administration of State awards, the variation of awards following major test cases (ie State wage case) and making other variations to awards for other industrial matters.
- Industrial support including representation of members grievances and/or advice at their workplaces and/or through the various industrial tribunals (ie Industrial Relations Commission, Workers Compensation etc).
- Ongoing communication to members and the broader community through meetings, rallies, media releases, journals and flyers.
- Growing the organisation through good on the job organisation and strong links between the organisers and members.

The results of those activities were ongoing in providing effective leadership to officers, organisers, delegates and membership in the development, advancement and delivery of policy through a delegation of responsibilities and effective communication strategies in the areas of organising, policy/administration, and Industrial Relations/ Training/ Workcover.

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

Operating Results

The operating surplus for the financial year amounted to $2,906,205 (31 March 2018: $1,697,701)

Significant Changes in Financial Affairs

There was no significant change in the financial affairs of the Union during the year.

Events subsequent to reporting date

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

Future Developments

Likely developments in the operations of the Union and the expected results of those operations in future financial years have not been included in this report as such information is likely to result in unreasonable prejudice to the Union.

Environmental Issues

The Union's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Members Right to Resign

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

Officers or Members who are Superannuation Fund Trustees/ Director of a Company that is a Superannuation Fund Trustee

Those who hold a position of trustee or director of an entity, scheme or company as described in s.254 (2) (d) of the *Fair Work (Registered Organisations) Act 2009*, where a criterion of such entity is that the holder of such position must be a member or official of a registered organisation are as follows:

Paula Masters	– Member of the Union - Director of BUSSQ
Ron Monaghan	– Member of the Union - Director of BUSSQ
William Wallace Trohear	– Member of the Union - Director of BUSSQ

Number of Members

The number of members at the end of the financial period recorded in the register of members and taken to be members of the Union was 16,313 (2018: 18,135).

Number of Employees

The number of full-time equivalent employees of the Union at the end of the financial year was 52 (2018: 50).

Members of the Committee of Management

The name of each person who has been a member of the committee of management of the Union at any time during the reporting period, and the period for which he or she held such a position is as follows:

Name	Period of appointment
Michael Ravbar	Whole period
Royce Kupsch	Whole period
Steve Gaske	Whole period
Dallas Ezzy	Whole period
Ian McKewin	Whole period
Jade Ingham	Whole period
Andrew Sutherland	1 April 2018 to 16 October 2018
Keith Murphy	Whole period
Peter Close	Whole period
Jack Cummins	Whole period

COMMITTEE OF MANAGEMENT OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Indemnifying Officers or Auditors

The Union has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor:

- indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against liability for the costs or expenses to defend legal proceedings.

Wages Recovery Activity

The Union has not undertaken any recovery of wages activity for the financial years ended 31 March 2019 and 31 March 2018.

Disclosure Statements - Remuneration and Non-Cash Benefits of Highest Paid Officers

The five highest paid officers of the Union for the disclosure period ended 31 March 2019 and the amounts of the relevant remuneration paid to them and the value or form of non-cash benefits received by them are set out in Note 13 of the financial statements.

This report is made in accordance with a resolution of the Committee of Management and is signed for and on behalf of the Committee of Management by:

....

Michael John Ravbar
Divisional Branch Secretary

27 May 2019

Brisbane

CONSTRUCTION, FORESTRY, MARITIME, MINING & ENERGY UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

COMMITTEE OF MANAGEMENT STATEMENT

FOR THE YEAR ENDED 31 MARCH 2019

On 27 May 2019, the Committee of Management of the Construction, Forestry, Maritime, Mining & Energy Union, Construction & General Division, Queensland Northern Territory Divisional Branch ("Union") passed the following resolution to the General Purpose Financial Report (GPFR) of the reporting unit for the year ended 31 March 2019.

The Committee of Management declares in relation to the GPFR that in its opinion:

(a) the financial statements and notes comply with the Australian Accounting Standards;

(b) the financial statements and notes comply with the reporting guidelines of the Commissioner;

(c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Union for the financial year to which they relate;

(d) there are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable; and

(e) during the financial year to which the GPFR relates and since the end of that year:

i. meetings of the Committee of Management were held in accordance with the rules of the organisation and the rules of the Union concerned; and

ii. the financial affairs of the Union have been managed in accordance with the rules of the organisation including the rules of the Union concerned; and

iii. the financial records of the Union have been kept and maintained in accordance with the *RO Act;* and

iv. where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and

v. where information has been sought in any request of a member of the reporting unit or Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or Commissioner; and

vi. where any order for inspection of the financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

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

Name of Designated Officer: **Michael John Ravbar**

Title of Designated Officer: Divisional Branch Secretary

Signature: ....

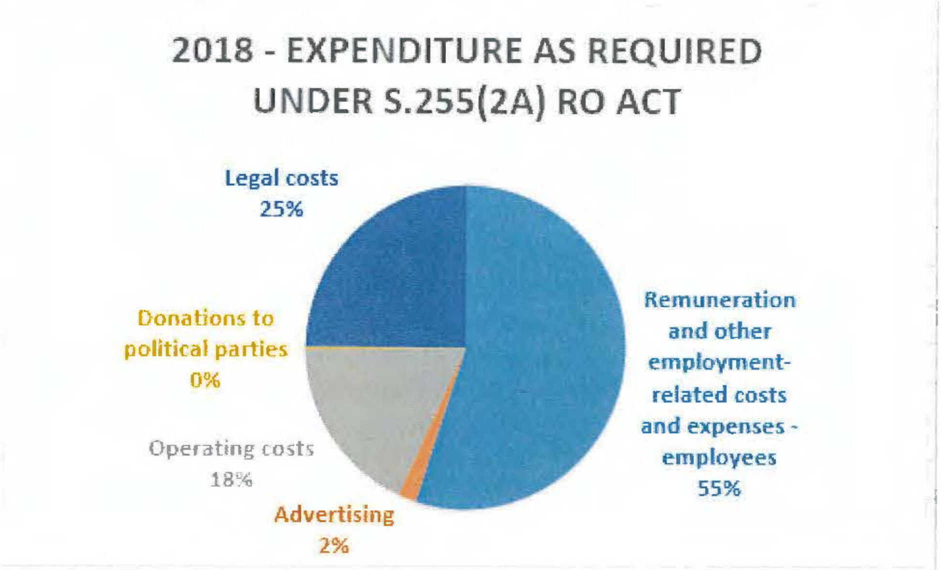
Date: 27 May 2019

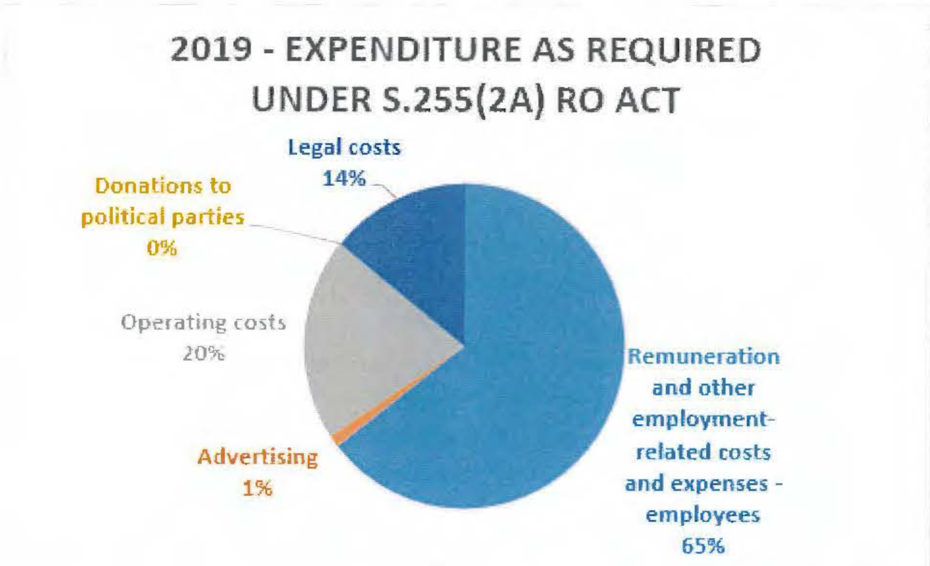
CONSTRUCTION, FORESTRY, MARITIME, MINING & ENERGY UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

REPORT REQUIRED UNDER SUBSECTION 255(2A)

FOR THE YEAR ENDED 31 MARCH 2019

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 March 2018 and 31 March 2019.





