



30 July 2014

Mr Gary Wood  
District Secretary  
Construction, Forestry, Mining and Energy Union - Mining and Energy Western Australia District Branch  
Mineworkers Institute  
75 Throssell Street  
COLLIE WA 6225

Dear Mr Wood

**Construction Forestry Mining and Energy Union Mining and Energy Western Australia District Branch Financial Report for the year ended 31 December 2013 - [FR2013/429]**

I acknowledge receipt of the financial report of the Construction, Forestry, Mining and Energy Union - Mining and Energy Western Australia District Branch (CFMEU WA). The documents were lodged with the Fair Work Commission (FWC) on 26 June 2014. I also acknowledge the receipt of the Statement of Changes in Equity for the year ended 31 December 2013 on the 30 July 2014.

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 December 2014 may be subject to an advanced compliance review.

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

Reference to incorrect legislation

In the Committee of Management Statement reference is made to the *RAO Schedule* and *RAO Regulations*. Such references should now be the *Fair Work (Registered Organisations) Act 2009* and *Fair Work (Registered Organisations) Regulations 2009* and that reference to the 'Industrial Registrar' and also to a 'Registrar' should now be 'General Manager'.

Please ensure that the Committee of Management Statement is updated accordingly.

Certificate of Secretary or other Authorised Officer

In the Certificate of Secretary or other Authorised Officer, in relation to the date the full report was presented (dot point 3), in future years please clearly state that the meeting it was presented to was either a general meeting of members or a meeting of the committee of management.

### Revenue recognition

The Australian Accounting Standard *AASB 101 Presentation of Financial Statements* paragraph 117 and *AASB 118: Revenue* paragraph 35(a) requires that the entity must disclose the measurement basis or bases used in recognising revenue.

The accounting policy for fees members for CFMEU WA has not been disclosed.

### Related Parties

The report does not disclose any related party transactions. Related party transactions are required to be disclosed under Australian Accounting Standard *AASB124 Related Party Disclosures* paragraph 18.

While it is possible that the organisation did not, during the 2013 financial year, transact with related parties, this is rare for a branch. In future reports you may wish to include a specific entry within the notes stating this to prevent further inquiries.

### Key management personnel

Australian Accounting Standard *AASB 124 Related Party Disclosures* paragraph 17 requires the General Purpose Financial Report to disclose within the statements or the notes compensation paid to key management personnel.

This normally includes a listing of the key management personnel for the organisation, the total amount of compensation paid to all key management personnel, and then totals for each of the following categories:

- Short term employee benefits
- Post employment benefits
- Other long term employee benefits
- Termination benefits
- Any share based payments.

The definition for these categories can be found within accounting standard *AASB 119: Employee Benefits*.

### Disclosure of employee expenses to office holders and other employees

The Reporting Guidelines require reporting units to disclose in the statement of comprehensive income or in the notes to the financial statements employee expenses to holders of office (item 17(f)) and employee expenses to other employees (item 17(g)). Item 17(f) and 17(g) of the reporting guidelines also requires these expenses to be separately disclosed as follows:

- Wages and salaries;
- Superannuation;
- Leave and other entitlements;
- Separation and redundancies; and
- Other employee expenses.

I note that the statement of comprehensive income does not distinguish between employee expenses for office holders and other employees, nor does it separately disclose the employee expenses based on the categories indicated above.

In future years please ensure that employee expenses for office holders and other employees are disclosed correctly in accordance with the Reporting Guidelines.

### Disclosure of employee provisions to office holders and other employees

The Reporting Guidelines also require either the statement of financial position or the notes to disclose any liability for employee benefits in respect of office holders and other employees (items 21(c) and 21 (d)). Item 21(c) and 21(d) of the reporting guidelines also requires these provisions to be separately disclosed as follows:

- Annual leave;
- Long service leave;
- Separation and redundancies; and
- Other employee provisions.

The statement of financial position discloses this liability but does not distinguish between provisions for office holders and other employees, nor does it separately disclose the employee provisions based on the categories indicated above.

In future years please ensure that employee provisions for office holders and other employees are disclosed correctly in accordance with the Reporting Guidelines.