Name of Designated Officer:	**Michael John Ravbar**
Title of Designated Officer:	Divisional Branch Secretary
Signature:	....
Date:	27 May 2019

CONSTRUCTION, FORESTRY, MARITIME, MINING & ENERGY UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	31 March 2019 $	31 March 2018 $
Revenue			
Membership subscription		11,137,373	11,830,530
Capitation fees		-	-
Levies	3A	1,340,602	1,272,256
Voluntary collections – ADSS donations		44,800	51,210
Interest	3B	96,977	120,110
Other revenue	3E	3,074,650	3,526,974
Total revenue		15,694,402	16,801,080
Other Income			
Grants and/or donations	3C	4,397,827	4,547,648
Net gains from sale of assets	3D	24,986	68,494
Change in fair value of financial assets		187,550	-
Revenue from recovery of wages		-	-
Total other income		4,610,363	4,616,142
Total income		20,304,765	21,417,222
Expenses			
Employee expenses	4A	7,232,012	6,638,526
Capitation fees	4B	774,578	790,574
Affiliation fees	4C	98,116	214,352
Administration expenses	4D	152,557	456,394
Voluntary collections		44,800	51,210
Grants or donations	4E	409,375	67,623
Depreciation and amortisation	4F	364,052	347,234
Finance costs	4G	91,815	69,197
Legal costs	4H	1,593,886	3,007,670
Audit fees	4I	24,271	36,214
Apprentice Schemes		3,418,315	4,022,648
Other expenses	4J	3,194,783	4,017,879
Total expenses		17,398,560	19,719,521
Surplus (deficit) for the year		2,906,205	1,697,701
Other comprehensive income			
Revaluation increment/(decrement) – Financial assets		-	36,128
Total comprehensive income for the year		2,906,205	1,733,829

The above statement should be read in conjunction with the notes.

CONSTRUCTION, FORESTRY, MARITIME, MINING & ENERGY UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2019

	Notes	31 March 2019 $	31 March 2018 $
ASSETS			
Current Assets			
Cash and cash equivalents	5A	9,668,803	6,560,505
Trade and other receivables	5B	162,366	398,551
Other current assets	5C	11,359	163,642
Financial assets	5D	5,505,302	5,104,217
Total current assets		15,347,830	12,226,915
Non-Current Assets			
Trade and other receivables	5B	1,500,000	2,500,000
Property, plant and equipment	5E	1,505,800	1,505,055
Total non-current assets		3,005,800	4,005,055
Total assets		18,353,630	16,231,970
LIABILITIES			
Current Liabilities			
Trade and other payables	6A	1,030,906	1,681,842
Employee provisions	6B	1,608,420	1,617,802
Revenue in Advance	6C	4,981,814	5,171,731
Total current liabilities		7,621,140	8,471,375
Non-Current Liabilities			
Employee provisions	6B	697,328	631,638
Total non-current liabilities		697,328	631,638
Total liabilities		8,318,468	9,103,013
Net assets		10,035,162	7,128,957
EQUITY			
Retained earnings		10,035,162	7,092,829
Financial asset revaluation reserve		-	36,128
Total equity		10,035,162	7,128,957

The above statement should be read in conjunction with the notes.

CONSTRUCTION, FORESTRY, MARITIME, MINING & ENERGY UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2019

		Retained Earnings		Financial Asset Revaluation Reserve	Total
		General Fund	Compulsory Levy Defence Fund		
		$	$	$	$
Balance as at 1 April 2017		326,246	5,068,882	-	5,395,128
Surplus (deficit) for the year		1,325,983	371,718	-	1,697,701
Other comprehensive income for the period		-	-	36,128	36,128
Closing balance as at 31 March 2018		**1,652,229**	**5,440,600**	**36,128**	**7,128,957**
Surplus (deficit) for the year		1,876,568	1,029,637	-	2,906,205
Transfer from general fund to compulsory levy defence fund	**1.22**	(600,000)	600,000	-	-
Transfer from financial asset revaluation reserve to retained earnings		36,128	-	(36,128)	-
Other comprehensive income for the year		-	-	-	-
Closing balance as at 31 March 2019		**2,964,925**	**7,070,237**	**-**	**10,035,162**

The above statement should be read in conjunction with the notes.

CONSTRUCTION, FORESTRY, MARITIME, MINING & ENERGY UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	31 March 2019 $	31 March 2018 $
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	7B	135,521	1,220,194
Receipts from members and other customers		12,177,235	14,019,760
Grant receipts		4,996,958	5,002,413
Interest		107,486	90,850
Dividend received		-	750,000
Other		3,417,526	4,044,160
Cash used			
Employees and suppliers		(15,866,754)	(18,846,826)
Finance cost		(91,815)	(69,197)
Payment to other reporting units	7B	(2,155,323)	(2,702,971)
Net cash from (used by) operating activities	7A	2,720,834	3,508,383
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of property, plant and equipment		363,995	377,788
Cash used			
Purchase of plant and equipment		(762,996)	(652,687)
Purchase of financial assets		(213,535)	(5,068,089)
Net cash from (used by) investing activities		(612,536)	(5,342,988)
FINANCING ACTIVITIES			
Net cash received from/(paid to) CFMEUQ	7B	1,000,000	452,137
Net increase (decrease) in cash held		3,108,298	(1,382,468)
Cash & cash equivalents at the beginning of the reporting period.		6,560,505	7,942,973
Cash & cash equivalents at the end of the reporting period	5A	9,668,803	6,560,505

The above statement should be read in conjunction with the notes.

CONSTRUCTION, FORESTRY, MARITIME, MINING & ENERGY UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

INDEX TO THE NOTES OF THE FINANCIAL STATEMENTS

INDEX TO THE NOTES OF THE FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of the financial statements

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 Organisation) Act 2009*. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by IASB. For the purpose of preparing the general purpose financial statements, the Construction, Forestry, Maritime, Mining & Energy Union Construction and General Division Queensland Northern Territory Divisional Branch ('Union') is a not-for-profit entity. The Union has applied the Tier 1 reporting requirements as per the Australian Accounting Standard AASB 1053 *Application of Tiers of Australian Accounting Standards.*

The financial statements have been prepared on an accrual basis and in accordance with the 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.

1.2 Comparative amounts

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

1.3 Significant accounting judgements and estimates

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Key Estimates

Impairment – general
The Union assesses impairment at each reporting period by evaluation of conditions and events specific to the Union that may be indicative of impairment triggers. Recoverable amounts of relevant assets are assessed using value-in-use calculations which incorporate various key assumptions. No impairment has been recognised in respect of the current year.

Key Judgements

Useful lives of property, plant and equipment
Property, plant and equipment are depreciated over the useful life of the asset and the depreciation rates are assessed when the assets are acquired or when there is a significant change that affects the remaining useful life of the asset.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

The Union has adopted AASB 9: *Financial Instruments* with a date of initial application of 1 April 2018. As a result, the Union has changed its financial instruments accounting policies as detailed in the significant accounting policies note.

Considering the initial application of AASB 9 during the financial period, financial statement line items have been affected for the current and prior periods. Below in this note are the adjustments made to the affected financial statement line items.

AASB 9 requires retrospective application with some exceptions.

Disclosure: Initial application of AASB 9

There were no financial assets/liabilities which the Union had previously designated as fair value through profit or loss under AASB 139: *Financial Instruments: Recognition and Measurement* that were subject to reclassification/elected reclassification upon the application of AASB 9.

The Union applied AASB 9 (as revised in July 2014) and the related consequential amendments to other AASBs. New requirements were introduced for the classification and measurement of financial assets and financial liabilities, as well as for impairment.

Financial assets in terms of AASB 9 need to be measured subsequently at either amortised cost or fair value on the basis of the entity's business model and the cash flow characteristics of the financial assets, as follows:

- debt investments that are held within a business model whose goal is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are subsequently measured at amortised cost;
- debt investments that are held within a business model whose goal is both to collect contractual cash flows and to sell it, and that have contractual cash flows that are purely payments of principal and interest on the principal amount outstanding, are subsequently measured at fair value through other comprehensive income; and
- all other debt investments and equity investments are measured at fair value through profit or loss.

Despite the issues mentioned above, the entity may make irrevocable election at initial recognition of a financial asset as follows:

- the entity may choose to present subsequent changes in fair value of an equity investment that is not held for trading and not a contingent consideration in a business combination in other comprehensive income; and
- the entity may choose to present a debt investment that meets the amortised cost or fair value through other comprehensive income criteria as measured at fair value through profit or loss if this choice significantly reduces an accounting mismatch.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

Disclosure: Initial application of AASB 9 (continued)

When an equity investment at fair value through other comprehensive income has a gain or loss previously recognised in other comprehensive income, it is not reclassified to profit or loss. However, when a debt investment at fair value through other comprehensive income is derecognised, the gain or loss recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Debt instruments that are subsequently measured at amortised cost or at fair value through other comprehensive income are subject to impairment.

The Committee of Management of the Union determined the existing financial assets as at 1 April 2018 based on the facts and circumstances that were present and determined that the initial application of AASB 9 had the following effect:

- the Union's investments in equity instruments not held for trading that were previously classified as available-for-sale financial assets and were measured at fair value have been designated as at fair value through profit and loss.

- financial assets as held-to-maturity and loans and receivables that were measured at amortised cost continue to be measured at amortised cost under AASB 9 as they are held to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding; and

- financial assets measured at fair value through profit or loss (AASB 139) are still measured as such under AASB 9.

This note contains a table that shows the effect of classification of the financial assets upon initial application.

Impairment

As per AASB 9, an expected credit loss model is applied, not an incurred credit loss model as per the previous standard applicable (AASB 139). To reflect changes in credit risk, this expected credit loss model requires the Union to account for expected credit losses since initial recognition.

AASB 9 also determines that a loss allowance for expected credit loss be recognised on debt investments subsequently measured at amortised cost or at fair value through other comprehensive income, lease receivables, contract assets, loan commitments and financial guarantee contracts as the impairment provision would apply to them.

If the credit risk on a financial instrument did not show significant change since initial recognition, an expected credit loss amount equal to 12-month expected credit losses are used. However, a loss allowance is recognised at an amount equal to the lifetime expected credit loss if the credit risk on that financial instrument has increased significantly since initial recognition, or if the instrument is an acquired credit-impaired financial asset.

1.4 New Australian Accounting Standards (continued)

Adoption of New Australian Accounting Standard requirements (continued)

Disclosure: Initial application of AASB 9 (continued)

A simple approach is followed in relation to trade receivables as the loss allowance is measured at lifetime expected credit loss.

Given that the only financial assets to which the impairment provision applies are trade and other receivables, the Union uses the simplified approach and recognises lifetime expected credit loss. This change in approach did not materially impact the expected provision and as such no adjustment was made.

The consequential amendments to AASB 9 have also resulted in more extensive disclosures about the Union's exposure to credit risk in the consolidated financial statements.

Classification and measurement of financial liabilities

AASB 9 determines that the measurement of financial liabilities and also the classification relates to changes in the fair value designated as FVTPL attributable to changes in the credit risk.

AASB 9 further states that the movement in the fair value of financial liabilities that is attributable to changes in the credit risk of that liability needs to be shown in other comprehensive income unless the effect of the recognition constitutes accounting mismatch in profit or loss. Changes in fair value in relation to the financial liability's credit risk are transferred to retained earnings when the financial liability is derecognised and not reclassified through profit or loss. AASB 139 requires the fair value amount of the change of the financial liability designated as at FVTPL to be presented in profit or loss.

Apart from the above, the application of AASB 9 has had no impact on the classification and measurement of the Union's financial liabilities.

The following table represents the classification and measurement of financial assets and financial liabilities under AASB 9 and AASB 139 at the date of initial application, 1 April 2018. There has been no change to the carrying value of the Union's financial assets.

1.4 New Australian Accounting Standards (continued)

Adoption of New Australian Accounting Standard requirements (continued)

Disclosure: Initial application of AASB 9 (continued)

Financial instrument category

	AASB 139 Original	**AASB 9 New**
Financial assets		
Current and non-current		
Accounts receivable and other debtors	Loans and receivables (amortised cost)	Financial assets at amortised cost
Cash and cash equivalents	Loans and receivables (amortised cost)	Financial assets at amortised cost
Held for trading non-derivative financial assets	Financial assets at fair value through profit or loss	Financial assets at fair value through profit or loss
Listed investments – shares in listed corporations	Available-for-sale financials	Financial asset at fair value through other comprehensive income
Government and fixed interest securities	Held-to-maturity	Financial assets at amortised cost
Financial liabilities		
Current and non-current		
Accounts payable and other payables	Amortised cost	Financial liabilities at amortised cost

The Union have elected to classify financial assets that were previously categorised as available for sale financial assets as at fair value through profit or loss at the date of initial application of AASB 9.

This change has resulted in an amount of $187,550 being recorded in the profit and loss rather than through Other Comprehensive income. If this had been applied as at 31 March 2018 an amount of $36,128 would have gone through the profit and loss rather than Other Comprehensive Income.

As the reserve for financial assets is no longer relevant for the Union under AASB 9, management have elected to roll the existing reserve into Retained Earnings in the current year. No other carrying amounts have been amended as a result of the application of AASB 9.

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

1.4 New Australian Accounting Standards (Continued)

Future Australian Accounting Standards Requirements

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on the Union include:

AASB 15: Revenue from Contracts with Customers
(applicable for annual reporting periods beginning on or after 1 January 2019 for NFP entities)

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with the customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to perform obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

The Committee of Management are currently still quantifying the impact that AASB 15 will have on the financial statements.

1.4 New Australian Accounting Standards (Continued)

AASB 16: Leases
(applicable for annual reporting periods beginning on or after 1 January 2019)

AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.

A lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. As a consequence, a lessee recognises depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows applying AASB 107 Statement of Cash Flows.

Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments), and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or unlikely to exercise an option to terminate the lease.

The Committee of Management have considered the application of this standard and do not believe the value of the assets and liabilities to be recognised will every significantly from the commitments receivable disclosed in Note 9.

AASB 1058: Income for Not-for-profit entities
AASB 2016-8: Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-For-Profit Entities
(applicable for annual reporting periods beginning on or after 1 January 2019)

AASB 1058 and AASB 2016-8 will defer income recognition in some circumstances for not-for-profit entities, particularly where there is a performance obligation or any other liability. In addition, certain components in an arrangement, such as donations, may be separated from other types of income and recognised immediately.

The Standard also expands the circumstances in which not-for-profit entities are required to recognise income for goods and services received for consideration that is significantly less than the fair value of the asset principally to enable the entity to further its objectives (discounted goods and services), including for example, peppercorn leases.

Consequently AASB 1004 Contributions is also amended, with its scope effectively limited to address issues specific to government entities and contributions by owners in a public sector entity context.

The Committee of Management are currently still quantifying the impact that AASB 1058 will have on the financial statements.

1.5 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Receivables for goods and services, which have 30 day terms, 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 the debt is no longer probable.

Donation income is recognised when it is received.

Interest revenue is recognised on an accrual basis using the effective interest method.

Grant revenue is recognised in profit or loss over the periods in which the Union recognises as expenses the related costs for which the grants are intended to compensate. Grants received in advance of the expenditure for which they are intended are recognised in the statement of financial position as revenue in advance.

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

1.6 Gains

Sale of assets

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

1.7 Capitation fees and levies

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

1.8 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of the reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the Union in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

1.8 Employee benefits (continued)

Provision is made for separation and redundancy benefit payments. The Union recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

1.9 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

1.10 Borrowing costs

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.11 Cash and cash equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

1.12 Provisions

Provisions are recognised when the Union has 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.13 Financial instruments

Initial recognition and measurement

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

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:
- amortised cost; or
- fair value through profit and loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:
- a contingent consideration of an acquirer in a business combination to which AASB 3 applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:
- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.13 Financial instruments (continued)

Classification and subsequent measurement (continued)

Financial liabilities (continued)

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit and loss

on the basis of the two primary criteria, being:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit and loss.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.13 Financial instruments (continued)

Classification and subsequent measurement (continued)

Financial Assets (continued)

The entity initially designates financial instruments as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance to the documented risk management or investment strategy and information about the groupings was documented appropriately, so the performance of the financial liability that was part of an entity of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit and loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the entity made an irrevocable election to measure the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit and loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the entity's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

1.13 Financial instruments (continued)

Derecognition (continued)

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the entity no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.13 Financial instruments (continued)

Impairment (continued)

The entity used the following approaches to impairment, as applicable under AASB 9:

- the general approach;
- the simplified approach;
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the entity assessed whether the financial instruments are credit impaired, and if:

- the credit risk of the financial instrument increased significantly since initial recognition, the entity measured the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- there was no significant increase in credit risk since initial recognition, the entity measured the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk in every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables or contract assets that result from transactions that are within the scope of AASB 15, that contain a significant financing component; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (ie diversity of its customer base, appropriate groupings of its historical loss experience, etc).