**Changes to the reporting guidelines and model financial statement**

A fourth edition of the General Manager's s.253 Reporting Guidelines was gazetted on 13 June 2014. These guidelines will apply to all financial reports that end on or after 30 June 2014. A model set of financial statements for the 2013-2014 financial year is also available on the FWC website. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards.

The Reporting Guidelines and Model Financial Statements are available on the website here: <https://www.fwc.gov.au/registered-organisations/compliance-governance/financial-reporting>

If you have any queries regarding this letter, please contact me on (03) 8661 7886 or via email at [joanne.fenwick@fwc.gov.au](mailto:joanne.fenwick@fwc.gov.au).

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Joanne Fenwick', with a long horizontal stroke extending to the right.

Joanne Fenwick  
Financial Reporting Specialist  
Regulatory Compliance Branch

**CFMEU Mining & Energy Division of WA**

**ABN 26 591 880 340**

**Statement of Changes in Equity**

	<b>Notes</b>	<b>Retained Profits</b>	<b>Total</b>
<b>Balance at 01/01/2012</b>		40,415	40,415
Subtotal		40,415	40,415
<b>Balance at 31/12/2012</b>		107,944	107,944
Profit attributable to the members		121,234	121,234
Subtotal		229,178	229,178
<b>Balance at 31/12/2013</b>		229,178	229,178

**CFMEU MINING & ENERGY DIVISION**  
**WA DISTRICT BRANCH**

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25 June 2014

Deputy Industrial Registrar  
Fair Work Australia  
Level 8 Terrace Towers  
80 William Street  
**EAST SYDNEY NSW 2011**

Dear Sir

**RE: FINANCIAL RETURN – YEAR ENDING 31 DECEMBER 2013**

Please find attached copies of the Financial statements of the Construction Forestry Mining & Energy Union Mining & Energy Division Western Australian District Branch for the year ending 31 December 2013.

Yours sincerely

A handwritten signature in blue ink, appearing to read "G. Wood".

**GARY WOOD**  
**SECRETARY**

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Mineworkers Institute, 75 Throssell Street, COLLIE WA 6225

t: (08) 97345600 | f: (08) 97341898 | e: cfmeumwa@highway1.com.au

**CFMEU Mining & Energy Division of WA**

**ABN 26 591 880 340**

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

**Hodgins Associates**

**Chartered Accountants**

**Unit 6b / 29 Bonnefoi Boulevard**

**BUNBURY 6230**

**Phone: 97213188 Fax: 97217051**

**Email: [hodginsassociates@iinet.net.au](mailto:hodginsassociates@iinet.net.au)**

**CFMEU Mining & Energy Division of WA**  
**ABN 26 591 880 340**

**Contents**

**Independent Auditor's Report**

**Committee of Management Statement**

**Certificate of Secretary or Other Authorised Officer**

**Operating Report**

**Income and Expenditure Statement**

**Detailed Statement of Financial Position**

**Cash Flow Statement**

**Depreciation Schedule**

**Notes to the Financial Statements**

**CFMEU Mining & Energy Division of WA**  
**Independent Auditor's Report to the Members**

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## **Report on the Financial Report**

We have audited the accompanying financial report of CFMEU Mining & Energy Division, a general purpose financial report prepared under Section 253 of the Fair Work (Registered Organisation) Act 2009 or its predecessor, Schedule 1 of the Workplace Relations Act 1996 (the Commonwealth Acts), which comprises the Statement by Members of the Committee, the Statement of Comprehensive Income, the Statement of Financial Position, Statement of Cash Flows, Statement of Changes In Equity, a summary of significant accounting policies and other explanatory notes for the financial year ended 31 December 2013..

## **Committee's Responsibility for the Financial Report**

The Committee of the union is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the , and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, management also states in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the financial report complies with International Financial Reporting Standards.