Purchased or originated credit impaired approach

For a financial asset that is considered to be credit impaired (not on acquisition or originations), the entity measured any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment was recognised in profit or loss as an impairment gain or loss.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.13 Financial instruments (continued)

Impairment (continued)

Purchased or originated credit impaired approach (continued)

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (eg default or past due event);
- Where a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- It is probable that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the entity assumed that the credit risk has not increased significantly since initial recognition and accordingly can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such determination that the financial asset has low credit risk, the entity applied its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or relative to the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the entity recognised the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. An amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.14 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.15 Property, Plant and Equipment

Asset Recognition Threshold

Purchases of land, buildings, plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight line method of depreciation except motor vehicles which are depreciated on a diminishing value basis. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	31 March 2019	31 March 2018
Plant and equipment	10-33%	10-33%
Motor Vehicles	25%	25%

Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

1.16 Impairment

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Union were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.17 Income Tax

The Union is exempt from income tax under section 50.1 of *the Income Tax Assessment Act 1997* however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

1.18 Fair value measurement

The Union measures financial instruments, such as, financial asset as at fair value through the profit and loss, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 12.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Union. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Union uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.18 Fair value measurement (Continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Union determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Union has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

1.19 Going concern

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

The Union has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

1.20 Acquisition of Assets and Liabilities

The Union did not acquire any assets or liabilities during the year as a result of:

(a) an amalgamation under Part 2 of Chapter 3 of the RO Act in with the organisation (of which the reporting unit form part) was the amalgamated organisation; or
(b) a restructure of the branches of the organisation; or
(c) a determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation; or
(d) a revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to an organization under subsection 245(1).

The Union did not acquire any assets or liabilities during the year as a part of a business combination.

1.21 Recovery of Wages

The Union has not undertaken any recovery of wages activities during the year or the comparative year.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.22 Retained Earnings – Compulsory Levy Defence Fund

The Defence Fund is being maintained to provide the additional resources needed to defend our members against continuing attacks from employers and Federal Government agencies.

Funds collected by the compulsory levy defence fund are held in cash and short term investments.

No funds have been invested in assets.

All funds required by the rules of the Union are included in the statement of changes in equity.

During the 2018 financial year, the Committee of Management made a resolution that $600,000 was to be contributed towards the ACTU Change the Rules campaign from the compulsory levy defence fund. In 2019, the Committee of Management decided that the ACTU Change the Rules campaign cost of $600,000 was to be paid from General Fund. Therefore, a transfer of $600,000 was made from the General Fund to Compulsory Levy defence fund.

There have been withdrawals to or from the compulsory levy defence fund during the year.

The surplus in Compulsory Levy Defence Fund during the year was $1,029,637.

1.23 Compulsory Levy Campaign

The compulsory campaign levy was established by the National Office of the Union to provide resources to fight against attacks against the Union by employers, governments and media. The levy is paid to the National Office of the Union.

NOTE 2 EVENTS AFTER REPORTING DATE

There were no events that occurred after 31 March 2019, and/ or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Union.

NOTE 3 INCOME

	31 March 2019 $	31 March 2018 $
Note 3A: Levies		
Compulsory levy – Defence Fund (Note 1.22)	1,029,637	971,718
Compulsory levy – Campaign (Note 1.23)	273,945	258,188
Voluntary levy – Tool Scheme	37,020	42,350
Total levies	1,340,602	1,272,256
Note 3B: Interest		
Interest	96,978	120,110
Total Interest	96,978	120,110
Note 3C: Grants or donations		
Grants Apprentice Scheme	3,872,827	4,022,648
Grants Other	525,000	525,000
Donations	-	-
Total grants or donations	4,397,827	4,547,648
Note 3D: Net gains from sale of assets		
Gain on sale of property, plant and equipment	24,986	68,494
Total net gain from sale of assets	24,986	68,494
Note 3E: Other Revenue		
Administration recoveries	594,871	548,596
Compliance recoveries	384,385	378,175
Dividend income	-	750,000
Income from financial asset	214,418	68,984
Promotional charges	576,467	586,679
Sponsorship income	258,500	203,755
Training income	391,173	579,014
Directors/Meeting fees	183,839	213,785
Sundry income and reimbursements	470,997	197,986
Financial support from another reporting unit	-	-
Total other revenue	3,074,650	3,526,974

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

NOTE 4 EXPENSES	31 March 2019 $	31 March 2018 $
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	523,195	571,671
Superannuation	73,078	84,628
Leave and other entitlements	57,175	10,607
*Separation and redundancies	19,617	21,851
Other employee expenses	5,304	5,339
Subtotal employee expenses holders of office	678,369	694,096
Employees other than office holders:		
Wages and salaries	5,198,353	4,749,193
Superannuation	782,643	763,261
Leave and other entitlements	313,930	182,975
*Separation and redundancies	179,844	166,691
Other employee expenses	78,873	82,310
Subtotal employee expenses employees other than office holders	6,553,643	5,944,430
Total employee expenses	7,232,012	6,638,526

*Separation and redundancies include contributions to the redundancy fund.

Note 4B: Capitation fees

CFMEU C&G National Office	774,578	790,574
Total Capitation fees	774,578	790,574

Note 4C: Affiliation fees

Australian Labor Party Queensland Branch	74,245	138,391
Australian Labor Party Northern Territory Branch	2,073	2,455
Building and Wood Workers' International	18,855	40,057
Queensland Council of Unions Brisbane Branch	-	30,000
Queensland Council of Unions Townsville Branch	100	-
Ipswich Trades Hall & Labour Day Committee	30	30
NT Trades & Labour Council	2,813	3,419
Total Affiliation fees	98,116	214,352

NOTE 4 EXPENSES (CONTINUED)

	31 March 2019 $	31 March 2018 $
Note 4D: Administration expenses		
Consideration to employers for payroll deductions	522	585
Compulsory levy – Campaign (Note 1.23)	61,825	333,400
Voluntary levy – Tool Scheme	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	90,210	122,409
Total administration expenses	152,557	456,394
Note 4E: Grants or donations		
Grants:		
Total paid that were $1,000 or less	-	-
Total paid that exceeded $1,000	-	-
Donations:		
Total paid that were $1,000 or less	5,640	4,348
Total paid that exceeded $1,000	403,735	63,275
Total grants or donations	409,375	67,623
Note 4F: Depreciation and amortisation		
Depreciation:		
Property, plant and equipment	56,031	60,670
Motor vehicles	308,021	286,564
Total depreciation	364,052	347,234
Amortisation		
Intangibles	-	-
Total amortisation	-	-
Total depreciation and amortisation	364,052	347,234
Note 4G: Finance costs		
Bank fees and charges	91,815	69,197
Total finance costs	91,815	69,197
Note 4H: Legal costs		
Litigation	1,275,697	144,896
Other legal matters	102,009	231,302
Penalties & Settlements (Litigation costs)	216,180	2,631,472
Total legal costs	1,593,886	3,007,670

NOTE 4 EXPENSES (CONTINUED)

	31 March 2019 $	31 March 2018 $
Note 4I: Audit fees		
External audit expense	24,271	36,214
Other services	-	-
Total audit fees	24,271	36,214

	31 March 2019 $	31 March 2018 $
Note 4J: Other expenses		
Penalties – via RO Act or the *Fair Work Act 2009*	-	-
Administration expenditure	173,564	162,251
Advertising & marketing	73,641	140,689
Campaign expenses	161,770	442,288
Campaign expenses – ACTU change the rules	(393,302)	600,000
Communications	70,419	89,085
Computer expenses	33,270	18,152
Delegates convention	308,960	-
Fringe benefit tax	203,205	196,379
Impairment counselling & delivery costs	17,956	41,590
Insurance	902	1,366
Labour day expenses	135,312	91,648
Motor vehicles expenses	365,673	329,853
Organising expenses	440,741	515,451
Payroll tax	351,496	334,749
Postage	98,680	111,191
Printing and stationery	117,966	119,596
Publication expenses	58,075	76,755
Rental expenses	807,515	688,585
Sponsorship expenses	109,273	14,427
Subscriptions	7,490	3,812
Training	11,835	9,100
Workers compensation	40,342	30,912
Total other expenses	3,194,783	4,017,879

NOTE 5 ASSETS

	31 March 2019 $	31 March 2018 $
Note 5A: Cash and Cash Equivalents		
Cash at bank	4,664,003	2,555,705
Cash on hand	4,300	4,300
Debit card	500	500
Term deposits	5,000,000	4,000,000
Total cash and cash equivalents	9,668,803	6,560,505
Note 5B: Trade and Other Receivables		
Current		
Interest receivable	31,274	41,782
Membership dues receivable	1,523,329	1,404,787
Grants receivable	-	-
Other receivables	80,328	122,559
Receivables from other reporting units		
CFMEU C&G National Office	17,595	181,781
Total current trade and other receivables	1,652,526	1,750,909
Less provision for doubtful debts	(1,490,160)	(1,352,358)
Total provision for doubtful debts	(1,490,160)	(1,352,358)
Total current trade and other receivables (net)	162,366	398,551
Non-current		
Receivables from other reporting units		
CFMEUQ	1,500,000	2,500,000
Total non-current trade and other receivables	1,500,000	2,500,000
Total trade and other receivables	1,662,366	2,898,551

No provision for doubtful debts has been raised against the reporting units balances shown.

Note 5C: Other Current Assets		
Prepayments	11,359	163,642
Total other current assets	11,329	163,642

NOTE 5 ASSETS (CONTINUED)

	31 March 2019 $	31 March 2018 $
Note 5D: Financial Assets		
Financial asset at cost	5,000,000	5,000,000
Addition investment	281,624	68,089
Growth investment (unrealised)	223,678	36,128
Total financial assets	5,505,302	5,104,217

Note 5E: Property, Plant and Equipment

Property, Plant and Equipment comprises of:

	31 March 2019 $	31 March 2018 $
Motor vehicles	1,366,167	1,353,848
Plant and equipment	139,633	151,207
Total property plant and equipment	1,505,800	1,505,055
Motor vehicles:		
At cost	1,900,069	1,765,265
Less accumulated depreciation	(533,902)	(410,417)
Total motor vehicles	1,366,167	1,354,848
Plant and Equipment:		
At cost	302,557	283,627
Less accumulated depreciation	(162,924)	(132,420)
Total plant and equipment	139,633	151,207

	Motor Vehicles $	Plant & Equipment $	Total $
Balance at beginning of the year	1,353,848	151,207	1,505,055
Additions	718,539	44,457	762,996
Disposals	(339,009)	-	(339,009)
Depreciation expense – Note 4F	(308,021)	(56,031)	(364,052)
Depreciation allocated to Apprentice Scheme	(59,190)	-	(59,190)
Carrying amount at end of the year	1,366,167	139,633	1,505,800

NOTE 6 LIABILITIES

	31 March 2019	31 March 2018
	$	$
Note 6A: Trade and Other Payables		
Trade payables and accruals	439,412	717,424
Payables to other reporting units		
- CFMEU C&G National Office	-	-
Consideration to employers for payroll deductions	-	-
Legal costs		
Litigation	130,501	51,193
Settlements (Penalties from Litigation)	210,000	622,000
Other legal matters	-	-
GST payable	241,813	280,455
Voluntary collections - ADSS	9,180	10,770
Wages collected on behalf of members	-	-
Total trade and other payables	1,030,906	1,681,842

Note 6B: Employee Provisions

Employee provisions comprises of:

Current		
Provision for annual leave	870,107	826,995
Provision for long service leave	738,313	790,807
	1,608,420	1,617,802
Non-current		
Provision for long service leave	697,328	631,638
Total employee provisions	2,305,748	2,249,440

Non-current provisions represent long service leave entitlements owing to employees who have not completed 5 continuous years of service with the Union.

Balance at beginning of the year	2,249,440	2,200,065
Additional provisions raised during the year:	389,609	308,184
Amounts used	(333,301)	(258,809)
Balance at the end of the year	2,305,748	2,249,440

NOTE 6 LIABILITIES (CONTINUED)

	31 March 2019	31 March 2018
	$	$
Note 6B: Employee Provisions (Continued)		
Office Holders:		
Annual leave	85,195	76,442
Long service leave	392,702	344,280
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	477,897	420,722
Employees other than office holders:		
Annual leave	784,912	750,553
Long service leave	1,042,939	1,078,165
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	1,827,851	1,828,718
Total current employee provisions	2,305,748	2,249,440

Note 6C: Revenue in Advance

Revenue in advance comprises of:

Current		
Apprentice scheme funding	1,295,135	1,078,336
Membership dues in advance	3,237,429	3,586,645
Other revenue in advance	449,250	506,750
	4,981,814	5,171,731
Non-current		
Apprentice scheme funding	-	-
Total revenue in advance	4,981,814	5,171,731

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

NOTE 7 CASH FLOW	**31 March 2019 $**	**31 March 2018 $**
Note 7A: Cash Flow Reconciliation		
Reconciliation of cash and cash equivalents as per Statement of financial position to Statement of cash flows:		
Cash and cash equivalents as per:		
Statement of cash flows	9,668,803	6,560,505
Statement of financial position	9,668,803	6,560,505
Difference	-	-
Reconciliation of surplus/(deficit) to net cash from operating activities:		
Surplus/(deficit) for the year	2,906,205	1,697,701
Adjustments for non-cash items		
Depreciation expense – Note 4F	364,052	347,234
Depreciation – Apprentice scheme	59,190	66,784
(Gain)/Loss on disposal of assets	(24,986)	(68,494)
Change in fair value of financial assets	(187,550)	-
Changes in assets/liabilities		
(Increase)/decrease in net receivables	236,185	1,614,875
(Increase)/decrease in prepayments	152,283	28,494
Increase/(decrease) in trade and other payables	(650,936)	(319,108)
Increase/(decrease) in revenue in advance	56,308	162,609
Increase/(decrease) in employee provisions	(189,917)	49,375
Increase/(decrease) in other provisions	-	(71,087)
Net cash from (used by) operating activities	2,720,834	3,508,383

Note 7B: Cash flow information

Cash inflows		
CFMEUQ	1,006,200	1,570,358
CFMEU National Office	61,516	-
CFMEU C&G National Office	14,639	60,660
CFMEU C&G ACT	-	1,000
CFMEU VIC	300	300
CFMEU M&E QLD	52,866	40,013
Total cash inflows	1,135,521	1,672,331

NOTE 7 CASH FLOW (CONTINUED)

	31 March 2019	31 March 2018
	$	$
Note 7B: Cash flow information (Continued)		
Cash outflows		
CFMEUQ	794,745	702,292
CFMEU C&G National Office	1,359,703	1,999,447
CFMEU C&G ACT	-	432
CFMEU C&G WA	875	800
Total cash outflows	2,155,323	2,702,971

Note 7C: Credit standby arrangements and loan facilities

	31 March 2019	31 March 2018
CBA Mastercard Facility		
Used facility	12,317	2,950
Unused facility	47,683	57,050
Total facility	60,000	60,000

Note 7D: Non-cash transactions

There have been no non-cash financing or investing activities during the year ended 31 March 2019 (31 March 2018: Nil).

NOTE 8 RELATED PARTY DISCLOSURES

Note 8A: Related Party Transactions for the Reporting Period

Holders of office and related reporting units
The names of those persons who held office for all or part of the year are deemed to be a related party for financial reporting purposes as set out in the accompanying Committee of Management Operating Report. The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

	31 March 2019 $	31 March 2018 $
Income received includes the following:		
Audit fee reimbursed from CFMEUQ	6,200	-
Wages reimbursement from CFMEU National Office	61,516	-
Sale of vehicle to CFMEU C&G National office	-	40,000
Airfares reimbursement from CFMEU C&G National office	10,249	14,552
Expense reimbursement from CFMEU C&G National office	3,059	-
Expense reimbursement from CFMEU M&E QLD	13,696	1,626
Expense reimbursement from CFMEU C&G VIC	273	273
Affiliation fees reimbursement from CFMEU M&E QLD	34,364	34,386
Merchandise sales to CFMEU M&E QLD	-	364
Merchandise sales to CFMEU C&G ACT	-	909
Expenses paid includes the following:		
Rent paid to CFMEUQ	722,495	638,447
Capitation fees to CFMEU C&G National Office	774,578	790,574
Campaign levy to CFMEU C&G National Office	61,825	333,400
Wages reimbursement to CFMEU C&G National Office	120,990	32,807
Staff cost reimbursement to CFMEU C&G National Office	2,500	-
Legal cost contribution to CFMEU C&G National Office	20,185	95,438
Legal penalties contribution to CFMEU C&G National Office	-	67,557
ABCC campaign contribution to CFMEU C&G National Office	-	121,257
ACTU campaign donation to CFMEU C&G National Office	196,651	-
Change the rules campaign donation to CFMEU C&G National Office	196,651	-
Merchandise purchase from CFMEU C&G WA	-	727
Conference accommodation from CFMEU C&G WA	795	-
Donation – contribution to CFMEU M&E QLD for Oaky North Miners	-	20,000
Amounts owed by includes the following:		
CFMEU C&G National Office	17,595	181,781
Amounts owed to includes the following:		
CFMEUQ	-	-
Loans to CFMEUQ:	1,500,000	2,500,000

NOTE 8 RELATED PARTY DISCLOSURES (CONTINUED)

Note 8A: Related Party Transactions for the Reporting Period (Continued)

Holders of office and related reporting units (continued)

Terms and conditions of transactions with related parties (continued)

Related party transactions occur between the Union and its state registered equivalent the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division (CFMEUQ).