## **Auditor's Responsibility**

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

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

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

## **Independence**

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

## **Auditor's Declaration**

I declare that:

- (i) I am an approved auditor ;
  - (ii) I am a member of the Institute of Chartered Accountants in Australia and ;
  - (iii) I currently hold a Public Practice Certificate.
- )



**CFMEU Mining & Energy Division of WA**  
**Independent Auditor's Report to the Members**

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**Auditor's Opinion**

In our opinion:

- (i) The general purpose financial report as required by section 253 of the Fair Work (Registered Organisations) Act 2009 or its predecessor, Schedule 1 of the Workplace Relations Act 1996 (the Commonwealth acts) is presented fairly in accordance with the requirements of this 'Part', i.e. Part 3 of Chapter 8 of the Commonwealth Acts and fairly presents the financial position of CFMEU Mining & Energy Division at 31 December 2013, and its performance and its cash flows for the year ended in accordance with the Australian Accounting Standards. In our opinion management's use of the going concern basis of accounting in the preparation of the reporting units financial statements is appropriate and;
- (ii) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Signed on : 30 May, 2014

*P. Hodgins* -

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Peter Hodgins, Chartered Accountant  
Hodgins Associates  
9 / 45-47 Marlston Dve, Bunbury WA 6230

## **CFMEU – MINING & ENERGY DIVISION OF WA**

### **COMMITTEE OF MANAGEMENT STATEMENT**

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On 29 May 2014 the Committee of Management of CFMEU – Mining & Energy Division of WA passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended December 31 2013.

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 Industrial Registrar;
- c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- e) during the financial year to which the GPFR relates and since the end of that year;
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned ; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
  - (iv) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
  - (v) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: Greg Busson

Title of Office held: President

Signature:

Date: 29 May 2014

**CFMEU – MINING & ENERGY DIVISION OF WA  
FINANCIAL REPORTS FOR YEAR ENDED 31 DECEMBER 2013**

**Certificate of Secretary or other Authorised Officer**

I, Gary Norman Wood being the Secretary of the CFMEU – Mining & Energy Division of WA certify:

- that the documents lodge herewith are copies of the full report, referred to in S268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members on 30 May 2014; and
- that the full report was presented to a meeting on 23 June 2014 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature:



Date: 25 June 2014

**CFMEU – MINING & ENERGY DIVISION OF WA**  
**FINANCIAL REPORTS FOR YEAR ENDED 31 DECEMBER 2013**

**OPERATING REPORT**

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The board of management present their report, together with the financial statements of the reporting entity for the financial year ended 31 December 2013.

**1. General Information**

Information on Committee of Management

Information on each person who has been on the Committee of Management during the year and to the date of this report are:

<u>Name</u>	<u>Position</u>	<u>Period of Appointment</u>
Gary Wood	District Secretary	1 January 2013 to 31 December 2013
Greg Busson	District President	1 January 2013 to 31 December 2013
Leon Strojek	District Vice President	1 January 2013 to 31 December 2013
Vic Arriagada	District Vice President	1 January 2013 to 31 December 2013
Dennis Jones	District Vice President	1 January 2013 to 31 December 2013
Steven Harms	Board of Management	1 January 2013 to 31 December 2013
Chris Davidson	Board of Management	1 January 2013 to 31 December 2013

Principal Activities

The principal activities of the Union during the financial year were;

- Adherence to the rules of the District in furtherance of the objects of the Union consistent with the industrial relations legislation.
- Implementation of the decisions of the District Executive and Committee of Management.
- Implementation of the Union's organising agenda, including assistance and advice on organising site projects, the training and development of officials and planning and resourcing campaigns.
- Industrial support including assistance with legal and legislative matters.
- The administration and variation of federal and state awards.
- Negotiation and registration of certified industrial instruments on behalf of members consistent with the objects of the Workplace Relations Act and the Union rules.
- Media and other communication to members and the broader local communities of the District on issues affecting the rank and file.
- Monitoring and improving the health and safety of members.

No significant change occurred in these activities during the year.

The Committee of Management are pleased to report that generally they have been successful in achieving the objectives of the entity.

### Operating Results

The entity made a profit of \$121,234 (2012 \$67,529) for the financial year.

## **2. Other Items**

### Significant Changes In State of Affairs

There have been no significant changes in the state of affairs of the entity during the year.

### Events after the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operation or the state of affairs of the entity in future financial years.

### Right of Members to Resign

All members of the Union have the right to resign in accordance with Rule 5 (iv) (a) of the Union Rules [and section 174 of the Fair Work (Registered Organisations) Act 2009], namely, by providing written notice addressed and delivered to a Lodge Secretary or authorised delegate.

### Superannuation Trustees

Gary Wood, Secretary of the Union is a trustee and member of the Coal Industry Superannuation Board of WA.