The sales to and purchases from related parties are made on terms equivalent to those that prevails in arm's length transactions. Outstanding balances for sales and purchases at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2019, the union has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2018: $Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The loan provided to CFMEUQ does not incur interest and is expected to be repaid within 5 years.

Related party transactions also occur between the Union and other reporting units including the National Office of the Construction & General Division (CFMEU C&G National Office).

Related Party disclosures in the financial report are presented on an accrual basis. Whilst the financial records of the Union have been kept, as far as practicable, in a manner consistent with each other reporting units of the organisation, the balances and transactions reported in this financial report may differ to those recorded in the financial report of the counterparty reporting unit. This may arise due to timing difference in the respective recordkeeping of the related reporting units, for example, in the receipt of payments, correspondence in transit or the alternative categorisation of balances/transactions.

From time-to-time, the National Office of the Construction & General Division of the CFMEU (CFMEU C&G National Office) coordinates various administrative activities on behalf of the Union. This includes the collation of certain costs, which are apportioned to the appropriate branches and invoiced in full. Accordingly, with the National Office merely being the facilitator of such transactions between the Union and independent third parties (and there is no profit component in recharging these costs), these are not considered to be related party expenditures of the Union and hence are not required to be disclosed.

Notwithstanding this, the transfer of funds to meet these obligations remain related party transactions, and accordingly have been disclosed in the related party cash flows reported at Note 7B. Additionally, any amounts outstanding as at balance date between related parties have been disclosed at Note 8A.

There have been no payments made during the financial year to a former related party of the Union.

NOTE 8 RELATED PARTY DISCLOSURES (CONTINUED)

Note 8B: Key Management Personnel Remuneration for the Reporting Period

Key management personnel comprise those individuals who have the authority and responsibility for planning, directing and controlling the activities of the Union. The Union has determined that key management personnel comprises of:

- Michael Ravbar (State Secretary)
- Royce Kupsch (State President)
- Jade Ingham (Assistant State Secretary)
- Andrew Sutherland (Assistant State Secretary) – resigned 16 October 2018

During the year, the key management personnel of the Union were remunerated as follows:

	31 March 2019 $	31 March 2018 $
Short-term employee benefits		
Salary (including annual leave taken)	523,195	571,671
Annual leave accrued	8,753	11,754
Performance bonus	-	-
Other employee benefits	5,304	5,339
Total short-term employee benefits	537,252	588,764
Post-employment benefits:		
Superannuation	73,078	84,628
Redundancy fund	19,617	21,851
Total post-employment benefits	92,695	106,479
Other long-term benefits:		
Long-service leave	48,422	(1,147)
Total other long-term benefits	48,422	(1,147)
Termination benefits	-	-
Total	678,369	694,096

No other transactions occurred during the year with elected officers, close family members or other related parties than those related to their membership or employment and on terms no more favourable than those applicable to any other member of employee.

NOTE 9 CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

(a) Operating lease commitments

Leases as lessee

The leases relates to rent of regional office located at Townsville and rent for printing equipment in Brisbane office. The leases run for a period ranging between 3 to 5 years. The future minimum lease payments under non-cancellable operating leases are as follows:

	31 March 2019 $	31 March 2018 $
Payable – minimum lease commitments		
- not later than 12 months	131,354	123,855
- between 12 months and 5 years	47,652	174,286
- greater than 5 years	-	-
Minimum lease payments	179,006	298,141

Leases as lessor

The leases relates to rent from sub leasing regional office located at Townville. The future minimum receivable payments under non-cancellable operating leases are as follows:

	31 March 2019 $	31 March 2018 $
Receivable – minimum lease commitments		
- not later than 12 months	45,014	40,703
- between 12 months and 5 years	7,623	49,032
- greater than 5 years	-	-
Minimum lease payments	52,637	89,735

(b) Contingent liabilities and commitments

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 or a matter has been settled and the amount is unpaid, the Union accrues an expense for estimated costs and penalties in relation to the matter.

No provision is made for any settlement costs or penalties for ongoing unresolved matters where the outcome cannot be reliably determined as the Union intends to defend the claims.

(c) Finance lease commitments

The Union does not have any finance lease commitments at 31 March 2019 (2018: Nil).

(d) Capital expenditure commitments

There are no capital expenditure commitments at 31 March 2019 (2018: Nil).

	31 March 2019 $	31 March 2018 $
NOTE 10 REMUNERATION OF AUDITORS		
Value of the services provided		
Financial statement audit services	22,750	22,500
Other services – included in apprentice scheme expense	10,000	5,000
Total remuneration of auditors	32,750	27,500

Other services include the audit of the political membership return and apprentice scheme acquittals.

NOTE 11 FINANCIAL INSTRUMENTS

Financial Risk Management Policy
The Committee of Management monitors the Union's financial risk management policies and exposure and approves financial transactions within the scope of these policies.

The Committee of Management's overall risk management strategy seeks to assist the Union in meeting its financial targets, while minimising potential adverse effects on financial performance. Its functions include the review of the use of credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management
The main risks the Union is exposed to through its financial instruments are credit risk, liquidity risk, and market risk consisting predominantly of interest rate risk. There have been no substantive changes in the types of risks the Union is exposed to, how these risks arise, or the Committee of Management's objectives, policies and processes for managing or measuring the risks from the previous period.

The Union's financial instruments are listed below:

Financial Assets		
Cash and cash equivalents	9,668,803	6,560,505
Trade and other receivables	1,662,366	2,898,551
Financial assets	5,505,302	5,104,217
	16,836,471	14,563,273
Financial Liabilities		
Trade and other payables	1,030,906	1,681,842
	1,030,906	1,681,842

Note 11A: Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Union.

Credit risk arises from cash and cash equivalent and deposits with banks and financial institutions, as well as exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

NOTE 11 FINANCIAL INSTRUMENTS (CONTINUED)

Note 11A: Credit Risk (Continued)

The Union has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

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

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

The class of assets described as Trade and Other Receivables is considered to be the main source of credit risk related to the Union. On a geographical basis, the Union's trade and other receivables are all based in Australia.

The Union applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all accounts receivable. To measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due. The loss allowance provision as at 31 March 2019 is determined as follows. The expected credit losses below also incorporate forward looking information.

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

Ageing of financial assets that were past due but not impaired for 2019

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Expected loss rate	90.2%	0%	0%	0%	47.3%
Gross Carrying amount	1,652,526	-	-	1,500,000	3,152,526
Loss allowing provision	1,490,160	-	-	-	1,490,160

Ageing of financial assets that were past due but not impaired for 2018

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Expected loss rate	77.2%	0%	0%	0%	31.8%
Gross Carrying amount	1,750,910	-	-	2,500,000	4,250,910
Loss allowing provision	1,352,358	-	-	-	1,352,358

The "amounts written off" are all due to debtors declaring bankruptcy or accounts receivable that have now become unrecoverable.

The Union has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for and mentioned within Note 5. The main source of credit risk to the entity is considered to relate to the class of assets described as "accounts receivable and other debtors".

The Union always measures the loss allowance for accounts receivables at an amount equal to lifetime expected credit loss. The expected credit losses on accounts receivable are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

NOTE 11 FINANCIAL INSTRUMENTS (CONTINUED)

Note 11A: Credit Risk (Continued)

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Union writes off an account receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery (eg when the debtor has been placed under liquidation or has entered into bankruptcy proceedings) or when the trade receivables are over two years past due, whichever occurs earlier. None of the accounts receivable that have been written off are subject to enforcement activities.

Collateral held as security

The Union does not hold collateral with respect to its receivables at 31 March 2019 (31 March 2018: Nil).

Note 11B: Liquidity Risk

Liquidity risk arises from the possibility that the Union might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The Union manages this risk through the following mechanisms:

- preparing forward looking cash flow estimates;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables below reflect an undiscounted contractual maturity analysis for non-derivative financial liabilities. The Union does not hold directly any derivative financial liabilities.

Contractual maturities for financial liabilities

	On Demand	< 1 year	1 – 2 years	2 – 5 years	> 5 years	Total
2019		$	$	$	$	$
Trade and other payables	1,030,906	-	-	-	-	1,030,906
	1,030,906	-	-	-	-	1,030,906
2018						
Trade and other payables	1,681,842	-	-	-	-	1,681,842
	1,681,842	-	-	-	-	1,681,842

NOTE 11 FINANCIAL INSTRUMENTS (CONTINUED)

Note 11C: Market Risk

i. Interest rate risk
Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Union's exposure to interest rate risk arises from its cash at bank, term deposits and floating rate instruments.

The financial instruments which expose the Union to interest rate risk are limited to its cash reserves.

ii. Foreign exchange risk
The Union is not exposed to fluctuations in foreign currencies.

iii. Price risk
The Union is exposed to equity securities price risk.

Note 11C: Market Risk (Continued)

Sensitivity Analysis

While the Union is exposed to changes in interest rates, due to the fact that any expected change in interest rates would have no significant impact on profit and loss or equity, no sensitivity analysis has been considered necessary.

No sensitivity analysis has been performed on foreign exchange risk, as the Union is not exposed to foreign currency fluctuations.

NOTE 12 FAIR VALUE MEASUREMENT

Fair Values

Fair value estimation

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

Fair value may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair values is extracted from the market, with more reliable information available from markets that are actively traded.

In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

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

NOTE 12 FAIR VALUE MEASUREMENT (CONTINUED)

The following table contains the carrying amounts and related fair values for the Union's financial assets and liabilities:

	Footnote	31 March 2019 Carrying value	31 March 2019 Fair value	31 March 2018 Carrying value	31 March 2018 Fair value
		$	$	$	$
Financial assets					
Cash and cash equivalents	(i)	9,668,803	9,668,803	6,560,505	6,560,505
Trade and other receivables	(i)	1,662,366	1,662,366	2,898,551	2,898,551
Financial assets	(i)	5,505,302	5,505,302	5,104,217	5,104,217
Total financial assets		16,836,471	16,836,471	14,563,273	14,563,273

	Footnote	31 March 2019 Carrying value	31 March 2019 Fair value	31 March 2018 Carrying value	31 March 2018 Fair value
		$	$	$	$
Financial liabilities					
Trade and other payables	(i)	1,030,906	1,030,906	1,681,842	1,681,842
Total financial liabilities		1,030,906	1,030,906	1,681,842	1,681,842

The fair values disclosed in the above table have been determined based on the following methodologies:

(i) Cash and cash equivalents, accounts receivable and other debtors and accounts payable and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is outside the scope of AASB 9.

NOTE 13 DISCLOSURE OF OFFICERS' REMUNERATION AND NON-CASH BENEFITS

Pursuant to Rule 24B of the Union's Rules and s. 293B of the *Fair Work (Registered Organisation) Amendment Act 2016*, the Divisional Executive make the following disclosures of Officer remuneration and non-cash benefits received for the 2019 financial year.

(a) the highest paid officers of the Union for the financial year, and their remuneration, were as follows:

	Michael Ravbar Divisional Branch Secretary	Royce Kupsch Divisional Branch President	Jade Ingham Assistant Divisional Branch Secretary	Andrew Sutherland Assistant Divisional Branch Secretary	Total
	$	$	$	$	$
Salary and allowance	177,012	182,219	163,964	-	523,195
Movement in annual and long service leave provisions	27,405	19,097	10,673	-	57,175
Superannuation	25,692	24,271	23,115	-	73,078
Redundancy	6,539	6,539	6,539	-	19,617
Other employee benefits	1,768	1,768	1,768	-	5,304
	238,416	233,894	206,059	-	678,369

The non-cash benefit provided to the officers of the Union are motor vehicles which are owned by the Union. The motor vehicles are primarily used for work related purposes but maybe used for personal use during non-working hours.

There were only three paid officers during the financial year. Andrew Sutherland resigned from his position on 16 October 2018. Andrew Sutherland was paid by CFMEU C&G National Office from 18 October 2017 as the Assistant Divisional Secretary of CFMEU C&G National Office.

(b) Superannuation has been received by the following officers of the Union from a board position attained because of their position with the Union:

Michael Ravbar	Divisional Branch Secretary	$5,601
Jade Ingham	Assistant Branch Secretary	$8,638

No other remuneration or non-cash benefits had been received by Officers of the Union from a board position attained because of their position with the Union.

In accordance with Rule 24D and s. 293G of the *Fair Work (Registered Organisation) Amendment Act 2016*, refer to Note 8 for payments made by the Union to related parties.

The Union has made no reportable payments to any related party or declared person or body of the Union in the year ended 31 March 2019.

NOTE 14 ADMINISTRATION OF FINANCIAL AFFAIRS BY A THIRD PARTY

There has been no administration of financial affairs by a third party.

NOTE 15 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 subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or 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).

NOTE 16 UNION DETAILS

The registered office of the Union is:

16 Campbell Street
Bowen Hills QLD 4006

NOTE 17 SEGMENT INFORMATION

The Union operates solely in one reporting segment, being the provision of industrial services in Queensland.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CONSTRUCTION, FORESTRY, MINING AND ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION AND GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

Opinion

We have audited the accompanying financial report of Construction, Forestry, Mining and Energy, Industrial Union of Employees, Queensland State Construction and General Division, Queensland Northern Territory Divisional Branch which comprises the Statement of Financial Position as at 31 March 2019, Statement of Comprehensive Income, Statement of Changes in Equity, and the Statement of Cash Flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, the subsection 255(2A) report and the Committee of Management Statement.

The audit report has been prepared based on the requirements of section 257(1) of the Fair Work (Registered Organisations) Act 2009.

In our opinion the financial report of the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division:

a) Australian Accounting Standards; and

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

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 are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

The Committee of Management are responsible for the other information. The other information obtained at the date of this auditor's report is in the Committee of Management Operating Report accompanying the financial report.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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PKF

Committee of Management's Responsibilities for the Financial Report

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

In preparing the financial report, the Committee of Management is responsible for assessing the Union's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Committee of Management either intends to liquidate the Union or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Union's financial reporting process.

Auditor's Responsibilities

Our responsibility is to express an opinion on the financial report based on our audit. 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, individual or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at http://www.auasb.gov.au/Home.apsx. This description forms part of our auditor's report.

Report on Other Regulatory Requirements

a) We have nothing to report with regards to reporting requirements under section 257(7) of the Fair Work (Registered Organisations) Act 2009.
b) The scope of our audit did extend to recovery of wages activity, however as noted in the Committee of Management Statement, no such activity was undertaken during the reporting period.
c) In our opinion, the Committee of Management's use of the going concern basis of accounting in the preparation of the financial report is appropriate.
d) I am an approved auditor as defined by Regulation 4 of the Fair Work (Registered Organisations) Regulations 2009 being a member of the Institute of Chartered Accountants in Australia & New Zealand who holds a current Public Practice Certificate.

PKF

PKF BRISBANE AUDIT

Shaun Lindemann
Partner

Dated this 27th day of May 2019
Brisbane
Registration number: AA2017/161

CONSTRUCTION, FORESTRY, MARITIME, MINING & ENERGY UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

DESIGNATED OFFICERS CERTIFICATE

FOR THE YEAR ENDED 31 MARCH 2019

I, Michael John Ravbar, being the Divisional Branch Secretary of the Construction, Forestry, Maritime, Mining & Energy Union Construction & General Division Queensland Northern Territory Divisional Branch certify:

- that the documents lodged herewith are copies of the full report for the Construction, Forestry, Maritime, Mining & Energy Union Construction & General Division Queensland Northern Territory Divisional Branch for the period ended 31 March 2019 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 29 May 2019; and

- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 24 June 2019 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009.*

....