No other officer or member of the Union acts:

- i) as a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- ii) as a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.


### Number of Members

There were 1,369 members of the Union as at 31 December 2013 (2012: 1,346)

### Number of Employees

As at 31 December 2013 the Union had 2 employees (2012: 2)

**Signed in accordance with a resolution of the Committee of Management:**



**Greg Busson**  
**District President**  
Dated: 29 May 2014  
Collie WA

**CFMEU Mining & Energy Division of WA****ABN 26 591 880 340****Income and Expenditure Statement****For the year ended 31 December 2013**

	2013	2012
	\$	\$
<b>Income</b>		
Fees members	855,124	812,750
Reimbursements	17,859	1,375
Interest received	177	12
Profit/ (loss) sales merchandise	(1,705)	(7,176)
Total income	<u>871,457</u>	<u>806,961</u>
<b>Expenses</b>		
Accountancy	1,500	1,458
Audit fees	2,610	2,482
Affiliation fees - CFMEU National	368,660	320,899
Affiliation fees - Other	6,089	7,208
Advertising and promotion	83	1,568
Bank fees and charges	5,081	4,803
Computer costs	1,520	1,560
Depreciation	6,902	8,924
Donations	25,100	17,980
Expenses Executive	1,528	2,164
Expenses Delegates	50	14,220
Fines	640	
Freight & Cartage	101	150
General expenses	1,200	15,619
Hire/rent of Plant & Equipment	8,581	7,248
Holiday pay provision	(3,040)	2,716
Insurance	11,548	11,106
Interest	382	599
Legal fees	14,619	38,850
Long service leave provision	4,540	5,593
Meeting costs	6,035	4,650
Motor vehicle expenses	14,854	13,765
Publications & subscriptions	626	1,327
Postage, Printing, & Stationery	5,778	8,378
Rent on land & buildings	10,400	13,713
Repairs & maintenance	90	

The accompanying notes form part of these financial statements.

**CFMEU Mining & Energy Division of WA**

**ABN 26 591 880 340**

**Income and Expenditure Statement**

**For the year ended 31 December 2013**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Salaries & wages staff	204,609	187,883
Superannuation	18,007	16,030
Telephone	7,315	8,688
Travel and accomodation	24,815	19,852
Total expenses	<u>750,223</u>	<u>739,432</u>
<b>Profit from ordinary activities</b>	<b><u>121,234</u></b>	<b><u>67,529</u></b>

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The accompanying notes form part of these financial statements.

**CFMEU Mining & Energy Division of WA**

ABN 26 591 880 340

**Detailed Statement of Financial Position as at 31 December 2013**

	2013	2012
	\$	\$
<b>Current Assets</b>		
<b>Cash Assets</b>		
Cash at bank	250,748	123,182
Leave account	101,786	71,769
Cash on hand	279	279
Commonwealth Bank Mastercard	4,000	4,000
	<u>356,813</u>	<u>199,229</u>
<b>Receivables</b>		
Amounts receivable	154,801	149,792
	<u>154,801</u>	<u>149,792</u>
<b>Other</b>		
Stock on hand	2,148	3,580
	<u>2,148</u>	<u>3,580</u>
<b>Total Current Assets</b>	<u><b>513,761</b></u>	<u><b>352,601</b></u>
<b>Non-Current Assets</b>		
<b>Property, Plant and Equipment</b>		
Plant & equipment - at cost	44,773	39,916
Less: Accumulated depreciation	(35,993)	(34,856)
Motor vehicles - at cost	35,488	35,488
Less: Accumulated depreciation	(18,192)	(12,427)
	<u>26,075</u>	<u>28,120</u>
<b>Total Non-Current Assets</b>	<u><b>26,075</b></u>	<u><b>28,120</b></u>
<b>Total Assets</b>	<u><b>539,837</b></u>	<u><b>380,722</b></u>

The accompanying notes form part of these financial statements.