Michael John Ravbar

Divisional Branch Secretary

24 June 2019

Brisbane

Australian Government
Registered Organisations Commission

3 April 2019

Michael Ravbar
Branch Secretary
Construction, Forestry, Maritime, Mining and Energy Union-Construction and General Division, Queensland Northern Territory Divisional Branch
Sent via email: queries@qld.cfmeu.asn.au

Dear Michael Ravbar,

Re: Lodgement of Financial Report - FR2019/10
***Fair Work (Registered Organisations) Act 2009* (the RO Act)**

The financial year of the Construction, Forestry, Maritime, Mining and Energy Union-Construction and General Division, Queensland Northern Territory Divisional Branch (the reporting unit) ended on 31 March 2019. This is a courtesy letter to remind you of the reporting unit's obligations regarding financial reporting.

Loans Grants and Donations Statement

The reporting unit is required to lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding $1,000 for the reporting unit during its financial year. Section 237 of the RO Act requires this statement to be lodged with the Registered Organisations Commission (the ROC) within 90 days of the end of the reporting unit's financial year, that is on or before 29 June 2019.

The attached fact sheet *Loans Grants and Donations* (FS 009) summarises the requirements of the Loans Grants and Donations Statement. A sample statement of loans, grants or donations is available on our website.

It should be noted that s.237 is a civil penalty provision. If a loan, grant or donation over $1000 has been made, failure to lodge a statement of loans, grants and donations (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to $105,000 for each contravention for a body corporate and up to $21,000 for each contravention for an individual) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

Financial report

The RO Act sets out a particular chronological order in which your financial report must be prepared, audited, provided to members, presented to a meeting and then lodged with the ROC. The attached document *Summary of Financial Reporting timelines* (FS 008) summarises these requirements.

We emphasise that the reporting unit is required to present its audited financial report to a meeting (either of members or of the committee of management, depending on your rules) no later than 30 September 2019 (s.266). The full financial report must be lodged with the ROC within 14 days of that meeting (s.268).

When assessing your financial report, we will continue to focus closely on timelines as well as how loans, grants and donations are reported. The financial report must break down the amounts of grants and donations and these figures will be compared to the loans, grants and donations statement (see attached *Loans Grants and Donations* fact sheet FS 009).

You can visit our website for more information regarding financial reporting, and fact sheets regarding financial reporting processes and requirements. A model set of financial statements developed by the ROC is also available on our website. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards.

It should be noted that s.268 of the RO Act is a civil penalty provision. Failure to lodge the full financial report (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to $105,000 for each contravention for a body corporate and up to $21,000 for each contravention for an individual) being imposed upon your organisation and/or an officer whose conduct led to the contravention (s.268).

Auditor's report

When assessing the financial report we will also focus on the structure and content of the auditor's report to ensure that it complies with the revisions made to the Auditing Standards which came into effect from 15 December 2016. Please find here a link to guidance note *Illustrative Auditor's Report* (GN 004) relating to these requirements (which can also be located on our website).

REMINDER

YOUR AUDITOR MUST BE REGISTERED (s.256)

You must ensure that your auditor is registered by the Registered Organisations Commissioner. A list of registered auditors is available on our website.

Contact

Should you require any clarification in relation to the above, please email regorgs@roc.gov.au.

Yours faithfully,

Kylie Ngo
Registered Organisations Commission

Australian Government
Registered Organisations Commission

Fact sheet

Summary of financial reporting timelines – s.253 financial reports

General Information:

- The ***full report*** consists of the General Purpose Financial Report, Committee of Management Statement, Operating report, s.255(2A) Report and signed Auditors' Report
- For an explanation of each of the steps below see our Fact sheet—financial reporting process.

STEP 1:
Reporting unit must prepare the General Purpose Financial Report, Committee of Management Statement, s.255(2A) Report and Operating Report as soon as practicable after the end of the financial year:

STEP 2:
Committee of Management statement – resolution to be passed by the Committee of Management in relation to the General Purpose Financial Report **(1st meeting)**

STEP 3:
Registered Auditor to prepare and sign the Auditor's Report and provide to the Reporting unit **within a reasonable timeframe**

IF **RULES** PROVIDE FOR PRESENTATION OF FULL REPORT **AT GENERAL MEETING OF MEMBERS**
(this is the default process in the RO Act)

STEP 4:
Provide ***full report*** to members **at least 21 days before the General Meeting**

STEP 5:
Present ***full report*** to a General Meeting of Members within 6 months of the reporting unit's end of financial year (2nd meeting)

STEP 6:
Prepare and sign the designated officer's certificate then lodge ***full report*** and the designated officer's certificate with the ROC within 14 days of the 2nd meeting

IF **RULES** PROVIDE FOR PRESENTATION OF FULL REPORT **AT COMMITTEE OF MANAGEMENT MEETING**
(Special rules must be in the rulebook to use this process)

STEP 4:
Provide ***full report*** to members **within 5 months of the reporting unit's end of financial year**

STEP 5:
Present ***full report*** to Committee of Management Meeting within 6 months of the reporting unit's end of financial year (2nd meeting)

STEP 6:
Prepare and sign the designated officer's certificate then lodge ***full report*** and the designated officer's certificate with the ROC **within 14 days of the 2nd meeting**

Misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Financial Reporting Process. They include:

Misconception	Requirement
✘ The Committee of Management statement is just copied from the Reporting Guidelines	✔ The Committee of Management statement must have the date of the Committee of Management resolution recorded upon it and it must be signed and dated BEFORE the auditor signs their report Further, if any of the statements within it need to be modified to suit the reporting unit (for instance not holding meetings) these changes must also be made
✘ The Auditor's Report does not need to be signed until just before it is lodged with the ROC	✔ The Auditor's Report must be signed and dated BEFORE the full report (including the Auditor's Report) is sent to members and presented to the second meeting
✘ The Designated Officer's Certificate must be signed before the report is sent to members	✔ The Designated Officer's Certificate declares what the reporting unit HAS ALREADY DONE to provide the report to members and present it to the meeting. It must be signed and dated AFTER sending the report to members and the second meeting
✘ Documents can be dated when they should have been signed or when the events in the document occurred	✔ Documents must always be dated at the date they are actually signed by an officer or auditor
✘ Any auditor can audit a financial report	✔ Only registered auditors can audit the financial report
✘ The Committee of Management statement can be signed at any time	✔ The resolution passing the Committee of Management Statement must occur and the statement signed and dated BEFORE the auditor's report is signed and dated
✘ Any reporting unit can present the Full Report to a second COM meeting	✔ Only reporting units with a 5% rule in their rulebook are able to present their report to a second Committee of Management Meeting. Otherwise, it must be presented to a General Meeting of members
✘ Everything can be done at one Committee of Management meeting	✔ If the rules allow for presenting the report to the Committee of Management, there must still be <u>two meetings</u>. The first meeting resolves the Committee of Management statement (including signing and dating it). Between the two meetings the Auditor's report is signed and dated. Only then can the full report be presented to the second Committee of Management meeting (if the rules allow)
✘ The reporting unit has 6 months and 14 days to lodge their financial report with the ROC	✔ The reporting unit must lodge the financial report within 14 days of the second meeting

FS 009
(14 December 2018)

Fact sheet

Loans, Grants & Donations

The Loans, Grants & Donations Requirements

The *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within **90 days** of the ending of the financial year.

Under the Commissioner's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.

The Loans, Grants & Donations Statement

Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceeds $1000. The following information must be supplied to the Registered Organisations Commission (the ROC) for each relevant loan, grant or donation:

- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,* and
- the arrangements for repaying the loan.*

*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the ROC has a Template Loans, Grants and Donations Statement on its website. The ROC encourages branches and organisations to lodge the statement even if all of the figures are NIL.

Common misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception		Requirement	
✘	Only reporting units must lodge the Statement.	✔	All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
✘	Employees can sign the Statement.	✔	The statement must be signed by an elected officer of the relevant branch.
✘	Statements can be lodged with the financial report.	✔	The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.

Grants & Donations within the Financial Report

Item 14(e) of the Commissioner's Reporting Guidelines requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were $1000 or less and those that exceeded $1000.

As such, the note in the financial report relating to grants and donations will have four lines.

In the ROC's Model Statements the note appears as follows:

Note 4E: Grants or donations*

Grants:	**2017**	2016
Total expensed that were $1,000 or less	**-**	-
Total expensed that exceeded $1,000	**-**	-
Donations:		
Total expensed that were $1,000 or less	**-**	-
Total expensed that exceeded $1,000	**-**	-
Total grants or donations	**-**	-

The Commissioner's Reporting Guidelines requires that these line items appear in the financial statements, the notes or in the officer's declaration statement, even if the figures are NIL.

Implications for filing the Financial Report

During their review of the financial report staff of the ROC may confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their last financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

> It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the website.

Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the ROC on regorgs@roc.gov.au