**CFMEU Mining & Energy Division of WA**  
**ABN 26 591 880 340**

**Detailed Statement of Financial Position as at 31 December 2013**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<b>Current Liabilities</b>		
<b>Payables</b>		
<b>Unsecured:</b>		
Amounts payable	101,082	67,275
	<u>101,082</u>	<u>67,275</u>
<b>Current Tax Liabilities</b>		
GST payable control account	48,280	36,994
Input tax credit control account	(26,634)	(17,517)
Amounts withheld from salary and wages	4,078	3,672
	<u>25,724</u>	<u>23,150</u>
<b>Provisions</b>		
Provision for Employee Entitlements	144,712	143,212
	<u>144,712</u>	<u>143,212</u>
<b>Total Current Liabilities</b>	<u>271,518</u>	<u>233,636</u>
<b>Total Liabilities</b>	<u>271,518</u>	<u>233,636</u>
<b>Net Assets</b>	<u>268,319</u>	<u>147,085</u>
<b>Members' Funds</b>		
Accumulated funds	268,319	147,085
<b>Total Members' Funds</b>	<u>268,319</u>	<u>147,085</u>

The accompanying notes form part of these financial statements.

**CFMEU Mining & Energy Division of WA**

**ABN 26 591 880 340**

**Cash Flow Statement**

**For the year ended 31 December 2013**

	2013	2012
	\$	\$
<b>Cash Flow From Operating Activities</b>		
Receipts from customers	866,270	775,023
Payments to Suppliers and employees	(705,058)	(742,603)
Interest received	177	12
Interest and other costs of finance	(382)	(599)
Net cash provided by (used in) operating activities (note 2)	<u>161,008</u>	<u>31,833</u>
Net increase (decrease) in cash held	161,008	31,833
Cash at the beginning of the year	<u>199,229</u>	<u>161,646</u>
Cash at the end of the year (note 1)	<u><u>356,813</u></u>	<u><u>199,229</u></u>

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The accompanying notes form part of these financial statements.

**CFMEU Mining & Energy Division of WA**

**ABN 26 591 880 340**

**Cash Flow Statement**

**For the year ended 31 December 2013**

**2013**

**2012**

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**Note 1. Reconciliation Of Cash**

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash at bank	250,748	123,182
Leave account	101,786	71,769
Cash on hand	279	279
Commonwealth Bank Mastercard	4,000	4,000
	<u>356,813</u>	<u>199,229</u>

**Report is out of balance by :-**

Cash at the end of the year per Cash Flow Statement	356,813	199,229
Closing balances of Cash (bank) accounts	<u>356,813</u>	<u>199,229</u>

**CFMEU Mining & Energy Division of WA**

**ABN 26 591 880 340**

**Cash Flow Statement**

**For the year ended 31 December 2013**

**2013**

**2012**

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**Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Profit**

Operating profit (loss) after tax	121,234	67,529
Depreciation	6,902	8,924
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	(5,009)	(31,926)
Increase (decrease) in trade creditors and accruals	33,807	(29,144)
Increase (decrease) in employee entitlements	1,500	8,339
Increase (decrease) in sundry provisions	2,574	8,111
<b>Net cash provided by operating activities</b>	<b>161,008</b>	<b>31,833</b>

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The accompanying notes form part of these financial statements.





# CFMEU Mining & Energy Division of WA

ABN 26 591 880 340

## Notes to the Financial Statements

For the year ended 31 December 2013

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The financial report covers the CFMEU Mining & Energy Division of WA ("the Union") as an individual accounting reporting unit. The CFMEU Mining & Energy Division of WA is a not-for-profit Union, which is an organisation of employees registered under the Fair Work (Registered Organisation) Act 2009 ("the RO Act"). In accordance with the RO Act, the Union is a separate accounting reporting unit with perpetual succession, and accordingly, by virtue of this method of incorporation, the Union is not subject to the Corporations Act 2001.

### **Note 1: Summary of Significant Accounting Policies**

The financial statements are a general purpose financial statements that has been prepared in accordance with applicable Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the Fair Work (Registered Organisation) Act 2009.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

#### **(a) Property, Plant and Equipment (PPE)**

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

#### **(b) Impairment of Assets**

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

#### **(c) Employee Benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

#### **(d) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

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# CFMEU Mining & Energy Division of WA

ABN 26 591 880 340

## Notes to the Financial Statements

For the year ended 31 December 2013

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### **(e) Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

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

### **(f) Goods and Services Tax (GST)**

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

### **(g) Trade and Other Payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

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